



# HUD Moving to Work Expansion Training

Landlord Incentives Cohort Onboarding - Planning Your MTW  
Agency's Finances Part II: Financial Reporting

March 23, 2022

# Today's Agenda

- Welcome
- MTW Amendment to the ACC Execution & MTW Financial Reporting
- MTW-Specific Financial Reporting
  - Financial Data Schedule (FDS)
  - Capital Fund (EPIC)
  - Voucher Management System (VMS)
  - CARES Act
- Previously Appropriated Funds
- Questions & Answers
- Wrap Up



# Let's Talk About MTW ACC Execution & Financial Reporting



Jeree Turlington  
Finance Director/Executive Director  
Housing Innovations, Inc.

Phillip Pless  
MTW Office

# MTW Amendment to the ACC Execution and MTW Financial Reporting

Reporting System	Trigger for Change	What to Do Differently
<ul style="list-style-type: none"><li>Financial Data Schedule (FDS)</li></ul>	<ul style="list-style-type: none"><li>PHA begins <u>using</u> funding flexibility</li></ul>	<ul style="list-style-type: none"><li>Adhere to MTW-specific reporting requirements</li></ul>
<ul style="list-style-type: none"><li>Capital Fund (i.e. EPIC)</li></ul>	<ul style="list-style-type: none"><li>ACC Amendment execution</li></ul>	<ul style="list-style-type: none"><li>Begin using BLI 1492 (MTW) and cease using BLI 1406</li></ul>
<ul style="list-style-type: none"><li>Voucher Management System (VMS)</li></ul>	<ul style="list-style-type: none"><li>Month following ACC Amendment execution</li></ul>	<ul style="list-style-type: none"><li>Begin using MTW specific fields</li></ul>

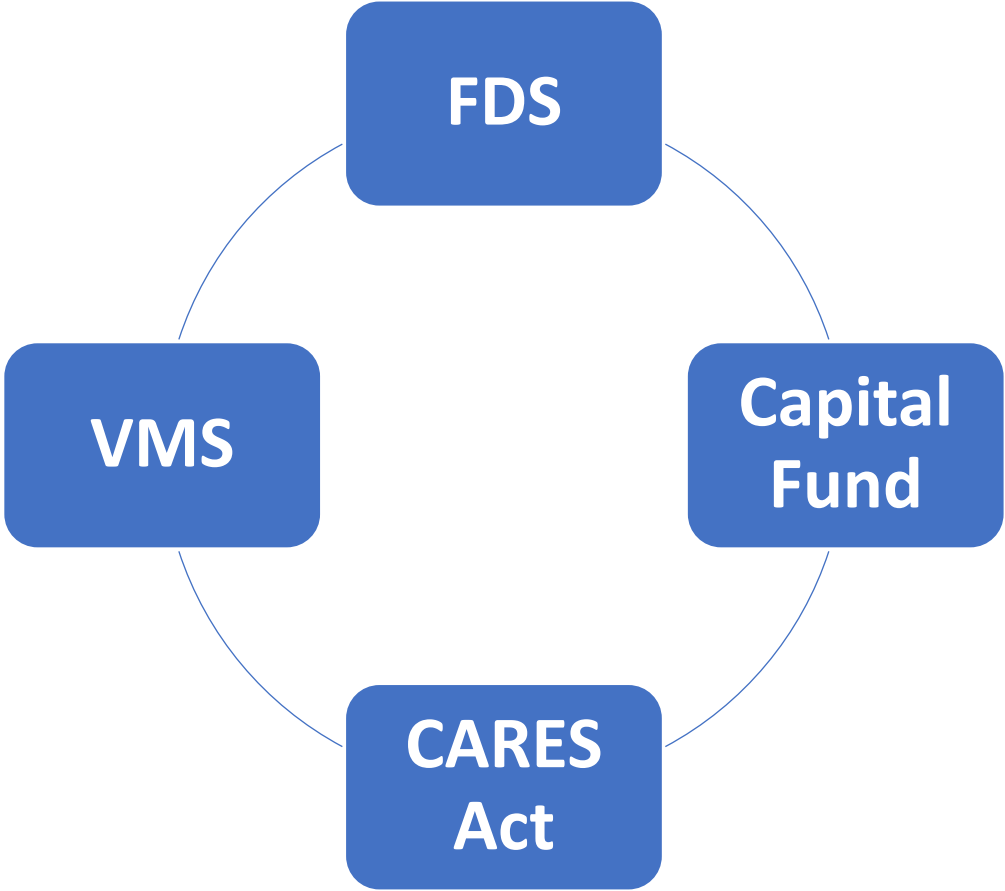
Learn more by reading the [MTW ACC Amendment FAQs](#)



Questions?



