Special Attention of:	NOTICE PIH 2010- 42 (HA)
Public Housing Agencies (PHAs)	
Public Housing Office Directors	Issued: October 13, 2010
	Expires: October 31, 2011
	Cross References:

Subject: Certification of accuracy of data in the Inventory Management/Public Housing Information Center System used to calculate the Capital Fund formula allocation.

1. Purpose: The purpose of this Notice is to advise executive directors of PHAs that the Department is requiring them (or an authorized subordinate staff person) to certify to the accuracy of the data PHAs have submitted to HUD in the Inventory Management System/Public Housing Information Center (IMS/PIC) system that the Department will use to calculate the formula for allocating Capital Fund grants.

2. Background: Each year the Department allocates Capital Fund grants to PHAs under the Capital Fund Program that is authorized by Section 9(d) of the United States Housing Act of 1937. The Department uses a formula to calculate the funding amount for each Capital Fund grant for each PHA. The formula is codified at 24 CFR 905.10. The Department bases its formula calculation extensively on data submitted to HUD by PHAs in the IMS/PIC system. PHAs are required to accurately report data in the IMS/PIC system in accordance with Section 15(B) of their Annual Contributions Contract with HUD (Form HUD 53012A, 7/1995 version). In consultation with the Department's Office of Inspector General, the Office of Public and Indian Housing (PIH) concluded that PHAs should be presented with the specific IMS/PIC data the Department will use to calculate the Capital Fund formula allocation and required to certify to the accuracy of that data prior to calculating the formula grant allocations. PIH first implemented this requirement in 2007 through Notice 2007-13. PIH implemented the certification requirement in 2008 through Notice 2008-7. This Notice explains the current certification requirement applicable starting in 2009.

3. For Further Information: Contact the Office of Public and Indian Housing, Office of Capital Improvements, Attention: Robert Dalzell, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4130, Washington, DC 20410; telephone (202) 708-1640 (this is not a toll free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Information Relay Service at

(800) 877-8339. Additional information **including a step-by-step guide of the certification pages in IMS/PIC** is available from the Office of Capital Improvements Internet site at http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm.

4. Description of the Data Certification Pages: In order to complete the certification process, PHAs must interact with two related IMS/PIC web pages: the Capital Fund Building and Unit Data Certification tab page and the Development Details web page. PHA staff that are inputting certification data into the two pages should refer to the **step-by-step guide** to the certification pages referenced in Section 3 (for Further Information) above. The following subsections describe the two pages.

   a. Capital Fund Building and Unit Data Certification tab page: the Capital Fund Building and Unit Data Certification tab is located in the Development sub module under the Housing Inventory module. Once a PHA selects the tab page, the screen will display a list of all of the public housing developments that the Department will include in calculating the Capital Fund formula allocation. Note that the tab page will not display developments that either have no Date of Full Availability (DOFA) date or that have a DOFA date later than the "reporting date" because those developments will not be factored into the formula calculation. (See section 6 below for an explanation of the meaning of "reporting date.") The page also contains a column that displays on a development-by-development basis whether a PHA has certified to the accuracy of the data for the development or whether the PHA cannot certify to the accuracy of the data for reasons described in section 7 below.

   b. Development Details web page: In addition to installing the Capital Fund Building and Unit Data Certification tab page, the Department also installed a secondary Development Details web page for each development in a PHA's inventory. The Development Details page contains the primary data that the Department will use to calculate the Capital Fund formula share for that development. The data includes: the number of standing units, the number of removed units, and the number of non-ACC units, the number of non-dwelling units, the number of elderly units, the number of family units, the standing unit bedroom count and the removed unit bedroom count. All of these data elements reflect data that PHAs have entered or uploaded into IMS/PIC. The Development Details page no longer contains two 1999 data elements that PHAs validated during the 2007 and 2008 certification processes and that are used to calculate the Capital Fund formula: the 1999 Unit Count and the 1999 Aggregate Bedroom Count. The 1999 data is historical and therefore does not change from year to year. At this point, the Department believes that it has made all of the corrections to the 1999 data that should be required based on the information PHAs provided during the 2007 and 2008 certification processes and therefore is no longer requesting validation. PHAs can see how the Department handled requested changes to 1999 data by viewing the HQ comments section of the Developments Details web pages for the 2007 and 2008 certification.

5. Correction of Errors: PHAs that detect errors in the data displayed on the Capital Fund Building and Unit Data Certification tab page and the Development Details web page must correct the data in IMS/PIC prior to certifying the accuracy of the data for that development. PHAs correct the data by following the normal procedure for changing the data in IMS/PIC.

Although PHAs cannot make corrections on either the Capital Fund Building and Unit Data Certification tab page or the subsidiary Development Details web page, the Development Details web page does contain links to the underlying building and unit data that is the source for the data contained on the page. Some corrections will require coordination with Field Office staff to ensure that any corrections that require Field Office approval prior to taking effect are approved prior to certifying to the accuracy of the data. Some corrections require Field Office staff to make the corrections on a PHA's behalf (particularly corrections relating to development level data such as DOFA dates). The Development Details web page will display the corrected data one day after the correction becomes final.

