

PHA User Guide

CY 2011 PHA HUD-52723 Excel Tool

Operating Fund: Calculation of Operating Subsidy



U.S. Department of Housing and Urban Development

Office of Public and Indian Housing – Real Estate Assessment Center (PIH-REAC)

Financial Management Division

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1. Introduction

The purpose of the ‘PHA User Guide – CY 2011 PHA HUD-52723 Excel Tool’ is to provide guidance and assistance in completing the Calendar Year (CY) 2011 PHA HUD-52723 Excel Tool (hereafter referred to as the “Excel Tool”) to arrive at the final operating subsidy eligibility for a project.

Public Housing Agencies (PHAs) may refer to Notice PIH 2011-16 for further instructions on operating subsidy calculation submissions in Calendar Year (CY) 2011.

The following data are pre-populated in the Excel Tool:

- PHA Identifier: Name and address of PHA; ACC Number; DUNS Number & ROFO Code
- Type of Submission, and Fiscal Year End.
- ACC Units on 7/1/2009 (Section 2)
- Unit Months categories (Section 2)
- PUM Project Expense Level (PEL – Line A1)
- PEL Inflation Factor (Line A2)
- PUM Formula Income (Line B1)
- PUM Transition Funding (Line C2)

As mentioned above, for Calendar Year (CY) 2011 subsidy processing, Section-2 (Unit Status Categories) is pre-populated with ACC Units and Unit Months Data. In order to determine which unit months to pre-populate, the 2010 HUD-52723 unit months and PIC unit months are compared side by side. For the most part they should be similar. In cases where the variance between the two data sets exceeds 3% the 2010-HUD-52723 unit months are pre-populated. If there is a variance of more than 3% between the PIC data Total Unit Months and the reported Section 2 Line 15, Total Unit Months, Column A, then a comment is needed. For further explanation refer to the links below:

<http://portal.hud.gov/huddoc/datadumpmemo-hud52723.pdf>

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/am/of/opfnd2011

Two checkboxes have been incorporated in the tool as shown in Figure 1, to indicate ‘First of the Month’ or ‘Last of the Month’ units. Currently, ‘First of the Month’ is checked as default. The user may change it to ‘Last of Month’ and enter appropriate data.

Figure 1: Checkboxes for ‘1st of Month’ and ‘Last of Month’

Section 2						
Calculation of ACC Units for 12-month period from July 1 to June 30 that is prior to the first day of the Funding Period:						
		ACC Units on 7/1/2009	Units Added to ACC (+)	Units Deleted from ACC (-)	ACC Units on 6/30/2010 (=)	
Requested by PHA		73			73	
HUD Modifications						
Line No.	Category	Column A Unit Months		Column B Eligible Unit Months (EUMs)		Column C Resident Participation Unit Months
		Req'd by PHA	HUD Mod.	Req'd by PHA	HUD Mod.	Req'd by PHA
Categorization of Unit Months:						
				<input checked="" type="checkbox"/> First of Month		
				<input type="checkbox"/> Last of Month		
Occupied Unit Months						
01	Occupied dwelling units -- by public housing eligible family under lease	775		775		775

The following data fields are locked:

- Operating Fund Project Number
- Costs attributable to changes in federal law, regulation, or economy (Line A15)
- PUM Change in Utility Allowances (Line B2)
- Other (Line C3)

Data entry for Self-Sufficiency (Line A7) is available only to PHAs included in the EDSC list (posted on the web). Warnings and error messages flash whenever inappropriate data is entered in the data entry fields.

Note: PHAs **must submit** forms SF-424 and both HUD-52723 Operating Subsidy and companion HUD-52722 Utility Expense forms for each project in the same email. This is to insure that the both forms are simultaneously available for HUD Field Office review.

2. Obtaining the Excel Version of HUD-52723

Financial Management Division (FMD) made the Excel Tools available to all PHAs on the Asset Management website at the following link:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/am/of/opfnd2011

All Excel forms are in the Excel 2007 format and should be completed and returned in the same format. Any PHA that does not have Microsoft Excel 2007 installed on their machine and is working off an Older version of Microsoft Office i.e. MS Office 2003, a 60 day trial version of Microsoft Office 2010 may be downloaded from the following link:

http://www.microsoft.com/business/en-us/products/office2010/default.aspx?=&CR_CC&WT.srch=1&WT.srch=1&CR_SCC=200000271&fbid=H5gbXVwxnrB

PHAs having difficulty in downloading the forms should contact their local HUD field office immediately.