# MTW-Specific Financial Reporting



# Special Instructions for Preparing FDS for MTW Agencies

1

- Create new FDS column for Low Rent Public Housing, Capital Fund, HCV, and MTW.

2

- Report project financial activity within supplemental project schedules and transfer funds accordingly.

3

- Transfer Low Rent Public Housing, Capital Fund and Section 8 HCV subsidy or grant revenue to MTW Program.

4

- Report project financial activity within supplemental project schedules and transfer funds accordingly.

5

- Understand Asset Management Types applicable to PHAs.



# Timing of MTW Amendment to the ACC & Effect on FDS Reporting

## Option A

Follow MTW FDS reporting instructions if implementing funding flexibility prior to end of current PHA fiscal year.

## Option B

Follow current FDS reporting instructions if agency does not elect to implement funding flexibility during current PHA fiscal year.

After completion of PHA's current fiscal year, begin following MTW FDS reporting instructions.





# Resources for Preparing FDS for MTW Agencies

[FDS Reporting Guidance](#)

[Updated FDS Line Definition Guide](#)



# MTW-Specific Financial Reporting: Capital Fund

- Only difference in Cap Fund reporting:
  - Cannot use BLI 1406
  - All funds not use for typical capital purposes must be in BLI 1492
- Obligation and Expenditure Requirements (24 CFR 905.306)
  - Capital Fund grant must be 90% obligated within 24 months of award
  - Capital Fund grant must be 100% expended within 48 months of award
- Immediate Need
  - Continue to follow immediate need requirements applicable to all Capital funds
  - Cannot accelerate drawdown of Capital funds for funding reserves or for any other purpose
  - Only draw Capital funds, including funds in BLI 1410 (Administrative Costs) and BLI 1492 (MTW) when funds are due and payable.



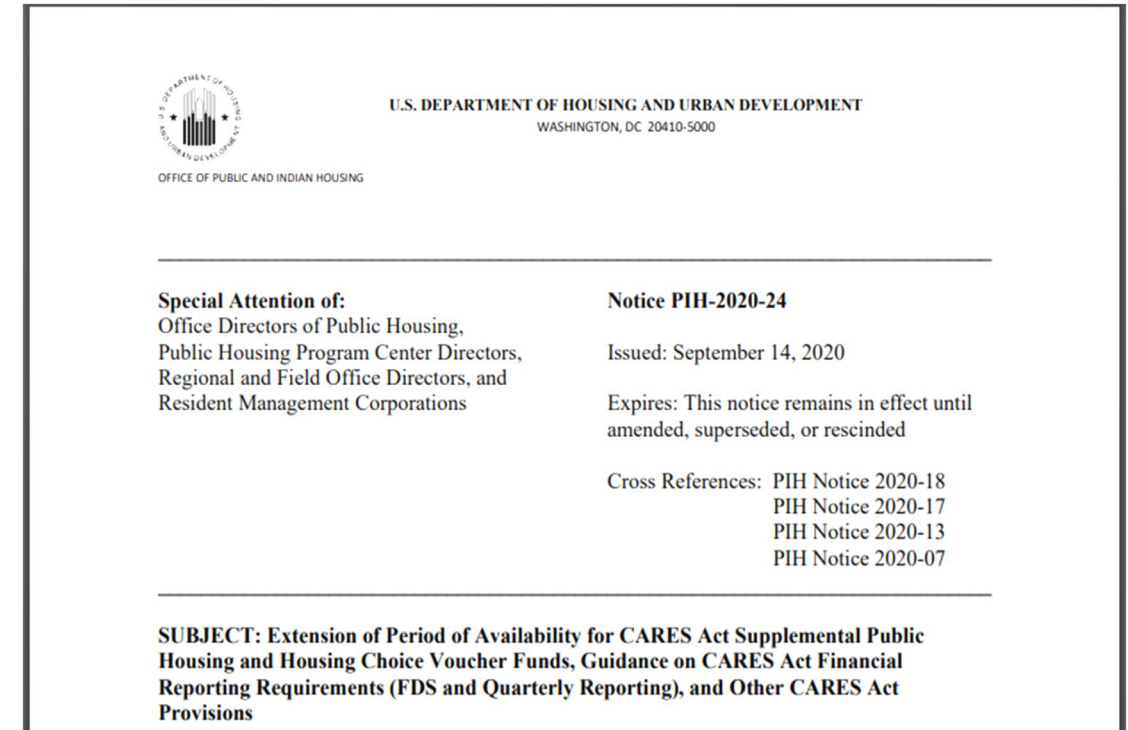
# MTW-Specific Financial Reporting: Capital Fund

