



Housing Authority of the County of San Bernardino, San Bernardino, CA

Shelter Plus Care Program



To: William G. Vasquez, Director, Office of Community Planning and Development,
Los Angeles, 9DD

//SIGNED//

From: Tanya E. Schulze, Regional Inspector General for Audit, 9DGA

Subject: The Housing Authority of the County of San Bernardino, San Bernardino, CA,
Used Shelter Plus Care Program Funds for Ineligible and Unsupported
Participants

Attached is the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) final results of our review of the Housing Authority of the County of San Bernardino's Shelter Plus Care program.

HUD Handbook 2000.06, REV-4, sets specific timeframes for management decisions on recommended corrective actions. For each recommendation without a management decision, please respond and provide status reports in accordance with the HUD Handbook. Please furnish us copies of any correspondence or directives issued because of the audit.

The Inspector General Act, Title 5 United States Code, section 8M, requires that OIG post its publicly available reports on the OIG Web site. Accordingly, this report will be posted at <http://www.hudoig.gov>.

If you have any questions or comments about this report, please do not hesitate to call me at 213-534-2471.



Audit Report Number: 2015-LA-1004

Date: May 29, 2015

The Housing Authority of the County of San Bernardino, San Bernardino, CA, Used Shelter Plus Care Program Funds for Ineligible and Unsupported Participants

Highlights

What We Audited and Why

We audited the Housing Authority of the County of San Bernardino's Shelter Plus Care program due to a public complaint alleging that the Authority disregarded U.S. Department of Housing and Urban Development (HUD) program requirements related to participants' eligibility. Our objective was to determine whether the Authority administered its program funds in accordance with HUD rules and requirements, specifically related to participants' eligibility.

What We Found

The complaint had merit. The Authority did not always ensure that its participants were eligible for the program. Of 75 participants reviewed, 50 were ineligible for the program. We could not validate the eligibility of eight participants because of missing documents. The Authority spent more than \$3.2 million in program funds on ineligible participants and participants whose eligibility was not supported with documentation. If the Authority does not improve its controls, it could pay at least \$873,428 in program funds for ineligible participants in the next year. Further, the Authority's practices hampered its ability to accomplish HUD's goal of ending homelessness for individuals with disabilities and their families.

What We Recommend

We recommend that the Director of HUD's Los Angeles Office of Community Planning and Development require the Authority to (1) repay HUD more than \$3.1 million from non-Federal funds for program funds spent on ineligible participants, (2) provide supporting documentation for \$136,346 in program funds used for participants for whom eligibility could not be determined, and (3) develop and implement written policies and procedures to ensure that participants are eligible for the program and comply with HUD rules and requirements so that \$873,428 in program funds can be put to better use.

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Background and Objective

The Shelter Plus Care Program is an important source of permanent housing assistance for hard-to-serve homeless individuals with disabilities and their families. The U.S. Department of Housing and Urban Development (HUD) began awarding program funds in 1992 to State and local governments and public housing agencies as a way to assist a population that has been traditionally hard to reach. These individuals primarily include those with serious mental illness, chronic problems with alcohol or drugs, and HIV-AIDS or related diseases. Local programs are typically implemented through partnerships that include a grantee, one or more nonprofit housing sponsors that own or coordinate leasing of housing for program participants, and a network of supportive service providers. The program assists in HUD's goal to end homelessness.

The Housing Authority of the County of San Bernardino administers eight grants for its program. To date, HUD has awarded the Authority more than \$18 million in program funds, including grant renewals. As of fiscal year 2015, HUD had approved the Authority to provide permanent housing assistance for 195 units in accordance with its executed grant agreements.

Since July 1, 2012, the Authority has worked with the County of San Bernardino's Department of Behavioral Health, Office of Homeless Services, under a memorandum of understanding for the administration of the program. Specifically, the County determines whether participants meet the program's homeless and disability requirements to enter the program. As part of the eligibility process, it also obtains and reviews applications and documentation to support the participants' homelessness and disability. While the County provides technical assistance to the Authority, the Authority is responsible for complying with program rules and requirements.

Participants are eligible for the program if they meet **both** homeless and disability requirements as defined by HUD. Specifically, all participants must meet HUD's definition of homeless stated in 24 CFR (Code of Federal Regulations) 582.5 and the McKinney-Vento Homeless Assistance Act, Section 103, and the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act) 24 CFR 582.5. In addition, these participants must meet HUD's definition of a person with disabilities as defined in 24 CFR 582.5 and the HEARTH Act.

Our objective was to determine whether the Authority administered its program funds in accordance with HUD rules and requirements, specifically related to participants' eligibility.

Results of Audit

Finding: The Authority Did Not Ensure That Participants Were Eligible for the Program

The Authority did not ensure that participants were eligible for program assistance. Of 75 participants reviewed, 50 were ineligible for the program because they did not meet homeless and disability requirements. We could not validate the eligibility of eight participants because of missing documents. This condition occurred because the Authority relied on the County to determine the homeless and disability eligibility of participants without monitoring the process. Further, its internal controls and procedures that outlined program requirements were inconsistent with HUD's requirements for determining participants' homeless and disability eligibility. As a result, the Authority spent more than \$3.1 million in program funds on ineligible participants and \$136,346 on participants who did not have documentation to support their eligibility. Unless the Authority improves its monitoring of participant eligibility, we estimate that it will spend at least \$873,428 next year for ineligible participants. Further, the Authority's practices created a risk of not meeting HUD's goal of ending homelessness for individuals with disabilities and their families within San Bernardino County.

The Authority Used Program Funds for Ineligible Participants

Of the 75 participants reviewed, the Authority incurred program costs for 50 who were ineligible because they did not meet HUD's definition of homeless or disability eligibility (see appendix D).

