

E. Quarterly Operating Report

The quarterly operating report (QOR) is a valuable analytical tool for both PHFA and the development. The purpose of the QOR is to report the ongoing cash flow of the development and analyze actual operating results versus the budget projections. The columns on the QOR are different than those of the budget. On the QOR, Column 1 is the approved annual budget for the fiscal year, Column 2 is the actual income and expense amounts for the quarter, Column 3 is the prorated quarterly amount (3/12) of Column 1, Column 4 is the actual income and expense amounts year-to-date, Column 5 is the budget amount year-to-date, and Column 6 is the actual amount over or (under) the budget year-to-date.

Proper completion of the QOR is important to both the Agency and the development. The approved Agency budget should be entered in Column 1. Column 3 will then calculate and fill in automatically. When the quarter number is entered in the top section, Column 5 will also calculate and fill in automatically. You will need to enter Column 2, Actual This Quarter, and Column 4, Actual To Date. Column 6 will then automatically calculate and fill in. For instructions on which items should be included on each line, please refer to Section H, Chart of Accounts.

One copy of the QOR is required to be submitted quarterly, via email, within 15 days of the end of the reporting quarter, beginning with the first quarter of initial occupancy of the development. **Submission via email is required by the Agency.** Generally included with the report should be the cash receipts journal, cash disbursements journal and, if computerized, the detail general ledger for the three months included in the report. Ultimately, the Financial Analyst assigned to the development will determine what back-up should accompany the QORs. A sample quarterly operating report can be found in Appendix 2 or at www.phfa.org.

In addition, QOR's must be submitted that follow the PHFA approved format. QOR's that do not follow the approved format will be returned to the Agent for proper completion. In addition, properties that exhibit exceptional financial performance may not be required to submit either the operating report or financial backup. The financial analyst assigned to the property will determine if these items are no longer required to be submitted. The management agent should continue to submit operating reports and financial back up unless advised otherwise by their financial analyst.