

CHAPTER 5. REGIONAL OFFICE ALLOCATION PROCEDURES

- 5-1. INTRODUCTION. At the Regional Office level there is a central point of control for funds assigned to the region. The funding control function is generally the responsibility of the Program Support Staff of the Regional Office of Housing. The primary funding control functions of the Program/Field Support staff are: 1) to subassign funds received from Headquarters to the appropriate Field Offices 2) to coordinate funding requests from the Field Offices to Headquarters, and 3) to ensure that funds assigned from Headquarters are effectively utilized.
- 5-2. FISCAL YEAR SUBASSIGNMENTS. Upon receipt in the Regional Office, the Office of Regional Housing should review the form(s) HUD-185 for accuracy and consistency with Field Office or Regional Office requests. Form(s) HUD-185.1 are then prepared to correspond to the Fund Assignment (HUD-185) from Headquarters. The format of the HUD-185.1 should conform to the format of Headquarter's HUD-185. Subassignments may be issued with funds from more than one assignment. After preparation by the Program/Field Support Staff, the HUD 185.1s are routed to the Regional Accounting Division for validation signature, and then to the Regional Administrator for signature approval prior to distribution to the appropriate field offices. Subassignments should be prepared within three (3) working days after receipt of the fund assignment from Headquarters, except for amendment funds which may be retained and controlled by the Region.

The funds subassigned on the form(s) HUD-185.1 are sometimes project specific and these funds are only available to the project designated in the transmittal. The Field Office must notify the Regional Office at the earliest possible date if, for any reason, the subassigned funds cannot be obligated to the project intended. If the funds cannot be used, the Regional Office must issue a HUD 185.1 withdrawing the funds and notify the Funding Control Division in Headquarters. For those funds assigned to the Regional Office as project-specific funding for amendments to projects being developed and for emergency use on existing programs, it is the responsibility of the Regional Office Program/Field Support Staff to obtain information from the Field Office to fully support and justify the use of the funds.

5-3. SUBASSIGNMENT FORMATS

- A. Heading: Each HUD-185.1 has a heading (designated "A" on Appendices 2 thru 2.4) that defines the type of funds subassigned, the office to which it is issued, the date issued, the subassignment number, the date prepared, and the page number.

- B. Subassignment Number: Each HUD-185.1 has its own subassignment

number (designated "B" on Appendices 2 thru 2.4) which consists of a series of codes. The first two digits ("00") indicate the HUD Region Number. The two or three following letters (e.g. HA, FE, HE, SRO, etc.) indicate a program type (Refer to paragraph 4-8). The next two digits indicate which HUD Field Office the subassignment is issued to. The next two digits indicate the fiscal year of issue. The final digit(s) is a sequential number indicating which subassignment is being issued for this particular Office during the current fiscal year.

- C. Program Categories: On the left side of the HUD-185.1 is a column listing the program categories for which funds are subassigned and the corresponding AHAS codes (see examples designated "C" in Appendices 2 thru 2.4).
 - D. Current Fiscal Year Subassignment: The portion of the HUD-185.1 labeled "Current Fiscal Year Subassignment" (designated "D" in Appendices 2 thru 2.4) contains three columns. The first column shows the amount of funds previously assigned during the current fiscal year in the respective categories. The middle column shows the amount of increase or decrease in each category. Decreases are shown in parentheses. The third column is the sum of the first two, reflecting the total funds issued fiscal year to-date in each category.
 - E. Section 202 Remarks: The "Remarks" area on the Section 202 HUD-185.1 (designated "E" on Appendix 2.3) may be used for notes on the Section 202 projects for which funds or inspection fees are subassigned.
 - F. Signatures: Each HUD-185.1 must have two signatures (see area "F" on Appendices 2 thru 2.4), a signature of a Regional Accounting Division staff person validating funds availability, and the signature of the Regional Administrator. Without these signatures, the HUD-185.1 is incomplete.
 - G. Copies of Subassignments: The original copy of the subassignment is provided to the Office Manager. Photocopies are provided to the staff in the Division, which controls funds and who are responsible for monitoring the subassigned funds.
- 5-4. MANAGEMENT OF SUBASSIGNED FUNDS. Throughout the fiscal year, Program/Field Support Staff must monitor the use of funds within each field office to preclude underutilization of funds or committing funds in excess of that available. Regional Program/Field Support Staff should utilize the Department's automated data sources to aid in such monitoring. An underutilization may be due to an unusable mix of metro/nonmetro controlled funds. To correct such situations, program

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staff should request of Headquarters either 1) a switch of metro/nonmetro funds to facilitate greater utilization or 2) a pull

back of unused funds by Headquarters by means of a revised form HUD-185. Program Support Staff must pull back such unused funds from a Field Office by means of a revised HUD-185.1 before Headquarters can pull back the funds by means of a revised HUD-185.

- 5-5. MANAGEMENT OF THE ASSIGNED FUNDS. Throughout the fiscal year, the Regional Office serves in a liaison capacity between the Field Office and Headquarters to ensure that assigned funds are effectively used and that established regional goals are met. Program Support Staff may revise Field Office HUD-185.1s to:
- A. Transfer metropolitan and nonmetropolitan budget authority within the Region, after authorization by the Regional Administrator to the extent such transfers offset each other; or
 - B. Based on input from the field offices, the staff may make a determination that budget authority allocated to a Field Office is not likely to be used during the fiscal year. In such cases, with the approval of the Regional Administrator, the budget authority may be reallocated in the same fiscal year to another field office in that Region where it is likely to be used during the fiscal year. Any reallocation of budget authority assigned to a Field Office must be in accordance with the following priorities:
 - 1. Projects funded within the same state, but not in the same Field Office jurisdiction;
 - 2. Projects funded in a different state, but within the same Field Office jurisdiction;
 - 3. Projects funded within the remainder of the Regional Office jurisdiction.