- Reporting/Using Budget Line Items (BLI)
  - Traditional Cap Fund BLI(s) for activities requested under Section 9(d)
  - BLI 1492 (MTW) for activities under Section 9(e), Section 8(o), and LNT.
    - Cannot use transfer to operations line item.
- Pre-FY 2021 vs. 2021 Allocation
  - Pre-FY 21 allocations – use BLI 1492 or BLI 1406 Transfer to Operations for non-Capital Fund purposes
  - Starting with FY21 allocation – use BLI 1492 for non-Capital Fund eligible purposes



# MTW-Specific Financial Reporting: CARES Act

- CARES Act Supplemental Public Housing Op Funds, HCV Supplemental HAP and Administrative Fees expired on December 31, 2021.
- MTW PHAs can find FDS reporting requirements for expended CARES Act funds in PIH Notice 2020-24
- MTW PHAs can reference CARES Act close out procedures in PIH Notice 2021-36
- EHV Reporting requirements still apply for Expansion PHAs after they become an MTW PHA



# MTW-Specific Financial Reporting: CARES Act

- [PIH Notice 2020-24: FDS CARES Act Reporting Notice](#)
  - FDS reporting requirements for CARES Act Funds
- [PIH Notice 2021-36 CARES Act Supplemental Operating Fund Close Out Procedures](#)
  - Provides close out procedures for CARES Act Supplemental Operating Funds
  - PHAs must liquidate all obligations incurred under the Federal award not later than 120 calendar days after the end date of the period of performance
  - See notice for additional close out procedures



# Previously Appropriated Funds: Sections 8 and 9

- May be used flexibly per FY 2022 Congressional Appropriations Bill:
  - Operating Fund
  - HCV
  - Capital
- Must be renewed from year to year
- Check status of this flexibility:
  - [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/p/h/mtw/MTW-flex-reserves-status](https://www.hud.gov/program_offices/public_indian_housing/programs/p/h/mtw/MTW-flex-reserves-status)



# 10 Minute Break



# MTW-Specific Financial Reporting: VMS

- MTW reporting will be effective the first month following the conversion
- VMS Fields for HAP and Leasing:
  - Moving to Work Vouchers (as Unit Months Leased)
  - Moving to Work HAP Expenses
  - Special Purpose Vouchers
- VMS Fields for HCV Funds used to cover MTW Expenses:
  - MTW - HCV Administrative Expenses
  - MTW - Public Housing Rehabilitation
  - MTW - Debt Service Repayment
  - MTW - Development Activities
  - MTW - Local Housing Program

