

# RAD & Multifamily Housing

What You Need to  
Know

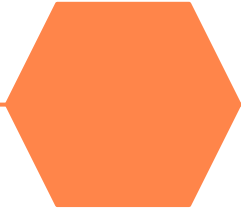


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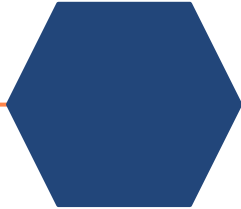
# HA vs CU...

## Housing Authority



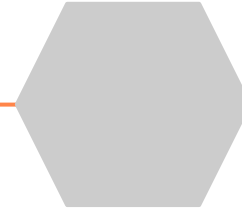
PH, CFP, HCV, MTW,  
COC, COCC

## Banded Component Unit



Separate legal entity  
generally NPO (RAD or  
LIHTC Sponsor)

## Discretely Presented CU



Partnership or LLC  
with Investors for  
LIHTC Projects



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# SEPERATE REPORTING UNITS

## ○ HOUSING AUTHORITY | CU

BA/SL	COCC	BCU	DPCU
Easiest and fast solution	If you have one also quick easy solution	Tricky sperate legal entity	Most complex option



# Business Activities State and Local

## Pros

Quick easy, no HUD  
approval to create, no  
separate bank account

## Cons

Under EIN of HA,  
generally in HA pooled  
cash



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# COCC

## Pros

Quick easy, de-federalized fund

## Cons

Under EIN of HA,  
generally in HA pooled  
cash



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# Blend Component Unit (Non-profit)

## Pros

Legally separate entity,  
grant fundings not  
available to HA

## Cons

Annual tax return,  
separate cash account



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# Discretely Presented Component Unit (For-Profit)

## Pros

Legally separate entity,  
generally fund by private  
equity

## Cons

Annual tax return,  
"partners" investors



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# USES FOR NPO IN HOUSING

## Recapture

HUD Recapture  
settlement funds

## RAD Deals

Convert to RAD in PBRA  
or PBV

## LIHTC

LIHTC require a NPO  
Sponsor

## Non HUD

Old LIHTC out of 15 year  
Development

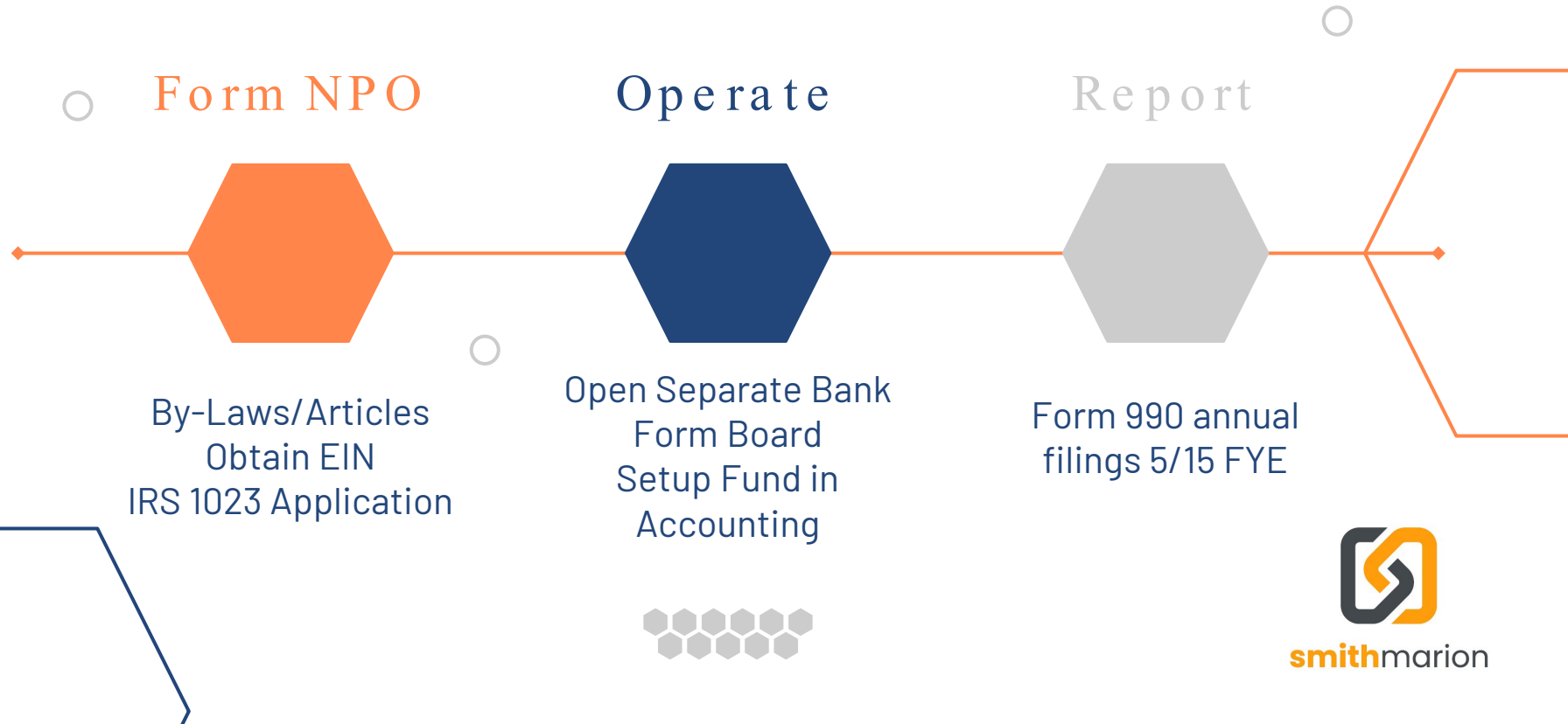
## Grants

Grants not available to  
Housing Authorities





# In the Beginning ...





# NPO

Forming a Nonprofit  
Organization



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# SEVERAL DIFFERENT TYPES

501 (C)

3

Charitable,  
Religious,  
Education  
(tax deductible)

5

Labor /  
Agriculture

7

Social and  
Recreation Clubs

8

Fraternal  
Beneficiary



# THREE STEPS

## BYLAWS

How the Nonprofit will  
operate.

