



Financial Hardship Set-Aside Funding Eligibility Tool

The Hardship Funding Eligibility Tool (the Tool) displays the amount of hardship set-aside funding for which any PHA in the country may be eligible (refer to Notice PIH 2012-27 for a full discussion of eligibility criteria for hardship set-aside funding).

All fields in the Tool are auto-populated, based on PHA financial data available to HUD. A user may also Print, Save and Close the tool, using the buttons at the top of the page.

NOTE: The hardship funding amounts displayed are eligibility amounts only. A final determination of funding amounts cannot be made until all eligible hardship funding requests have been received and processed.

PHA Selection

Selection of a specific PHA is required in order for the Tool to work.

The user may select a PHA by first selecting the appropriate **State** from the drop-down box. The **PHA** box will then be filtered to show only PHA codes for PHAs in the selected state. To change PHAs, press the **Clear** button.

If the user knows the PHA code, the code may be entered directly into the **PHA** box. To change PHAs, enter a new PHA code directly into the box (or press the Clear button).

This section also displays a few pieces of PIC data for the selected PHA. This data is for information-only and is not directly related to the allocation adjustment or the hardship set-aside funding.

Summary

This section will display the PHA's overall Status, using the messages below:

- Selected PHA operates under an MTW agreement. Per PIH Notice 2012-27, PHA is not eligible for hardship set-aside funding.
- Selected PHA did not receive an allocation adjustment. Per PIH Notice 2012-27, PHA is not eligible for hardship set-aside funding.
- Selected PHA does not have approved financial statements within 1 of the 7 FYE periods listed in Notice PIH 2012-27. Per PIH Notice 2012-27, PHA is not eligible for hardship set-aside funding.
- Per PIH Notice 2012-27, selected PHA is not eligible for hardship set-aside funding.
- Selected PHA is a [Troubled / Substandard Financial] PHA and does NOT have approved financial statements within 1 of the 7 FYE periods listed in Notice PIH 2012-27. PHA may be eligible for hardship funding if it follows the submission requirements in Notice PIH 2012-27.
- Per PIH Notice 2012-27, selected PHA is eligible for hardship set-aside funding. Priority 1 and Priority 2 eligibility amounts will be displayed.



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There are four data sections in the Tool:

A. FDS Submission Period and Type

The Tool is pre-loaded with the latest HUD-approved FDS data (unaudited or audited) for each PHA, as of Friday, June 15, 2012, for data that was current as of close-of-business Thursday, June 14, 2012.

This section displays the FDS submission type (unaudited, audited, A-133, etc.) and FYE date for the selected PHA. All subsequent calculations in the Tool rely on the data found in these PHA financial statements.

Any PHA that does not have a HUD-approved FDS for one of the seven eligible submission periods – FYE 12/31/11, 9/30/11, 6/30/11, 3/31/11, 12/30/10, 9/30/10 or 6/30/10 – will generally not be eligible for hardship set-aside funding. The only exception is for PHAs designated financially troubled and who follow the submission requirements outlined in Notice PIH 2012-27.

B. Operating Reserves

Based on the FDS submission type and FYE date displayed in Section A, the Tool will display the PHA's latest Operating Reserves calculation and supporting FDS balance sheet line item values that comprise the reserves. See PIH Notice 2011-55 for details.

C. Operating Reserves Adjusted for 2012 Allocation Adjustment

This section takes the PHA's latest operating reserves, calculated in Section B using the latest approved financial statements, and adjusts those reserves downward based on a) any HUD-approved "exclusion requests" (appeals) and b) any allocation adjustment, pursuant to Notice PIH 2011-55.

The Section C adjustments are necessary because the PHA's latest operating reserves have not yet been reduced (for purposes of this exercise) to reflect the impact of the allocation adjustment exercise.

- Note: The one exception is approved Category 1 exclusion requests (see Notice PIH 2011-55 for a full discussion of exclusion requests). Some PHAs had approved exclusion requests that included Category 1 amounts and, subsequently, submitted revised financial statements to account for these Category 1 amounts.

In these cases, the financial statements cited in Section A have already been adjusted to reflect the approved Category 1 amounts. Therefore, Section C reduces the PHA's total approved exclusion request appropriately (for purposes of this exercise), to avoid double-counting the Category 1 totals.

The end-result represents the amount of the PHA's latest operating reserves adjusted for the hardship calculation. See PIH Notice 2011-55 for background on the entire CY 2012 allocation adjustment process, including the submission of exclusion requests.



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D. Eligibility for Hardship Funding

Section D compares the PHA's adjusted operating reserves from Section C to the PHA's Minimum Operating Reserve Threshold (established in the original allocation adjustment exercise and listed in Section C).

- To the extent that the PHA's adjusted operating reserves are equal to or above its Minimum Operating Reserves Threshold, the PHA is not eligible for hardship funding.
- To the extent that the PHA's adjusted operating reserves are less than its Minimum Operating Reserves Threshold, the PHA is eligible for hardship funding.

HUD's Federal Fiscal Year 2012 appropriations set-aside \$20 million to meet hardship needs.

NOTE: As mentioned above, the hardship funding amounts displayed in Section D are eligibility amounts only. Actual funding amounts will be based on the total of all eligible hardship funding requests compared to the \$20 million available.

First priority for the \$20 million will be given to PHAs whose adjusted operating reserves are actually below zero. Second priority for funding will be given to PHAs whose operating reserves are between \$0 and their Minimum Operating Reserves Threshold.

A PHA is only eligible for funding up to the amount of its original allocation adjustment. Section D will automatically "cap" the amount of the PHA's eligibility, based on its original allocation adjustment. The Section D Notes explain how the calculation works and how the cap is being applied.

Notes

This section will display any notes (if applicable) unique to the selected PHA. Relevant notes may include:

- Selected PHA is a [Troubled / Substandard Financial] PHA and has approved financial statements within 1 of the 7 periods listed in Notice PIH 2012-27.
- Selected PHA operates under an MTW agreement. Per PIH Notice 2011-55, PHA's 2012 Subsidy Allocation Adjustment was calculated based on PHA's Peer Group percentage. The peer group and percentage will be displayed.
- Selected PHA did not have approved financial statements for the period specified in PIH Notice 2011-55. Per the guidelines outlined in the Notice, PHA's CY 2012 allocation adjustment was calculated based on PHA's Peer Group percentage. The peer group and percentage will be displayed.
- For selected PHA, the original allocation adjustment was corrected and reduced by... The amount of the reduction will be displayed.
 - This applies to a small subset of PHAs whose CY 2012 allocation adjustment was calculated based on a peer group percentage.