



# Homelessness and Affordable Housing

Problems and Oversight Challenges  
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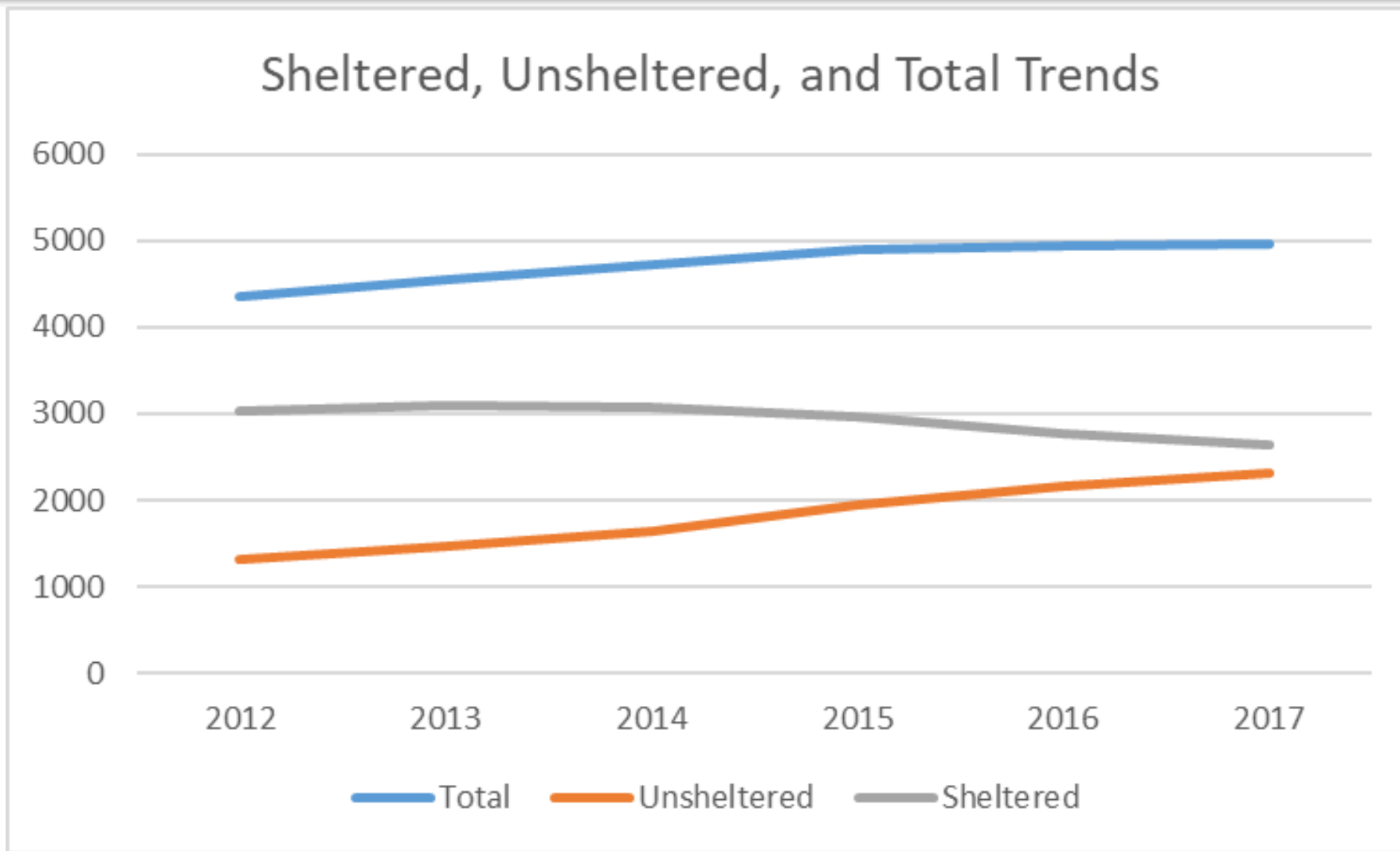


# What Does It Mean to End Homelessness?

“An end to homelessness means that every community will have a comprehensive response in place that ensures homelessness is prevented whenever possible, or if it can’t be prevented, it is a rare, brief, and non-recurring experience.” (*United States Interagency Council on Homelessness*)



