



CV 2014 Operating Subsidy Project Inventory

CV 2014 Project Inventory Background

For CY 2014, the Public Housing Financial Management Division (FMD), working with the PIC data team, has generated a public housing project inventory, or list, of PH projects that appear eligible for CY 2014 Operating Subsidy based upon PIC data. This inventory represents a list for which HUD will be generating pre-populated HUD-52723 and HUD-52722 tools (Operating Subsidy Tools) for distribution to PHAs for CY 2014 funding submissions. *Having said this, projects that were new in CY 2013 will go through a separate process. FMD will publish a CY 2014 Operating Subsidy tool for any project that was new in CY 2013 and for which a CY 2013 Operating Subsidy tool was published, whether or not it appears on the attached inventory. A log of projects that were new in CY 2013 has been published on the Operating Subsidy CY 2013 web page. PHAs should follow the New Projects protocol to obtain funding for new projects.*

The Public Housing Inventory Workbook can be found at:

<http://portal.hud.gov/hudportal/documents/huddoc?id=phainventvalidwkbk.xlsm>

In prior years, FMD has generated HUD-52723 and HUD-52722 forms based, in part, upon projects actually funded for Operating Subsidy in the prior year. However, prior year funding is not the most reliable indicator of funding eligibility for future years. Furthermore, while this approach was designed to mitigate against the risk that a project would not receive Operating Subsidy funding, at least initially, if PIC was inaccurate or not up to date, ultimately this approach relied upon data from outside HUD's system of record (PIC), and was duplicative of efforts made to ensure the accuracy of PIC data.

The above noted process resulted in the publication of Operating Subsidy Tools for a large number of projects that were no longer eligible for Operating Subsidy, and therefore would not submit Tools for funding. This drove the need for additional layers of validations and tracking, adding to the administrative burden to implement Operating Subsidy. HUD is relying on PIC to an ever increasing degree in making funding determinations. As an outcome of this approach, for CY 2014 HUD is eliminating its previous process for identifying projects for which it will publish HUD-52723 and HUD-52722 tools, and instead will make those determinations based directly upon PIC data. This approach will streamline the processing of Operating Subsidy and reduce administrative burden.

In CY 2014 HUD will identify projects eligible for Operating Subsidy based directly upon PIC data (excepting projects that were new in CY 2013 or 2014). In an effort to mitigate against some of the risk that projects that are eligible for funding will not have an Operating Subsidy tool published, and therefore potentially not timely receive Operating Subsidy, HUD is publishing an inventory of public housing projects for which it plans to publish Operating Subsidy tools. PHAs should review the inventory and notify their Field Offices of any discrepancies. Field Offices should review PHA emails



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and submit a copy of the Inventory Tool included in the workbook linked to below, identifying any discrepancies. Below is a list of the steps and timelines associated with a review of the inventory:

1. By **July 31, 2013** PHAs should review the list of projects provided in the **CY 2014 Inventory Validation** worksheet, for which HUD plans to publish Operating Subsidy Tools (found in the '**CY14 Project Inventory**' worksheet). Please note that the list will be subject to any revisions by the Field Office and FMD. The worksheet labeled Inventory Tool is intended for Field Office use only. PHAs should communicate with Field Offices by email. PHAs should notify their Field Offices of any projects (other than projects that were new in CY 2013) that are not on the **CY14 Project Inventory** list, but for which Operating Subsidy Tools should be published. PHAs should also notify their Field Offices by email of any project that is on the **CY14 Project Inventory** list, but will not be eligible for Operating Subsidy in CY 2014, and therefore should not be on the list. Finally, PHAs should review the list of projects that received Operating Subsidy in CY 2013, but which do not appear eligible for CY 2014 funding (the '**CY14 Non-Funded Projects**' worksheet), and for which HUD does not plan to publish Operating Subsidy forms. If a PHA identifies a project on the **CY14 Non-Funded Projects**' list which should receive funding, it should provide email notification to its Field Office, along with an explanation.

PHAs must submit Operating Subsidy tools in order to receive Operating Subsidy. PHAs that have submitted RAD applications should continue to follow all Operating Subsidy processes until their project closes. *Where PHAs identify anomalies in the data, PHAs should ensure that PIC is corrected to the extent needed. The process for correcting PIC is in addition to the process of communicating with the Field Office in regard to the Inventory Workbook.*

2. By **August 15, 2013** Field Offices should review all PHA submittals regarding the Inventory, and use the Inventory Tool worksheet to submit any requests to FMD to make modifications to the inventory. The Inventory tool permits the user to enter comments for every project for which the Field Office is recommending the inventory be modified. After entering in all of the projects and explanations for the projects the Field Office is recommending a modification for, the Field Office should email the Inventory Validation worksheet to FMD's Operating Subsidy mail box. PHAs should work with their Field Offices. FMD will not respond to emails from PHAs. Each Field Office can submit multiple Inventory Validation worksheets to FMD. However, FMD would recommend that Field Offices submit no more than one Inventory Validation worksheet per staff member engaged in the review. Field Offices should label the subject line of the email as follows: "**CY 2014 Inventory Validation**"



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3. FMD will review all Field Office submittals, and follow-up with Field Offices to the extent further clarification of the request is required. The Operating Subsidy tools deployed by FMD will represent FMD's response to any request to modify the inventory.

CY 2014 Project Inventory File

The attached MS Excel file – **CY 2014 Inventory Validation workbook** – includes a number of spreadsheets that comprise the public housing (PH) project inventory for purposes of CY 2014 Operating Subsidy eligibility determinations.

Tab 1: Instructions

Tab 2: Inventory Tool

This worksheet is to be used by Field Offices to communicate with FMD. It permits FO's to identify projects which it is recommending be added to or removed from the inventory.

Tab 3: CY14 Project Inventory

This worksheet includes 7,220 PH projects determined as eligible for operating subsidy in CY 2014.

- All projects pulled are in "Management" status with ACC indicator set to "Yes" and the Op Fund (PFS) indicator set to "Yes".
- The raw inventory was adjusted for 10 alternative-funding MTW PHAs. Such PHAs submit a single 52723 encompassing their entire PH program.
- The raw inventory was also adjusted to include additional projects where PIC data indicates the projects are eligible for Asset Repositioning Fee (ARF) funding in CY 2014.

Tab 4: CY14 Non-Funded Projects

This worksheet includes 83 PH projects receiving operating subsidy in CY 2013 but are not included on the CY 2014 project inventory. These projects did not meet the criteria listed above for inclusion in the PIC raw inventory or the adjustments to the inventory.

Note: FMD will publish a log of all requests that it has received to generate Operating Subsidy Tools for new projects in CY 2013. HUD will publish CY 2014 Op Sub Tools for any new project for which it publishes a CY 2013 Op Sub tool. Any PHA with a new project can identify the status of their request by reviewing the New Projects Log, which will be updated periodically. The New Projects will be posted at:

<http://portal.hud.gov/hudportal/HUD?src=/programoffices/publicindianhousing/programs/ph/am/of/opfnd2013>