## ARTICLES

Formal documents to  
create corporation

## Employer ID Number

EIN registered with IRS



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# IRS 1023 THRESHOLDS



**1023 EZ**  
3 pages

GROSS RECEIPTS  
3 year under \$50,000  
> \$250,000 assets

**1023**  
26 pages

Not meeting 1023EZ  
requirements



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## Specialists in 990 Preparation

### Exceeding Expectations

We Build Expertise  
We Foster Innovation  
We Challenge Ourselves  
We Grow with our Team  
We Fulfill Commitments  
We Lead by Example

#### Why choose us

- We are experts in non-profit tax returns
- We are advisers
- We are committed to great work

#### Application for Tax-Exempt Status

1023-EZ \$1,000-1,500  
1023 \$2,000-2,500

- File as 501(c)3
- Past 3 years gross receipts under \$50,000
- Expected gross receipts under \$50,000 next 3 years
- Organized as corporation, association or charitable trust

#### Short Form Tax Returns

990N  
199N & RRF-1 \$225

- Gross receipts under \$50,000

990-EZ  
199 & RRF-1 \$450-800

#### Long Form Tax Returns

990  
199 & RRF-1 \$850-2,500

- All other organizations
- Grantors prefer this form





○ GUIDE STAR

[www.guidestar.org](http://www.guidestar.org)

“This is the Future of  
Nonprofit Financial  
Reporting”



○



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# REPORTING



Back to the Professionals



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# IRS 990 THRESHOLDS



990N

Gross Receipts <\$50K

990EZ

Gross Receipts <\$200K &  
Total Assets <\$500K

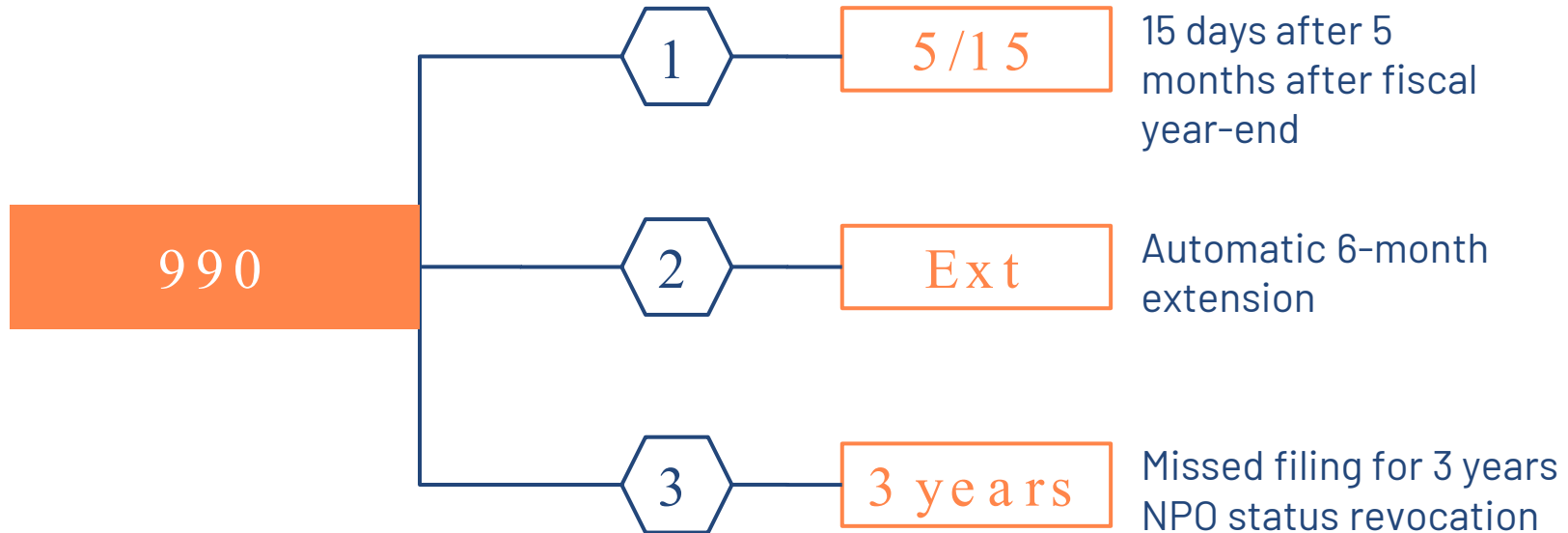
990

Gross Receipts >\$200K OR  
Total Assets >\$500K



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# IRS 990 DEADLINES



# 990T Form

## Unrelated Business Income (UBIT)

Not purpose of NPO  
granted by IRS

## Exemptions

Debt Free Building  
Use of all Volunteers



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# DP CU

Forming a Partnership or  
LLC



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# SEVERAL DIFFERENT TYPES

## ○ FOR PROFIT ENTITIES

LP	LLP	LLC
General Partnership	Limited Liability Partnership	Limited Liability Corporation



# THREE STEPS

## BYLAWS

How the Entity will operate.

## ARTICLES

Formal documents to  
create corporation

## Employer ID Number

EIN registered with IRS



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# AUDIT LEVELS

## Financial

Financial Statements are fairly stated

GAS (Yellow Book)

Internal Controls meet low level of risk threshold

UNIFORM  
GUIDANCE

Compliance Controls meet low level of risk threshold



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# Overview

General Knowledge





# RAD Foundation

## Section 8

RAD is built on Section 8  
platform

## PBV vs PBRA

Have to choose one

## Process

Application, CHAP, Update  
Plan, Provide Financing,  
Issue Commitment, Close



# COMPONENT UNITS



RAD

Blended CU  
Discrete Presented

LIHTC

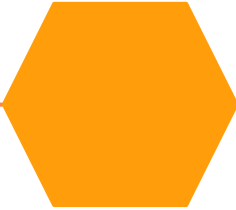
Discrete Presented  
Not Present

NPO

Blended

# LIFE OF COMPONENT UNIT

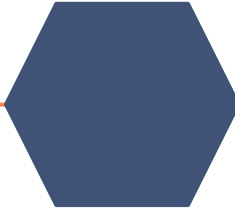
## STEP 1



### Creation

New Entity, New EIN,  
New reporting  
requirements

## STEP 2

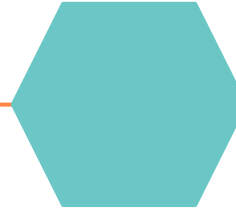


### Operation

Annual reporting and  
accounting



## STEP 3



### Dissolution

Cease operation,  
transition (PH-RAD)  
(LIHTC - BA)

# GOLDEN RULES

RAD

1

Close

Don't close 1-2 months before FYE

2

Same

Get all entities on same FYE

3

Check

Auditor/Fee  
Accountant Experience



PBRA



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# SEPARATE LEGAL ENTITY?