# Oahu Sheltered/Unsheltered Trends: 2012-2017





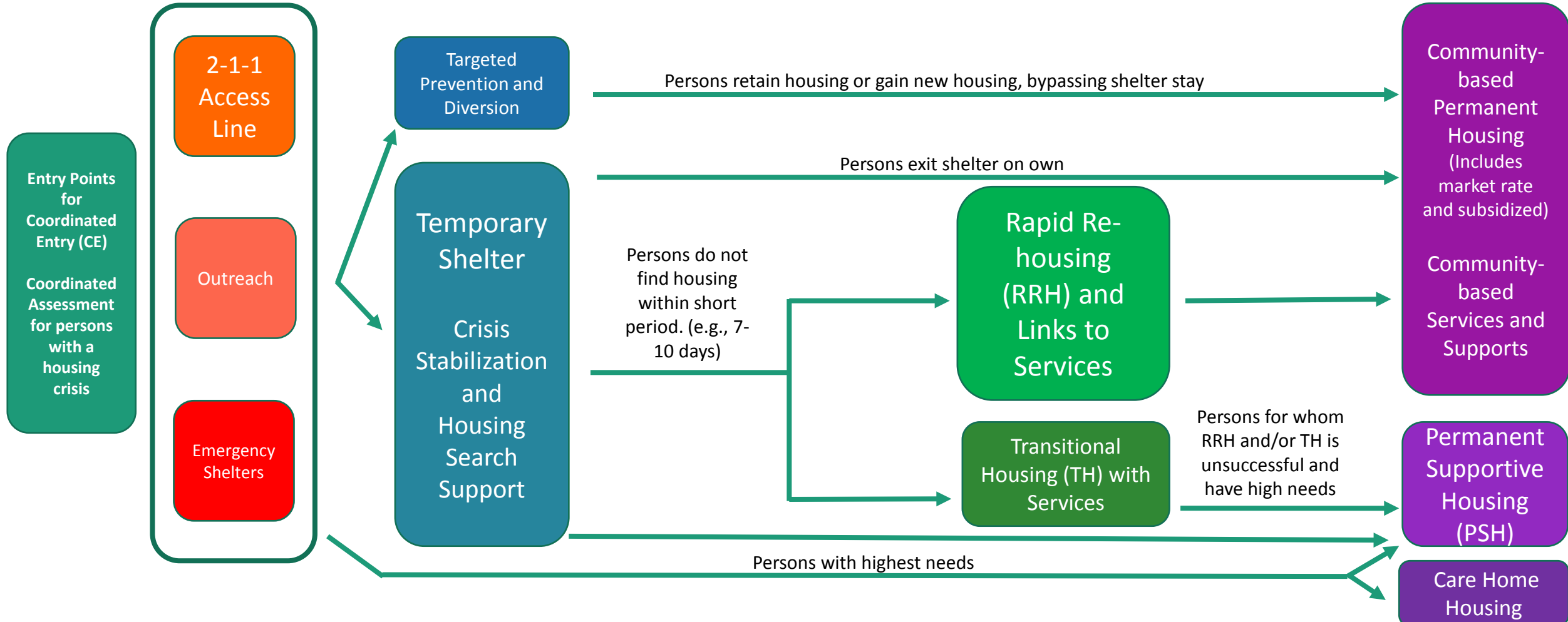
# Predictors of Homelessness

- Rent costs is a strong predictor of homelessness rate
- Change in rental rates is a strong predictor of change in homelessness rates
- High median income is associated with increases in homelessness rates

Jack Barile and Anna Pruitt, University of Hawaii



# Hawaii's Coordinated Homeless Crisis Response System





# Performance Measures



Reduce length of time people are homeless  
(average and median length of stay (LOS))

Reduce returns to homelessness

Reduce the number of homeless persons  
(Point in Time (PIT) and Annual Counts)

Increase jobs and income for homeless persons

Reduce # of people who become homeless for the first time

Increase the number of successful housing placements



# Housing First Best Practices

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Assertive engagement using motivational techniques

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Comprehensive assessment and housing planning

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Person-centered and recovery oriented

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Based in the community and in the home

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Links to Community Supports: social, spiritual, libraries, sports, arts, recreation

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Individualized



- City and Federal Programs: CDBG, HOME, HOPWA, ESG, and Continuum of Care programs
- City and State Collaborations: alignment of contracts, specific programs (e.g., Hawaii Pathways Project, AMHD and HPD support and training), and general coordination (e.g., Special Action Team on Affordable Rental Housing, TOD)
- Public-Private Partnerships (P3), e.g., Kahauiki Village
- Proposed Affordable Housing Requirements and Incentives ordinances





## Activities Serving Target Communities and Populations

- Permanent Housing
- Permanent Supportive Housing
- Rapid Re-Housing
- Transitional Housing
- Emergency Shelters
- Supportive Services
- Homeless Management Information System (HMIS)
- Rent-to-Work Tenant Based Rental Assistance
- Housing First Tenant Based Rental Assistance



## Efforts to Ensure Oversight and Accountability

- Program Training and Education
- Contract Requirements Between Funder and Recipient
- Rental Assistance Contract Between Recipient and Homeless Client
- Program Monitoring to Determine Statute, Regulation RFP/NOFA and OMB Supercircular Compliance



# Oversight Challenges

- Type of Monitoring Review (Remote or On-Site)
- Recipient Capacity
- Spending Deadlines
- Funding Reallocations
- Budget Restrictions
- Recipient Financial Systems
- Staffing



