

HOUSING  
 FLEXIBLE SUBSIDY FUND  
 2008 Summary Statement and Initiatives  
 (Dollars in Thousands)

FLEXIBLE SUBSIDY FUND	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2006 Appropriation .....	...	\$41,465 <sup>a</sup>	...	\$41,465	...	-\$38,297
2007 Full-Year CR Estimate.....	...	74,465 <sup>b</sup>	...	74,465	...	-32,000
2008 Request .....	<u>...</u>	<u>107,465<sup>c</sup></u>	<u>...</u>	<u>107,465</u>	<u>...</u>	<u>-33,000</u>
Program Improvements/Offsets .....	...	+33,000	...	+33,000	...	-1,000

- a/ Includes an unobligated balance of \$3.2 million carried forward from fiscal year 2005 and \$38.3 million of actual offsetting collections for fiscal year 2006.
- b/ Includes unobligated balance of \$41.5 million carried forward from fiscal year 2006 and \$33 million of offsetting collections anticipated for fiscal year 2007, reduced by \$1 million of outlays.
- c/ Includes unobligated balance of \$74.5 million carried forward from fiscal year 2007 and \$33 million of offsetting collections anticipated for fiscal year 2008.

**Summary Statement**

No new obligations are anticipated in fiscal year 2008.

The Flexible Subsidy Fund was initially authorized by the Housing and Community Development Amendments of 1978, subsequently amended by the Housing and Community Development (HCD) Act of 1987, and further amended by the McKinney Homeless Assistance Amendments Act of 1988. The HCD Amendments of 1978 established the Flexible Subsidy Fund into which repaid funds would be credited along with any transfer from the Rental Housing Assistance Fund.

Refunding of excess rental income remitted to the Department could be made from either the Rental Housing Assistance Fund or the Flexible Subsidy Fund, as authorized by Section 532 of the fiscal year 2000 Appropriations Act and amended by Section 861 of the American Homeownership and Economic Opportunity Act of 2000. Excess rental income in the Rental Housing Assistance Fund not refunded to project owners will continue to be transferred to the Flexible Subsidy Fund.

The unobligated balance remaining in this account in fiscal year 2008 will consist of excess rental income, interest and principal on loans, and interest on investments. However, none of these funds are available for obligation without Congressional appropriations.

**Initiatives**

No new initiatives are proposed for fiscal year 2008.

Flexible Subsidy Fund

HOUSING  
 FLEXIBLE SUBSIDY FUND  
 Summary of Resources by Program  
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2006 Budget Authority</u>	<u>2005 Carryover Into 2006</u>	<u>2006 Total Resources</u>	<u>2006 Obligations</u>	<u>2007 CR Estimate</u>	<u>2006 Carryover Into 2007</u>	<u>2007 Total Resources</u>	<u>2008 Request</u>
Flexible Subsidy .....	...	\$41,465	\$41,465	...	...	\$74,465	\$74,465	...
Total .....	...	41,465	41,465	...	...	74,465	74,465	...

2005 Carryover Into 2006. The balance consists of an unobligated balance of \$3.2 million carried forward from fiscal year 2005 and \$38.3 million of actual offsetting collections for fiscal year 2006.

2006 Carryover Into 2007. The balance consists of an unobligated balance of \$41.5 million carried forward from fiscal year 2006 and \$33 million of offsetting collections anticipated for fiscal year 2007.

<u>FTE</u>	<u>2006 Actual</u>	<u>2007 Estimate</u>	<u>2008 Estimate</u>
Headquarters .....	...	...	...
Field .....	6	6	6
Total .....	6	6	6

Flexible Subsidy Fund

HOUSING  
FLEXIBLE SUBSIDY FUND  
Program Offsets  
(Dollars in Thousands)

<b>Flexible Subsidy</b>	<b><u>Amount</u></b>
2006 Appropriation .....	...
2007 Full-Year CR Estimate.....	...
2008 Request .....	<u>...</u>
Program Improvements/Offsets .....	...

**Proposed Actions**

There are no proposed appropriations for this program.

Flexible Subsidy Fund

**HOUSING  
FLEXIBLE SUBSIDY FUND  
Performance Measurement Table**

<b>Program Name: FLEXIBLE SUBSIDY FUND</b>							
Program Mission: The Flexible Subsidy Fund was initially authorized by the Housing and Community Development Amendments of 1978, subsequently amended by the Housing and Community Development (HCD) Act of 1987, and further amended by the McKinney Homeless Assistance Amendments Act of 1988. The HCD Amendments of 1978 established the Flexible Subsidy Fund into which repaid funds would be credited along with any transfer from the Rental Housing Assistance Fund.							
<b>Performance Indicators</b>		<b>Data Sources</b>		<b>Performance Report</b>		<b>Performance Plan</b>	
				2006 Plan	2006 Actual	2007 Plan	2008 Plan
The share of assisted and insured privately owned multifamily properties that meet HUD-established physical standards are maintained at no less than 95 percent.		Real Estate Assessment Center's Physical Assessment Subsystem		No less than 95%	95%	No less than 95%	No less than 95%

**Explanation of Indicators**

This indicator tracks the progress made by multifamily properties receiving assistance, as a group, in meeting physical condition standards established under the Real Estate Assessment Center's (REAC) Physical Assessment Inspection program.

Flexible Subsidy Fund

HOUSING  
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Justification of Proposed Changes in Appropriations Language

Explanation of Changes

No new fiscal year 2008 funding is proposed for the Flexible Subsidy Fund program.

Flexible Subsidy Fund

HOUSING  
 FLEXIBLE SUBSIDY FUND  
 Crosswalk of 2006 Availability  
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2006 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2006 Resources</u>
Flexible Subsidy .....	...	...	...	...	\$41,465	\$41,465
Total .....	...	...	...	...	41,465	41,465

Carryover. The carryover balance consists of an unobligated balance of \$3.2 million carried forward from fiscal year 2005 and actual offsetting collections of \$38.3 million for fiscal year 2006.

Flexible Subsidy Fund

HOUSING  
 FLEXIBLE SUBSIDY FUND  
 Crosswalk of 2007 Changes  
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2007 President's Budget Request</u>	<u>FY 2007 CR Estimate</u>	<u>2007 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2007 Resources</u>
Flexible Subsidy .....	...	...	...	...	\$74,465	\$74,465
Total .....	...	...	...	...	74,465	74,465

Carryover. The carryover balance consists of the \$41.5 million of unobligated balance from fiscal year 2006 carried forward into fiscal year 2007 and \$33 million of offsetting collections anticipated for fiscal year 2007.