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PH PROGRAM NEWS

HUD Issues Guidance on Interest Earned on Operating Funds

In an email sent yesterday via HUD's Financial Management Division (FMD) mailing list, HUD's Office of Public and Indian Housing (PIH) announced the release of the PHA Post Federal Award Requirements Guidance: Interest Earned on Operating Funds, issued by the Deputy Assistant Secretary for the Office of Public Housing and Voucher Programs.

The guidance is intended to help PHAs to comply with the Office of Management and Budget's (OMB) requirement to return interest earned exceeding $500 per year on all federal grant funds to the Department of Health and Human Services (HHS), as outlined in Notice PIH 2024-25. The document provides commonly used methodologies to determine interest earnings allocable to operating subsidy. It also offers clear instructions to support compliance and financial accountability.

The announcement includes a list of resources, such as references to relevant regulations and direct links to applicable federal websites, to assist PHAs in understanding and implementing the new requirements. A link to the guidance is available on the 2025 operating fund grant processing page.

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