



February 7, 2022

PH PROGRAM NEWS

PIH Issues Notice Resuming PHAS Assessments

Late last Friday, HUD’s Office of Public and Indian Housing ([PIH](#)) published Notice [PIH 2022-02](#) advising PHAs that, consistent with the expiration of PHAS-related waivers in Notice [PIH 2021-14](#), PHAS scoring will resume starting with the March 31, 2022, fiscal year end (FYE) cohort. In addition, the notice temporarily adjusts the standard under the Management Assessment Subsystem (MASS) indicator for the Tenant Accounts Receivable (TAR) sub-indicator for the fiscal year (FY) 2022 PHAS assessment cycle.

As you know, one of the CARES Act waivers enabled HUD to delay PHAS assessments and carry over a PHA’s last PHAS score. The most recent CARES Act waiver notice ([PIH 2021-14](#)), published on May 4, 2021, extended the period of availability for most CARES Act waivers through December 31, 2021, including the suspension of PHAS scoring. According to last Friday’s notice, this period will not be extended. Thus, PHAS assessments will begin again, pursuant to statutory requirements, allowing HUD to make a more accurate, up-to-date determination of a PHA’s performance.

Below are some highlights of the notice:

- PHAS assessments resume in 2022 with the March 31, 2022, FYE cohort.
- FY 2022 assessments will be used by HUD as a baseline, in which all qualified properties will be inspected under the Uniform Physical Condition Standards (UPCS).
- The resulting PHAS assessment and performance designation of (a) high, (b) standard, (c) substandard, or (d) troubled performer, will establish the subsequent assessment cycle and inspection interval for PHAs.
- HUD began UPCS inspections on January 1, 2022, for PHAs with FYE March 31, 2022. All current troubled agencies will be inspected by June 30, 2022, regardless of FYE, and will receive a FY 2022 PHAS assessment and designation. The remaining non-troubled agencies will be inspected according to their FYE cohort.
- Since local, state, and federal eviction moratoria have had a significant impact on rent collection and ultimately performance under the TAR sub-indicator, the notice advises that only for PHAs with fiscal years ending March 31, 2022, June 30, 2022, September 30, 2022, and December 31, 2022, HUD is temporarily revising the scoring methodology for TAR, which generally measures the performance of a PHA’s ability to collect rents and other charges (PHAs can receive up to five points for TAR).
- Specifically, PHAs will receive five points for TAR if their tenant accounts receivable is 80 percent or greater. PHAs that have tenant accounts receivable between 60 percent and 79 percent will receive two points. PHAs that have tenant accounts receivable below 60 percent will receive zero points.
- HUD has reviewed the financial data in the Financial Assessment Sub-System (FASS) and determined that, with the implementation of the new MASS standard to account for TAR described in the notice, many PHAs do not need further modifications to PHAS related to the financial and management indicators.

Further details can be found in the [notice](#).

OCI Updates Faircloth Limits

HUD’s Office of Capital Improvements ([OCI](#)) has posted an [updated list](#) of the Faircloth limits for all PHAs in the country. The limits represent the maximum number of public housing units eligible for capital and operating subsidy as of December 31, 2021. You’ll find a link to the updated list on [OCI’s home page](#).



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