# Monitoring Area Types

Program  
Participants

Housing

Supportive  
Services

Project  
Progress

Match  
Documentation

Subrecipient  
Management

Overall  
Management

Financial  
Management

Cost  
Allowability

Procurement

Equipment and  
Equipment  
Disposition

Other Federal  
Requirements



# Common Monitoring Findings

- Homeless Documentation and Client Program Eligibility
- Reconciling Funder and Recipient Accounting Systems
- Timesheets – When Staff Work More Than One Program
- Rent Calculations and Reasonableness
- Program Timeliness Standards
- Subrecipient Monitoring
- Match Documentation
- Procurement
- Conflict of Interest



# Common Monitoring Findings

**Failure to maintain sufficient documentation to support homeless status and program eligibility.**

- ✓ No Support Documentation of Homelessness
- ✓ Inconsistencies in Documentation of Disability

**Recipient financial records/systems don't reconcile with funder payments/cash transfers.**

- ✓ Inconsistent Application of Financial Internal Controls
- ✓ Lack of Management Review of Financial Reports
- ✓ Insufficient Knowledge of Basic Accounting Principals
- ✓ Program Priority -vs- Financial Integrity (Client -vs- Protect \$)



# Common Monitoring Findings

## **Failure to maintain accurate timesheets when staff work more than one program.**

- ✓ Staff charge time to the wrong program.
- ✓ Use of general time codes -vs- program specific time codes.
- ✓ Failure to educate staff on the program coding.

## **Failure to accurately calculate client's portion of the rent payment and verify the rent reasonableness of the unit.**

- ✓ Inconsistent use of rent calculation forms.
- ✓ Manually calculating rent resulting in mathematical errors.
- ✓ Failing to compare rents for the area.
- ✓ Lack of quality control checks.



# Common Monitoring Findings

## **Failure to meet the program match requirements.**

- ✓ Insufficient match
- ✓ Ineligible sources used as match
- ✓ Inadequate tracking and documentation of match

## **Failure to comply with Program Timeliness Standards**

- ✓ Lack of internal controls to ensure timeliness compliance
- ✓ Poor management oversight of programs
- ✓ Failure to timely execute subrecipient agreements
- ✓ Not taking responsibility





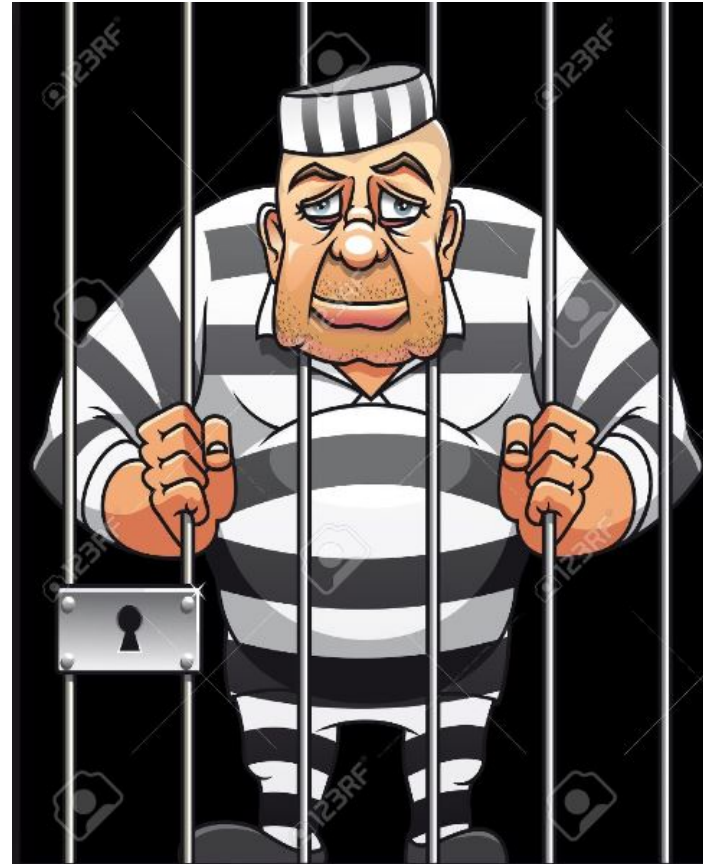
## Oversight Opportunities

- Review the program regulations before an audit to gather an understanding of the program before the audit
- Ensure audit conclusions are based on the correct regulatory requirement when developing program findings.
- Consider assessing program regulatory compliance in addition to financial compliance
- Develop and implement quality program internal controls
- Provided recipients with financial management education
- Recipients should consider options to strengthen financial controls and program oversight.

# YOU HAVE THE POWER TO INFLUENCE CHANGE



# AND PREVENT FRAUD WASTE AND ABUSE





THANK YOU FOR YOUR SERVICE!