Given below are the steps to be followed for saving the required file:

1. The Excel Tools will be posted at State level as shown in Figure 2:

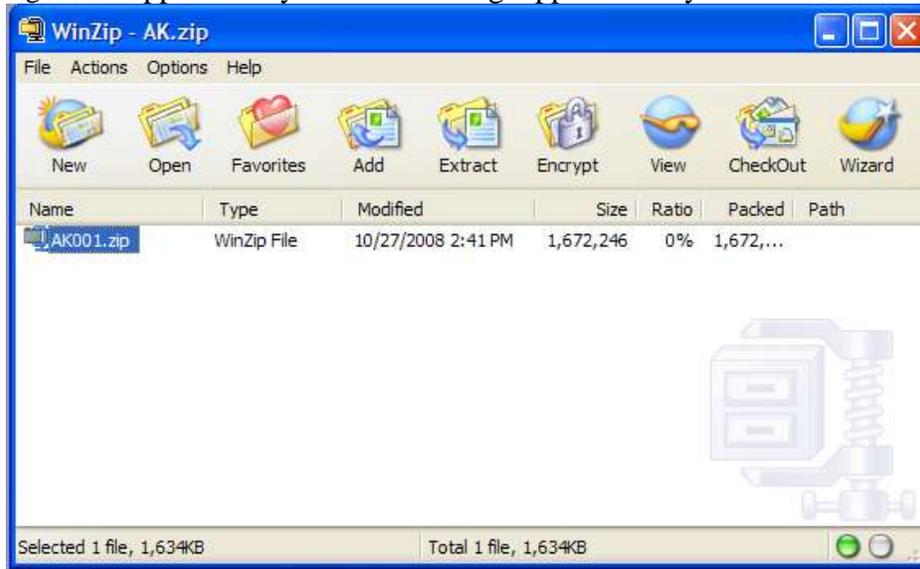
Figure 2: Excel Tools posted at State level

State/Territory	Interim
Alaska	AK
Alabama	AL
Arkansas	AR

Create a folder 'HUD-52723 Excel Tool' on your desktop or any other safe location.

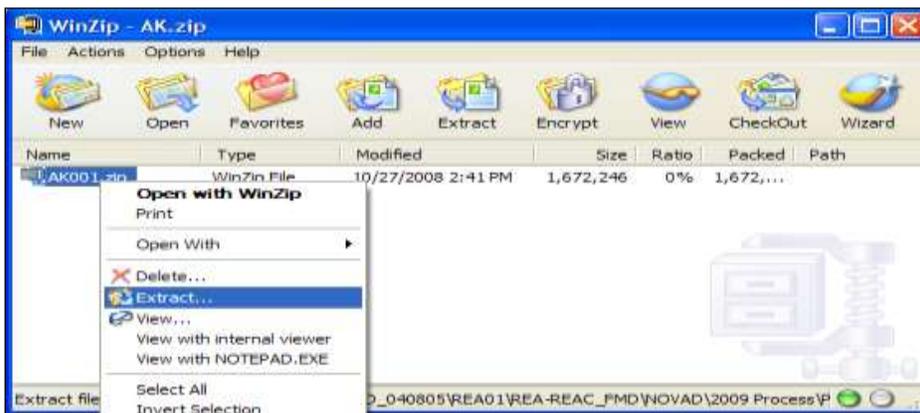
- Click on the required state link. This will open a zipped file by State e.g. AK.zip. Double click this zipped file. It contains zipped file(s) using the naming convention of the 5-digit PHA code followed by a .zip extension e.g. AK001.zip as shown in Figure 3. The number of Excel files corresponds with the number of PHAs in that State.

