

Office of Public and Indian Housing

**Public Housing Operating Fund
Explanation of Calendar Year (CY) 2017 Obligations for February**

The Department has obligated Operating Fund subsidies for the month of February 2017, in accordance with the information below. This round of funding is expected to be available in eLOCCS not later than February 1, 2017. The next round of 2017 funding will be provided by March 1, 2017.

Estimated Project Eligibility Levels for CY 2017

February funding is based on an estimate using 2016 final project level eligibility and 2017 project inventory. New projects funded under this estimate returned a 2016 HUD-52723 and were included in the 2016 final eligibility.

Where a PHA finds that the estimate funding does not reflect its actual eligibility to be reported on the 2017 HUD-52723, the PHA is expected to refrain from drawing any excess funds and notify the HUD Field Office. If a PHA received funding for a project that is ineligible for funding in CY 2017, the PHA shall notify its Field Office by February 6th, 2017. PHAs should not draw funding for any project that fully converted to RAD, with a HAP effective date in 2016 or before, that is not eligible for funding.

Once approved 2017 HUD-52723 PHA eligibility submissions are processed, the prorated eligibility will cumulatively apply to the next funding. In certain project(s) this may result in an increase or decrease in funding as needed to adjust for overfunding or underfunded projects during the estimate funding period.

Interim Proration Levels for CY 2017 using an Estimated Eligibility

The Department's undertakes a conservative methodology in determining proration levels while using estimated eligibility. For the January funding, the Department considered 2017 estimated eligibility to provide for an interim proration level of approximately 85.00%. The final proration will reflect the difference in the amount of the actual eligibility for final approved PHA subsidy requests and the Appropriation Bill.