Homeless Requirements Not Met

The Authority administered program funds under the homeless definition requirements in 24 CFR 582.5, effective April 1, 2008; the McKinney-Vento Homeless Assistance Act, Section 103, effective May 20, 2009; and the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act) 24 CFR 582.5, effective January 4, 2012. Of the 75 reviewed participants, 33 were not homeless as defined by HUD (see appendix D). These participant files included documentation that contradicted their status as homeless as defined by HUD rules and requirements. At the time of the initial application intake, these participants resided in housing and did not need program assistance. Yet they entered a program that was intended for individuals considered homeless by HUD. For example, one participant claimed to be living with family but was not "homeless" as defined by HUD. The participant's family was in the process of evicting the participant. However, the eviction letters were dated January 3, 2013, after the application was submitted on December 26, 2012. The eviction letter stated that the participant would lose residency within 45 days, resulting in the period of homelessness not complying with the McKinney-Vento Homeless Assistance Act or the HEARTH Act. Specifically, both definitions state that participants must be losing their housing within 14 days of applying for the program. In this case, the participant's application was submitted more than 14 days before the Authority needed to provide assistance. During this period, the participant was not homeless. As a result of the conditions described above, the Authority

incurred program expenses for 33 participants who were *at risk of* homelessness but not homeless as defined by the program.

Persons With Disabilities Requirements Not Met

According to 24 CFR 582.5, HUD defines a person with disabilities as an individual who has a disability that (1) is expected to be of long-continued and indefinite duration, (2) substantially impedes the ability to live independently, and (3) could be improved by more suitable housing conditions. This disability may be a physical, mental, or emotional impairment, emphasizing that the impairment is of long-continued and indefinite duration that substantially impedes the person's ability to live independently.

Authority management stated that it used the County to determine whether participants had met HUD's definition of persons with disabilities. However, it did not verify the County's assessments to ensure that 17 of the 75 reviewed participants met HUD's definition of disabled as required by 24 CFR 582.400(a) and its Shelter Plus Care program grant agreements. The participants' file documentation did not support their disability. Specifically, none of the participants' files contained documentation that identified a disability diagnosed by a treating and licensed professional. Further, these participants earned income from employment that allowed for independent living. This situation contradicted one of HUD's definitions of a person with disabilities in that the participant's disability must impair his or her ability to live independently. Further, none of these participants received a Social Security benefits payment from the Social Security Administration that would support his or her disability eligibility as required by 24 CFR 582.301(c)(3).

The Authority's applications used during the intake process included language certifying that the participants were able to live independently that contradicted the program requirements. On the application, County intake personnel were required to certify in a yes or no response, "Has the applicant demonstrated sufficient psychiatric stability *to be able to live independently?*" However, HUD requires that participants have a disability that "*substantially impedes the individual's ability to live independently.*" The Authority, through the County, determined that the participants had met the disability requirements. This certification language in the applications regarding the participants' independent living skills contradicts HUD's disability requirements. Thus, the 17 participants reviewed were ineligible for the program.

Participants' Disabilities Certified by Unlicensed Personnel

As of January 4, 2012, the Authority had used four of its grants, covered by the HEARTH Act amendment, totaling more than \$4.2 million toward having intake staff diagnose and certify participants' disabilities as defined in 24 CFR 582.301(c)(1). However, County staff was not professionally licensed to diagnose and certify participants' disabilities as required by HUD. As a result, the Authority provided program funds to participants using unlicensed professional staff to determine the disability status of the participants.

As shown in appendix D, of 75 participants reviewed, 50 were ineligible for the program, which equated to \$865,890 in ineligible costs. Since we conducted a statistical sample, we statistically projected the results of our sample to the universe of the Authority's program expenditures (see

Scope and Methodology section of the audit report). Overall, the Authority spent an average of \$7,288 on each of the 428 participants in the program from October 2010 to September 2014. As a result, we projected that it spent more than \$3.1 million in program funds on participants who were not eligible for the program.

The Authority Did Not Have Documentation To Support Participants' Eligibility

The Authority incurred program costs for 8 of the 75 participants reviewed for whom documentation was missing, and we could not verify their eligibility (see appendix D).

Missing Participants' Applications

The Authority did not obtain applications for 4 of the 75 participants. It was unclear how participants met HUD's definition of homeless in 24 CFR 582.5 and the McKinney-Vento Homeless Assistance Act, Section 103, without applications in their files. In addition, these applications would have shown whether the participants had a disability as defined at 24 CFR 582.5. Instead, the Authority documented only applicants' Social Security benefits to show that disability requirements were met under HUD rules and requirements. Without these applications, we could not confirm eligibility of the participants and the related program funds spent totaling \$66,084.

Missing Documentation To Support Program Eligibility

The Authority did not obtain documentation to support the eligibility of an additional 4 of the 75 participants in the program. It did not obtain documentation for three participants to support whether they met program homeless requirements stated in 24 CFR 582.5 and the McKinney-Vento Homeless Assistance Act, Section 103. It also did not obtain the required documentation to support the disability eligibility of one participant in the program as required by 24 CFR 582.5. As a result, the Authority incurred costs of \$70,262 for participants for whom it could not provide documentation to support that they met program homeless (\$51,832) or disability (\$18,430) eligibility requirements. Overall, it did not obtain the required documentation to support the eligibility of \$136,346 in program funds spent on eight participants.

Conclusion

The Authority did not ensure that participants met the homeless and disability eligibility requirements of the program. Of 75 participants reviewed, 50 were ineligible for the program. We could not validate the eligibility of eight participants because of missing documents. This condition occurred because the Authority relied on the County to determine participants' eligibility without monitoring the process. The Authority's internal controls and procedures outlined program requirements that were inconsistent with HUD requirements for determining participants' homeless and disability eligibility. As a result, the Authority spent more than \$3.2 million in program funds on ineligible participants and participants who did not have the required documentation to support their eligibility. Unless the Authority improves its monitoring of participant eligibility, we estimate that it will spend at least \$873,428 next year on ineligible participants. Further, the Authority's practices created a risk of not meeting HUD's goal of ending homelessness for individuals with disabilities and their families within San Bernardino County.

