

## **SPECIAL INSTRUCTIONS FOR PREPARING FINANCIAL DATA SCHEDULES FOR MOVING TO WORK AGENCIES**

Under the new “Standard MTW Agreement”, all Moving to Work (MTW) agencies must submit their unaudited and audited financial information to the Department using the Financial Assessment Subsystem-Public Housing (FASS-PH). The following special instructions are necessary to enable MTW agencies to complete the Financial Data Schedule (FDS) for year-end reporting.

### **1. Create new FDS Columns for Low Rent, Capital Fund, HCV, and MTW.**

MTW agencies will create the following new program columns – Low Rent (14.OPS), Capital Fund (14.CFP), Section 8 HCV (14.HCV), and MTW (14.881). The first three columns will be created only if the MTW agency has revenue from the respective programs for the reporting year and are used exclusively to report the grant or subsidy revenue received. The grant and subsidy revenue will then be transferred to the MTW column (explained in more detail below). These three columns will be used exclusively for MTW PHAs as pass-through columns, which allows for the proper identification of HUD program funds.

The MTW column will be used to report all financial activity associated with the MTW program, exclusive of the operation of Low Rent Public Housing projects. Please note that the Section 8 HCV (14.HCV) column shall be used as a pass-through column only for Section 8 HCV funding that is included under the agency’s MTW agreement. Accordingly, HCV activity such as housing assistance payments (HAP) and Family Self Sufficiency will not be reported in the usually HCV program column (14.871) but rather will be reported in the MTW column. Other Section 8 special allocation programs not covered under an agency’s MTW agreement such as the Disaster Housing Assistance Program for Hurricane Ike (DHAP-Ike) and HUD-Veterans Affairs Supportive Housing (HUD-VASH) programs, etc., must be reported separately on the FDS. For more information, refer to the Financial Assessment Subsystem – Public Housing (FASS-PH) webpage for specific reporting details at <http://www.hud.gov/offices/reac/products/prodpha.cfm>. In addition, MTW PHAs participating in the Supportive Housing for Persons with Disabilities program, CFDA No. 14.181, must also account for this activity separately on the FDS.

### **2. Report the grant or subsidy revenue received in the newly created Low Rent (14.OPS), Capital Fund (14.CFP), and Section 8 HCV (14.HCV) programs.**

Low Rent subsidy will be reported under FDS Line Item 70600 (Operating Revenue). Capital Fund grant revenue will be reported on FDS Line Items 70610 (Capital Grant) or 70600 (Operating Revenue), as applicable. Section 8 HCV subsidy revenue should be reported under line item 70600 (Operating Revenue).

**3. Transfer all Low Rent, Capital Fund, and Section 8 HCV Subsidy or Grant Revenue to the MTW Program.**

All subsidy or grant funds received/earned under the Low Rent, Capital Fund, and Section 8 HCV programs are then transferred to the MTW program. There will be no residual amounts left in any of the newly created Low Rent, Capital Fund, or Section 8 HCV columns, i.e., there should be a complete pass-through of activity to the MTW column. To accomplish this, the MTW PHA will use operating transfers on FDS Line 10020 to report the funds leaving the originally-intended program (e.g., Capital Fund) and FDS Line 10010 to report the transfer in of funds to the MTW program. In effect, these columns will never report any equity.

**4. Report all Project Financial Activity within Supplemental Project Schedules and Transfer Funds Accordingly.**

MTW agencies will complete the supplemental schedules for all of their Public Housing projects as would any other PHA, with the exception that the PHA will enter the funds needed to operate each project as a transfer-in from the MTW column (or any other permissible transfer). Similarly, MTW agencies will enter the funds needed to support any capitalized activity undertaken at a project as a transfer-in from the MTW column (or any other permissible transfer). Tenant revenue or other project revenue must be reported in the specific project schedule for which the project revenue was earned.

**5. Asset Management Types.**

The implementation of the Public Housing Operating Fund Final Rule triggered significant changes to FDS reporting, including adding a central office cost center (COCC), project level financial reporting and a stand-alone section for intra-entity elimination. Refer to the attachment for an explanation of the Asset Management types applicable to PHAs.

**Adding Columns/Programs on the FDS.** To add columns on the FDS, (Operating Fund (14.OPS), Capital Fund (14.CFP) and HCV (14.HCV), etc.) click “PHA Info” on the top navigation bar, select “Program”, then select “Add Program”. Enter the CFDA number, for example 14.OPS, then click “Go”. Click ”Add Program”. The Program Selection page will appear with the newly added program at the bottom of the page. Click Save.

**Additional Useful Information.** Additional information can be found on the Financial Assessment System-Public Housing (FASS-PH) Webpage at <http://www.hud.gov/offices/reac/products/prodpha.cfm>. In addition, a copy of the FDS Line Definition Guide is located on the FASS-PH webpage at [http://www.hud.gov/offices/reac/products/fass/fass\\_pdf/fds\\_ln\\_def\\_gd\\_2008.pdf](http://www.hud.gov/offices/reac/products/fass/fass_pdf/fds_ln_def_gd_2008.pdf).

## **Asset Management Types**

The implementation of the Public Housing Operating Fund Final Rule triggered significant changes to FDS reporting, including adding a central office cost center (COCC), project level financial reporting and a stand-alone section for intra-entity elimination. An explanation of the Asset Management types is detailed below:

### **1. Non-Asset Management with Elimination Only**

This asset management type applies to PHAs that do not implement asset management and do not have a COCC, but do have the need to eliminate intra-entity transactions.

### **2. Non-Asset Management with COCC/Elimination**

This asset management type applies to PHAs that do not implement asset management, but have implemented a COCC (for non-public housing business activities) and therefore the need to eliminate intra-entity transactions

### **3. Non-Asset Management**

This asset management type applies to PHAs that do not implement asset management and do not have a COCC or the need to eliminate intra-entity transactions. Mostly, this election will be limited to PHAs with less than 400 units.

### **4. Asset Management Without COCC/Elimination**

This asset management type applies to PHAs that implement asset management and do not have a COCC or the need to eliminate intra-entity transactions.

This asset management type is available for use by PHAs using the Allocated Overhead method of reporting and the Alternate Asset Management method of reporting.

### **5. Asset Management with Elimination**

This asset management type applies to PHAs that implement asset management, do not have a COCC, but still have the need to eliminate intra-entity transactions. This asset management type is available for use by PHAs using the Allocated Overhead method of reporting and the Alternate Asset Management method of reporting.

### **6. Asset Management with COCC/Elimination**

This asset management type is for PHAs implementing all aspects of asset management. These PHAs use a Fee-for-Service approach and have implemented a Central Office Cost Center (COCC). Most PHAs that implement asset management will use this asset management type. PHAs that implement the Allocated Overhead reporting method may not use this asset management type.