

**Operating Fund
Calculation of Operating Subsidy
PHA-Owned Rental Housing**

**U.S. Department of Housing and
Urban Development
Office of Public and Indian Housing**

OMB Approval No. 2577-0029 (exp.06/30/2017)

Public Reporting Burden for this collection of information is estimated to average .75 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 9(a) of the U.S. Housing Act of 1937, as amended, and by 24 CFR Part 990 HUD regulations. HUD makes payments for the operation and maintenance of low-income housing projects to PHAs/projects. The Operating Fund determines the amount of operating subsidy to be paid to PHAs/projects. PHAs/projects provide information on the Project Expense Level (PEL), Utilities Expense Level (UEL), Other Formula Expenses (Add-ons) and Formula Income – the major Operating Fund components. HUD reviews the information to determine each PHA's/project's Formula Amount and the funds to be obligated for the Funding Period to each PHA/project based on the appropriation by Congress. HUD also uses the information as the basis for requesting annual appropriations from Congress. Responses to the collection of information are required to obtain a benefit. The information requested does not lend itself to confidentiality.

Enter total number of ACC units for this PHA:

Section 1

1. Name and Address of Public Housing Agency:		2. Funding Period: 1/1/ to 12/31/	
		3. Type of Submission: <input type="checkbox"/> Original <input type="checkbox"/> Revision No. _____	
4. ACC Number:	5. Fiscal Year End: <input type="checkbox"/> 12/31 <input type="checkbox"/> 3/31 <input type="checkbox"/> 6/30 <input type="checkbox"/> 9/30	6. Operating Fund Project Number:	
7. DUNS Number:	HUD Use Only		
	8. ROFO Code:	9. Financial Analyst:	

Section 2

Calculation of ACC Units for the 12-month period from July 1 to June 30 that is prior to the first day of the Funding Period:

ACC Units on 7/1/	+	Units Added to ACC	-	Units Deleted from ACC	=	ACC Units on 6/30/

Line No.	Category	Column A Unit Months	Column B Eligible Unit Months (EUMs)	Column C Resident Participation Unit Months
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Categorization of Unit Months:

Occupied Unit Months

01	Occupied dwelling units – by public housing eligible family under lease			
02	Occupied dwelling units – by PHA employee, police officer, or other security personnel who is not otherwise eligible for public housing			
03	New units – eligible to receive subsidy during the funding period but not included on Lines 01, 02, or 05-13 of this section			
04	New units – eligible to receive subsidy from 10/1 to 12/31 of previous funding period but not included on previous Calculation of Operating Subsidy			

Vacant Unit Months

05	Units undergoing modernization			
06	Special use units			
06a	Units on Line 02 that are occupied by police officers and that also qualify as special use units			
07	Units vacant due to litigation			
08	Units vacant due to disasters			
09	Units vacant due to casualty losses			
10	Units vacant due to changing market conditions			
11	Units vacant and not categorized above			

Other ACC Unit Months

12	Units eligible for asset repositioning fee and still on ACC (occupied or vacant)			
13	All other ACC units not categorized above			

Calculations Based on Unit Months:

14	Limited vacancies		
15	Total Unit Months		
16	Units eligible for funding for resident participation activities (Line 15C divided by 12)		

Special Provision for Calculation of Utilities Expense Level:

17	Unit months for which actual consumption is included on Line 01 of form HUD-52722 and that were removed from Lines 01 through 11, above, because of removal from inventory, including eligibility for the asset repositioning fee		
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Section 3

Line No.	Description	Requested by PHA	HUD Modifications
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Part A. Formula Expenses

Project Expense Level (PEL)

01	PUM project expense level (PEL)		
02	Inflation factor		
03	PUM inflated PEL (Part A, Line 01 times Line 02)		
04	PEL (Part A, Line 03 times Section 2, Line 15, Column B)		

Utilities Expense Level (UEL)

05	PUM utilities expense level (UEL) (from Line 26 of form HUD-52722)		
06	UEL (Part A, Line 05 times Section 2, Line 15, Column B)		

Add-Ons

07	Self-sufficiency		
08	Energy loan amortization		
09	Payment in lieu of taxes (PILOT)		
10	Cost of independent audit		
11	Funding for resident participation activities		
12	Asset management fee		
13	Information technology fee		
14	Asset repositioning fee		
15	Costs attributable to changes in federal law, regulation, or economy		
16	Total Add-Ons (Sum of Part A, Lines 07 through 15)		
17	Total Formula Expenses (Part A, Line 04 plus Line 06 plus Line 16)		

