



U.S. Department of Housing and Urban Development
Public and Indian Housing

Special Attention of:
Public Housing Agencies (PHAs);
Secretary's Representatives; State/Area
Coordinators; Directors, Public Housing
Divisions; Resident Management
Corporations (RMCs)

Notice PIH 2001-25 (HA)

Issued: July 23, 2001

Expires: July 31, 2002

Cross References:

Subject: Coordination of HUD Database Changes Due to Public Housing Agency
Organizational Changes Or Change in Fiscal Year End

1. PURPOSE

This Notice has the following two purposes:

- to provide Public Housing Agencies (PHAs) and HUD staff with procedural guidelines to assure that all HUD management information, accounting, and payment systems are updated in a timely and coordinated manner when database changes are required due to PHA organizational or Fiscal Year End (FYE) changes;
- to establish a new HUD requirement that a PHA must use a common fiscal year end for its public housing program, its housing choice voucher program, and its Section 8 moderate rehabilitation program.

With respect to PHA organizational changes, this Notice addresses only the coordination of information that affects electronic databases as a result of the organizational change. This Notice does not address the approval, processing or implementation of the organizational change itself. A separate Notice will be issued to provide PHAs and HUD staff with procedural and operational guidelines for PHAs who choose to merge, consolidate and/or enter into a consortium.

2. BACKGROUND

In the past few years, HUD has developed a number of electronic reports and computerized databases that share information in various management information, accounting, and payment systems. These systems are used to collect required PHA data in such areas as PHA characteristics (project numbers, number of units, program types, etc.), operating and capital budgets, financial reporting, fund disbursement, and performance evaluations (Public Housing Assessment System (PHAS) and Section 8 Management Assessment Program (SEMAP)). In addition, the electronic systems are integrated so that systems draw upon other systems for PHA information. Changes in PHA external organization structure (for example, formation of consortia, mergers, and consolidations), or PHA fiscal year end changes, impact all of the HUD systems. Therefore, it is essential that implementation of system changes be coordinated at the Headquarters level.

3. PHA SUBMISSION TO LOCAL FIELD OFFICE

PHAs that plan to form a consortium, merge or consolidate into a single PHA, or that are requesting a change in their fiscal year end (FYE), or are making other organizational changes that affect PHA project configurations, the funding process, or the reporting process, must supply the local HUD Field Office with the necessary information to update the HUD electronic data systems. When more than one PHA is party to the change, a single request for database changes should be submitted by the lead PHA. The request should reference all affected PHAs, and contain applicable information for all affected PHAs.

If a FYE change is involved, the required information must be provided to the local HUD Field Office at least 90 calendar days prior to the *current* FYE of the PHA. For example: if the PHA wants a FYE change to 12/31 and the PHA's current FYE is 6/30, the required information must be submitted by the PHA to the HUD Field Office by 3/01. The implementation of a FYE change must be prospective rather than retroactive.

- A. The PHA correspondence to the Field Office, signed by the PHA Executive Director, should include:
- the reason for the database change request; i.e, the basic action being undertaken - an organizational change (such as consolidation, merger, consortium) and/or a change in FYE
 - the name(s) and the PHA code(s) of the PHAs involved in the requested action
 - the name of the new entity, if applicable
 - the name of the lead PHA that funding is to be directed to on behalf of participating PHAs in a consortium
 - the current FYE of each PHA
 - the requested FYE of each PHA

- the program name and PHA PAS/LOCCS or HUDCAPS project number for each program area that will be affected by the request, such as:
 - Public Housing Operating Fund (operating subsidy)
 - Public Housing Capital Fund (modernization)
 - Public Housing Grant Programs
 - Housing Choice Voucher Program
 - Section 8 Moderate Rehabilitation Program

Note: A FYE change affects all program areas of a PHA.

- B. The information listed in 3A is required for HUD systems update. The local HUD Field Office staff may need to request additional information (e.g., copies of approved ACC amendments, Board Resolutions, PHA Annual Plans) to support or implement the basic action (e.g., consolidation, merger, consortium) that makes the database change necessary.
- C. The PHAs involved in the change are responsible for assuring that necessary system access authorizations, passwords, Direct Deposit Sign-up Form SF-1199A for new bank accounts, Change of Address Request Form HUD-27056, and other change forms are submitted as required.
- D. The PHAs involved in the change are responsible for assuring that the change complies with non-HUD Federal, State and Local Government requirements.

4. FIELD OFFICE SUBMISSION TO HEADQUARTERS

The Field Office will review the information submitted by the PHA to assure that the PHA has submitted all of the necessary information listed in 3A, including sufficient accounting information to identify the programs affected. The Field Office will obtain any missing information from the PHA before forwarding the database information change request to Headquarters.

- A. The Field Office will forward the PHA letter with the information listed in 3A by a cover memorandum addressed to the Deputy Assistant Secretary, Public and Assisted Housing Delivery, Attention: Funding and Financial Management Division. The request may be sent by either mail or facsimile. **Do not send e-mail requests.**
- B. The cover memorandum forwarding the PHA information should include:
 - the recommendation of the Field Office for approval of the data base change(s)
 - a statement indicating which, if any, of the PHAs involved in the request are “troubled”
 - the name and telephone number of a Field Office contact person.

If the request includes a “troubled” PHA, an copy of the cover memorandum should be sent to the Office of Trouble Agency Recovery (OTAR) having jurisdiction over the PHA.

The issue addressed in this Notice is only the coordination of data in the HUD electronic information systems (e.g., the notification of appropriate staff regarding the change in FYE so that all affected data systems can be changed). The Field Office, OTAR, or the Section 8 Financial Management Center will be responsible for assuring that the appropriate steps (e.g., amendment of ACCs for consolidation of PHAs) are taken with respect to HUD program approval or implementation of the PHA organizational changes that make the database changes necessary.

5. HUD HEADQUARTERS IMPLEMENTATION

The PHA/Field Office/OTAR will be notified by letter from the Assistant Secretary, Public and Indian Housing, that the required database changes have been approved.

- A. The Funding and Financial Management Division (FFMD), Office of Public & Assisted Housing Delivery, will be the lead office at Headquarters to coordinate the database change request with the HUD offices responsible for, or affected by, the various electronic data systems.
- FFMD will review the PHA request and information as submitted by the FO, and contact affected PIH program areas and HUD data systems offices in order to identify and resolve potential problems with the requested change. This coordination will include offices within PIH and offices outside PIH, such as the Office of Capital Investment, the Office of Troubled Agency Recovery (when troubled PHAs are involved), the Grants Management Center, the Section 8 Finance Division, the CFO Accounting Center, the Real Estate Assessment Center and the Section 8 Financial Management Center.
 - FFMD will notify the Field Office if additional information is required, or if for some reason, the database changes cannot be approved as requested by the PHA.
 - FFMD will prepare a response to the PHA/Field Office for the signature of the Assistant Secretary, Office of Public and Indian Housing, approving the database changes. The response will be circulated, as necessary, for the prior concurrence of PIH program offices and HUD data systems offices affected by the changes.
 - FFMD will notify the Field Office, OTAR, and all offices that concurred in the response, when the Assistant Secretary signs the response.

- B.** The offices responsible for maintaining the various electronic data systems will be responsible for updating the databases and information systems within their respective areas of responsibility and within the timeframe necessary for implementation of the requested change.

If additional information is needed, please contact Regina McGill, Director of the Funding and Financial Management Division, Office of Public and Assisted Housing Delivery at (202) 708-1872.

/s/ Karen A. Newton for
Paula O. Blunt, Acting General Deputy
Assistant Secretary for Public and Indian Housing