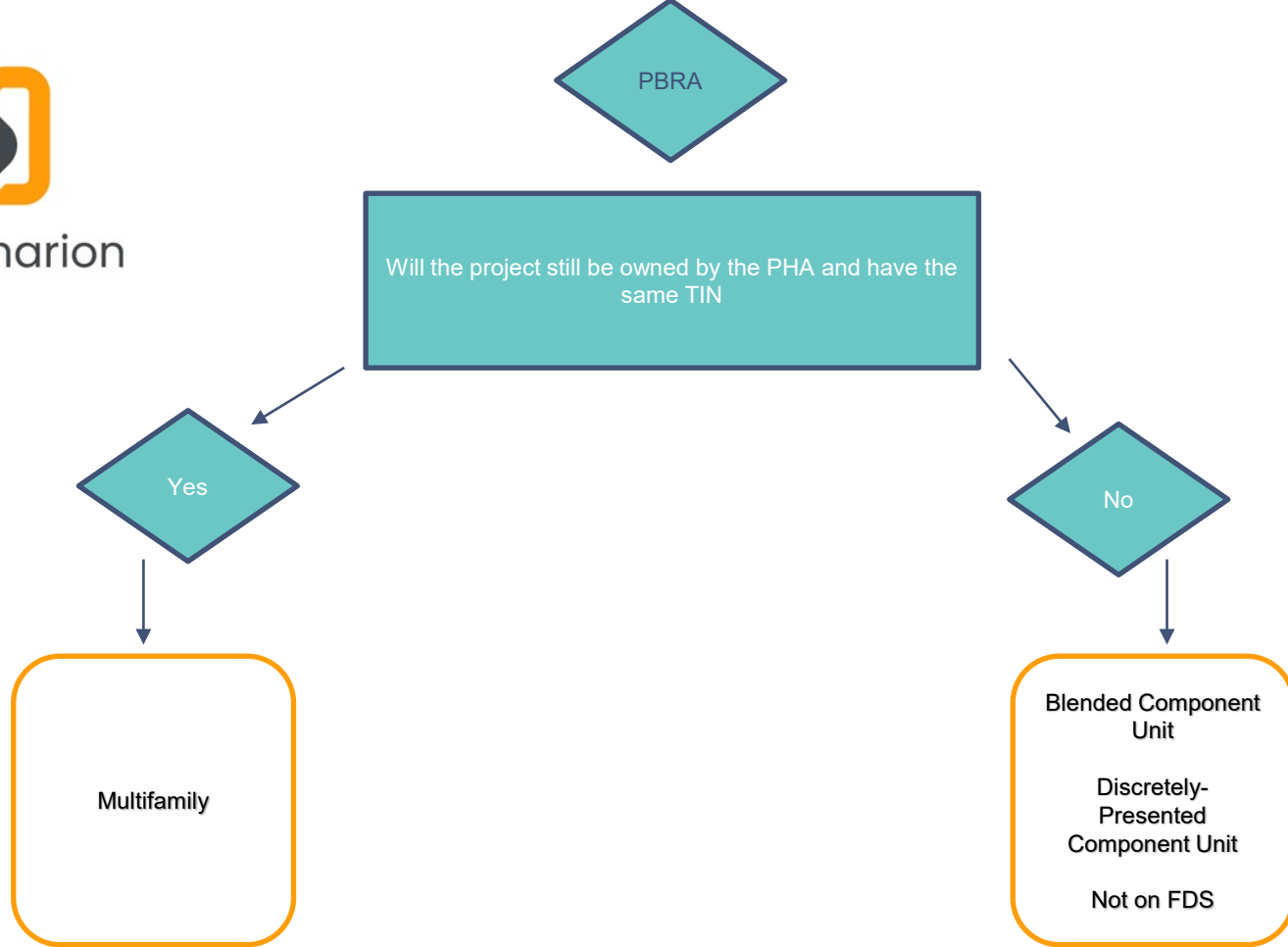
## New EIN

Separate audit required  
for each EIN and taxes

## Multi-family Under HA

Owner Certified  
Submission





# PBRA PROS LIST

- ◆ Surplus cash can be unrestricted
- ◆ Source of Funding for Capital Improvements (R&R)
- ◆ No PRORATION
- ◆ Contract rents with allowable annual increases







