

Introduction

Program Overview: On January 11, 2000, HUD published an Amendment to the Public Housing Assessment System (PHAS) final rule that established a new system for the assessment of America's public housing. The PHAS is designed to enhance public trust by creating a comprehensive tool that qualitatively and quantitatively measures a public housing agency (PHA) based on standards that are objective and uniform.

Under PHAS, HUD evaluates a PHA based on the following four indicators:

1. Physical condition;
2. Financial condition;
3. Management operations; and
4. Resident service and satisfaction.

This Instruction Guidebook is designed to assist PHAs in the completion of the PHAS form HUD-50072, Management Operations Certification, in preparation for electronic submission. With respect to PHAS indicators #2 (financial condition) and #3 (management operations), a PHA is required to electronically submit its year-end information within two months after the end of its fiscal year.

A PHA's PHAS score for indicator #3 is based on all of the developments covered by the Annual Contributions Contract (ACC), including those with management functions assumed by an alternative management entity (AME). This is necessary because of the limited nature of an AME. A PHA may enter into a management contract with an AME, but the PHA's underlying responsibilities are to the Department under the ACC.

Resident Management Corporations (RMCs), according to the January 11, 2000, PHAS Amendments; Final Rule, may be direct recipients of certain HUD funds. Section 532 of the Quality Housing and Work Responsibility Act of 1998 (QHWRA) amended section 20 of the 1937 Act to provide, among other things, the ability of RMCs to directly receive operating and capital funding under certain conditions. With this in mind, direct-funded RMCs will be assessed and issued their own scores under PHAS based on the public housing developments that they manage and the responsibilities they assume which can be scored under PHAS.

PHAs should utilize this guidebook as guidance for the types and quality of management performance information that they are expected to maintain, for a minimum of three years, in order to support the management performance portion of their annual PHAS score.

Purpose: The purpose of this Instruction Guidebook is to assist a PHA with its annual submission of the PHAS indicator #3, management operations certification. This Instruction Guidebook is designed to serve as general guidance, and although it presents specific examples for several sub-indicators and components, it is not intended to mandate exact methods of documenting or confirming performance.

Integrity: There are several methods that a PHA may use to ensure the integrity of the PHAS process. Such methods include, but are not limited to:

- Monthly reports to the Board of Commissioners that include all aspects of PHAS, especially indicator #3, management operations, which requires a Board resolution number and date of the Board resolution as part of the electronic submission;
- Periodic reports to the appointing authority(s) of the Board of Commissioners that include all aspects of PHAS;
- An internal PHA audit team that reviews all aspects of the PHAS, on a periodic basis; and/or
- Peer assistance from a neighboring PHA in the conduct of an internal audit of a PHA.

Management Operations Board Resolution: The management operations certification shall be approved by PHA Board resolution, and signed and attested to by the Executive Director. The Executive Director should have a unique MASS user identification that is different from other PHA users. This unique user identification provides only the Executive Director access to the MASS Submit Page after the validation has been completed. The Submit Page includes the Executive Director's certification statement and the attestation statement that verifies that the Board of Commissioners has approved the management operations certification submission, and the function to submit the entire MASS certification electronically to MASS. Only the Executive Director, with the unique user identification, sees the active fields and the Submit button under the certification statement.

Documentation Maintenance: The Department is placing extra emphasis on the importance of a PHA's maintenance of documentation to support its PHAS certification, especially documentation related to management operations certification. Without documentation, an independent auditor review is impossible and a PHA is subject to scoring a "zero" for PHAS indicators requiring PHA self-certification. As previously mentioned, a PHA is required to maintain documentation related to its PHAS score for a period of three years for on-site review verification.