Recommendations

We recommend that the Director of the HUD's Los Angeles Office of Community Planning and Development require the Authority to

- 1A. Repay HUD \$3,119,448 from non-Federal funds for program funds spent on ineligible participants.
- 1B. Provide supporting documentation for \$136,346 in program funds used for participants for whom eligibility could not be determined or repay HUD from non-Federal funds (see appendix D).
- 1C. Develop and implement written policies and procedures to ensure that participants are eligible for the program and comply with HUD rules and requirements. Also, the Authority should ensure that these policies and procedures include the monitoring of third-party organizations involved with the program so that \$873,428 in program funds can be put to better use.

Scope and Methodology

We performed our audit work at the Authority's office in San Bernardino, CA, from October 15, 2014, to February 19, 2015. Our review covered the period October 1, 2010, to September 30, 2014, and was expanded as necessary.

To accomplish our objective, we performed the following:

- Reviewed the Authority's organizational charts;
- Reviewed and analyzed the Authority and County's policies, procedures, and internal controls relating to its program;
- Reviewed prior audit reports related to the Authority;
- Reviewed applicable HUD laws, regulations, notices of funding availability, and other program requirements;
- Reviewed HUD monitoring reports, annual progress reports, the Authority's administrative plan, and program funding applications and agreements;
- Reviewed the Authority's audited financial statements for fiscal years 2011, 2012, and 2013;
- Interviewed Authority and County personnel familiar with the administration of the program; and
- Reviewed selected participant files.

We relied on data maintained by the Authority's accounting software. Specifically, we relied on the accuracy of data extracted from its database containing participant names and their corresponding program assistance. We performed a data reliability assessment and determined that the data were sufficiently reliable for our audit objective. Specifically, we compared the monthly amount of housing assistance payments in the data with the amount found in each of our sample participant files that was reported to HUD. The Authority provided a universe of all participants it served during the period October 1, 2010, through September 30, 2014.

To test whether the participants were eligible for the program, we used the expertise of one of the Office of Inspector General's (OIG) statisticians. The statistician determined a universe consisting of 428 participants, who received more than \$5.3 million in housing assistance from October 2010 to September 2014. From the universe, the statistician provided a statistical sample of 75 participants to review that totaled more than \$1.2 million in program funds. The

sample was randomly selected and tested for error, resulting in no identified errors. We determined that 50 of the 75 statistically sampled participants were ineligible for program assistance.

Based on data provided by the Authority, the OIG statistician determined that the average program expense for 428 participants was \$8,348. With a one-sided confidence interval of 95 percent, the statistician deducted for statistical variance to accommodate the uncertainties inherent in statistical sampling, resulting in an average amount per tenant of \$7,288. This amount, throughout the universe of 428 participants, resulted in more than \$3.1 million in program funds that the Authority spent on ineligible participants (see appendix A).

Further, the statistician determined that the Authority disbursed an estimated average of \$444 in ineligible monthly payments to participants. Using a one-sided confidence interval of 95 percent, the statistician deducted for statistical variance to accommodate the uncertainties inherent in statistical sampling, which resulted in an average amount of \$373 that the Authority spent on each ineligible participant. The statistician applied this amount to the 195 participants throughout 1 year and deducted for the margin of error with a one-sided confidence interval of 95 percent. Based on this projection, if the Authority addresses the deficiencies identified in this report, at least \$873,428 in ineligible program costs could be put to better use next year (see appendix A).

We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective(s). We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Internal Controls

Internal control is a process adopted by those charged with governance and management, designed to provide reasonable assurance about the achievement of the organization's mission, goals, and objectives with regard to

- Effectiveness and efficiency of operations,
- Reliability of financial reporting, and
- Compliance with applicable laws and regulations.

Internal controls comprise the plans, policies, methods, and procedures used to meet the organization's mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations as well as the systems for measuring, reporting, and monitoring program performance.

Relevant Internal Controls

We determined that the following internal controls were relevant to our audit objective:

- Effectiveness and efficiency of operations – Policies and procedures that management has implemented to reasonably ensure that a program meets its objectives.
- Compliance with applicable laws and regulations – Policies and procedures that management has implemented to reasonably ensure that program expenses are supported and comply with program requirements and regulations.

We assessed the relevant controls identified above.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, the reasonable opportunity to prevent, detect, or correct (1) impairments to effectiveness or efficiency of operations, (2) misstatements in financial or performance information, or (3) violations of laws and regulations on a timely basis.

Significant Deficiency

Based on our review, we believe that the following item is a significant deficiency:

- The Authority did not provide adequate monitoring and oversight of the administration of its program funds to ensure that participants were eligible (finding).

Appendixes

Appendix A

Schedule of Questioned Costs and Funds To Be Put to Better Use

Recommendation number	Ineligible 1/	Unsupported 2/	Funds to be put to better use 3/
1A	\$3,119,448		
1B		\$136,346	
1C			\$873,428
Totals	\$3,119,448	\$136,346	\$873,428

- 1/ Ineligible costs are costs charged to a HUD-financed or HUD-insured program or activity that the auditor believes are not allowable by law; contract; or Federal, State, or local policies or regulations.
- 2/ Unsupported costs are those costs charged to a HUD-financed or HUD-insured program or activity when we cannot determine eligibility at the time of the audit. Unsupported costs require a decision by HUD program officials. This decision, in addition to obtaining supporting documentation, might involve a legal interpretation or clarification of departmental policies and procedures.
- 3/ Recommendations that funds be put to better use are estimates of amounts that could be used more efficiently if an OIG recommendation is implemented. These amounts include reductions in outlays, deobligation of funds, withdrawal of interest, costs not incurred by implementing recommended improvements, avoidance of unnecessary expenditures noted in preaward reviews, and any other savings that are specifically identified.

In this case, if the Authority implements our recommendations, it will ensure that eligible participants are provided program services that meet HUD's objective to reduce homelessness of individuals with disabilities and their families in the County of San Bernardino. It will no longer spend program funds on ineligible participants who place its program at risk of not meeting HUD's objective. Our estimate of \$873,428 reflects only the initial year of this benefit (see Scope and Methodology section of the audit report). This amount does not include potential offsetting costs incurred by HUD to implement our recommendations to strengthen monitoring controls.

