**Explanation of Public Housing Operating Subsidy Obligations for Correction of**

**Prior Year Errors in Calendar Years (CY) 2016, 2017, 2018 and 2019**

**Correction of prior year formula calculation errors:**

The Department is in the process of obligating Operating Fund subsidies for prior years CY2016, CY2017, CY2018 and CY2019 to provide funding to Public Housing Authorities (PHAs) that were underfunded due to calculation errors. The errors are corrected by rerunning the formula and proration calculation, recapturing funds from PHAs that were overfunded and increasing the obligations to the underfunded PHAs caused by the errors. This funding is expected to be available in eLOCCS in each grant year, no later than September 16, 2022.  **For CY2016, please draw down and expend the funds immediately as they will cancel as of September 30, 2022. PHAs are not permitted to expend funds after the cancellation date.**  A detailed summary by year will be available on the FMD website for 2022:

[Calendar Year (CY) 2022 Operating Fund Grant Processing | HUD.gov / U.S. Department of Housing and Urban Development (HUD)](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/am/opfnd2022)

Information on mergers, regroupings or consolidations or other account access issues:

All funds will be obligated in the PHA/Project that existed in the year of the error. Please contact the old PHA and work together to transfer funds. Where necessary, contact your local HUD Field Office which can provide technical assistance to obtain access to the account(s).