RHCP-O OPERATING BUDGET WORKBOOK INSTRUCTIONS

1. After you have downloaded the workbook to your hard drive, disk, or CD, open the Microsoft Excel file. You will see seven tabs located at the bottom of the worksheet. These identify the worksheets included in the workbook.
   1. The first two tabs are yellow and are labeled Proposed Operating Costs and Proposed Cash Flow Analysis.
   2. The next three tabs are colored green and are labeled Approved Operating Costs, Approved Proration of Costs and Approved Cash Flow Analysis.
   3. The last two tabs are orange and are labeled Actual Operating Costs and Actual Cash Flow Analysis.
2. The following information, when entered on the Proposed Operating Costs worksheet will be automatically posted to the other worksheets in the workbook. The only exception is that the Name of the Preparer will not be automatically posted to the Actual Operating Costs and Actual Cash Flow Analysis worksheets.
3. Enter the applicable operating fiscal year (i.e., 1/1/YE to 12/31/YE) for the proposed budget into cell numbers F3 and H3.
4. Enter the contract number, project name, prepared by and date prepared information in cell numbers C3 through C6.
5. Enter the appropriate number of assisted units in cell number K3 and total number of project units in cell number K4. Based upon the numbers entered, the Unit Months will be calculated automatically.
6. Enter the proposed expense amounts. The cells are formatted to accept dollar amounts. **Round cents to the nearest dollar.** To see a description of the type of expenses to be included in each line item, put your cursor on the red wedge at the end of the line item heading.
7. You will need to complete the explanation section at the bottom of the form for Miscellaneous categories 6390, 6590 and 6729. An error message will pop up if you try to enter any dollar amounts in F24, F54 or F64. You must enter an explanation and dollar amount at the bottom of the form. It will automatically fill in the lines above.
8. The number to enter into the Proration Percentage column G9-G57) depends on the number of RHCPO-assisted units in the project. As an example: The project has a total of 150 units and of those units, 50 are assisted, and then enter 33 on each of the lines in the Proration Percentage column. If you have questions about the appropriate proration factor for your project, contact your Fiscal Representative.
9. **Important:** Any costs anticipated to be paid for with Replacement Reserve funds should **not** be included in the Operating Costs.
10. Enter 3% in cell D75 for a Contingency Reserve.
11. Click on the next yellow tab “Proposed Cash Flow Analysis”.
12. Enter amounts under Rent Revenues, Vacancy percentages (3% is the maximum allowed for RHCPO), Other Revenue, and Funded Reserves, for assisted units and non-assisted units.

1. Line 28. Total Operating Expenses will be entered automatically from the Proposed Operating Costs worksheet.
2. Line 38 is the Project Cash Flow. Any amounts entered in Lines 39-48 are only allowed as non-assisted.
3. When complete, send the Proposed Operating Budget and complete Schedule of Rental Income (SRI) forms to HCD at AMCBranch@hcd.ca.gov.
4. The Approved Operating Costs, Approved Proration of Costs and the Approved Cash Flow Analysis worksheets are for HCD use only. Upon HCD approval, HCD will sign these worksheets mail to Borrower/Sponsor/Local Agency/Management Agent for signatures. The signed originals should be mailed back to HCD within 10 days.