Part B. Formula Income

01	PUM formula income		
02	Resident Paid Utility (RPU) Energy Performance Contract (EPC) Benefit		
03	PUM adjusted formula income (Sum of Part B, Lines 01 and 02)		
04	Total Formula Income (Part B, Line 03 times Section 2, Line 15, Column B)		

Part C. Other Formula Provisions

01	Moving-to-Work (MTW)		
02	Transition funding		
03	Other		
04	Total Other Formula Provisions (Sum of Part C, Lines 01 through 03)		

Part D. Calculation of Formula Amount

01	Formula calculation (Part A, Line 17 minus Part B, Line 04 plus Part C, Line 04)		
02	Cost of independent audit (same as Part A, Line 10)		
03	Formula amount (greater of Part D, Lines 01 or 02)		

Part E. Calculation of Operating Subsidy (HUD Use Only)

01	Formula amount (same as Part D, Line 03)		
02	Adjustment due to availability of funds		
03	HUD discretionary adjustments		
04	Funds Obligated for Period (Part E, Line 01 minus Line 02 minus Line 03) Appropriation symbol(s):		

Section 4

Remarks (provide section, part and line numbers):

Section 5

Certifications:

- In accordance with 24 CFR 990.215, I hereby certify that _____ Housing Agency is in compliance with the annual income reexamination requirements and that rents and utility allowance calculations have been or will be adjusted in accordance with current HUD requirements and regulations.
- In accordance with § 223 of Title II of Division K of the Consolidated Appropriations Act, 2010, Pub. L. 111-117 (approved December 16, 2009) and subsequent acts containing the same provisions, I hereby certify that _____ Housing Agency has 400 or fewer units and is implementing asset management.
- In accordance with 24 CFR 990.255 through 990.285 of Subpart H – Asset Management, I hereby certify that _____ Housing Agency has 250 units or more and is in compliance with asset management. I understand in accordance with 24 CFR 990.190(f), PHAs that are not in compliance with asset management will forfeit the asset management fee.
- I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Authorized PHA Representative & Date:

X

Signature of Authorized HUD Representative & Date:

X

Instructions

This form is used by Public Housing Agencies (PHAs) to calculate eligibility for operating subsidy under the Operating Fund, in accordance with regulations at 24 CFR Part 990.

It is used for PHA-owned rental public housing developments and PHA units in mixed housing developments when operating subsidy is requested for such developments under the Operating Fund Program.

Unless directed otherwise, a PHA/project that is eligible to receive operating subsidy will send this form to its local HUD field office. This form must be submitted for each period in which operating subsidy is requested pursuant to 24 CFR 990.200. A separate form must be prepared for each project identified as such for the purpose of asset management under 24 CFR 990.265. A PHA that owns and operates fewer than 250 units and treats its entire portfolio as a single project under 24 CFR 990.260(b) shall prepare one form.

A Moving to Work (MTW) PHA with an agreement that uses an alternative Operating Fund formula will submit only one form for the PHA. Alternative formula MTWs will only complete Section 1; Section 2, ACC units; and Section 3, Part C, Line 1, Part C, Line 4, Part D, Line 1 and Part D, Line 3. Additionally, the PHA will submit any supporting documentation required by the MTW agreement and local HUD field office. MTW PHAs that do not use an alternative Operating Fund formula will complete all sections of this form.

This form is **not** used for Turnkey III and Mutual Help Homeownership Opportunity Programs, Sections 23 and 10(c) Leased Housing Programs, or the Housing Choice Vouchers (Section 8) Program.

Enter total number of ACC units for this PHA. Enter the total number of units for all projects under the PHA's Annual Contributions Contract (ACC).

SECTION 1

1. Name and Address of Public Housing Agency. Enter the name and address of the PHA.

2. Funding Period 1/1/___ to 12/31/___. All PHAs will be funded from the Operating Fund Program for the same period, regardless of PHA fiscal year. In both blanks, enter the calendar year for which this form is submitted. All references throughout this form to funding period pertain to this period.

3. Type of Submission. If this is the first submission to HUD for this funding period, enter an "X" in the Original box. For all subsequent submissions to HUD for this funding period, enter an "X" in the Revision box and enter the revision number.

