



Special Attention of:

Public Housing Agencies
Public Housing Hub Directors
Public Housing Program Center Directors
Regional and Field Office Directors
Resident Management Corporations

Notice PIH 2024-23

Issued: July 19, 2024

Expires: This notice remains in effect until
amended, superseded, or rescinded

**Subject: Extending the 2024 Shortfall budget deadlines for Public Housing Agency
Recipients of 2022 and 2023 Public Housing Shortfall Grants****1. Purpose**

This Notice amends Notices PIH-2022-17 and PIH-2023-18 and changes the Shortfall Budget Submission deadline for Public Housing Agencies (PHAs) that received 2022 or 2023 Public Housing Shortfall Grants.

2. Background

All 2022 and 2023 Shortfall grant recipients are required to submit budgets annually via the Public Housing Portal. In 2024, the Public Housing Portal was not available in time for PHAs with Fiscal Year Ends (FYE) of December 31st, March 31st, and June 30th to make timely budget submissions, which would have been due January 1, 2024, April 1, 2024, and July 1, 2024, respectively. As a result, the 2024 budget submission due dates for PHAs with a December 31st, March 31st or June 30th FYEs is extended to August 1, 2024.

3. Applicability

This notice applies to PHAs that received 2022 Shortfall Grants or 2023 Shortfall Grants and had 2024 Shortfall Budget due dates of January 1, 2024, April 1, 2024, or July 1, 2024.

4. Changes and Additions to this Notice***Section 13 of Notice PIH-2022-17 is replaced with the below***

Participation in the Shortfall program requires PHAs to periodically submit budgets to HUD. HUD requires this information to track and measure the effectiveness of the PHA in improving their financial condition. The budget will be a condensed, pro-forma version of the Financial Data Schedule (FDS) Income Statement. Budget and Actuals must be submitted for each Public Housing project reported in the FDS. The PHA will update this document multiples times during the year with budget and actuals. Budgeted information must be provided for the current FYE. All Shortfall Budgets must be submitted through the Public Housing Portal, selecting “Shortfall Budget” under “Shortfall Submissions” on the “PHA Reports & Submissions” page.

The initial budget will be due no later than six months following the date of the award. Subsequent annual budgets will be due on the first day of the PHA's Fiscal Year. Actuals will be reported by PHAs twice during the fiscal year. First-half (1H) actuals will be due 30 days following the end of the PHA's fiscal year mid-point. This will normally be six months after the start of the fiscal year. HUD recognizes that some PHAs use cash-based or modified accrual accounting throughout most of the fiscal year and make adjusting-entries at year-end to convert to full, GAAP-compliant accrual accounting. For Shortfall, PHAs can report their 1H actuals using their normal accounting practices and do not need to make adjusting-entries. Year-end (YE) actuals will be due 60 days after the PHA's fiscal year end. The YE actuals, which will be reported on a cumulative basis, must include any appropriate accounting adjustments to reconcile back to the accounting treatment the PHA used when reporting to FASS-REAC. The YE column must match the unaudited FDS submission for the same FYE. PHAs will have the flexibility to make corrections to their 1H actuals prior to their final submission.

In 2024, the Shortfall Budget Module in the Public Housing Portal was not available in time for PHAs with FYEs of December 31st, March 31st, and June 30th to make timely budget submissions, which would have been due January 1, 2024, April 1, 2024, and July 1, 2024, respectively. As a result, the 2024 budget submission due dates for PHAs with a December 31st, March 31st or June 30th FYEs is extended to August 1, 2024. The first half actuals for PHAs with December 31st FYEs will be due November 1, 2024.

Failure by the PHA to meet timely updates and submissions of budgets may result in suspension or recapture of their Shortfall award, or ineligibility for the receipt of future Shortfall awards.

Section 14 of Notice PIH-2023-18 is replaced with the below

Participation in the Shortfall program requires PHAs to periodically submit budgets to HUD. If a PHA has more than one active Shortfall grant from different fiscal years, it is only required to submit one budget for all applicable years. HUD requires this information to track and measure the PHA's financial condition. The PHA will update this document during the year with budget revisions and actuals. Budgeted information must be provided for the current FY. All Shortfall Budgets must be submitted through the Public Housing Portal.

Timelines

- The initial budget will be due the first day of the PHA Fiscal Year after the deadline for the submission of the Shortfall improvement Plan.
- Subsequent annual budgets will be due on the first day of the PHA's Fiscal Year thereafter.
- Actuals will be reported by PHAs twice during the fiscal year.
- First-half (1H) actuals will be due 30 days following the end of the PHA's fiscal year midpoint. Typically, this is 6 months after the start of the fiscal year.
- Year-end (YE) actuals will be due 60 days after the PHA's fiscal year end.
- If a PHA has more than one active Shortfall application from different grant years, it only needs to submit a single budget for all years. For example, if a PHA receives a 2023 Shortfall

grant and has an open 2022 Shortfall grant, it only needs to submit one budget application via the Public Housing portal.

The Public Housing Regional Director or their designee must approve PHA budgets no later than 30 days after the submission deadlines outlined above.

HUD recognizes that some PHAs use cash-based or modified accrual accounting throughout most of the fiscal year and make adjusting-entries at year-end to convert to full, GAAP compliant accrual accounting. PHAs can report their 1H actuals using their normal accounting practices and do not need to make adjusting entries. PHAs will have the flexibility to make corrections to their 1H actuals prior to their final submissions. YE Actuals must include accounting adjustments the PHA used when reporting to FASS-REAC. The YE column must match the unaudited FDS submission for the same FY.

In 2024, the Shortfall Budget Module in the Public Housing Portal was not available in time for PHAs with FYEs of March 31st and June 30th to make timely budget submissions, which would have been due April 1, 2024, and July 1, 2024, respectively. As a result, the due dates for PHAs with a March 31st or June 30th FYEs is extended to August 1, 2024.

A PHA's failure to make timely updates and submissions of budgets may result in suspension or recapture of its Shortfall award, or ineligibility for the receipt of future Shortfall awards.

5. Further Information

For additional information or assistance regarding this matter, please contact your Field Office representative.



Richard J. Monocchio
Principal Deputy Assistant Secretary
Public and Indian Housing