Figure 3: Zipped file by state containing zipped files by PHA



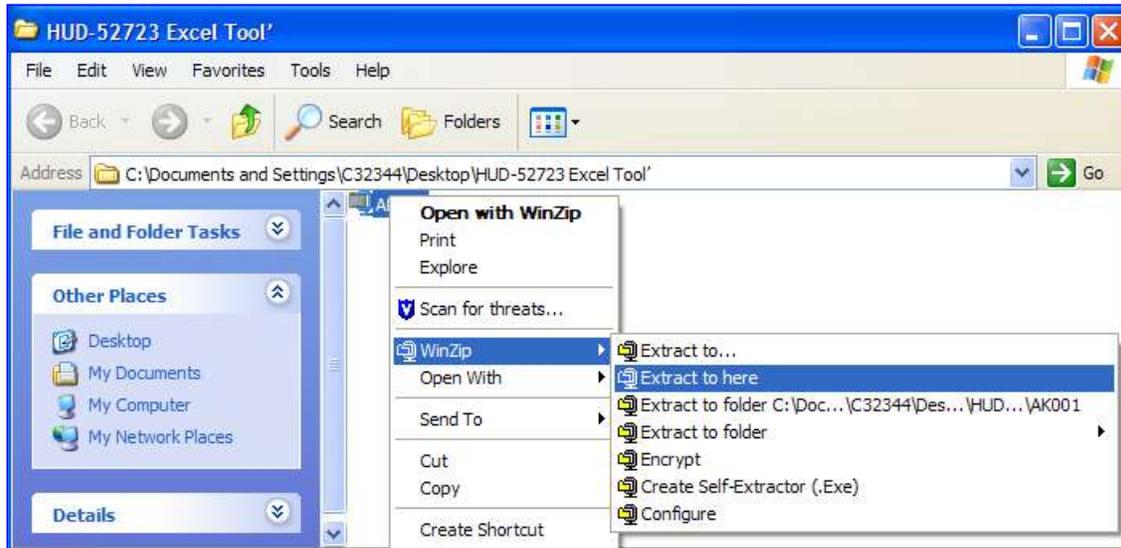
- Right Click on your PHAs zipped file, choose the 'Extract' option and extract it to the folder created as per Step-1 as shown in Figure 4.

Figure 4: Extracting project level files from the files zipped by PHA-Part 1



- Right click on the extracted zipped file and select the option 'Extract Here' as shown in Figure 5. This zipped file will contain Excel File(s) with the naming convention of PHA's operating fund project number, an 11-digit alpha numeric code e.g. AK001000213.xls. The number of Excel files corresponds with the number of PHA projects eligible for funding. All the extracted files from the zipped folder will be visible in this folder i.e. 'HUD-52723 Excel Tool'

Figure 5: Extracting project level files from the files zipped by PHA-Part-2

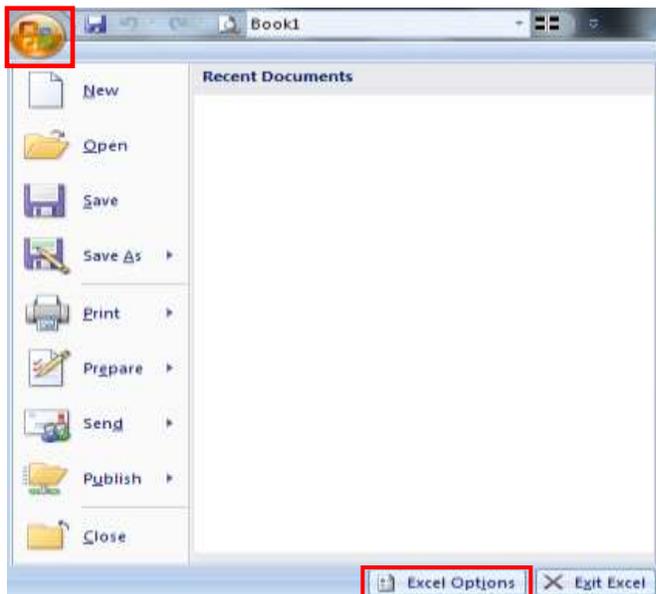


Note: All Excel forms are in the Excel 2007 format. Return all completed forms in the same format.

