

**The  
Orlando  
Housing  
Authority**



**FY2021  
MOVING TO WORK  
ANNUAL REPORT**

Orlando Housing Authority  
Executive Office  
April 1, 2020 through March 31, 2021





















































































# SECTION VII

## APPENDIX



## SECTION VII: APPENDIX

### Local Asset Management Plan

As part of the Orlando Housing Authority's Amended and Restated Moving to Work Agreement, effective January 7, 2011, the OHA has designed and implemented its Local Asset Management Program. The OHA is going to continue to implement its local asset management program for its Public Housing Program and describe such program in its Annual MTW Plan. The term "Public Housing Program" means the operation of properties owned or subsidized by the Agency that are required by the U.S. Housing Act of 1937. The Agency's local asset management program includes a description of how it is implementing project-based property management, budgeting, accounting, and financial management and any deviations from HUD's asset management requirements. The OHA describes its cost accounting plan (cost allocation plan) as part of its local asset management program.

The OHA maintains a project-based management approach which includes both the OHA-managed properties and its privately managed properties, under the Public Housing Program. Project-level budgeting and accounting is maintained for each of these Public Housing properties. In addition, mixed-finance rental community that contains Agency-assisted units under the Public Housing Program are owned, managed, and operated by third party partnerships.

The OHA has developed its program to ensure that accounting and financial reporting methods comply with 2 CFR Part 200, Subpart E regarding cost allocations, 2 CFR Part 200, Subpart F regarding audit requirements, and generally accepted accounting practices (GAAP).

OHA's Public Housing Program's local asset management plan applies the following principles related to program costs:

- Costs incurred are deemed reasonable and consistent with the amended Moving to Work Agreement.
  - Costs shall be accorded consistent treatment.
  - Costs shall be determined in accordance with GAAP.
  - Costs are adequately documented.
  - OHA will report results according to HUD MTW guidelines.
- 1) Budgeting and accounting – Operating budgets are developed and maintained annually at the property level. The groupings of like properties in a geographic location are called Asset Management Properties (AMPs). The related accounting activities are maintained at that level as well.
  - 2) Financial management - Financial reporting and analysis is performed and monitored on a monthly basis, at the property level. Financial reporting requirements are in accordance with the amended Moving to Work Agreement as well as 2 CFR Part 200, Subpart E.
  - 3) Cost Allocation Approach  
The OHA's Amended and Restated Moving to Work Agreement identifies either a "cost allocation" or "fee-for-service" option. The OHA utilizes the cost allocation method. The OHA is in keeping with 24 CFR 990 and uses property level management, accounting, and budgeting and has established a Central Office Cost Center (COCC). The costs of the COCC are allocated not only to Public Housing, but to the other programs managed by the OHA.

All direct and indirect costs are charged to the AMPs in accordance with 2 CFR Part 200, Subpart E. A cost may be direct with respect to some specific service or function, but indirect with respect to the final cost objective. Direct costs associated with project activities are allocated to the specific properties receiving the benefit of the expenditure. Direct and indirect costs associated with the COCC are allocated on a reasonable basis and, if allocated to public housing properties, are substantially done using a project unit distribution basis.

The OHA has developed this program to ensure that accounting and financial reporting methods comply with 2 CFR Part 200, Subpart E regarding cost allocations, 2 CFR Part 200, Subpart F regarding audit requirements, and generally accepted accounting practices (GAAP).

### **COST ALLOCATION PLAN**

Under the MTW Agreement, the cost accounting options available to the Agency include either a “cost allocation” or “fee-for-service” methodology. The OHA approached its cost allocation plan with consideration to the entire operation of the Agency including the MTW Program. This cost allocation plan addresses the larger the OHA operation as well as the specific information related to the MTW Program.

### **DIFFERENCE**

The OHA has the ability to define direct costs differently than the standard definitions published in HUD’s Financial Management Guidebook pertaining to the implementation of 24 CFR Part 990.

The OHA determined to implement a cost allocation system that allocates COCC costs to all agency-wide programs. HUD’s Asset Management System focuses primarily on allocating costs to the Asset Management Properties (AMPs) and necessarily to other programs. This Cost Allocation Plan addresses the entire OHA operation.