



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

OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:  
Office Directors of Public Housing,  
Regional Directors, and Public Housing  
Agencies.

**Notice PIH 2023-12**

Issued: May 16, 2023

Expires: This Notice remains in effect until amended, superseded, or rescinded

Cross References: PIH Notice 2021-23, PIH Notice 2021-25, PIH Notice 2021-15.

**SUBJECT: Extension of Period of Availability for American Rescue Plan (ARP) Act – Adjustment Funding for Calendar Year 2021 Housing Choice Voucher (HCV) Program and Mainstream Vouchers Renewal Funding**

**1. Purpose**

The purpose of this Notice is to extend the June 30, 2022 deadline, (i.e., period of availability) set in PIH Notice 2021-23: *American Rescue Plan Act – Adjustment funding for Calendar Year 2021 Housing Choice Voucher Program and Mainstream Vouchers Renewal Funding and Updated Application Process for Unforeseen Circumstances Funding for Public Housing Agencies (PHAs)*, so PHAs can expend the adjustment funding awards they received in calendar year (CY) 2021 and report these expenses in the Voucher Management System (VMS). This extension is needed to ensure PHAs have clear expenditures and reporting guidance of ARP funds in VMS, which were prioritized for HAP. The new deadline to report the expenditures of the ARP adjustment funding is **December 31, 2023**.

Under PIH Notice 2021-23, HUD awarded ARP Housing Assistant Payment (HAP) budget authority to multiple PHAs to address significant increases in per unit costs (PUCs) in the HCV Program and Mainstream Vouchers. These awards were processed through applications of funding under the Extraordinary Circumstances category.

Additionally, this Notice provides PHAs with reporting guidance examples for reporting spending of these funds in VMS, specifically guidance on reporting in memo fields that were created for these funds and included in the VMS User Manual.

Funds that are not expended by the updated deadline will be reconciled and returned to the Emergency Housing Voucher (EHV) Program. All other terms of PIH Notice 2021-23 remain in effect.

## 2. Background

As part of the ARP appropriation enacted on March 11, 2021, HUD provided over \$200 million for CY 2021 HAP renewal funding allocation adjustments for the HCV Program and Mainstream Vouchers. PIH issued Notice 2021-23, providing guidance to PHAs on how the renewal funding adjustments were allocated, eligible uses of the funding, financial management requirements, and other program requirements necessary for PHAs to administer the funding. The initial Notice also set December 31, 2021, as the deadline for the expenditures and reporting of the Shortfall awards, and set June 30, 2022, for the expenditures and reporting of the Extraordinary Circumstances awards.

## 3. Applicability

This Notice only applies to PHAs that received ARP renewal adjustment funding for the HCV Program and/or Mainstream Vouchers, including PHAs participating in the MTW Demonstration. The list of awardees is included as a separate link to this notice.

This Notice does not apply to the Emergency Housing Voucher Program funding, Section 8 Moderate Rehabilitation Program funding, or the Section 8 Moderate Rehabilitation Single Room Occupancy Program funding.

## 4. Reporting Requirements

PHAs must review HAP expenses reported in the VMS and the corresponding monthly HAP expense entry in the VMS memo fields for ARP adjustment funding. Specifically, the Financial Management Division (FMD), through PIH Notice 2021-23, directed PHAs to utilize ARP adjustment funding first, and the VMS User Manual required awardees to report spending of these HAP funds under *Other Reporting Requirements*, Tab 1: *Vouchers UML and HAP*:

### VMS memo fields

- a. **Adjustment Funding – Per Unit Cost Increase:** Amount of Voucher Program HAP expenses paid for the reporting month covered by Adjustment Funding provided for Per Unit Costs Increases. These expenses should also be reported in the normal HAP expense field for which the expense was incurred.
- b. **Adjustment Funding – Shortfall:** Amount of Voucher Program HAP expenses paid for the reporting month covered by Adjustment Funding for Shortfalls. These expenses should also be reported in the normal HAP expense field for which the expense was incurred.
- c. **Adjustment Funding Per Unit Cost Increase MS Program:** Amount of Mainstream Program HAP expenses paid for the reporting month covered by Adjustment Funding for Per Unit Costs Increases. These expenses should also be reported in the MS HAP expense field.
- d. **Adjustment Funding – Shortfall MS Program:** Amount of Mainstream Program HAP expenses paid for the reporting month covered by Adjustment Funding for Shortfalls. These expenses should also be reported in the MS HAP expense field.