3. Opening and Saving the File

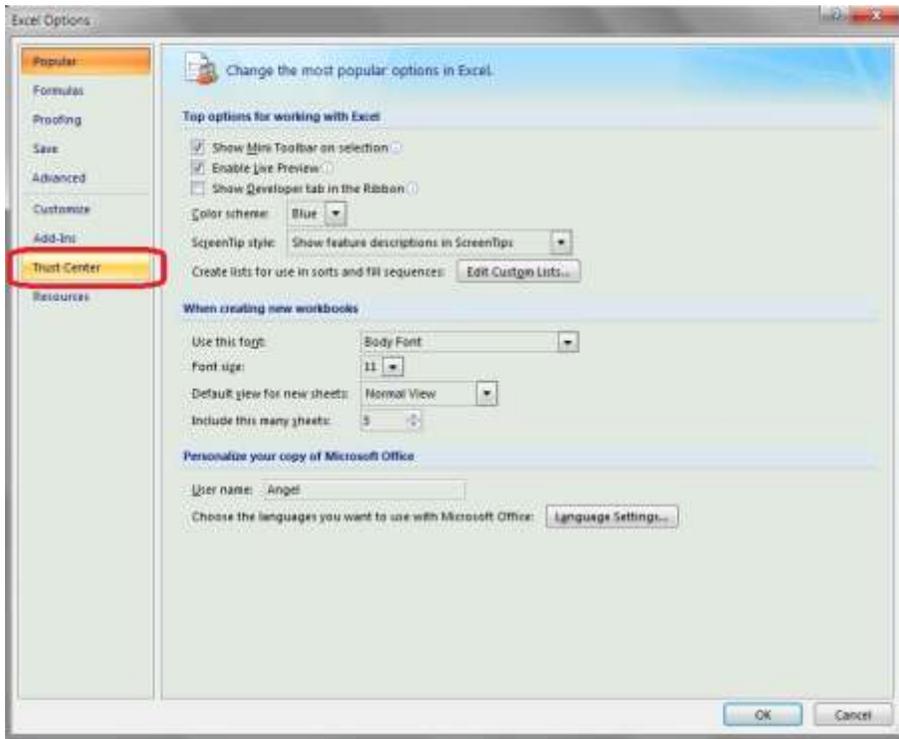
Excel must have macros enabled for the PHA 52723 Excel Tool to work correctly. To enable macros, go to the ribbon to the top left of Excel and click on “Excel Options” as shown in Figure 6:

Figure 6: Ribbon and ‘Excel Options’ button in MS Excel 2007



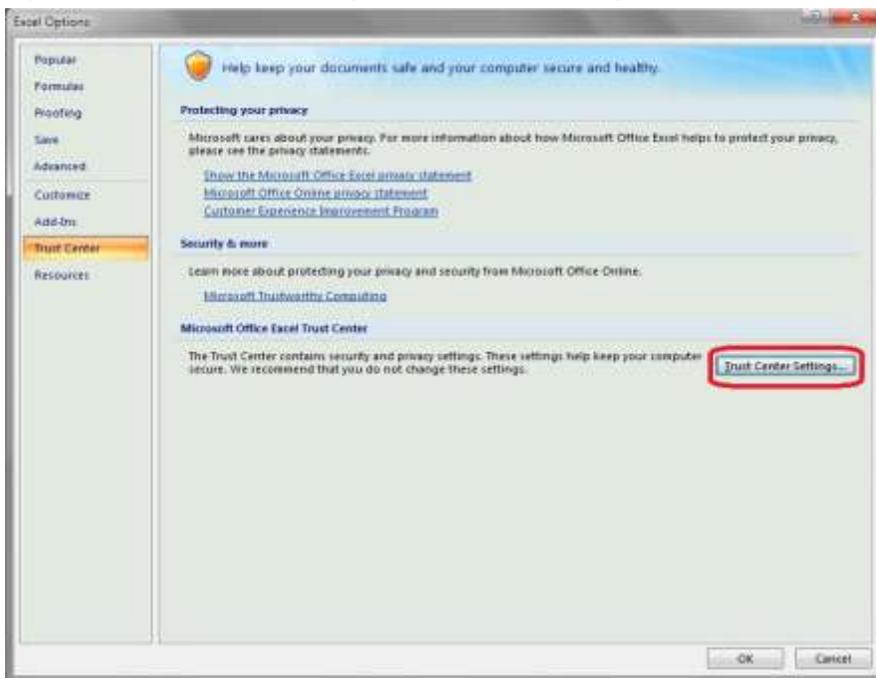
Next, click on “Trust Center” on the left side of the menu as shown in Figure 7:

Figure 7: ‘Trust Center’ button after clicking on ‘Excel Options’ button.