6. Effective Date for the Data ("Reporting Date"): The Department calculates the formula based on the status of the public housing inventory "as of" a "reporting date." (See 24 CFR 905.10(f)(1)(ii)) The Department will announce the "reporting date" on the Office of Capital Improvements Internet site at http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm prior to calculating the Capital Fund formula for a given Federal Fiscal Year. The data displayed on the certification web pages represents the state of the building and unit inventory as of "reporting date" rather than the current state of the inventory. Normally the data is the same, however if a PHA removed units from the inventory (e.g., through demolition) subsequent to the "reporting date," the Development Details web page will treat the units as standing units that have not yet been removed since that is how the units will be handled in calculating the Capital Fund formula. Similarly if a new development in a PHA's inventory reaches its DOFA after the "reporting date" the development will not be included since units that are associated with a development that has not reached DOFA as of the reporting date are not included in the formula. Note that PHAs can still change their data after the "reporting date" to correct the data content as of the "reporting date."

7. Inability to certify to the accuracy of data for individual developments: As noted in Section 5 above, PHAs that detect errors in the data displayed on the Development Details web page must correct the data in IMS/PIC prior to certifying the accuracy of the data for that development. In the vast majority of instances, PHAs can correct inaccurate data by following the normal procedures for revising the data in the IMS/PIC system. The Department recognizes that in rare instances PHAs may encounter errors that cannot be corrected by either the PHA or Field Office staff because of the way the IMS/PIC system operates. In those instances, PHAs are to submit a request to the Real Estate Assessment Center Technical Assistance Center (TAC) help desk. In such instances PHA staff can either send an email describing the issue (include staff member name, phone number, housing authority number and field office name where applicable) to REAC_TAC@hud.gov or telephone the TAC at 1-888-245-4860 between 7:00am and 8:30pm Eastern time on business days. Once the TAC has assigned a help ticket number to the PHA, the PHA must enter the help ticket number into the space provided on the Development Details web page. In this instance, the PHA must also provide a comment that indicates what data element(s) is/are wrong, what the correct data is and why it cannot correct the data through the normal procedure. Once the PHA enters the required information on the Development Details page, it must then mark the development's data as "rejected" rather than "certified" on the Data Certification page. Note that PHAs are only to "Reject" certification for developments when they cannot use the normal process for making corrections (i.e., there is a true error in the IMS/PIC system that prevents the update). When the Department calculates the

Capital Fund formula, in instances in which a PHA properly "rejects" certification of data for a development(s), the Department will override the inaccurate data displayed and substitute data that the Department determines is accurate.

8. Exemption from the data certification requirement: The certification requirement applies to all PHAs that receive Capital Funds. A PHA may apply for an exemption from the certification requirement for exigent circumstances. An example of an exigent circumstance would be a situation such as a natural disaster that impacted a PHA's ability to validate the accuracy of the data in IMS/PIC. A PHA requesting such an exemption must submit a written request for the exemption to the attention of the Director, Office of Capital Improvements, Department of Housing and Urban Development, Office of Public and Indian Housing, 451 Seventh Street, SW, Room 4130, Washington, DC 20410. Such requests will be considered on a case-by-case basis.

9. Schedule for completing the certification process: The Department will announce the schedule for completing the certification process on the Office of Capital Improvements Internet site at http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm. The Department will also announce the schedule by sending an e-mail message to the executive director based on the e-mail address information uploaded by PHAs into the IMS/PIC system.

10. Authority to certify.

The Department is requiring executive directors to submit the certification of the accuracy of their respective PHA's data on the Capital Fund Building and Unit Data Certification tab page. Executive directors can delegate certification authority to other PHA staff by working with their local PHA staff IMS/PIC security coordinator.

11. Failure to certify.

Unless the Department grants an exemption from the certification requirement as described in Section 8 above, the Department will withhold funding from any PHA that has not certified to the accuracy of its data in the Capital Fund Building and Unit Data Certification tab page. For any PHA that fails to certify by the deadline for completion of the certification process, the Department will extract its data from IMS/PIC on the first business day after the deadline and store it in a separate database. When the Department calculates the Capital Fund formula for all PHAs, it will use the uncertified data to calculate a grant amount for any PHAs that have not yet certified. The Department will issue an ACC amendment reflecting the grant amount calculated with uncertified data, but it will suspend the grant pending receipt of the certification. If a PHA certifies after the deadline date, the Department shall compare the certified data with the uncertified data available the day after the certification deadline. The Department will use the data from the comparison that results in the lowest funding level to calculate the funding to be made available to the late certifying PHA.[1] Note that late certifying PHAs shall remain subject to the obligation and expenditure deadlines the Department establishes pursuant to Section 9(j) of

---

[1] In this instance, the PHA will be given a separate ACC amendment that reflects the adjustment in order to preserve a record of the adjustment in the Department's accounting systems.

the United States Housing Act of 1937 and the potential for sanctions on future grants regardless of the suspension of their grants.

12. Paperwork Reduction Act Statement. The information collection requirements contained in this notice have been approved by the Office of Management and Budget under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), and assigned OMB control number 2577-0157. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

/s/

Sandra B. Henriquez, Assistant Secretary for
Public and Indian Housing