*Example 1:*

HUD awarded \$100,000 to PHA AB123, under the Per Unit Cost Increase category (for either HCV Program or Mainstream Vouchers) in September 2021. AB123 incurred and reported HAP expenses in VMS in the amount of \$100,000 monthly from September 1, 2021, through June 1, 2022, for a total of \$1,000,000.

To ensure priority was given to ARP adjustment funding for HAP, the PHA must perform a prior month correction in VMS reporting \$100,000 in the ***Adjustment Funding – Per Unit Cost Increase*** memo field, in the month of September 2021. The assumption is that PHAs spent their ARP funds first (starting from the date of the award).

Here is an alternate demonstration for this example on how the ARP award was spent first.<sup>1</sup> AB123 received an ARP adjustment funding for \$100,000 for PUC Increases, awarded in September 2021:

<b>Date</b>	<b>HAP Expense Reported in AOV HAP</b>	<b>Memo Field: Adjustment funding – PUC Increase</b>
September 2021	\$100,000	\$100,000 (ARP funds fully spent)
October 2021	\$100,000	\$0
November 2021	\$100,000	\$0

***Or***

If the \$100,000 ARP award was for Mainstream Vouchers PUC Increases, the PHA's prior month correction will entail reporting in the memo field in VMS, starting in the month of September 2021. Assuming the Mainstream Voucher HAP expense is \$35,000 per month, the PHA will report the \$100,000 ARP award as shown below:

<b>Date</b>	<b>MS HAP Expense</b>	<b>Memo Field: Adjustment funding – PUC Increase</b>
September 2021	\$35,000	\$35,000
October 2021	\$35,000	\$35,000
November 2021	\$35,000	\$30,000 (\$100,000 ARP funds fully spent)
December 2021	\$35,000	\$0

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<sup>1</sup> HUD assumes HAP disbursed to PHAs (from the date of the award) liquidated ARP funds first.

*Example 2:*

HUD awarded \$30,000 to a PHA that faced a Mainstream Vouchers Shortfall in CY 2021. The ARP award was issued in September 2021; then the PHA must have reported, or will perform a prior month correction as shown below<sup>2</sup>:

<b>Date</b>	<b>MS HAP Expense</b>	<b>Memo Field: Adjustment funding – Shortfall</b>
September 2021	\$35,000	\$30,000 (ARP funds fully spent)
October 2021	\$35,000	\$0
November 2021	\$35,000	\$0

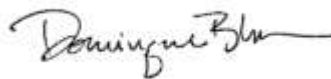
## 5. Paperwork Reduction Act

The information collection requirements contained in this Notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C.3520) and assigned OMB approval numbers 2577-0026, 2577-0029, 2577-0157, and 2577-0246. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB number.

## 6. Penalty for False Claims and Statements

HUD will seek civil, criminal, or administrative action against individuals and entities who either make, present, submit, or cause to be submitted a false, fictitious, or fraudulent statement, representation, or certification. 18 U.S.C. §§ 287, 1001, 1010, 1012, 1014 and 31 U.S.C. §§ 3729, 3802.

Should you have questions about this reporting guidance, please contact your FMC Financial Analyst.




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Dominique Blom  
General Deputy Assistant Secretary  
for Public and Indian Housing

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<sup>2</sup> HUD assumed HAP disbursed to PHAs liquidated ARP funds first.