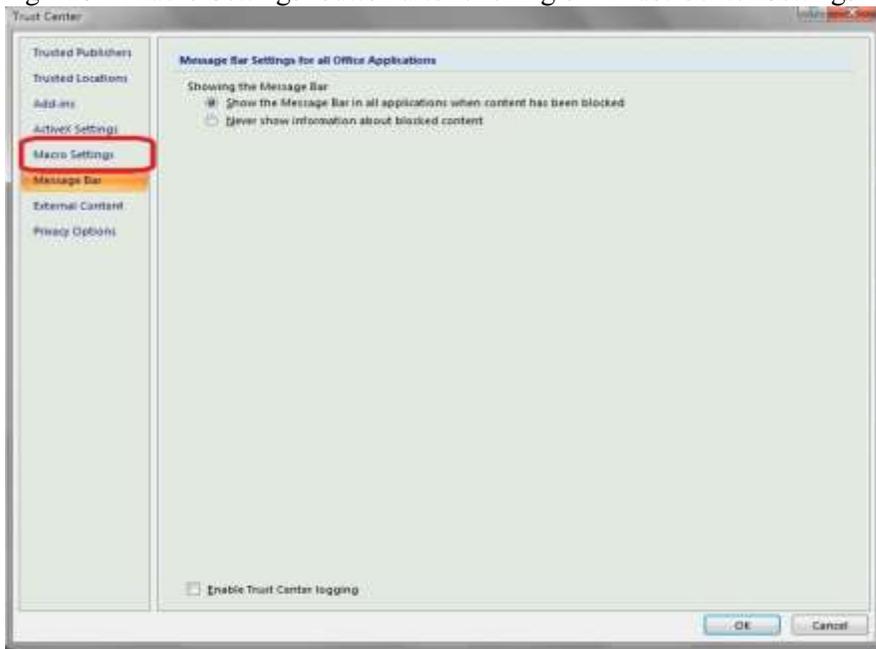
Click the button “Trust Center Settings” as shown in Figure 8:

Figure 8: ‘Trust Center Settings’ button after clicking on ‘Trust Center’ button.



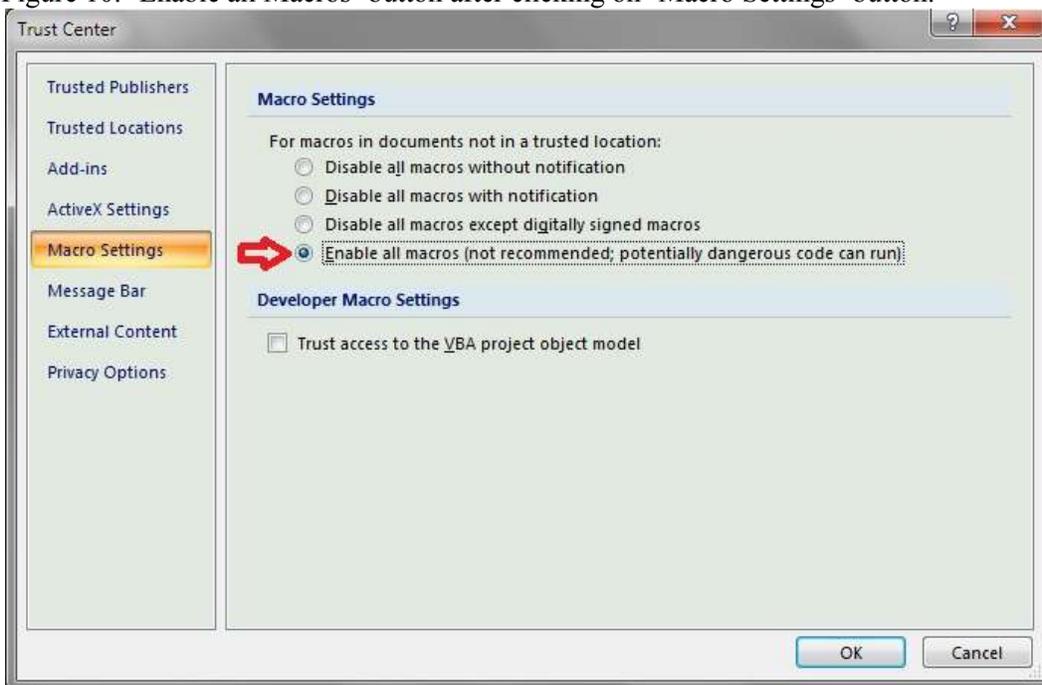
Once in the Trust Center window, click on “Macro Settings” as shown in Figure 9:

Figure 9: ‘Macro Settings’ button after clicking on ‘Trust Center Settings’ button.



