HAWKINS | ASH CPAs

Voucher

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1

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2

VOUCHER OVERVIEW

- Budgeting
- Financial Statement
- Year End Reporting

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3

VOUCHER BUDGETING

- Admin Revenue and Expenses
  - Other Income
  - Wages and Benefits
  - Admin Expenses other than Salaries
- Fund Balance
  - Admin – Unrestricted Net Position
  - HAP – Restricted Net Position

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4

FINANCIAL STATEMENT OVERVIEW

- See Voucher F/S Sample
- Statement of Net Position
- Statement of Activities

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5

STATEMENT OF NET POSITION

- Restricted Cash
- Fraud Recovery
- Allowance for Fraud Recovery
- Portability
- FSS Escrow
- Fund Balance – HAP (Restricted)
- Fund Balance – Admin (Unrestricted)

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STATEMENT OF ACTIVITIES

- HUD Grants
  - HAP
  - Admin
- Fraud Recovery Revenue
  - HUD
  - PHA
- Collection Losses – Fraud Recovery
  - HUD
  - PHA
- Housing Assistance Payments
- Schedule 1 – Analysis of Fund Balance

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7

DISBURSEMENT SCHEDULES

- Program
  - Voucher and EHV
  - Mainstream – winding down this 2026 year
    - Need to use the reconciliation disbursements received in August, not the earlier versions
    - Mainstream was no longer funded beginning CY 2026. Any disbursements in the reconciliation are for 2025 recon and disbursing any HUD Held Reserves. No new money is allotted to Mainstream. It is all with in Voucher.
- HAP Disbursement
- Admin Fee Disbursement

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8

YEAR END REPORTING

See HAP Equity and Admin Equity Sample

- REAC – Reporting for all Programs
  - HAP Equity
  - Admin Equity Pre and Post Breakdown
  - Units Leased-See Unfunded Units - Sample

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MISCELLANEOUS

- HUD Evaluates on a Calendar Year
- Over Leasing is based on a Calendar Year

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HUD HELD RESERVES

See HUD Held Reserve Sample

- Program Reserve
  - Annual Budget Authority (ABA) LESS Disbursement to PHA for year EQUALS your Calendar Year HUD Held reserve balance
  - HUD will periodically send reconciliations of your HUD Held Reserve
  - If a PHA's RNP balance goes negative, you can request your HUD Held Reserve as long as you are not over-leased on a calendar year

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11

HUD HELD RESERVES CONTINUED

- Restricted Net Position (RNP)
  - Will still exist if you have excess HAP money, Fraud Recovery due to HUD, Other Income due to HUD and FSS Forfeitures
  - HUD will deplete this to a level of close to zero
  - If RNP is depleted at your year end, you may be able to set up an Accounts Receivable from HUD to draw your HUD Held Reserve.
  - For your Fiscal Year End, you can also not have a negative RNP for reporting to HUD FASPHA (year end reporting). An AR can also be set up for the HAP amount for year end purposes.

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12

FORFEITED ESCROW FUNDS

- The FSS forfeitures for all programs (not just Voucher) will be in a new program on the FDS (14.EFA).
- The FSS forfeiture funds are not tracked by program any longer. All get recorded into a single fund.
- PIH Notice 2022-20 goes into the details.

13

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Questions?

14

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1

VOUCHER MANAGEMENT SYSTEM (VMS) OVERVIEW

- Monthly Reporting
- Due by the 22 of the following Month
- Real Estate Assessment Center (REAC)

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VMS BY SECTION

- UML and HAP tab
  - Units leased for each voucher type and the HAP associated with them
  - Vouchers under lease on the First Day of the Month with 2 exceptions
    - RAD Component 1 – Description states "The PHA should report ALL RAD 1 HAP expenses in this field, including prorated HAP expenses incurred after the 1st of the month".
    - VASH - Description states "The PHA should report all VASH HAP expenses in this field, including prorated HAP expenses incurred after the 1st of the month".
- HCV regulations state that a HAP contract may remain in effect for 180 consecutive days while at zero HAP. As such, in VMS, the PHA must report a UML for the "Zero HAP" unit because a contract is still in effect
- After 180 days at $0 HAP, the HAP contract terminates automatically. Therefore, the PHA would no longer report a UML for that unit.

3

VMS BY SECTION CONTINUED

- Other Income and Expense Tab
  - Memorandum Reporting
    - Fraud Recovery
    - Interest – HAP portion only – Include all interest for HAP on this line even if PHA does not send back to HUD
    - FSS Coordinator Expense – This line should be blank
    - Administrative Expenses

4

VMS BY SECTION CONTINUED

- Restricted Net Position (RNP) as of the Last Day of the Month
  - Beginning RNP
  - Plus HAP Revenue
    - HAP Disbursements
    - Fraud (HAP portion – typically ½ of collected)
  - Less HAP paid out
    - Does not include Mainstream 5 or Port In
    - Can be a negative balance
- Unrestricted Net Position (UNP) as of the Last Day of the Month
- Cash/Investments as of the Last Day of the Month – Voucher Program only
  - Cash
  - Plus any asset inter-funds
  - Less FSS escrow balances and any current liabilities

5

VMS BY SECTION CONTINUED

- Additional Expense/Comment
  - This is where you put any expenses that don't fit anywhere else in the VMS reporting.
  - Comment Section
- Contact Information
  - Some of the fields may be edited.

6

USER MANUAL

- Updated as of October 2024 – can be found on the REAC site in VMS
- This is a good resource if you are not sure what line something should be reported on.

7

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8