

Office of Public and Indian Housing

**Public Housing Operating Fund
Explanation of Calendar Year (CY) 2016 Obligations
for September and October**

Interim Project Eligibility for CY 2016

The Department has obligated Operating Fund subsidies for the months September and October 2016. September and October obligations are based on the eligibility determined after processing the submitted 2016 Operating Subsidy HUD-52723 forms excluding recent revisions. The September and October obligation amounts reflect cumulative adjustments related to previous funded project interim eligibility to ensure that projects that have received excess funding or lesser funding are compensated based on their current eligibility. This round of funding is expected to be available in eLOCCS not later than August 30, 2016. The next round of funding is expected to be made available in eLOCCS no later than November 1, 2016, and will be based on updated eligibility derived from processing the Operating Subsidy forms.

Proration Levels

The Department undertakes a conservative methodology to determine proration levels prior to establishing final eligibility for all projects. For September and October funding, the Department used the interim total 2016 HUD 52723 eligibility to derive an interim proration level of 89.81%.

CY 2016 Interim Proration Calculation POS 8		
#	Description	Amount
1	CY 2016 Appropriation (1)	\$4,500,000,000
2	RAD Reapportionment (2)	\$61,466,187
	Correction of Prior Year Funding Error	
3	Amount Available for Distributions	\$4,438,533,813
4	CY 2016 Actual Eligibility (3)	\$4,901,891,571
5	Add: Eligibility for HTK & MHP Submissions	\$250,000
6	Add: Reserve for Revision and Appeals	\$40,000,000
7	Total Estimated Eligibility (4 through 6)	\$4,942,141,571
8	Proration (3) / (7)	89.81%

Notes:

1. Fund allotment as of 05/10/2016
2. RAD Reapportionment for units converted actual for 2016. First RAD 31,485,363 and the second is \$29,941,520.
3. Eligibility based on HUD-52327s as of 07/20/2016 excluding revisions.

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The proration rate for November funding will be determined utilizing the final eligibility derived from processing all the Operating Subsidy forms submitted at that point including all approved revisions. The Financial Management Division will continue to post eligibility reports to its website including an Operating Fund 2016 Final Eligibility Report. These reports should be reviewed to insure they reflect the correct eligibility for each project. Any possible discrepancies should be immediately communicated to HUD Field offices.