

A. Introduction

The following manual is intended to provide guidance on the financial reporting requirements for all properties funded by PHFA. Also, reporting requirements for PennHOMES properties that are eleven units or less and have no amortizing first mortgage are also included in the financial reporting manual.

The reporting requirements for properties that have received Low Income Housing Tax Credits only from the Agency are included on page 11 of this Manual. These properties have no mortgage financing provided by the Agency.

For the first time, the manual contains reporting requirements for the ARRA (both TCAP and Exchange) and Housing and Redevelopment Assistance Program (HRA) funded properties. This information can be found on pages 10, 16, and 17.

The budget and quarterly operating report forms are included in this Manual and are also available on line. (see below) In order to make it easier to complete these forms, the Agency has provided instructions, as well as a chart of accounts, explaining where the major income and expense items should appear on the forms.

The Agency has also provided a glossary of terms that are often used by Agency employees. Please call the Financial Analyst assigned to your property if you can think of any additional terms that you would like to see included in future updates.

In addition, the Agency has made minor revisions to the sample audited financial statements. The revisions were simply some updates to the more current terminology in some of the notes to the statements. **The actual reporting requirements and all the required supporting schedules have not changed from the prior manual.**

Also, the budget, quarterly operating reports, this entire manual, the PHFA Statement of Profit and Loss and the Computation of Surplus Cash are available on the Agency's website. The web address is www.phfa.org. Move your cursor to Multifamily Housing Professionals, click on Property Managers or CPA's and then click on the appropriate form or manual. The forms are written using Excel and include the logic required to calculate totals and variances.

Finally, special thanks are given to those staff, management agents, and CPA's who volunteered their time to proofread and provide input for appropriate sections of this manual. The Agency appreciated your time in helping make this manual as accurate as possible.

