

Explanation of the Third Interim Funding Cycle for Calendar Year (CY) 2010 Obligations

Public Housing Operating Fund

The Department has obligated CY 2010 Operating Fund subsidies for the four (4) months from June through September 2010. The funding is expected to be available in eLOCCS by Tuesday, June 1, 2010.

HUD Field Offices are currently reviewing and approving project operating subsidy eligibility for CY 2010 in the Subsidy and Grants Information System (SAGIS). As such, the final eligibility and proration percentage are not available at this time. The Department has used the eligibility amounts submitted by the public housing authorities (PHAs) to determine the interim funding for June – September. For projects where eligibility amounts were not available in SAGIS, the estimated eligibility based on CY 2009 eligibility was used as in the first two obligations (See <http://www.hud.gov/offices/pih/programs/ph/am/of/2010expln-initial-oblig.pdf>).

The Department has funded PHAs at the same interim proration level of 100 percent, as the first two obligation cycles. The Department anticipates publishing an updated CY 2010 proration estimate by September, 2010, once all the submissions have been approved and aggregated.

Illustration of how interim funding amount is calculated:

A.	Project's Submitted CY 2010 Eligibility		\$1,000,000
B.	Prorated Eligibility for Nine Months (Jan – Sept) at 100%	$(A) \times 100\% \times 9 \text{ months} / 12$	\$750,000
C.	Funding Provided in Initial Obligations (Jan – May)		\$400,000
D.	Current Funding (June – Sept)	$(B) - (C)$	\$350,000