Appendix B


Auditee Comments and OIG's Evaluation

Ref to OIG Evaluation

Auditee Comments

Comment 1

Comment 2



**HOUSING AUTHORITY
COUNTY
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May 13, 2015
Email and U.S. Mail

Ms. Tanya E. Schulze
U.S. Department of Housing and Urban Development
Regional Inspector General for Audit
611 W. 6th Street, Suite 1160
Los Angeles, California 90017

RE: Office of Inspector General Draft Audit Report No. 2015-LA-10XX (Housing Authority of the County of San Bernardino, CA Shelter Plus Care Program)

Dear Ms. Schulze:

The Housing Authority of the County of San Bernardino (the "**Authority**") is in receipt of the draft audit report (the "**Draft Report**") and your accompanying letter dated April 16, 2015 prepared by the U.S. Department of Housing and Urban Development's ("**HUD**") Office of Inspector General (the "**OIG**") following its recent audit of the Authority's Shelter Plus Care Program (the "**Program**"). The Authority appreciates the opportunity to review the Draft Report and to provide you with modifications and corrections on the matters described therein.

I. Highlights

In the course of its audit, the OIG generally reviewed approximately 372 of the approximately 9,300 vouchers administered by the Authority. Specifically, the OIG focused its review on a small, specialized program known as Shelter Plus Care and audited in detail 75 paper files at HACSB but not the other files that existed within the County offices for the same 75 participants.

This Program is designed to provide assistance to some of the neediest people in the United States – families with members that are both disabled and homeless. At a time in U.S. history when ending homelessness is being prioritized at an unprecedented level by the federal government, action through HUD, the Department of Health and Human Services ("**HHS**"), the Department of Labor, and the Department of Veterans Affairs, the necessary assistance finally is being provided which promotes fairness, justice, and independence, yet this Draft Report offers a dissonant and sometime uninformed perspective. This is perhaps the result when an OIG audit team of accountants presumes themselves to have the expertise to dispute disability and homelessness determinations made by experts in the field in connection with the Program.

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Comment 3

The Draft Report can be summed up simply because it is simple – the Program requires participants to be both disabled and homeless and the OIG made an inaccurate assertion that 17 participants (of 75 partially reviewed files) were not disabled and 33 participants were not homeless pursuant to applicable HUD definitions. Our response is also quite simple – the OIG failed to conduct a comprehensive and complete audit of all relevant files, which upon further review by the Authority had proper verification of disabilities confirmed in each instance by a licensed medical professional, and therefore the OIG came to incorrect conclusions. Moreover, the OIG ignored the fact that most of the *homeless* families came directly from an emergency shelter program thereby conclusively establishing their homeless status. Finally, the OIG only looked to a few of the numerous methods to determine homelessness despite the regulations themselves (and formal HUD guidance) which urge an aggressive and flexible interpretation as to whom is considered homeless. The progressive and flexible approach HUD urges to grant recipients ensures that the Program actually meets local need and furthers our nation's effort to end homelessness. The Authority believes it has operated both in the spirit of this mandate and within the letter of the applicable Program requirements in administering Program aid to needy participants.

Comment 4

In addition to reviewing a very specific Program and subset of Program participants, the OIG reviewed only a portion of the files associated with the Program. What the OIG ultimately determined during this limited assessment was that the Authority did not "ensure that participants were eligible for program assistance". The findings presented in the Draft Report, however, are overstated and unsupported as they were based on a review of Authority files without review of other supporting paper and electronic files held by the Authority and their partner, the County of San Bernardino, Department of Behavioral Health (the "**County**"). In fact, rather than assembling all of the information available, the OIG took a small sample, ignored or disregarded the availability of additional information, and extrapolated to the entire Program to obtain the desired result. The OIG also in many instances outlined herein, misinterpreted information in participants' files and ignored the interplay between the Program and a similar program funded by the State of California (the "**State**") that is administered by the County and the Authority. The OIG then substituted the auditors' judgment for those of licensed clinicians and experienced care workers as to specific disability and homelessness determinations.

The preliminary findings of the OIG auditors reveal a perspective that is not conversant with the nature of the Authority's partnership with the County, nor conversant with evidence-based clinical procedures and findings. The notion that a team of auditors can trump findings of clinical experts is inconsistent with appropriate monitoring and evaluation.

Comment 5

The Draft Report does not contain any required evidence of the "waste, fraud, and abuse" that the OIG was established to combat. Rather, the Draft Report focuses on select instances in which the OIG asserts that evidence of Program eligibility in participant files was insufficient.

Comment 6

As demonstrated in the balance of this response, those assertions are mistaken and are based on the OIG's failure to fully review all relevant information – a failure that could have been - and frankly should have been - avoided had OIG staff simply asked the Authority for more specific information on the questioned files and had the OIG staff not ignored other relevant information that was offered. In short, OIG staff determined that they only needed to

Ms. Tanya E. Schulze
May 13, 2015
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review one of the three relevant files with respect to Program participants. It is therefore unsurprising that the Draft Report identifies "gaps" since relevant information was in many cases dismissed or ignored.

Disturbingly, in certain instances, the Draft Report makes bold assertions that are discriminatory in themselves. For example, the Draft Report states that:

...participants earned income from employment that allowed for independent living. This situation contradicted one of HUD's definitions of a person with disabilities in that the participant's disability must impair his or her ability to live independently.

This statement ignores the fact that earning enough money to live independently does not mean that a person is actually able to fully function in that capacity. A disability is not now, nor has it ever been, defined by a person's earning potential. Moreover, the recovery model of treatment for persons with a serious and persistent mental illness focuses on supporting a person with mental illness in their integration back into their communities. Recovery means a person is getting better, and while not cured, may be able to regain functionality such that employment and/or education is possible. As with all other persons with disabilities, such as the blind or the deaf, while the disability persists, they are able and encouraged to seek better integration into communities which includes employment and modern mental health treatment. This is based on the premise that persons with a mental illness have the right to live and work in the community. The national trend is shifting from sheltered workshops to competitive employment. In fact, multiple national studies demonstrate that competitive employment for those with a mental illness helps to stabilize their lives within the greater community.

