Public Housing Assessment System (PHAS) – Interim Rule

Capital Fund Program (CFP)

September 12, 2011
CFP: PHAS Interim Rule
Areas To Be Covered

CFP Background
- Purpose and Parameters

CFP Indicator
- PHAS Interim Rule

CFP Sub-Indicators
- Fund Obligation & Occupancy Rate

PHAs’ Responsibilities
- FYI
Purpose

To obligate 90% or more of funds as quickly as possible, but no later than 2 years after funds become available

To modernize/develop Annual Contributions Contract (ACC) units and improve overall occupancy

To meet HUD Strategic Plan goal to “Meet the Need for Quality Affordable Rental Homes”
CFP Parameters

1. Does not include HOPE VI program funds
2. Is not applicable for PHAs that choose not to participate in the CFP
3. Applicable on a PHA-wide basis, and not to individual projects
4. Section 9 of the US Housing Act of 1937 (42 U.S.C. 1437g)

Is not applicable for PHAs that choose not to participate in the CFP.
### CFP Indicator Score

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Condition</td>
<td>• 40</td>
</tr>
<tr>
<td>Financial Condition</td>
<td>• 25</td>
</tr>
<tr>
<td>Management Operations</td>
<td>• 25</td>
</tr>
<tr>
<td><strong>Capital Fund Program</strong></td>
<td>• 10</td>
</tr>
<tr>
<td><strong>Overall PHAS score</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

*Threshold score for this indicator must be at least 5 points, or 50% of maximum number of points (10).*
Troubled Designation from CFP Indicator alone

A PHA that receives less than 50 percent, or five points, under the Capital Fund program indicator will be designated as a Capital Fund Troubled performer.
CFP Scoring

- **5 points**
  - Timeliness of Fund Obligation
- **5 points**
  - Occupancy Rate
- **10 points**
  - Total CFP
Prior and Interim CFP

Prior PHAS

- CFP Sub-indicator under Management Operations Indicator
  - Sub-indicator worth 7 points
  - Timeliness of Fund Obligation: 1 of 5 components in CFP sub-indicator
  - Timeliness of Fund Obligation worth 2 points

Interim PHAS

- CFP new Indicator under PHAS
  - Indicator worth 10 points
  - Timeliness of Fund Obligation: 1 of 2 sub-indicators for CFP
  - Timeliness of Fund Obligation worth 5 points total
CFP Sub-Indicators

**Timeliness of Fund Obligation**
- Examines the period of time it takes for a PHA to obligate funds from the CFP
- Information from electronic Line of Credit Control System (eLOCCS)
- Maximum 5 points

**Occupancy Rate**
- Measures the occupancy rate as measured at FYE
- Information from Inventory Management System/Public Housing Information Center (IMS/PIC)
- Maximum 5 points
Timeliness of Fund Obligation
(Sub indicator is a scoring threshold)

≥90% at Obligation End Date (OED) and no sanctions*
5 points

<90% at Obligation End Date (OED) or sanctioned
0 points

*If a PHA has no obligation end dates in the assessed fiscal year, and does not have any 1937 Act 9(j) sanctions against it in that fiscal year, the points for this sub indicator will be redistributed to the occupancy sub indicator.
Occupancy Rate
(Scored only if PHA scores five points on the first sub indicator)

- **≥96%**: 5 points
- **≥93% or <96%**: 2 points
- **<93%**: 0 points
Occupancy Rate Computation

**NUMERATOR**

Total occupied assisted, special use, and non-assisted units

**DENOMINATOR**

Total ACC Units - Total Uninhabitable Units*

* As reflected in IMS/PIC
Sub-indicator Interaction

**Capital Fund Indicator**

- **Timeliness of Fund Obligation Sub-indicator**
  - 5 points for Occupancy Sub-indicator;
  - 10 points Total for Capital Fund Indicator

- **Occupancy Rate Sub-indicator**
  - ≥96%, but <100%
  - ≥93%, but <96%

- 2 points for Occupancy Sub-indicator;
  - 7 points Total for Capital Fund Indicator

**90% of funds obligated by OED?**

- **YES**
  - 5 points for Fund Obligation Sub-indicator
  - Greater than 93%?
    - NO
      - 0 points for Occupancy Sub-indicator;
      - 5 points Total for Capital Fund Indicator
    - YES
      - Capital Fund Troubled

- **NO**
  - 0 points Total for Capital Fund Indicator
PHAs’ Responsibilities

**ENSURE SUBMISSION**

PHAs are responsible for entering information in eLOCCS in accordance with all deadlines and for maintaining up to date and accurate data in PIC.

**APPEALS**

A PHA can not appeal its PHAS score or Capital Fund Program score on the basis of not having met deadlines for entering data in eLOCCS and not having up to date and accurate data in PIC.

**THREE YEARS**

PHAs shall retain supporting documents for each Capital Fund Program grant for at least 3 years after the post-audit date in eLOCCS.
Summary

Capital Fund Program Indicator (CFP)

- Up to 10 points
- Threshold score is at least 5 points

2 Sub-Indicators

- Fund Obligation - 5 points
- Occupancy Rate - 5 points, provided that *Fund Obligations* are met
CFP Resources & Contacts

• Technical Assistance Center (TAC)
  (7:00 am-8:30 p.m., EST, M-F)
  1(888)245-4860
  REAC_TAC@hud.gov

• Integrated Assessment Subsystem (NASS)
  PHAS@hud.gov

• Office of Capital Improvements

• Capital Fund Program e-mail address:
  PIHOCI@hud.gov

• Capital Fund Staff Directory