

Explanation of Calendar Year (CY) 2014 Obligations for August and September

Public Housing Operating Fund

The Department is the process of obligating funds for Operating Fund subsidies for the months of August and September 2014 (based on the current 2014 Appropriation). The funding is expected to be available in eLOCCS by not later than August 1, 2014. The next round of 2014 funding will be provided by October 1, 2014 for the final quarter of CY 2014.

Preliminary Project Eligibility Levels for CY 2014 used for the August and September funding

The CY 2014 project HUD-52723s data were used as the basis for the CY 2014 preliminary eligibility determination for August and September. Where PHAs submitted a HUD-52723 for a preliminary eligibility determination by the HUD Field Offices, the Financial Management Division used the most recently processed and available eligibility to determine the obligation.

Interim Proration Levels for CY 2014

The Department's undertakes a conservative methodology in determining proration levels until final eligibility is determined for all projects. For the August and September funding, the Department used an interim Calendar Year proration of 89% considering the Appropriation, adjustments, and preliminary eligibility determinations. The final proration will adjust this interim proration level either up or down after the revision period when the Operating Fund Program final eligibility is known.

CY 2014 Proration Calculation		
#	Description	Amount
1	CY 2014 Appropriation	\$ 4,400,000,000
2	Estimated RAD Reapportionment	\$ 1,331,722
3	Amount Available for Distributions	\$ 4,398,668,278
4	CY 2014 Eligibility as of 05/09/14	\$ 4,960,923,593
5	Adjustment for Formula Income Flat Rents	\$ (40,000,000)
6	Add: Eligibility for HTK & MHP Submissions	\$ 165,140
7	Revisions, Adjustments, Deoblg/Recapt and Appeals	\$ 10,000,000
8	Total Estimated Eligibility (4 through 7)	\$ 4,931,088,733
9	Proration (3) / (8)	89%

The obligation letters reflecting for the August and September amounts will be posted by the Financial Management Division (FMD) on the Calendar Year 2014 Subsidy Processing website within the next 7 working days at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/am/of/opfnd2014