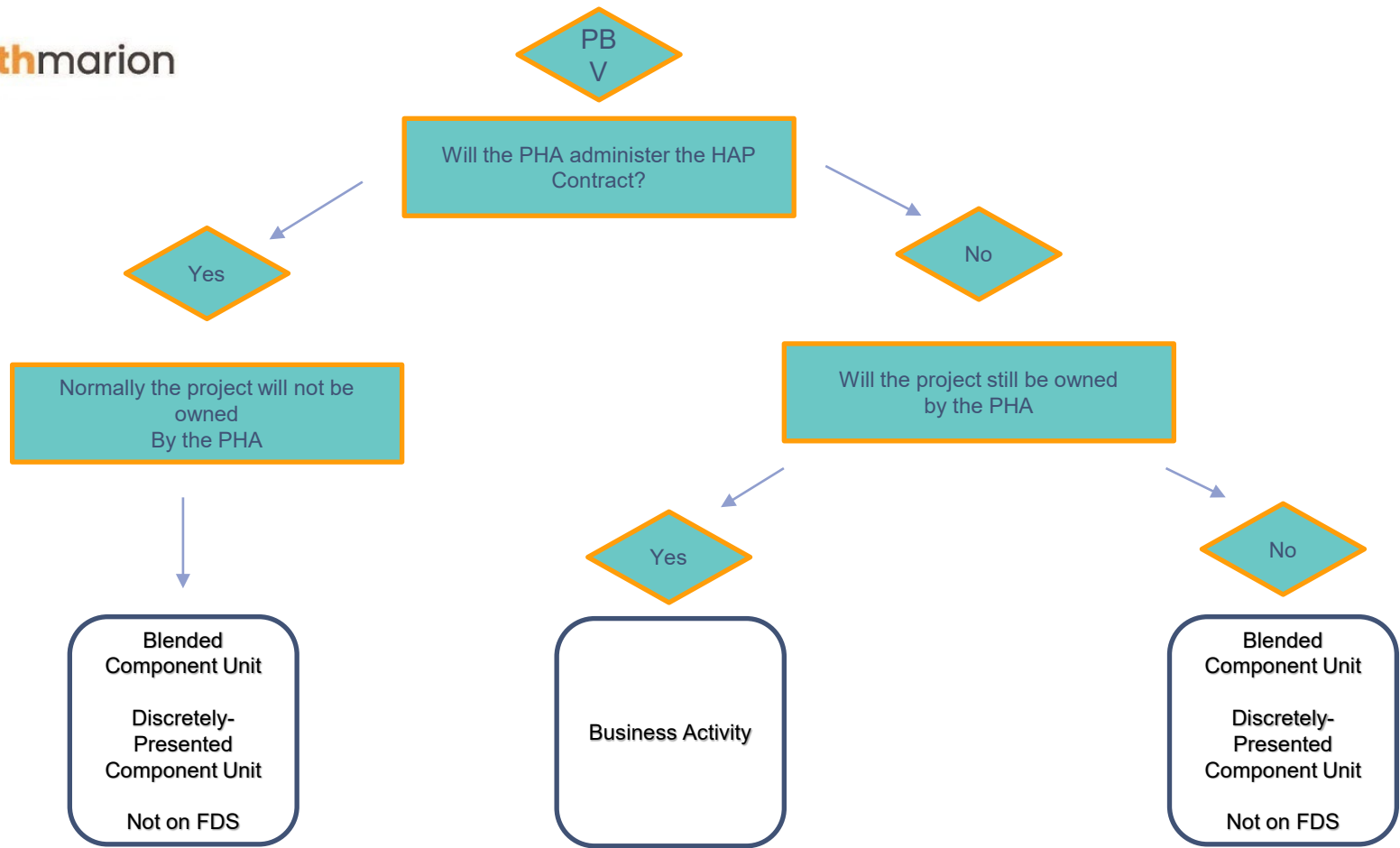
# PBRA CONS LIST

- Rent capped at FMR
- New HUD REAC and TRACs
- Only option if PH only HA
- Separate Audits (HA & New EIN)



PBV





# PBV PROS LIST

- HCV is already known by the team
- Limited learning curve, software conversion
- COCC fees are known



# PBV CONS LIST

- Rent capped reasonable rents
- Admin fee and related proration
- 1 year till mobility





# CONVERT

Moving To Work's Impact on  
Accounting





# YEAR OF CONVERSION

## REVENUE

Thru 12/31 still received  
CFP and PH funds

## EXPENSES

HAP expense after  
Close in PH

## TRANSFER

Balance sheet on close

## SEFA

Still CFP and PH until 1/1  
14.871/14.850



Housing Authority converts to RAD mid-fiscal year. The first 9 months are Public Housing's last 3 months are PBV. The project is disposed to a Blended Component Unit (BCU). As of Year-End all Assets, Liabilities, and Net Position would be transferred to BCU.

	Public	Blended		
FDS	Housing	CU	Elimination	Totals
70600	12,000			12,000
70800	-	3,000	(3,000)	-
97300	(3,000)		3,000	-
	9,000	3,000	-	12,000





Housing Authority converts to RAD mid-fiscal year using Business Activity. No new entity simply moves from column A to column B.



	Business Activities			
	PH 2020	BA 2020	PH 2021	BA 2021
Cash	7,000	-	-	7,000
Cash Restricted	3,000	-	-	3,000
Accounts Receivable	1,000	-	-	1,000
Capital Assets	1,500,000	-	-	1,500,000
Accounts Payable	(2,000)	-	-	(2,000)
Security Deposits	(3,000)	-	-	(3,000)
Net Position	(1,506,000)	-	-	(1,506,000)
Tenant Rent	(150,000)	-		(150,000)
HUD Grants	(350,000)	-	(350,000)	-
Admin	125,000	-		125,000
Maintenance	225,000	-		225,000
Depreciation	175,000	-		175,000
Housing Assistance Payments	-	-	350,000	(350,000)
Change in Net Position	25,000	-	-	25,000

# Housing Authority converts to RAD mid-fiscal year using Multifamily under PHA EIN.

No new entity simply moves from column A to column B.

	Multifamily Program (PHA EIN)			
			HUD MF	
			HUD REAC	
	PH 2020	MF 2020	PH 2021	MF 2021
Cash	7,000	-	-	7,000
Cash Restricted	3,000	-	-	3,000
Accounts Receivable	1,000	-	-	1,000
Capital Assets	1,500,000	-	-	1,500,000
Accounts Payable	(2,000)	-	-	(2,000)
Security Deposits	(3,000)	-	-	(3,000)
Net Position	(1,506,000)	-	-	(1,506,000)
Tenant Rent	(150,000)	-		(150,000)
HUD Grants	(350,000)	-	(350,000)	-
Admin	125,000	-		125,000
Maintenance	225,000	-		225,000
Depreciation	175,000	-		175,000
Housing Assistance Payments	-	-	350,000	(350,000)
Change in Net Position	25,000	-	-	25,000



Housing Authority converts to RAD mid fiscal year using Component Unit.  
New entity still simple moving from column A to column B.