4. ACC Number. Enter the number of the ACC covering the projects for which this form is being submitted.

5. Fiscal Year End. Enter an "X" in the box that corresponds to the ending date of the PHA's fiscal year.

6. Operating Fund Project Number. Enter the Operating Fund Project Number for which this form is being submitted.

7. DUNS Number. Enter the PHA's Dunn & Bradstreet Universal Numbering System identification number.

8. ROFO Code. Enter the region and field office code for the field office that has jurisdiction over the PHA (HUD Use Only).

9. Financial Analyst. Enter the name of the Financial Analyst at the field office who reviewed this submission (HUD Use Only).

SECTION 2

Notes:

- All entries should be at the project level, unless otherwise specified.
- Unit and unit month information should be only for public housing units under an ACC.

- All unit and unit month information will be for the 12-month period from July 1 to June 30 prior to the first day of the funding period, pursuant to 24 CFR 990.135(a). (Exceptions are made for new units, entered on Lines 03 and 04, and for units eligible for an asset repositioning fee).

Calculation of ACC Units for the 12-month period from July 1 to June 30 that is prior to the first day of the funding period.

ACC Units on 7/1/___. Enter the total ACC units as of July 1 of the 12-month period from July 1 to June 30 prior to the first day of the funding period.

Units Added to ACC. Enter units that were added to ACC between July 1 and June 30 prior to the first day of the funding period.

Units Deleted from ACC. Enter units that were removed from ACC between July 1 and June 30 prior to the first day of the funding period.

ACC Units on 6/30/___. Enter the total ACC units as of June 30 of the 12-month period from July 1 to June 30 prior to the first day of the funding period. (Note: ACC Units on 6/30/___ should equal ACC units on 7/1/___ plus units added to ACC minus units deleted from ACC. Also, ACC units on 6/30/___ should equal Line 15 of Column A, divided by 12 months, unless units have been added to or deleted from ACC.)

Column A, Unit Months

This column is used to determine the asset management fee in Section 3, Part A, Line 12 and the information technology fee in Section 3, Part A, Line 13.

Notes:

- Unit months are the number of months within a period that a unit met the criteria for one of the categories below.
- Once a unit becomes eligible to receive an asset repositioning fee, it should not be included in the unit months on Lines 01 through 11 of this section pursuant to 24 CFR 990.130(b) and .190(h).

Occupied Unit Months:

Line 01: Occupied dwelling units – by public housing eligible family under lease. Enter the number of unit months the PHA had units occupied by public housing-eligible families under a lease pursuant to 24 CFR 990.140.

Line 02: Occupied dwelling units – by PHA/project employee, police officer, or other security personnel who is not otherwise eligible for public housing. Enter the number of unit months the PHA/project had units occupied by PHA/project employees, police officers and other security personnel who are not otherwise eligible for public housing and therefore are not included on Line 01 of this section pursuant to 24 CFR 990.190(e).

Line 03: New units – eligible to receive subsidy during the funding period but not included on Lines 01, 02 or 05-13 of this section. Enter the number of unit months for which new units are eligible to receive operating subsidy during the funding period pursuant to 24 CFR 990.155(a)(1) and (b)(1) and are not included on Lines 01, 02 or 05-13 of this section.

Line 04: New units – eligible to receive subsidy from 10/1 to 12/31 of previous funding period but not included on previous Calculation of Operating Subsidy. Enter the number of unit months for which new units were eligible to receive operating subsidy from 10/1 to 12/31 of the previous funding period pursuant to 24 CFR 990.155(a)(1) and (b)(1) but were not included on the previous Calculation of Operating Subsidy, form HUD-52723.

Vacant Unit Months:

Line 05: Units undergoing modernization. Enter the number of unit months the PHA/project had HUD-approved vacant units undergoing modernization pursuant to 24 CFR 990.145(a)(1).

Line 06: Special use units. Enter the number of unit months the PHA/project had HUD-approved vacant units used for resident services,

resident organization offices, and related activities such as self-sufficiency and anti-crime initiatives pursuant to 24 CFR 990.145(a)(2).

Line 07: Units vacant due to litigation. Enter the number of unit months the PHA/project had HUD-approved vacant units due to litigation pursuant to 24 CFR 990.145(b)(1).

Line 08: Units vacant due to disasters. Enter the number of unit months the PHA/project had HUD-approved vacant units due to disasters pursuant to 24 CFR 990.145(b)(2).