Nevertheless, having only performed a partial review of the files and having made unfounded presumptions about medical licensing and disability laws, the OIG has recommended that the Authority repay HUD \$3,119,448 dollars spent to house homeless persons with disabilities and further that \$873,428 of the \$3.2 million be put to better use. The disproportionality of these recommendations and the OIG's complete disregard for the real world consequences that would result from their implementation belie the claim that the OIG's objective is to improve the effectiveness and efficiency of the Program. The Authority strongly disagrees with the recommendations and repeatedly requested, prior to the Draft Report becoming final, that the OIG fully review all of the files and modify its findings and recommendations as more specifically described in this response. Those requests were repeatedly denied.

II. The Context: Administration of Shelter Plus Care Program

The Authority administers eight grants for the Program. The Program was designed as a means to reach a chronically underserved population of homeless individuals with disabilities, as well as their families. In this local Program design, the disability emphasis was on mental health given the local needs and sources of funds from the State. Given its specialization in the field of behavioral health, among other attributes, the Authority engaged the professional and resource-rich County pursuant to a Memorandum of Understanding ("MOU"), attached hereto as

Comment 7

Comment 8

Comment 9

Attachment A, in order to assist with certain Program functions. The Authority's desire to utilize the County to determine whether participants meet the Program's homeless and disability requirements was not only a cost-effective way to determine participants' eligibility, but also provided the means to professionally determine disability while protecting individual privacy rights. Additionally, the Program requires a service and funding match that was admirably brought forward by the County and married with a State funding source made available under the Mental Health Services Act ("MHSA"). All components and regulations of this progressive program were ignored in the Draft Report. The County obtains and reviews applications and the documentation to support the participant's homelessness and disability. The Authority oversees this process. The information with regard to a particular participant's disability, however, is protected by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

Comment 10

The Authority, with the expert clinical assistance of the County, has now reconfirmed that participants in the Program meet both homelessness and disability requirements. These requirements are set forth in the Code of Federal Regulations at 24 CFR 582.5, the McKinney-Vento Homeless Assistance Act and the Homeless Emergency Assistance and Rapid Transition to Housing Act ("HEARTH"). Pursuant to the foregoing, all participants meet HUD's definition of a person with disabilities and who are homeless.

Comment 11

The OIG spent a significant amount of time reviewing the Authority's records and, despite that fact, didn't review/acknowledge a substantial portion of the file information relevant to participants in the Program even after repeated requests from the Authority to do so. It met with and interviewed a handful of employees at the Authority. Pursuant to the MOU, which was made available to the OIG, the County maintains its own intake and assessment files and maintains ongoing clinical files. Despite that fact and offers by the Authority and the County to meet with the OIG, the OIG met with individuals at the County only once for approximately one hour. The OIG informed the County at that time it would be requesting copies of certain of the files. The OIG never followed through on such a request and, in fact, declined to do so in an e-mail copied to the Authority. A copy of that e-mail is attached hereto as Attachment B.

Comment 12

Had the OIG actually met with the County staff for a meaningful amount of time or reviewed the County files, it would have more fully understood the nature of the partnership between the Authority and the County in the clinical determination of disability and would have found that every file was reviewed and certified by a licensed clinician. Redacted proof of such is attached hereto as Attachment C. This is further documented within the County records that are overseen by the Authority. Again, the OIG did not request that information, did not therefore review the files, and thus came to an incorrect conclusion. The balance of this response addresses each individual finding in the Draft Report and the basis upon which the Authority believes the OIG's conclusions are unsupported.

III. The Authority's Response to Individual Draft Recommendations

Recommendation 1A: We recommend that the Director of HUD's Los Angeles Office of Community Planning and Development require the Authority to repay HUD \$3,119,448 from non-federal funds for program funds spent on ineligible participants.

The Draft Report alleges that funds were spent on ineligible participants. In fact, without having reviewed either the County records or the Authority's electronic records, the OIG "determined" that 33 participants were not homeless and 17 were not disabled. If the OIG had a meaningful and enquiring conversation with the Authority and the County regarding the Program and the files under review, and if the OIG had taken the time to review the additional records offered to them, the OIG would have determined that the purportedly ineligible participants were, in fact, eligible, and thus the funds at issue were properly spent. Moreover, the OIG's characterization of costs as ineligible is incorrect. According to the OIG's own definitions as outlined in Handbook 2000.06 rev-4, even if absolutely all of the disputed items claimed by the OIG in the Draft Report were supported by all relevant information (which the Authority disputes as outlined in the remainder of this response), at best the costs could be considered "unsupported" rather than "ineligible".

Homeless Requirements Not Met

The Draft Report alleges that of 75 participants reviewed, 33 were not homeless. The OIG bases its allegation on its interpretation that the files it chose to review either had insufficient documentation to determine homeless status or that information in those files "contradicted" the participants' homeless status. Unfortunately, the OIG failed to fully understand various aspects of the files it reviewed and in many instances avoided relevant information to make its determinations. As an example, at least 20 of the families housed under the Program came from a shelter, thus conclusively establishing homelessness under applicable requirements. There was no note of this in the Draft Report, yet both the Authority and the County have extensive documentation and this was subsequently explained to OIG staff.

As stated previously, the Authority manages eight separate grants for the Program. The Authority also has a separate and unrelated Memorandum of Understanding with the County for the MHSA Master Leasing Housing Program (the "**Master Leasing Program**"), a copy of which is attached hereto as Attachment D. The Master Leasing Program initially began in 2004 and it allows the County to provide emergency short-term housing for up to six months to mentally ill persons. Under the Master Leasing Program, the Authority requires that all applicants for housing meet the Authority's standard Section 8 voucher program qualifications pertaining to income levels, citizenship/qualified immigration status, as well as criminal screening of the applicant and/or adult family members. The County accepts a qualified target population consisting of mentally ill or co-occurring consumers (those who suffer from mental health and substance abuse disorders) who are homeless or at risk of homelessness as defined by the MHSA. Such residents are accepted into the Master Leasing Program by the County and referred to the Authority for qualification to receive housing benefits. Such applicants, if they meet both applicable Program criteria, are provided housing by the Authority. This governmental cooperation is and has been exceedingly successful.