	Component Unit			
	NEW EIN		NEW EIN	
			HUD MF	
			HUD REAC	
	PH 2020	BC/DCU 2020	PH 2021	BCU/DCU 2021
Cash	7,000	-	-	7,000
Cash Restricted	3,000	-	-	3,000
Accounts Receivable	1,000	-	-	1,000
Capital Assets	1,500,000	-	-	1,500,000
Accounts Payable	(2,000)	-	-	(2,000)
Security Deposits	(3,000)	-	-	(3,000)
Net Position	(1,506,000)	-	-	(1,506,000)
Tenant Rent	(150,000)	-		(150,000)
HUD Grants	(350,000)	-	(350,000)	-
Admin	125,000	-		125,000
Maintenance	225,000	-		225,000
Depreciation	175,000	-		175,000
Housing Assistance Payments	-	-	350,000	(350,000)
Change in Net Position	25,000	-	-	25,000



# CONCLUSIONS



## Its Coming

RAD is coming is it time for  
you to convert

## Run the #s

PBRA vs PBV vs PH

## Get Help

Unvested party with  
experience



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# THE AUDIT PROCESS





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# Common Misconceptions

## 100% Accurate

Materially correct not perfect (2% of revenue)

## Find Fraud

By product of audit not purpose of compliance audits



## Does Understand Duties

Not here to fix the books.

Not able to make management decisions





# 3 Levels of Audits

## Financials

Materially correct

## Compliance

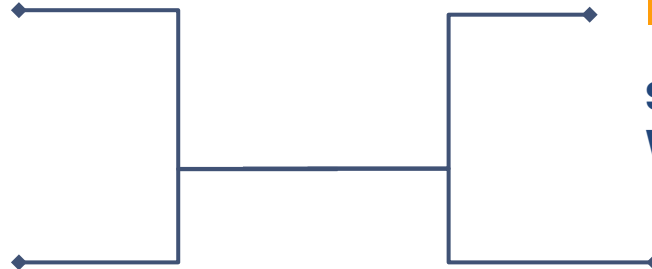
Significant or Material Weakness

## Internal Controls

Significant or Material Weakness

## REAC / SF-SAC

Electronic Submission



# POSSIBLE 3 SEPARATE AUDITS

All Same Auditor or All Different



Housing  
Authority

PHA + BCU + DPCU



BCU

PBRA RAD entity will  
require its own audit  
and FDS MFH



DPCU

LIHTC audit required on  
12.31 FYE



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# FINDINGS

## Financial

## Program

Internal Controls Over  
Financial

Internal Controls Over  
Compliance

Accounting Dept

Program Department

Bank Recon, Journal  
Entries, Disbursements,  
Allowable Costs

Eligibility, Inspections,  
Recertification, 5058s





# FDS THE PROCESS

# THE FDS PROCESS HOUSING AUTHORITY

01

**UNAUDITED SUBMISSION DUE 60 DAYS AFTER YEAR END.**

- 3/31 – 5/31
- 6/30 – 8/31
- 9/30 – 11/30
- 12/31 – 2/28

02

**AUDITED SUBMISSION 9 MONTHS AFTER YEAR END.**

- 3/31 – 12/31
- 6/30 – 3/31
- 9/30 – 6/30
- 12/31 – 9/30

03

**MORE THAN ONE PERSON CAN WORK ON FDS AT A TIME IF THEY HAVE ID.**



# ROLES ON FDS

- FASPHA-PHA (FIA) – INPUT ROLE ONLY
- FASPHA-PHA DIRECTOR (PID) –  
GENERALLY ED OR CFO HIGHEST LEVEL  
ROLE
- FASPHA-PHA SUBMITTER (SMT) –  
GENERALLY FEE ACCOUNTANTS INPUT  
AND SUBMIT
- FASPHA-PHA VERIFICATION (CPV) –  
AUDITOR ONLY ABLE TO VERIFY DATA
- GENERALLY, YOU SHOULD HAVE  
SOMEONE IN THE LAST THREE ROLES –  
THE FIRST ROLE IS OPTIONAL





# THE FDS PROCESS (UNAUDITED)

- **DRAFT FDS SUBMISSION**

- SINGLE AUDIT/NON-SINGLE AUDIT (\$750,000 SEFA)
- NON-ASSET MANAGEMENT
  - COCC/ELIMINATIONS
  - ELIMINATIONS ONLY
- ASSEST MANAGEMENT
  - WITHOUT COCC/ELIMINATIONS
  - COCC/ELIMINATIONS
  - ELIMINATIONS ONLY

- **THIS IS IMPORTANT TO GET RIGHT. IF YOU SELECT INCORRECTLY, THE ENTIRE SUBMISSION MUST BE DELETED IN ORDER TO CHANGE THESE SELECTIONS!**



# THE FDS PROCESS (UNAUDITED)

- SELECT PROGRAMS AND INPUT BALANCE SHEET/INCOME STATEMENT DATA
- SAVE AND SAVE OFTEN, THEN VALIDATE
- EACH PROGRAM, PROJECT AND COCC
- COMPLETE DATA COLLECTION FORM (DFC)
- FEDERAL AWARDS
- RUN COMPLETE CHECK
- SUBMIT TO HUD
  - ACCEPTED
  - CONDITIONALLY ACCEPTED
  - REJECTED
- HUD IS SUPPOSED TO REVIEW AND APPROVE WITHIN 30 DAYS OF SUBMISSION
  - SUBMITTED – REVIEW – ACCEPT





# FDS THE PROCESS (AUDITED)



- **DRAFT FDS SUBMISSION**
  - SINGLE AUDIT/NON-SINGLE AUDIT (\$750,000 SEFA)
  - NON-ASSET MANAGEMENT
    - COCC/ELIMINATIONS
    - ELIMINATIONS ONLY
- **ASSET MANAGEMENT**
  - WITHOUT COCC/ELIMINATIONS
  - COCC/ELIMINATIONS
  - ELIMINATIONS ONLY
- **AGAIN, IMPORTANT YOU MATCH THE UNAUDITED OR ELSE YOU CAN NOT COPY THE SUBMISSION DATA FROM UNAUDITED!**