## Resource

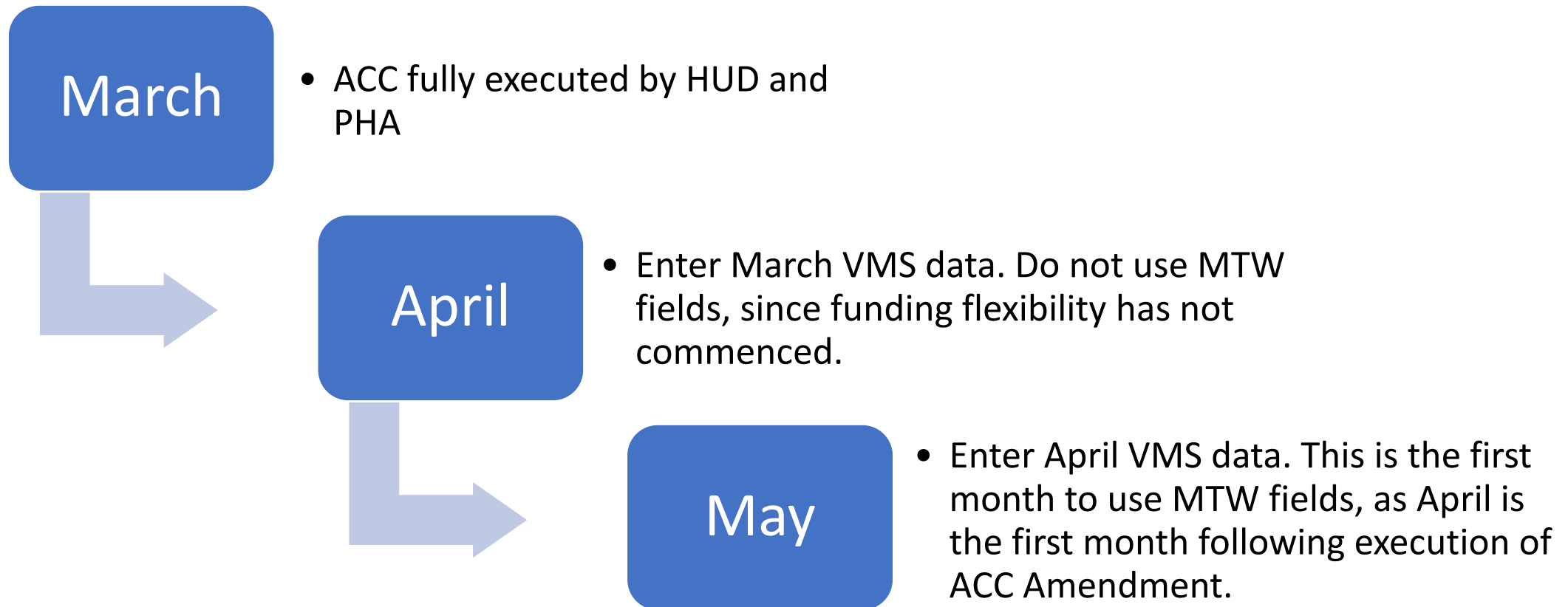
[VMS User Manual Quick Reference Guide](#)





# MTW-Specific Financial Reporting: VMS

Time frame for starting to use MTW-specific fields. Below is an example based on a March 2022 MTW ACC Amendment execution:



# Special Purpose Vouchers

- SPVs are vouchers designated to serve a specific population
- MTW funding fungibility/flexibility cannot apply to SPVs.
- MTW Expansion agencies must continue to maintain internal accounting records to differentiate fund balances for all voucher types
- VMS reporting for SPVs for MTW agencies and non-MTW agencies is similar

**Please watch the November 3<sup>rd</sup> MTW Finances: SPVs and VMS Reporting webinar at [Expansion Webinars](#)**

**Learn more by reading the [MTW SPV FAQs](#)**



# VMS Demonstration



Questions?



**Peter Beyer**  
**Home Forward (Portland, OR)**  
**Former Chief Financial Officer**



**home**forward



# Key Takeaways

- Move from “that’s how we've always done it” to “what is a better way”?
- Consider impact on:
  - Operations
  - Tracking/Reporting Requirements (including tracing back to origin source)
  - Software
  - Training/Policies and Procedures
- Consider Stakeholders:
  - Staff
  - Participants/Residents
  - Landlords
  - Community Advocates/Partners
  - Neighbors
- Do not underestimate the work that goes into the change management process.



**Additional Questions?**



# Resources

- [MTW ACC Amendment \(available from MTW Expansion page on HUD.gov\)](#)
- [MTW Selection Notice](#)
- [MTW Operations Notice](#)
- [Moving to Work page on HUD.gov](#)
- [Moving to Work Expansion page on HUD Exchange](#)
- [MTW Expansion Online Manual](#)
- [MTW Expansion Webinars](#)
- [MTW SPV FAQs](#)
- [MTW ACC Amendment FAQ](#)
- Welcome Letter, Timeline, and Resources received via email





# Upcoming Landlord Incentives Cohort Onboarding Webinars

The MTW Supplement to the PHA Plan and the Public Process	April 13, 2022	2:00 – 4:00 PM EDT
The MTW Supplement – Tips For Success	May 4, 2022	2:00 – 4:00 PM EDT
MTW-50058 MTW Expansion Form Changes	May 25, 2022	2:00 – 4:00 PM EDT
Office Hours	June 8, 2022	2:00 – 4:00 PM EDT

\*Note: MTW Office Hours has been moved from May 25<sup>th</sup> to June 8<sup>th</sup>. The MTW-50058 Expansion Form Changes webinar will be held on May 25, 2022. Registration coming soon.



**Thank you!**