Residents receiving assistance through the Master Leasing Program are evaluated by the County. They may remain in the Master Leasing Program for up to six months. If a resident's condition has stabilized, then and only then do the County and the Authority determine if the participant is eligible to be admitted into the Program. At this point, the participant must meet all of the criteria for homelessness and disability under the Program. Specifically, those applying to

Comment 13

be admitted to the Program are at the end of the assistance through the Master Leasing Program. Accordingly, these individuals and families will "imminently lose their primary nighttime residence" as required by the Program and the federal rules and regulations. In conclusion, Program participants in 20 of the 33 files disputed by OIG as not being homeless were participants transitioning out of temporary emergency shelters under the Master Leasing Program.

The OIG failed to understand or even acknowledge the existence of the Master Leasing Program. As the OIG reviewed files, it only looked at the original application for the Master Leasing Program rather than recognizing how the Master Leasing Program ultimately affected a participant's status to enter into the Program. Based on the foregoing, the OIG came to the determination that these participants were "at risk" of homelessness but not actually homeless. That determination is wholly without merit. Participants who were "at risk" of homelessness were often admitted to the Master Leasing Program. Those in receipt of short term emergency shelter housing which came to its limit of assistance provided under the Master Leasing Program and who were imminently homeless were admitted to the Program. By not understanding the differences in the two programs, or even recognizing the existence of two programs, the OIG drew improper inferences and failed in its ultimate conclusions.

The remaining 13 files challenged by the OIG based on a lack of homelessness were suggested to have insufficient documentation in the file to determine that the participants met eligibility requirements. However, that is simply not the case. The files for these participants conform to HUD regulations by having either contained a self-certification, a letter from a landlord/friend or family member requiring the participant to vacate their current night time sleeping place (that fell within the 14 day time frame described in the applicable regulations) or certification from a County outreach worker – all of which are permitted proof of homelessness under applicable Program requirements (See [Attachment E](#) attached hereto). It appears that the OIG did not accept any certification that came from an applicant, an outreach worker or any eviction/notice letter that came from a friend or family member, all of which are specifically allowable under the Program requirements. The HUD guidance on documenting homelessness specifically allows for:

1. *Documentation of:*
 - *the income of the participant;*
 - *what efforts were made to obtain housing; and*
 - *why, without the homeless assistance, the participant would be living on the street or in an emergency shelter.*

2. *Documentation of one of the following:*
 - *For formal eviction proceedings, evidence that the participant was being evicted within the week before receiving homeless assistance;*
 - *Where a participant's family is evicting, a signed and dated statement from a family member describing the reason for the eviction;*
 - *Where there is no formal eviction process (in these cases, persons are considered evicted when they are forced out of the dwelling unit by circumstances beyond their control), two things are needed:*

- a. a signed and dated statement from the participant describing the situation; and
- b. documentation and verification (through written, signed, and dated statements) of efforts to confirm that these circumstances are true.

Although the Authority believes that the OIG simply missed some of these supporting documents in the files provided to the OIG, in many instances these documents were included in the County records or the Authority's separate electronic records that the OIG did not take the time to review during its audit or even thereafter when the Authority repeatedly requested such review.

Persons With Disabilities Requirements Not Met

The Draft Report alleges that 17 of 75 files reviewed did not have documentation to support a specific participant's disability. That statement is incorrect. Rather than looking at all of the numerous criteria established by HUD to evidence a person's disability, the auditors improperly focused on items like participants' lack of social security benefits. It is also possible that the auditors looked at the definition of disability contained in the HEARTH final rule and erroneously followed the rule as first published in the Federal Register on page 75977, which **mistakenly** contained a now well-known typographical error. Instead, the auditors should have read the corrected regulatory text found on page 76016 and page 76019 of the Federal Register and also readily available on the HUD website under program guidance (See Attachment F attached hereto). The mistake in the Federal Register was known to those working in the field, but apparently unknown to auditors. In any event, whether the auditors utilized an incorrect version of the HEARTH final rule or they simply chose to focus on only one of many criteria permitted by HUD to establish participant disability, the auditors held the Authority to an incorrect standard. The correct sections of the HEARTH final rule indicate that disability can be determined by:

- *Written verification of the disability from a professional licensed by the state to diagnose and treat the disability and his or her certification that the disability is expected to be long-continuing or of indefinite duration and substantially impedes the individual's ability to live independently; or*
- *Written verification from the Social Security Administration; or*
- *The receipt of a disability check; or*
- *Intake staff-recorded observation of a disability that, no later than 45 days of the application for assistance, is confirmed and accompanied by evidence in this; or*
- *Other documentation approved by HUD.*

By reading the wrong rule and/or focusing on only part of the rule, the auditors "found" that (a) none of the participants' files contained documentation that identified a disability diagnosed by a treating and licensed professional; (b) some earned income from employment that allowed for independent living; and (c) some did not receive Social Security benefit

Comment 14

payments from the Social Security Administration that would support his or her disability eligibility. Therefore, by treating the eligibility requirements cumulatively rather than as independent means of verifying eligibility each in its own right, the auditors incorrectly concluded that certain participants were not disabled.

Moreover, as outlined above, the auditors took the likely-discriminatory position that individuals that take jobs and can contribute to society in a valuable way if provided with certain supportive services and case management support are not disabled. This position is contrary to established federal policy as enunciated by HUD, HHS and the Social Security Administration. In fact, many persons with jobs have severe major-life-activity-limiting disabilities that prevent them from independent living or cause significant barriers to independent living without the assistance of supportive services. Assisting these persons so that they may live in a supported environment and still maintain employment is one of the goals of the Program. Finally, had the auditors carefully reviewed all of the relevant files, they would have found that licensed professionals made the disability decisions in any event - as described in the next section of this response (itself fulfilling one component of the various HUD criteria) - and this was in addition to other observations included in the disputed files that would further support eligibility under the final rule.