# THE FDS PROCESS (AUDITED)



1	2	3	4	5	6	7
SELECT PROGRAMS AND INPUT BALANCE SHEET/INCOME STATEMENT DATA.	SAVE AND SAVE OFTEN, THEN VALIDATE EACH PROGRAM, PROJECT, AND COCC.	COMPLETE DATA COLLECTION FORM (DCF) FEDERAL AWARDS.	RUN COMPLETENESS CHECK	SUBMIT TO IPA (AUDITORS) ACCEPTED/ REJECTED	SUBMIT TO HUD	HUD SHOULD REVIEW AND APPROVE WITHIN 30 DAYS OF SUBMISSION  * SUBMITTED – REVIEW - ACCEPTED







# MOST COMMON REJECTIONS

- INTERFUND BALANCES OR LARGE % OF ASSET/LIABILITY
- FDS DOESN'T EQUAL VMS HAP / ADMIN NET POSITION
- UNAUDITED % CHANGE FROM AUDITED FDS
- CALCULATION OF RESTRICTED NET POSITION (ADD NOTE TO FS)
- CONDITIONAL ACCEPTANCE ISSUES NOT RESOLVED FROM UNAUDITED
- MANAGEMENT FEES FORMULA (UNIT MONTHS X RATE)



# THE FDS PROCESS MULTIFAMILY HOUSING

01

**UNAUDITED SUBMISSION DUE 90 DAYS AFTER YEAR END.**

- 3/31 – 6/30
- 6/30 – 9/30
- 9/30 – 12/31
- 12/31 – 3/31

02

**AUDITED SUBMISSION 9 MONTHS AFTER YEAR END.**

- 3/31 – 12/31
- 6/30 – 3/31
- 9/30 – 6/30
- 12/31 – 9/30

03

**CAN FILE ONE AUDITED SUBMISSION IF DONE BY 90 DAYS**



# THE FDS TYPES (MFH REAC)



1	2	3	4
Owner Certified Unaudited submission EVERYONE CAN DO	14.195 Column of HA FDS (request waiver each year)	Uniformed Guidance (NPO A- 133 Audit) over \$750,000 Federal \$	HUD Audit Guide (For Profit) over \$500,000 Federal \$





# ASSETS AND DEFERRED OUTFLOWS





# CASH SECTION (111-119)

## CHECKING, SAVINGS, MONEY MARKET, CD < 90 DAYS



LINE 113 – CASH RESTRICTED OTHER

–HCV HAP CASH, **FSS ESCROW CASH > 12 MONTHS**, REPLACEMENT RESERVES

LINE 114 – CASH TENANT SECURITY DEPOSIT SHOULD MATCH 341 LIABILITY  
ACCOUNT

LINE 115 – CASH RESTRICTED FOR PAYMENT OF CURRENT LIABILITIES

–GRANT FUNDS RECEIVER IN ADVANCE, DEBT SERVICE PAYMENTS, **FSS  
ESCROW < 12 MONTHS**

LINE 111 – ALL THE OTHER CASH





# CASH MultiFamily Housing

- 1120 – Cash Operation (unrestricted) similar to 111 cash
- 1191 – Tenant/Patient Deposits Held similar to 114 cash
- 1310 – Escrow Deposits would be prepaids in PHA
- 1320 – Replacement Reserves (Restricted) similar to 113 cash
- 1340 – Residual Receipts (Restricted) similar to 113 cash



# OTHER KEY CURRENT ASSETS LINE

- × 142 – PREPAID EXPENSE
- × 143 / 143.1 – INVENTORIES AND ALLOWANCES
- × 144 – INTER-PROGRAM – DUE FROM (NOT LOAN) REPAID WITHIN 12 MONTHS
  - × ZERO IS THE BETTER ANSWER HERE
- × 145 – ASSETS AVAILABLE FOR SALE – HOMEOWNERSHIP, NO DEPRECIATION



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# CAPITAL ASSETS



- 161 – LAND – ESTIMATE COST BASIS IF NOT KNOWN, ANY IMPROVEMENTS SHOULD BE IN 162
- 162 – BUILDINGS – INITIAL COSTS AND IMPROVEMENTS THAT EXTEND THE LIFE
- 163 – FURNITURE, EQUIPMENT – DWELLING – ITEMS NOT ATTACHED TO THE BUILDING
- 164 FURNITURE, EQUIPMENT – ADMIN – ITEMS USED IN ADMINISTERING OR MAINTAINING
- 165 – LEASEHOLD IMPROVEMENTS – **LEASE PROPERTY AND CAPITAL LEASE ITEMS**
- 166 – ACCUMULATED DEPRECIATION – FOR LINES 162-165
- 167 – CONSTRUCTION IN PROCESS – CFP





# CAPITAL ASSET – MultiFamily Housing



LINE 1410 – Land similar to 161

LINE 1420 – Buildings similar to 162

LINE 1440 – Building Equipment (Portable)

LINE 1450 – Furniture for Project/Tenant Use

LINE 1460 – Furnishings

LINE 1470 – Maintenance Equipment

LINE 1480 – Motor Vehicles

LINE 1495 – Accumulated Depreciation similar to 165





# **LIABILITIES AND DEFERRED INFLOWS**



# CURRENT LIABILITIES (311 – 348)

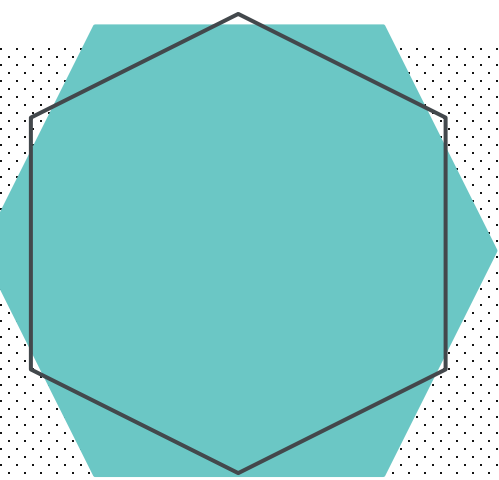


- 311 – BANK OVERDRAFT – DO NOT USE THIS LINE UNLESS YOU TRULY HAVE AN OVERDRAFT
- 312 – ACCOUNTS PAYABLE < 90 DAYS – PAYABLES TO CONTRACTORS AND VENDORS INCLUDE EMPLOYEES ALSO (313 IF OVER 90 DAYS)
- 321 – ACCRUED WAGES / PAYROLL TAXES
- 322 – ACCRUED COMP ASB – CURRENT PORTION – GENERALLY SEE 20% TO 30% OF BALANCE HERE. CHANGE IN CA DOES NOT GO TO LINE 96210.
- 325 – ACCRUED INTEREST PAYABLE – ALL INTEREST PAYABLE (HOWEVER LONG-TERM NOTES)
- 331 – AP – HUD PHA PROGRAM – AMOUNTS DUE TO HUD
- 332 – AP – PHA PROJECT – PORTABILITY HCV DUE TO OTHER HA.

