

Explanation of Calendar Year (CY) 2015 Interim Obligation (May & June)

Public Housing Operating Fund

The Department has obligated funds for operating subsidies for the months of May and June, 2015 in accordance with the information below. This interim obligation was based on the preliminary eligibility determined after processing the 2015 Operating Subsidy forms submitted. Adjustments have been made to the May and June obligation amounts to ensure that projects that have received funding in excess of what should have been obligated based on the 2015 preliminary eligibility determined, do not receive additional funding for the month of May or June, to the extent of the excess funding. The next round of funding is expected to be made available in eLOCCS no later than July 1, 2015, 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 May and June funding, the Department used the initial 2015 eligibility to derive an interim proration level of 85.63%. The proration rate for July funding will also be determined utilizing the eligibility derived from processing all the Operating Subsidy forms submitted at that point. The proration rate will continue to fluctuate during the year based on the submission of new and revised Operating Subsidy forms, until the final proration rate can be determined based on the final eligibility established for the calendar year 2015 funding cycle.

Initial CY 2015 Proration Calculation POS 5 May & June

#	Description	Amount
1	CY 2015 Appropriation	\$4,440,000,000
2	RAD Reapportionment (1)	\$39,932,406
3	Amount Available for Distributions	\$4,400,067,594
4	CY 2015 Initial Eligibility (2)	\$5,098,290,663
5	Add: Eligibility for HTK & MHP Submissions	\$169,068
6	Add: Reserve for Revision and Appeals (3)	\$40,000,000
7	Total Estimated Eligibility (3 through 5)	\$5,138,459,731
8	Proration (3) / (7)	85.63%

Notes:

- 1 RAD Reapportionment for units converted in 2014.
- 2 Initial eligibility based upon submission of Op Sub forms from PHAs.
Because revisions can be made, actual eligibility will not be determined until September.
- 3 Reserve increased to \$40 million due to known revisions that are in process.

For May and June funding, and for the remainder of the year, eligibility (determined from processing Op Sub forms) will be applied cumulatively so that funding for each project will either increase or decrease depending on the level of eligibility established and the amount previously obligated for the project.