Ultimately, it appears that the OIG auditors chose to substitute their judgment for that of licensed professionals and experienced care workers. They failed to review participants' files sufficiently to see documentation regarding the disability diagnosis of each participant. That documentation is attached as Attachment C (due to privacy concerns under HIPAA the full diagnosis for each applicant cannot be provided here). Moreover, they determined that a person who is able to earn an income and is not receiving Social Security benefits, could not possibly be disabled. Again, this rationale is unfounded.

Participants' Disabilities Certified by Unlicensed Personnel

The OIG in the Draft Report makes the accusation that "County staff was not professionally licensed to diagnose and certify participants' disabilities as required by HUD." This is patently false. As previously noted, and despite the Authority's insistence that the OIG review the County's files, the OIG refused. Had the OIG done so, it would have seen what the Authority has now demonstrated to OIG staff - that appropriately licensed County staff certified the disability of each and every disputed Program participant. The Authority also recently provided to the OIG a chart indicating with respect to each disputed participant file the name of the participant, the licensed professional that assessed such participant and the date upon which the participant's assessment was signed by that licensed professional - all of which the OIG would have seen had it either asked to see the files at the County or looked at the computerized records maintained by the Authority. Due to privacy concerns under HIPAA, the Authority has attached a modified chart as an exhibit to this response letter as further validation of the Program's regulatory compliance (Attachment C).

As noted previously, HEARTH permits disability to be determined, among other things, by either written verification from a licensed professional OR written verification from the Social Security Administration OR intake staff-recorded observation of a disability that, no later

Comment 15

than 45 days of the application for assistance is confirmed and accompanied by supporting evidence. In this instance, intake staff reviewed and signed off on the applications, together with staff-recorded observations of disability. Thus, contrary to the claims in the Draft Report, the intake staff's recorded observations of disability were proper determinations of disability.

In this case, however, the Authority and County went even further. The County had licensed professionals make disability determinations. The paperwork was then filled out by staff. In other words, the Authority met more than one test under the HEARTH final rule for each Program participant.

Instead of diligently reviewing the County files in the first place to find this information, it appears that OIG staff instead was confused by the two-step process used by the County to "certify" a Program applicant's information. The licensed professional first certifies (i.e. signs) an assessment form which attests to the participant's disability. (Due to privacy concerns under HIPPA the full diagnosis for each applicant cannot be provided here). Separately, and at the end of the participant eligibility review process, an administrative employee of the County "certifies" that the entire application file is complete. It appears that OIG staff viewed the latter "certification" as one made by an unlicensed individual in violation of HUD requirements, while ignoring the fact indicated by Authority staff several times that a licensed professional specifically and separately assesses all participants as to their disability status. Simply put, the accusation that County staff was not appropriately licensed has absolutely no merit, and the Authority believes that the OIG staff would have come to the same conclusion had they reviewed.

Recommendation 1B: We recommend that the Director of HUD's Los Angeles Office of Community Planning and Development require the Authority to provide supporting documentation for \$136,346 in program funds used for participants for whom eligibility could not be determined or repay HUD from non-federal funds.

Missing Participants' Applications

The OIG has asserted that 4 of the 75 files it reviewed were missing documentation to support their eligibility. Three files were purportedly missing documentation to support that they met the homelessness requirement and one was supposedly missing documentation to support the disability requirement. This information actually was not missing – the OIG did not look at either the County files or, importantly, the Authority's electronic files. The OIG was told at the entrance conference and subsequently that the Authority had both paper and electronic versions of files, but was moving toward a paperless system using state-of-the-art software and information technologies. While the Authority staff advised that it would do its best to make sure everything was in the paper file, the auditors were told that they should also request information from or access to the electronic files if any paper file appeared incomplete or to be missing documents. Despite that fact, the auditors never asked for missing documentation nor reviewed the electronic files. The records, which the OIG claims were non-existent, were in fact in the Authority's electronic records and, in one case, in the written file but overlooked by the OIG. That general file information has been provided to the OIG.

Comment 16

Accordingly, the recommendation that HUD's Los Angeles Office of Community Planning and Development require the Authority to provide supporting documentation has already been met. The Authority will also provide further information to HUD's Los Angeles Office of Community Planning and Development, if requested.

Comment 17

Recommendation 1C: We recommend that the Director of HUD's Los Angeles Office of Community Planning and Development require the Authority to develop and implement written policies and procedures to ensure that participants are eligible for the program and comply with HUD rules and requirements. Also, the Authority should ensure that these policies and procedures include the monitoring of third-party organizations involved with the program so that \$873,428 in program funds can be put to better use.

The OIG's suggestion that the Authority did not create and maintain written policies and procedures with respect to the Program is without merit. The MOU provides quite specific parameters for the breakdown of roles between the Authority and the County as to their cooperation in implementing the Program. Additionally, as contemplated in the MOU, both the Authority and the County adopted and implemented various policies and procedures to address the operational aspects of their respective participation in the Program, as evidenced by the attached Program Admissions Procedures attached (see [Attachment G](#)), and the attached Authority Program Review Procedures (see [Attachment H](#)). Upon even a cursory review of those policies it is quite clear that the Authority is to function in a reviewing and monitoring role with respect to the information provided by the County, thus the OIG's contrary assertion that the Authority "should ensure that these policies and procedures include the monitoring of third-party organizations involved with the [P]rogram" clearly suggests that OIG staff did not bother reviewing these materials. (It is interesting that this type of "recommendation" is included verbatim in most, if not all, publically available OIG reports the Authority has reviewed, making it seem to be a universal finding of OIG-audited entities). That said, the Authority – as a steward of public funds and with the monumental task, among many, of assisting those with disabilities and who are homeless pursuant to the Program – is eager to entertain specific changes to its existing policies and procedures that make its processes and procedures more transparent and efficient. The Authority looks forward to receiving precise feedback in this regard given that the Draft Report provides no specifically identifiable problems with its existing policies or procedures, nor any suggestions on improvements, making this OIG "recommendation" quite vague and ultimately not actionable without more input.