Under “Macro Settings”, select the radio button “Enable all macros” as shown in Figure 10, then click OK (If this option is already selected, simply click on OK and proceed with the PHA Excel Tool).

Figure 10: ‘Enable all Macros’ button after clicking on ‘Macro Settings’ button.



Macros are now enabled and the PHA Excel Tool will work properly. It is important to return to the “Macro Settings” window and return to the original setting (usually “disable all macros with notification” to ensure the security of your computer) after you have completed the PHA Excel Tool.

4. Understanding the Excel Tool

The PHA 52723 Excel Tool is a replica of the paper form HUD-52723. However, the Excel form uses color-coding to guide users as shown in Figure 11. As a general reference, fields that are yellow can be edited. Fields that are orange are locked (i.e. not editable) and calculated by formulas, which HUD Field Offices review and approve. Cells that are black are not used and locked.

Figure 11: Color coding on the Excel Tool.

Black cells are not used in form subsidy calculation and can not be edited.

Categorization of Unit Months:						
Occupied Unit Months						
01	Occupied dwelling units -- by public housing eligible family under lease	0	0	0	0	0
02	Occupied dwelling units -- by PHA employee, police officer, or other security personnel who is not otherwise eligible for public housing	0	0	0	0	0

Yellow cells are open for input of PHA data

Orange cells are calculated and locked to prevent PHA data entry

Note: To maintain the integrity of the PHA 52723 Excel Tool, many of the Excel menu options have been removed. This includes cutting, copying and pasting data.

5. Completing the Excel Tool

Note the following while completing the data in the Excel Tool.

1. **PHA Unit Count.** Enter the ACC units count in the yellow field as shown in Figure 12. This is the PHA-wide unit count and not the Project unit count. The value entered here determines the eligibility for Asset Management Fee on Line A12.

Figure 12: PHA – wide Total ACC unit count

Operating Fund Calculation of Operating Subsidy PHA-Owned Rental Housing		U.S. Department of Housing and Urban Development Office of Public and Indian Housing	
<small>OMB Approval No. 2577-0029 (exp. 10/31/2008)</small>			
<small>Public Reporting Burden for this collection of information is estimated to average .75 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 542(a) of the U.S. Housing Act of 1937, as amended, and by 24 CFR Part 960 HUD regulations. HUD makes payments for the operation and maintenance of low-income housing projects to PHAs/projects. The Operating Fund determines the amount of operating subsidy to be paid to PHAs/projects. PHAs/projects provide information on the Project Expense Level (PEL), Utilities Expense Level (UEL), Other Formula Expenses (OFE) and Formula Income – the major Operating Fund obligated for the Funding Period to each PHA/project based on the appropriation by Congress. HUD also uses the information as the basis for requesting annual appropriations from Congress. Responses to the collection of information are required to obtain a benefit. The information requested does not lead itself to</small>			
Enter Total Number of ACC Units for this PHA >			748
Section 1			

2. **Utilities Expense Level (UEL).** PUM UEL, Line A05, comes from the 2011 form HUD-52722, Line 26. For CY 2011, a new HUD-52722 tool is provided in order to calculate the UEL amount.
3. **PILOT:** The PILOT add-on is based on the following line items from the Low Rent Public Housing column of the project’s most recent approved audited FASS-PH Financial Data Schedule (FDS) submission:
 - 70300 Net Tenant Rental Revenue
 - 93100 Water
 - 93200 Electricity
 - 93300 Gas
 - 93400 Fuel
 - 93600 Sewer
 - 93800 Other Utilities

The add-on is calculated by subtracting lines 93100 through 93800 from line 70300 and multiplying the result by 10%. The calculated amount is posted to the Asset Management website. A higher amount for new projects may be requested based on proof of payment. Amounts based on estimated PILOT costs cannot be used.

4. **Audit Cost:** The audit cost add-on is based on the PHA’s most recent approved audited FASS-PH FDS submission (FDS Line 91200), Low-Rent Public Housing column, which is posted to the Asset Management website. A higher amount for new projects may be requested based on proof of payment. Amounts based on estimated audit costs cannot be used.
5. **Asset Management Fee:** For CY 2011, the PHAs **MUST** select the “Eligible for an Asset Management fee” checkbox under Section 3, Line 12, in order to claim asset management fee. Two new certifications have replaced the earlier asset management certification in section 5.

