New Managers at the Financial Management Center

In this Bulletin we announce a new management team at HUD’s Financial Management Center. As of August 9, 2004, the following managers assumed their new positions at the FMC:

- John Phillips, Acting Director  (816) 426-6197
- Donna Keller, Acting Deputy Director  (816) 426-6199
- Debbie Hamblin, Acting Director, Operations Division  (515) 284-4499

Mr. Phillips was placed in his new position on a temporary assignment not to exceed 120 days. You can reach the members of the new management team at the above phone numbers.

Validation of Voucher Management System Data

Starting in 2003, Housing Agencies have been required to enter data on Housing Choice Voucher Program leasing and expenses in HUD’s Voucher Management System (VMS). This data is used to calculate funding for the renewal of expiring Voucher program contract increments. Because data accuracy is very important to the funding process, HUD has begun a series of efforts to validate the data entered into the VMS. Starting with December 31, 2003 year-end settlements, FMC staff will be comparing leasing and expense data on the settlement statements to data entered into the VMS. The Financial Analyst assigned to your HA may be contacting HA staff to resolve any discrepancies in the data.

105% Administrative Fee Adjustment Update

As required by the HUD FFY 2003 Appropriations Act, on-going administrative fees for HA FY 2003 are to be reduced by that portion of the available administrative fee reserve balance as of 1/31/03 that exceeds 105% of the administrative fees earned by the HA in FFY 2002. When the adjustments were first made by HUD, they were applied for the months of May through December, 2003. HUD attorneys have determined that Congress intended the adjustment to be applied to all funding during calendar year 2003. This is a change to what was previously communicated to affected HAs. Accordingly, adjustments will have to be applied retroactively for the months of January through April, 2003. The adjustment reconciliation will be made beginning with January, 2003, rather than April, 2003. The adjustment will be applied for each month until the total amount of fees to be withheld is satisfied, or until December, 2003, whichever is earlier. Amounts not previously collected due to this change will be handled during the year-end settlement process. This reconciliation will be applied to the next settlement statement to be approved by HUD.
Requests for the HUD Central Fund

While the number of requests received by the FMC during the current fiscal year for money from the HUD Central Fund has been small, we anticipate that the volume will increase. Because funds appropriated by Congress for this purpose are limited, we urge eligible HAs to consider submission of a Central Fund request as soon as possible. HAs can request funds to support additional leasing up to baseline that has not been previously funded through the renewal funding process. Eligibility criteria, as detailed in Notice PIH 2004-7 are as follows:

- Executed HAP contracts obligate all Annual Budget Authority provided for HAP.
- The HA has expended 50% of its maximum ACC reserve level.

Submission requirements are fairly simple: A request for the Central Fund consists of a letter of request plus a completed form HUD-52681-B for every unreported month that has ended at the time of the submission. Send your request to the FMC Financial Analyst (FA) assigned to your agency. Your FMC FA can provide technical assistance regarding the eligibility criteria and whether submission of a request is warranted. All requests must be submitted prior to December 31, 2004.

We appreciate your assistance in providing this information to the appropriate staff within your agency.