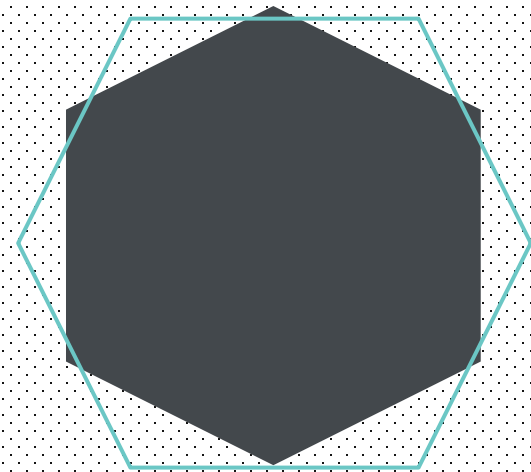
# NON- CURRENT LIABILITIES (350 – 357)

- ❖ 351 – LTD CAPITAL – CFFP, ENERGY PERFORMANCE CONTRACTS, CAPITAL LEASE PAYABLE
- ❖ 352 – LTD OPERATING – BORROWING FOR OPERATIONS OF AGENCY
- ❖ 353 – NC LIABILITIES OTHER – CATCH ALL AND INCLUDES FSS ESCROW BALANCES > 12 MONTHS
- ❖ 354 – ACCRUED COMP ABS NC – EMPLOYEE BENEFITS PLUS TAXES (VACATION, SICK, AND COMP TIME) LESS 322
- ❖ 357 – ACCRUED PENSION AND OPEB – ALL LIABILITY NO CURRENT PORTION ON THESE
- ❖ 400 – DEFERRED INFLOW OF RESOURCES – PENSIONS, GRANT ADVANCES (HCH), SOON-TO-BE LEASES



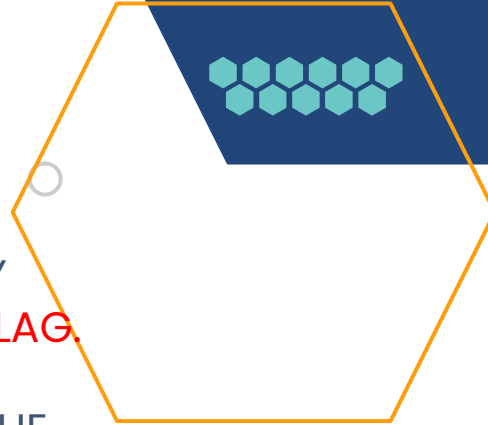


# EQUITY (NET POSITION)



# EQUITY (508 – 512)

- ✗ 508.4 – NET INVESTMENT IN CAPITAL ASSETS – REPRESENTS LINES 161-167 FEWER LINES 351 & 344. HUD EDIT FLAG.
- ✗ 511.4 – RESTRICTED NET POSITION – RESTRICTED CASH INCLUDING PENSION ASSET LESS SD, FSS ESCROW, AND ANY OTHER LIABILITIES PAID WITH RESTRICTED CASH. HUD EDIT FLAG.
- ✗ 512.4 – UNRESTRICTED NET POSITION – PLUG THE REST OF THE NET POSITION.



# EQUITY MultiFamily Housing



## Nonprofit Equity

- 3131 – Net Assets Without Donor Restrictions
- 3133 – Net Assets With Donor Restrictions

## Partnership Equity

- 3300 – Partnership Equity
- 3301 – Contributions (Equity)
- 3302 – Distributions

## All Entity Types

- 3399 – Prior Period Corrections (All Types)





# REVENUES





# TENANT REVENUE (70300 – 70400)

## 70300 –

NET TENANT RENTAL REVENUE – TENANT RENTS LESS UTILITY ALLOWANCE PAYMENTS. NO FRAUD RECOVERY

## 70400 –

TENANT REVENUE OTHER – ALL OTHER TENANT RECEIPTS OTHER THAN RENT AND FRAUD RECOVERY. REPAIRS, LATE FEES, AND OTHER SERVICES.



# GRANT REVENUES (70600 – 70800)

- **70600 – HUD PHA OPERATING GRANTS – ALL PROGRAMS AND PROJECT HUD RECEIPT EXCEPT FOR CAPITAL FUND CAPITAL PURCHASES.**
- **70610 – CAPITAL GRANTS – ONLY CFP HARD COSTS.**
- **70800 – OTHER GOVERNMENT GRANTS – ANY OTHER GRANTS NOT DIRECTLY RECEIVED FROM HUD INCLUDING HUD GRANTS RECEIVED FROM STATE OR LOCAL AGENCY.**



# COCC REVENUES (70700 – 70750)



- ❑ 70710 – MANAGEMENT FEE – ALL MANAGEMENT FEES EARNED IN COCC ON FEDERAL PROGRAMS. NON-HUD PROGRAMS AND UNITS SHOULD BE IN LINE 70750. (91300)
- ❑ 70720 – ASSET MANAGEMENT FEE – COCC EARNS FROM PH MANAGEMENT WHICH HAS EXCESS CAHS ONLY (92000)
- ❑ 70730 – BOOK-KEEPING FEE – COCC EARNS \$7.50 PER UNIT (91310)
- ❑ 70740 – FRONT LINE SERVICE FEE – EXAMPLES ARE CENTRALIZED MAINTENANCE AND INSPECTION
- ❑ 70750 – OTHER FEES – ANY OTHER FEES COCC OR BA EARNS. MANAGEMENT FEES OF NON-HUD UNITS.