Given below are the new certifications which are included as the second and third certifications on the Excel Tool in Section 5:

- In accordance with § 223 of Title II of Division K of the Consolidated Appropriations Act, 2010, Pub. L. 111-117 (approved December 16, 2009) and subsequent acts containing the same provisions, I hereby certify that ____ has 400 or fewer units and is implementing asset management.
- In accordance with 24 CFR 990.255 through 990.285 of Subpart H – Asset Management, I hereby certify that _____ has 250 units or more and is in compliance with asset management. I understand in accordance with 24 CFR 990.190(f), PHAs that are not in compliance with asset management will forfeit the asset management fee.

In the Excel Tool, PHAs should ensure that they check the appropriate certification(s) based on the following guidelines:

- If the PHA has more than 400 units, and is in compliance with asset management, certification 3 should be checked. PHAs with more than 400 units will receive \$4 PUM
- If the PHA has between 250 and 400 units, and is in compliance with asset management, certifications 2 and 3 should be checked. PHAs with units between 250 and 400 will receive \$4 PUM.
- If PHA has less than 250 units, and is in compliance with asset management, certification 2 should be checked. PHAs with less than 250 units will receive \$2 PUM
- If PHA has less than 400 units, and is not in compliance with asset management, certifications 2 or 3 need not to be checked. PHAs with less than 400 units and not in compliance with asset management will receive \$0 PUM.

Note: PHAs with one AMP are not eligible for an asset management fee as explained in PIH 2011-16, “Public Housing Operating Subsidy Calculations for CY 2011” under Asset Management Fee section page 5. Although the form will calculate an amount for PHAs with one AMP, the amount will be removed during final eligibility review.

If the appropriate certification(s) are not checked, the tool will not close.

6. **Transition Funding.** For decliners, the transition funding is 19 % of their PUM decline.
7. **Stop-loss.** For PHAs with approved Stop-Loss applications for Year 2, Year 3 or Year 4, transition funding amount is 76%, 57% and 38% respectively of their PUM decline.

8. **Formula Income.** For CY 2011, PUM Formula Income is pre-populated and is calculated pursuant to 'Explanation and Guidance related to Formula Income for CY 2011 ' guidance posted on the web at the following link:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/am/of/opfnd2011.

The financial data for calculating PUM Formula Income is derived from PHAs' financial data schedules (FDS) for FYEs 3/31/2010, 6/30/2010, 9/30/2010 and 12/31/2010.

6. Sending Excel Tools to Field Offices

Once the data entry is complete, save changes to your Excel file. Now zip these files into one zip file. The zip must be saved using the following naming convention:

PHA Code + 2011Form + .zip
e.g. AK0012011Form.zip

Email this zipped file as an attachment to your field office. Please include the following in the subject line of your e-mail:

PHA Code + Completed 2011 HUD-52723 Excel Tool

NOTE: PHAs will submit both the HUD-52723 Operating Subsidy and companion HUD-52722 Utility Expense forms for each project in the same email. This is to insure that the both forms are simultaneously available for HUD Field Office review.

7. Validation Checks

The Excel Tool uses a number of validation checks in the form of pop-up messages to ensure PHA enters valid data into cells. Table 2 lists all of the line numbers where pop-up messages on the Excel Tool may be encountered and the respective validation checks.

In order for a PHA to eliminate the error message and complete the form accurately, the cell data must be changed to meet the requirements listed in Table 2.

Table 1: 2011 PHA HUD-52723 Excel Tool Line Items and Validation Checks

Line Item	Name	Required Format	Message Type	Validation Check
Above Section 2	PHA wide ACC Units	Whole number	Warning	Units must be a whole number and greater than 0 and must equal the total of all ACC units for all projects in that PHA.
Section 2.				
Units	On 7/1/2009	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.

