

Budget to Actual Report Instructions

Answers to commonly asked questions regarding the Budget to Actual Report for the Homeless Housing and Assistance Corporation (HHAC) Annual Report

The Budget to Actual Report should be submitted in the HHAC format. This document is available electronically and may be requested from the Underwriting and Asset Management Unit (UAMU) by email Joe.Milanese@otda.state.ny.us, phone (518) 473-4003, or online at <http://www.otda.state.ny.us/otda/bhs/default.htm>.

- ✓ This report should cover only those expenses and revenues for the HHAC project(s), that is, only expenses and revenues for those addresses covered under your HHAC contract(s).
- ✓ Enter the amounts in the “Budgeted”, “Actual”, and “Projected Budget” columns. The “Difference” column, and shaded total rows will calculate automatically.
- ✓ “Replacement Reserve” under Expenses refers to the amount that your organization anticipated setting aside for reserves and, in the adjacent column, the actual amount that your organization set aside for reserves during the program year for which you are reporting. A guideline for the annual contribution to replacement reserves is 1/2 of 1% of the total development cost of the project(s).
- ✓ “Operating Reserve” under Expenses refers to the amount that your organization anticipated setting aside for reserves and, in the adjacent column, the actual amount that your organization set aside for reserves during the program year for which you are reporting. A guideline for the annual contribution to operating reserves is 3% of the Effective Gross Income (EGI). EGI is the gross rents less the expected vacancy/uncollectible expense.
- ✓ The reserve amounts requested on the Budget to Actual Report is additional information to the reporting requirement in the annual report (Page 4, Financial/Program Information, question 1) which requires a statement of the balance in the reserves account(s) and a narrative summarizing deposits and withdrawals into/from the account(s). (Reminder: reserve accounts established with HHAC program funds require prior HHAC approval before expenditures.)
- ✓ The “Vacancy/Uncollectible Expense” refers to actual costs incurred as a result of rent collection efforts, eviction, etc. Please do not double-count lost revenue by including it on the expense side.
- ✓ Please do not include depreciation as an expense.
- ✓ If using the “Other” expense line item, please identify. HHAC is concerned with the long-term viability of the projects and will question unidentified expenses, or excessive amounts in categories such as “Miscellaneous” or “Other Program Costs”.
- ✓ In order to ensure the accuracy of the information, HHAC requires that the Budget to Actual Report be signed by the sponsor’s executive director and by your organization’s auditor.
- ✓ You are encouraged to utilize the Budget to Actual form as a basic management tool to inform your Board of Director’s of the financial state of the project and identify problem areas such as rent collection, excessive expense items, etc.