Line 09: Units vacant due to casualty losses. Enter the number of unit months the PHA/project had HUD-approved vacant units due to casualty losses pursuant to 24 CFR 990.145(b)(3).

Line 10: Units vacant due to changing market conditions. Enter the number of unit months the PHA/project had vacant units due to changing market conditions for which the PHA appealed to receive operating subsidy and received HUD approval pursuant to 24 CFR 990.145(c) and .245(d).

Line 11: Units vacant and not categorized above. Enter the number of unit months the PHA/project had vacant units not otherwise eligible for subsidy (and therefore were not included on Lines 05 through 10 of this section) pursuant to 24 CFR 990.130(a).

Other ACC Unit Months:

Line 12: Units eligible for asset repositioning fee and still on ACC (occupied or vacant). Enter the number of unit months the PHA/project had units still under ACC that were eligible to receive an asset repositioning fee (and therefore were not included on Lines 01 through 11 of this section) pursuant to 24 CFR 990.130(b) and .190(h).

Line 13: All other ACC units not categorized above. Enter the number of unit months the PHA/project had units under ACC that were not included on Lines 01 through 12 of this section (e.g., units were occupied by over income families; units were used as temporary office space; units previously received an asset repositioning fee and although the fee expired, the units are still under ACC since the demolition or disposition has not been completed).

Calculations Based on Unit Months:

Line 15: Total Unit Months. Enter the sum of Lines 01 through 13 of Column A.

Column B, Eligible Unit Months (EUMs)

This column is used to determine the PEL on Part A, Line 04; the UEL on Part A, Line 06; and the Total Formula Income on Part B, Line 04 of Section 3.

Line 01 and Lines 03 through 10 (excluding 06a). Enter the same amount as on the corresponding lines in Column A.

Line 06a: Units on Line 02 that are occupied by police officers and that also qualify as special use units. Enter the number of unit months that the PHA/project had units that met the following two conditions:

- The units were occupied by police officers not otherwise eligible for public housing and therefore were included in unit months on Line 02 of Column A; and
- The units were HUD-approved as special use units.

Calculations Based on Unit Months:

Line 14: Limited vacancies. Pursuant to 24 CFR 990.150:

- For PHAs with over 100 units, enter the lesser of 3 percent of Line 15 of Column A or Line 11 of Column A.
- For PHAs with 100 or fewer units, enter the lesser of 60 unit months or Line 11 of Column A.

Line 15: Total Unit Months. Enter the sum of Line 01, Lines 03 through 10 (including 6a), and Line 14 of Column B.

Special Provision for Calculation of Utilities Expense Level:

Line 17: Unit months for which actual consumption is included on Line 01 of form HUD-52722 and that were removed from Lines 01 through 11 because of removal from inventory, including eligibility for the asset repositioning fee. Enter the number of unit months for which actual consumption is included on Line 01 of form HUD-52722 and that were removed from unit months on Lines 01 through 11 because of eligibility for the asset repositioning fee. For more information, see instructions to the form HUD-52722.

Column C, Resident Participation Unit Months

This column is used to determine the funding for resident participation activities in Part A, Line 11 of Section 3.

Lines 01 through 04. Enter the same amount as on the corresponding lines in Column A.

Calculations Based on Unit Months:

Line 15: Total Unit Months. Enter the sum of Lines 01 through 04 of Column C.

Line 16: Units eligible for funding for resident participation activities. Divide the total on Line 15 by 12 months and round to the nearest whole number to determine the number of units eligible for the funding for resident participation activities add-on.

SECTION 3

Part A. Formula Expenses

Note. Part A, Lines 01, 03, and 05 must be per unit per month (PUM) amounts, rounded to the nearest two (2) decimal places. Line 02 will be provided by HUD. Lines 04 and 06 through 17 must be in whole dollars.

Project Expense Level (PEL):

Line 01: PUM PEL. Enter the Project Expense Level (PEL) provided by HUD as calculated pursuant to 24 CFR 990.165.

Line 02: Inflation factor. Enter the applicable inflation factor provided by HUD as determined pursuant to 24 CFR 990.165(d).

Line 03: PUM inflated PEL. Multiply Line 01 by Line 02 and enter the result.

Line 04: PEL. Multiply Line 03 by the amount in Section 2, Line 15, Column B.

