

§ 982.154 ACC reserve account.

(a)(1) HUD establishes an unfunded reserve account, called the ACC reserve account (formerly "project reserve"), for the HA's program. There are separate ACC reserve accounts for the HA's certificate and voucher programs. The ACC reserve account is established and maintained in the amount determined by HUD.

(2) At the end of each HA fiscal year, HUD credits the ACC reserve account from the amount by which the sum of contract authority for all funding increments under the consolidated ACC (maximum annual payment) exceeds the amount actually approved and paid for the HA fiscal year. However, the maximum annual payment does not include contract authority for an expired funding increment. If the term of a funding increment expires during the HA fiscal year, this maximum amount only includes the pro-rata portion of contract authority for the funding increment covering the portion of the HA fiscal year prior to expiration.

(b) HUD may approve additional payments for the HA program from available amounts in the ACC reserve account.

§ 982.155 Administrative fee reserve.

(a) The HA must maintain an administrative fee reserve (formerly "operating reserve") for the program. There are separate administrative fee reserve accounts for the HA's certificate and voucher programs. The HA must credit to the administrative fee reserve the total of:

(1) The amount by which program administrative fees paid by HUD for an HA fiscal year exceed the HA program administrative expenses for the fiscal year; plus

(2) Interest earned on the administrative fee reserve.

(b)(1) The HA must use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for an HA fiscal year. If funds in the administrative fee reserve are not needed to cover HA administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), the HA may use these funds for other housing purposes permitted by State and local law. However, HUD may prohibit use of the funds for certain purposes.

(2) The HA Board of Commissioners or other authorized officials must establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

(3) If the HA has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the HA to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses.

§ 982.156 Depository for program funds.

(a) Unless otherwise required or permitted by HUD, all program receipts must be promptly deposited with a financial institution selected as depository by the HA in accordance with HUD requirements.

(b) The HA may only withdraw deposited program receipts for use in connection with the program in accordance with HUD requirements.

(c) The HA must enter into an agreement with the depository in the form required by HUD.

(d)(1) If required under a written freeze notice from HUD to the depository:

(i) The depository may not permit any withdrawal by the HA of funds held under the depository agreement unless expressly authorized by written notice from HUD to the depository; and

(ii) The depository must permit withdrawals of such funds by HUD.

(2) HUD must send the HA a copy of the freeze notice from HUD to the depository.

§ 982.157 Budget and expenditure.

(a) *Budget submission.* Each HA fiscal year, the HA must submit its proposed budget for the program to HUD for approval at such time and in such form as required by HUD.

(b) *HA use of program receipts.* (1) HUD payments under the consolidated ACC, and any other amounts received by the HA in connection with the program, must be used in accordance with the HA HUD-approved budget. Such HUD payments and other receipts may only be used for:

(i) Housing assistance payments; and

(ii) HA administrative fees.

(2) The HA must maintain a system to ensure that the HA will be able to make housing assistance payments for all participants within the amounts contracted under the consolidated ACC.

§ 982.158 Program accounts and records.

(a) The HA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. The records must be in the form required by HUD, including requirements governing computerized or electronic forms of record-keeping.

(b) The HA must furnish to HUD accounts and other records, reports, documents and information, as required by HUD. For provisions on electronic transmission of required family data, see 24 CFR part 908.

(c) HUD and the Comptroller General of the United States shall have full and free access to all HA offices and facilities, and to all accounts and other records of the HA that are pertinent to administration of the program, including the right to examine or audit the records, and to make copies. The HA must grant such access to computerized or other electronic records, and to any computers, equipment or facilities containing such records, and shall provide any information or assistance needed to access the records.

(d) The HA must prepare a report of every unit inspection required under this rule. Each report must specify:

(1) Any defects or deficiencies in the unit that must be corrected to meet the HQS; and

(2) Other defects or deficiencies observed by the HA inspector (for use if the owner later claims that the defects or deficiencies were caused by the family).

(e) During the term of each assisted lease, and for at least three years thereafter, the HA must keep:

(1) A copy of the executed lease;

(2) The HAP contract; and

(3) The application from the family.

(f) The HA must keep the following records for at least three years:

(1) Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;

(2) An application from each ineligible family and notice that the applicant is not eligible;

(3) HUD-required reports; and

(4) Unit inspection reports;

(5) Lead-based paint inspection records (as required by § 982.401(j));

(6) Accounts and other records supporting HA budget and financial statements for the program; and

(7) Other records specified by HUD.

§ 982.159 Audit requirements.

(a) The HA must engage and pay an independent public accountant to conduct audits in accordance with HUD requirements.

(b) The HA is subject to the audit requirements in 24 CFR part 44.

§ 982.160 HUD determination to administer a local program.

If the Assistant Secretary for Public and Indian Housing determines that there is no HA organized, or that there is no HA able and willing to implement