



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

February 1, 2019

Dear Executive Director:

**Subject: Housing Choice Voucher Program (HCVP) Housing Assistance Payment (HAP) Renewal Disbursements – March and April 2019**

This letter concerns the disbursement of HCVP renewal funds to your public housing agency (PHA) for the months of March and April of 2019, under the cash management procedures. It is important that you review this letter and the Enclosure A included concerning the process by which HUD has calculated the disbursement of renewal housing assistance payments (HAP) funds to your PHA for these months. You are also encouraged to carefully review PIH Notice 2018-07, which sets out the cash management requirements.

**March and April 2019 Disbursements**

HUD has determined the funds needed for disbursements for March and April 2019 on the basis of PHA-reported HAP expenses in VMS for the month of October 2018, the most recent month for which we have validated VMS data. The date of the VMS download was December 13, 2018. The most recent month is used in lieu of the most recent three months as that is considered more accurate at this time, due to national leasing trends.

Enclosed are the calculation and data used to establish the March and April 2019 renewal disbursements for your PHA. PHAs are advised that the monthly disbursement is the calculated need plus a 2% margin.

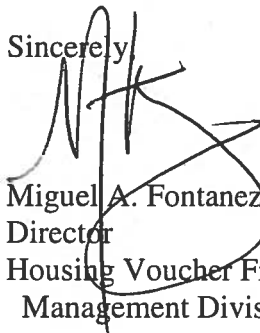
**Transition of Excess Cash**

The Department continues to transition PHA-held restricted net position (RNP) to HUD-held funds until needed by the PHA, in order to comply with cash management requirements. Based on the completion of the June 30, 2018 HAP Cash Reconciliation, Excess Cash (from Line 19b (Line 26 for Moving to Work (MTW) agencies) of the CY 2018 HAP Reconciliation Enclosure will be transitioned to HUD-held funds until all excess has been transitioned.

In closing, it is critical that participants are not placed at risk or payments delayed as a result of your PHA having insufficient funds to support HAP payments due to the cash management methodology or the transition of RNP-funds to HUD-held reserves. If your PHA does not have sufficient funds, please contact your FMC FA and your local Field Office representative.

Thank you for your attention to this matter. If you have any questions concerning this letter, please contact your FA at the FMC.

Sincerely,

A handwritten signature in black ink, appearing to be 'Miguel A. Fontanez', written over the printed name.

Miguel A. Fontanez  
Director  
Housing Voucher Financial  
Management Division