# OTHER REVENUES (71400 & 71500)

## 71400 –

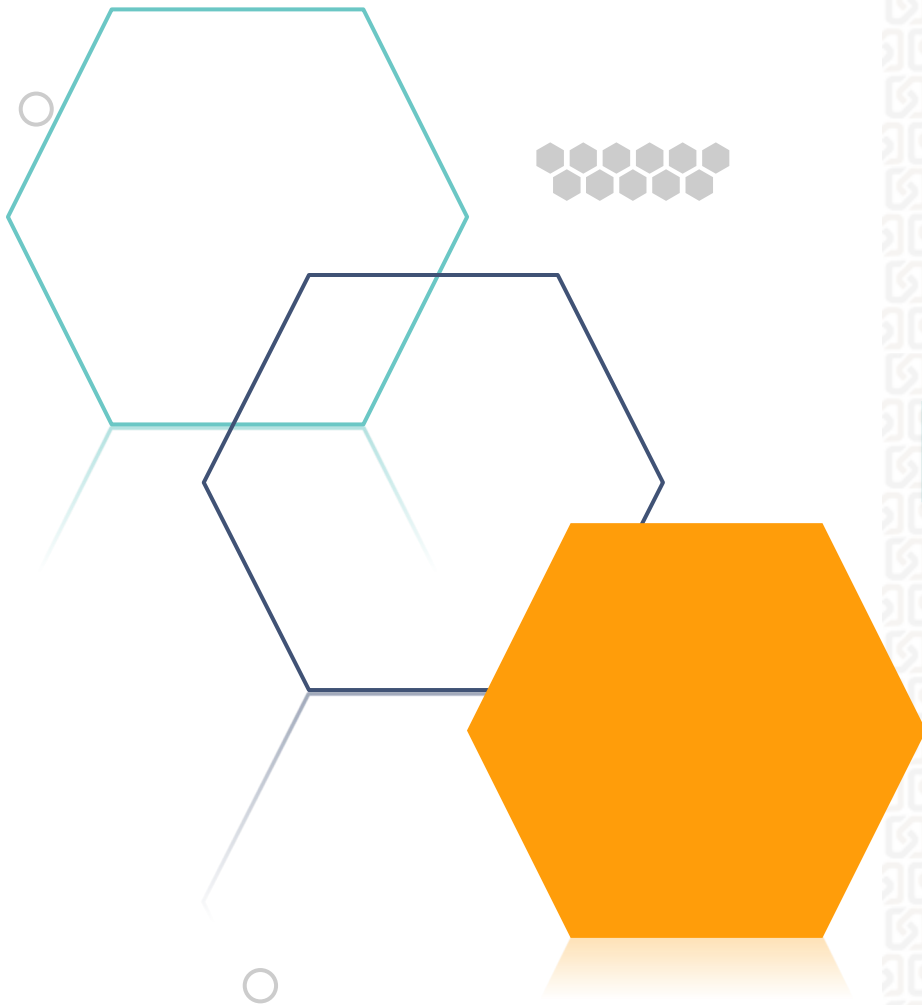


FRAUD RECOVERY – FULL AMOUNT OF  
ANY FRAUD RECOVERIES EARNED

## 71500 –

OTHER REVENUE – ALL OTHER REVENUES  
INCLUDING FSS ESCROW FORFEITURES,  
PORTABILITY UNDER HCV, AND CAPITAL  
CONTRIBUTIONS IN LIHTC DEALS





**EXPENSES**



# GENERAL EXPENSES (96100 – 96800)

## INSURANCE

- **96110 – PROPERTY – INSURANCE COVERAGE RELATED TO FACILITIES**
- **96120 – LIABILITY – GENERAL LIABILITY COVERAGE**
- **96130 – WORKMEN'S COMP – WC INSURANCE, DO NOT PUT THIS IN BENEFITS**
- **96140 – OTHER – ALL OTHER INSURANCE**

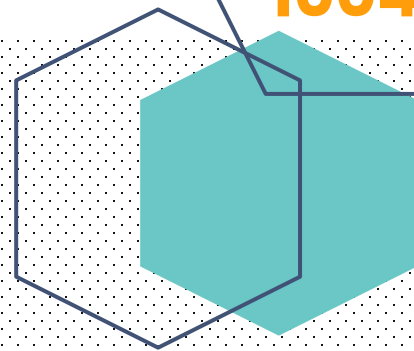


# **GENERAL EXPENSES (96100 – 96800) – continued**

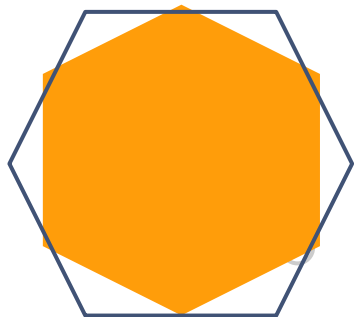
- **96200 – OTHER GENERAL – CATCH-ALL INCLUDES THINGS LIKE PAYMENTS TO MIXED FINANCE FOR SUBSIDY, ADMIN FEE FOR PORTABILITY, ENERGY SAVINGS ON EPC, FINES, AND PENALTIES.**
- **96210 – COMP ABSENCE – REPRESENTS USED VACATION AND SICK DURING THE YEAR. NOT THE CHANGE IN THE LIABILITY.**
- **96300 PILOT – PILOT OR ANY REAL ESTATE TAXES PAID.**
- **96400 – BAD DEBT TENANT RENT – SHOULD NOT BE USING DIRECT WRITE-OFF METHOD.**
- **96800 – SEVERANCE EXPENSE – EMPLOYEE SALARY AND UNUSED LEAVE PAYMENTS UPON SEPARATION.**



# TRANSFERS (10010 – 10040)



- ❑ 100100 / 100200 – OPERATING TRANSFERS IN / OUT – TRANSFER OF OPERATING RESOURCES FROM ONE FUND TO ANOTHER FUND. NO LOANS OR REIMBURSEMENTS.
- ❑ 10030 – OPERATING FROM / TO PG – TRANSFERS FROM / TO PG TO OTHER LEGAL ENTITY.
- ❑ 10040 – OPERATING FROM / TO CU – TRANSFERS BETWEEN PG AND COMPONENT UNIT.







**ELIMINATIONS**  
**DON'T FORGET THESE**  
**IMPORTANT ENTRIES!**



THANKS !

Do you have any questions?

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