Line Item	Name	Required Format	Message Type	Validation Check
Units	Units Added to ACC	Whole number	Warning	Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Units	Units Deleted from ACC	Whole number	Warning	Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Units	Units on 6/30/2010	Whole number	Warning	Units on 6/30 cannot be negative. The warning will continue to appear every time an entry is made this point forward, till this is corrected.
Lines 01	Occupied Dwelling Units	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Variation should not be greater than 10%. PHA will need to follow the guidance posted on the Asset Management website that provides for a 3% variance as the threshold percentage requiring a comment. http://portal.hud.gov/hudoc/datadumpmemo-hud52723.pdf Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 02	Occupied Dwelling Units – by Police etc.	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 03	New Units	Whole number	Warning	Unit months must be a whole number and greater than or equal to 0.
Lines 04	New Units (10/1 to 12/31)	Whole number	Warning	Unit months must be a whole number and greater than or equal to 0.
Lines 05	Units undergoing modernization	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Line 06	Special Use Units	Whole number	Warning	Unit data is pre-populated. Special Use Units are limited to 2 per 100 ACC units for entire PHA Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Line 06a	Police Special Use Units	Whole number	Warning	Police Special Use Units (Line 06a) should not exceed Occupied Dwelling Units (Line 02). Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 07-09	Vacant Unit Months	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Line 10	Units vacant due to changing market conditions	Whole number	Warning	Unit Data is pre-populated. PHA should have an approved appeal or should have requested an appeal. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 11	Units vacant and not categorized above.	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 12	Units eligible for Asset Repositioning Fee.	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4.

Line Item	Name	Required Format	Message Type	Validation Check
				Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 13	All other ACC units not categorized above.	Whole number	Warning	Unit data is pre-populated. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Lines 17	Units included on line 01 but removed from Lines 01-11	Whole number	Warning	Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4. Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
Section 3.				
A. 05	PUM Utility Expense Level	2 Decimals	Warning	An explanation is required if entered UEL is greater than \$300 or greater than +/- 15% of the 2010 UEL.
A. 07	Self-Sufficiency,	Whole number	Restricted Entry	Entry allowed only to PHAs on EDSC List (to be posted on the web).
A. 08-10	Energy Loan Amortization, PILOT, Cost of independent audit	Whole number	Warning	Units must be a whole number and greater than or equal to 0, or else, the tool will not allow the user to proceed.
A. 14	Asset repositioning fee	Whole number	Warning	Amount not to be entered if there are no units on Section 2, Line 12.
B. 01	PUM Formula Income	Pre-populated	Warning	Data is pre-populated and the field is editable. Any changes in data will result in a warning message that will prompt the user to enter a comment in Section 4.
C. 01	Moving-To-Work	Whole number	Warning	Entry is allowed only for MTW PHAs with alternative subsidy calculation. Amount must be a whole number greater than or equal to 0.

8. Tips for Successful Submission of Excel Tool

HUD is aware of the following common issues regarding the HUD-PHA 52723 Excel Tool:

Issue 1: Formulas such as limited vacancies (Section 2, Line 14) or Asset Management Fee (Section 3, Line A12) show 0.

Solution 1: The user has likely not completed the ACC unit roll forward (units on 7/1, added units, deleted units) which is immediately below the Section 2 heading and/or Total ACC Units. User should complete the missing data.

Issue 2: The user is asked for a password to open the Excel Tool.

Solution 2: This message is an indicator that the Excel security settings are set too high. In this case, the Excel security settings need to be changed temporarily. In order to change the Macro Security Settings follow the steps listed in Section 3 of this user guide.

9. Technical Assistance

For problems or questions believed to be a common Excel program question, please first attempt to resolve these problems locally or using the Microsoft Excel help function.

For problems with the Excel Tool, the local Field Office should be contacted with an explanation of the problem.

10. Form SF-424, Application for Federal Assistance

This form is required as part of the government-wide *e-grants* management initiative. PHAs should make certain that the DUNS number reported on the form is correct. For operating subsidy application purposes, entries for the following required lines on the form may be filled out as follows:

- Line 5b (Federal Award Identifier): Enter PHA Code (first 5 digits of the Operating Fund Project Number from Section 1, Box 6, of the form HUD-52723)
- Line 12 (Funding Opportunity Number): Enter 9999
- Line 13 (Competition Identification Number): Enter 9999

The SF-424 must be signed in accordance with the form instructions for Line 21, **Authorized Representative**: (Required) to be signed and dated by the authorized representative of the applicant organization. Only one SF-424 is required to be submitted for each PHA regardless of how many projects it has.