

**Public Housing Operating Fund
Explanation of Calendar Year (CY) 2016/2017 Obligations**

Distribution of 2016/2017 Reserve for Corrections:

In 2016, the Operating Fund program was appropriated two-year funding. Meaning funds appropriated in 2016 may be obligated for over a two-year period (2016 and 2017). For final calendar 2016 obligations, the Operating Fund program obligated all funds to PHA projects based on each project's 2016 final eligibility, except for a small \$5,000,000 reserve held over to address HUD corrections. The Department will continue this practice in the future for the use of two-year Appropriations.

In addition to the \$5,000,000 Reserve for Corrections, some 2016 de-obligations and repayments (recaptured funds) were also available for distribution. This total amount of funds, minus any corrections, were distributed based to each projects' pro rata percentage of the total 2016 eligibility. The amount of fund distributed was \$6,104,778. Projects where the calculation resulted in less than \$01.00, were excluded from the distribution. The funds were made available in eLOCCS September 28, 2017.