



June 13, 2022

PH PROGRAM NEWS

PIH Issues Notice on OpFund Shortfall Funding from FFY 2022 Appropriations

Last Friday HUD’s Office of Public and Indian Housing (PIH) issued Notice [PIH 2022-17](#) titled “Implementation of Public Housing Operating Fund Shortfall Funding from Federal Fiscal Year (FFY) 2022 Appropriations.” The 2022 Appropriations Act set aside \$25 million of public housing operating fund (OpFund) to assist PHAs experiencing or at risk of financial shortfalls. The notice provides guidance regarding eligibility, the application process, and other requirements for the set-aside. Compared to Notice [PIH 2021-12](#) on the same subject, this notice includes the following changes and additions:

- Shortfall eligibility and eligibility amount will be based on three months of reserves (MOR) instead of two.
- An adjustment for increased tenant accounts receivables has been made to the MOR calculation.
- Public housing projects that have undergone a full or partial RAD conversion during their shortfall fiscal year end will be excluded from the MOR and shortfall eligibility calculation. Public housing projects coded as “other projects” in the financial data schedule (FDS) are excluded from the MOR and shortfall eligibility calculation.
- Coronavirus Aid, Relief, and Economic Security (CARES) Act FDS column 14.PHC will be included in the calculation of MOR and shortfall eligibility.
- The MOR threshold for access to Tier 2 Increment 2 has been raised from a 1.0 MOR to a 1.5 MOR.
- Shortfall applications and appeals will be submitted via the [OpFund web portal](#).
- Funded PHAs will be required to submit an improvement plan and annual budget and actuals reporting as part of participation in the shortfall program. Submissions will be made via the OpFund web portal.
- Cohorts 1 and 2 have been merged to give funding priority to PHAs with less than 250 ACC units instead of PHAs with less than 100 ACC units.
- PHAs will have the later of seven calendar days (instead of five business days) from notification of returned application, or the application deadline, to correct any deficiencies identified and resubmit their application.

On the new [2022 Operating Fund Shortfall Funding](#) webpage, you can find a [list](#) of eligible PHAs and the amount they are eligible to receive, the shortfall [schedule](#), and the shortfall [notice](#). The explanation of shortfall obligation, shortfall obligation letter, and shortfall funds assignments are listed as “coming soon.”

Additionally, in an [email](#) last Friday via HUD’s Financial Management Division (FMD) [mailing list](#), HUD provided guidance on how to submit shortfall applications ([PDF/video](#)) and appeals ([PDF/video](#)) via the OpFund web portal. PHAs must submit their shortfall applications and appeals by **July 12, 2022**. HUD also announced that it will be holding two training sessions on submitting a shortfall application and appeal in the OpFund web portal. The training dates are as follows:

[Tuesday, June 21, 2022](#), from 10:30 to 11:30 a.m. Eastern time  
[Wednesday, June 22](#), 2022, from 1:30 to 2:30 p.m. Eastern time

Instructions on how to join can be found in the email.



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