



## **Yolo County Housing**

**Lisa A. Baker, Executive Director**

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### BOARD OF COMMISSIONERS

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**DATE:** January 23, 2012  
**TO:** YCH Board of Commissioners  
**FROM:** Lisa A. Baker, Executive Director  
**SUBJECT:** **Receive And File Correspondence From The U.S. Department Of Housing And Urban Development (HUD) Regarding Public Law 112-55 for Fiscal Year 2012, Section 234 of Title II of Division C of the Act Pertaining to Salary of the Chief Executive Officer**

### RECOMMENDED ACTIONS:

That the Board of Commissioners:

1. Receive and file the correspondence

### BACKGROUND / DISCUSSION

The YCH has received correspondence from HUD regarding the Consolidated and Further Continuing Appropriations Act of 2012, Public Law 112-55, which provides appropriations to HUD for fiscal year 2012. Section 234 of Title II of Division C of the Act provides that, "none of the funds made available by this Act for purposes authorized under Section 8 and Section 9 of the United States Housing Act of 1937 (42 USC 1437 et. Seq.) may be used by any public housing agency for any amount of salary, for the chief executive officer...that exceeds the basic pay payable for a position at level IV of the Executive Schedule at any time during any public housing agency fiscal year 2012."

That rate is currently \$155,500 per year. The salary for the executive director at YCH is currently set at \$146,785. YCH is in compliance with this requirement. In addition, administrative salaries are not paid directly out of Section 8 Vouchers or Section 9 Public Housing funds. They are paid from general funds based on management fees from all programs, including Vouchers and Public Housing. At this time, HUD has not issued guidance determining whether such de-federalized fees would be considered as federalized for purposes of this Section.

### FISCAL IMPACT

None

### CONCLUSION

Receive and file the correspondence

**Attachment:** Letter from HUD

*Working together to provide quality affordable housing and community development services for all*



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

DEC 13 2011

Dear Board Chair:

As you know, Congress passed and the President signed into law on November 18 the Consolidated and Further Continuing Appropriations Act 2012, Public Law 112-55, which provides appropriations for the Department of Housing and Urban Development (HUD) for all of fiscal year 2012. I am writing to bring to your attention a provision in the Act that relates to the use of HUD funds to pay salaries of public housing agency employees.

In particular, section 234 of title II of Division C of the Act provides as follows:

None of the funds made available by this Act for purposes authorized under section 8 (only with respect to the tenant-based rental assistance program) and section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) may be used by any public housing agency for any amount of salary, for the chief executive officer of which, or any other official or employee of which, that exceeds the annual rate of basic pay payable for a position at level IV of the Executive Schedule at any time during any public housing agency fiscal year 2012. (b) Subsection (a) shall take effect 120 days after the date of enactment of this Act.

As section 234(b) states, the restriction will take effect 120 days after the enactment of the Act, which will be on March 17, 2012, and HUD will be providing more specific guidance on the provision in the coming weeks. We also understand that many public housing agencies will not be affected by this provision. Nevertheless, we wanted to be sure that you are aware of the restriction and, to the extent appropriate, are making plans to ensure that the use of federal funds by your agency will be in full compliance with the Act.

We at HUD appreciate the important work done by public housing agencies across our nation, and wish you and your employees and residents the best for the holiday season and the New Year.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald J. La Voy", written over a white background.

Donald J. La Voy  
Deputy Assistant Secretary  
Office of Field Operations

Cc: Appointing Official  
PHA Executive Director