Utilities Expense Level (UEL):

Line 05: PUM UEL. Enter the amount from Line 26 of form HUD-52722, Calculation of Utilities Expense Level.

Line 06: UEL. Multiply Line 05 by the amount in Section 2, Line 15, Column B.

Add-Ons:

Line 07: Self-sufficiency. Enter the reasonable cost of self-sufficiency program coordinator(s) and associated costs pursuant to 24 CFR 990.190(a).

Line 08: Energy loan amortization. Enter the amount of principal and interest payments for energy conservation measures pursuant to 24 CFR 990.190(b).

Line 09: Payment in lieu of taxes (PILOT). Enter the amount paid for PILOT pursuant to 24 CFR 990.190(c).

Line 10: Cost of independent audits. Enter the most recent actual audit costs of the Operating Fund Program pursuant to 24 CFR 990.190(d).

Line 11: Funding for resident participation activities. Multiply \$25 times the amount in Section 2, Line 16, Column C, and enter the result pursuant to 24 CFR 990.190(e).

Line 12: Asset management fee. Pursuant to 24 CFR 990.190(f), enter the following:

- If the PHA has at least 250 units, multiply \$4 times the amount in Section 2, Line 15, Column A.
- If the PHA has fewer than 250 units and has elected to transition to asset management, multiply \$2 times the amount in Section 2, Line 15, Column A.

Line 13: Information technology fee. Multiply \$2 times the amount in Section 2, Line 15, Column A, pursuant to 24 CFR 990.190(g).

Line 14: Asset repositioning fee. Enter the amount of the asset repositioning fee for eligible units calculated pursuant to 24 CFR 990.190(h).

Line 15: Costs attributable to changes in federal Law, regulation, or economy. Leave blank unless specific instructions are provided by HUD pursuant to 24 CFR 990.190(i).

Line 16: Total Add-Ons. Enter the sum of Lines 07 through 15.

Line 17: Total Formula Expenses. Enter the sum of Line 04 plus 06 plus 16.

Part B. Formula Income

Note. Part B, Lines 01 through 03 must be per unit per month (PUM) amounts, rounded to the nearest two (2) decimal places. Line 04 must be in whole dollars.

Line 01: PUM formula income. Enter the formula income PUM provided by HUD as calculated pursuant to 24 CFR 990.195 and 990.170(e).

Line 02: Resident Paid Utility (RPU) for Energy Performance Contract (EPC). If the project has an EPC with an RPU benefit, enter the EPC RPU benefit as a negative number. Projects without EPC RPU benefits should leave this field blank.

Line 03: PUM adjusted formula income. Enter the sum of Line 01 plus 02.

Line 04: Total Formula Income. Multiply Line 03 by the amount in Section 2, Line 15, Column B.

Part C. Other Formula Provisions

Note. All of Part C must be in whole dollars.

Line 01: Moving-to-Work (MTW). If the PHA has an MTW alternative Operating Fund formula specified in Attachment A of its agreement, it must report the total Operating Fund eligibility on this line.

Line 02: Transition funding. Enter the transition funding amount provided by HUD as calculated pursuant to 24 CFR 990.230 and .235.

Line 03: Other. Leave blank unless specific instructions are provided by HUD.

Line 04: Total Other Formula Provisions. Enter the sum of Lines 01 through 03.

Part D. Calculation of Formula Amount

Note. All of Part D must be in whole dollars.

Line 01: Formula calculation. Enter the total of Part A, Line 17 minus Part B, Line 04 plus Part C, Line 04.

Line 02: Cost of independent audit. Enter the same amount as previously entered on Part A, Line 10.

Line 03: Formula amount. Enter the greater of Lines 01 or 02.

Part E. Calculation of Operating Subsidy (HUD Use Only)

Line 01: Formula amount. HUD will enter the amount from Part D, Line 03.

Line 02: Adjustment due to availability of funds. If necessary, HUD will enter an adjustment to the formula amount on Line 01 based on the annual appropriation for the Operating Fund Program.

Line 03: HUD discretionary adjustments. If necessary, HUD will enter discretionary adjustments that will be effective during the funding period.

Line 04: Funds Obligated for Period. HUD will enter the result of Line 01 minus 02 minus 03. HUD will also enter the appropriation symbol from which this subsidy will be paid. If this amount is being paid from more than one appropriation, HUD will enter the dollar amount paid from each appropriation.