

## **1. FSS Escrow under the Public Housing (PH) Account -**

See Accounting Brief No. 23

<http://portal.hud.gov/hudportal/documents/huddoc?id=AcctBrief23FSSvf051415.pdf>, which supersedes Accounting Brief #20 and requires housing agencies to report on their financial statements and on the financial data schedule the total tenant rent the tenant is required to pay to the housing agency, whether or not the tenant is in a FSS program.

The mechanism to provide operating subsidy to reimburse the housing agency for its PH FSS escrow payments is an adjustment to formula income on the Calculation of Operating Subsidy form (Form HUD-52723). More specifically, HUD provides instructions for housing agencies to reduce their tenant rent portion of formula income on the HUD-52723 submission by the amount of their FSS escrow payments. The FSS escrow adjustment to the HUD-52723 submission is described annually on the Operating Fund Webpage. The most recent posting of this is on the “Calendar Year 2015 Subsidy Processing” webpage through the link titled “Frequently Asked Questions – Form 52723.” For your convenience that link is:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/am/of/opfnd2015](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/am/of/opfnd2015).

## **2. FSS Escrow under the Housing Choice Voucher (HCV) Account –**

Escrow is reported to HUD through the Voucher Management System (VMS). PHAs report both on FSS escrow deposits and FSS escrow forfeitures during the applicable month. Instructions on FSS escrow reporting are found in the VMS User’s Manual

(<http://www.hud.gov/offices/pih/programs/hcv/pubs/instructions.pdf>).