Comment 18

On a related and important note, HUD had given the Program exceptional reviews in the past (see [Attachment I](#)) which directly contradict the Draft Report allegations.

Comment 19

IV. Conclusion

We believe that the OIG's audit misunderstood the nature of the partnership between the Authority and the County and improperly focused on the fact that the Authority and the County share slightly different roles in the implementation of the Program and as a result, have separate and distinct filing systems. Such an administrative bifurcation is not unlawful nor does it violate HUD requirements – indeed, rather than evidencing mismanagement or lack of oversight with respect to the Program, the Authority believes this process is more efficient and leads to better

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and more defined outcomes, adheres to HIPAA regulations and thus is a more successful and lawful Program. The Authority's metrics and outcomes prove the effectiveness of this platform – as an example Program participants largely are more successful in establishing long term tenancy with private landlords than voucher holders in other mainstream programs. HUD itself even acknowledged the benefits of this system – in the last monitoring review of the Program conducted by HUD (see Attachment I), HUD found "no findings and no concerns regarding regulatory or statutory violations. . . . The [P]rogram appears to be well managed."

Indeed, we agree with HUD's own assessment. That the OIG refused to acknowledge and review the County's files suggests that its staff simply decided all of the Program materials should be under the Authority's roof and in one file, thus any other system was not compliant with HUD requirements and therefore the staff had no obligation to pursue other information. This narrow view was also expressed despite the fact that Authority staff indicated on numerous occasions that other relevant information existed and where the OIG staff could find it. It is the Authority's hope that this response letter clearly establishes what the OIG staff would have already known had they chosen to look. In short, the Authority believes that, to the extent a deficiency exists in this matter it is not in the Authority's implementation of the Program, but rather in the OIG's failure to fully analyze all of the relevant information before drawing its conclusions.

The Authority believes that the OIG reached its conclusions regarding ineligibility improperly. At best, the Draft Report could find that evidence of disability and/or homelessness is unsupported. Even that finding would collapse if the OIG simply reviewed all of the files.

We therefore request that the OIG further review the documents and appropriate HUD guidance before issuing a revised Draft Report. We object to any funds being recaptured or repaid, particularly any non-federal funds, as there was no wrong-doing or ineligible cost in these circumstances that warrant such penalties. Unfortunately, funding for these great needs is already in very short supply.

Thank you in advance for working more closely with us to appropriately resolve these matters and to progress such an important, life-saving program.

Please feel free to contact us if you have any questions concerning the content of this response or the attached supporting materials.

Very truly yours,



Daniel Nackerman, Executive Director

DN/
Attachments

cc: James Ramos, Chair, Board of Governors, HACSB
Gregory C. Devereaux, CEO, HACSB

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CaSonya Thomas, Director, Department of Behavioral Health
William Vasquez, Director, HUD-LA Field Office, Community Planning and
Development
Robert Messinger, Esq.
Michael H. Syme, Esquire

OIG Evaluation of Auditee Comments

Comment 1 We agree that the Authority has an extensive portfolio of Housing Choice Vouchers and that our review focused on the Authority's Shelter Plus Care (SPC) program. As stated in 24 CFR 582.300(d), the Authority is required to keep and make any records associated with program funds available for review. In November and December 2014, we made formal requests for 14 and 61 participant files, respectively. In their responses, the Authority did not differentiate to us whether the requested files were in electronic or paper format. As a result, we reviewed the paper-based files provided to us. Based on these files, we reviewed the participant's applications, documentation to support their homelessness, and social security documentation such as copies of benefit payments that would have supported disability. These files did not have detailed medical information to show that the Authority ensured disability eligibility requirements were met. The Authority stated that privacy acts prohibited it from keeping this information in their files. On December 9, 2014, we met with the Authority to obtain additional information on the program's intake process. During this meeting, we discussed the program issues identified during the survey phase of our review. Among the issues, we brought to the Authority's attention about the lack of documentation, inconsistent notes, and disability assessment by non-licensed personnel. See also Comment 3.

At no time during the audit field work did we preclude the Authority from providing additional files or documentation to support the audit objectives. In fact, there were ample opportunities for the Authority to provide any additional documentation or records. The audit team had discussed the issues during the audit fieldwork and at the conclusion of the fieldwork. The Authority did not mention to us concerns about the results. In February 2015, we emailed a preliminary finding outline that was an informational outline that preceded the draft report. In the email, we advised that the information in the outline was open for discussion and comment. We stated that the finding outline was subject to change, but welcomed any comments. The Authority declined the need to discuss it.

Comment 2 We did not dispute the need for this program. In fact, the objective of our audit was to ensure that the funds were being used to assist those that the Authority described. We strongly disagree with the Authority's characterization of our audit as being dissonant and uninformed. As described in the Scope and Methodology section of our report, we conducted about four months of fieldwork and reviewed extensive information and interviewed Authority and County personnel familiar with the program to fully understand the Authority's SPC program. We did not presume ourselves as program experts; instead we relied on our review of the documentation and information provided by the Authority to draw our

conclusions that the Authority did not ensure that participants had met program homelessness and disability eligibility requirements.

- Comment 3 During the audit fieldwork, we made formal requests for complete file records of the 75 statistically sampled participants. At that time the Authority asserted that the County maintained its own files, but that the only difference between the files was that the County's participant files included applicable medical assessment notes of the participants. The Authority advised that due to the privacy laws; the files at the County were not available for our review. As a result, we focused our review on participant files that were made available to us at the Authority's office. In our assessment, the Authority files had sufficient information on the participants to assess compliance with SPC program requirements. Further, we acknowledge that HUD revised the requirements to allow for more flexibility in administering the program. We took those revisions into account during our review. In addition, we disagree with the Authority's comment that "most of the families came directly from an emergency shelter program thereby conclusively establishing their homeless status." During a January 5, 2015 meeting, the Authority management stated that its subrecipient, the County, receives participants from contracted external clinics. Further, these referrals are usually individuals who have been admitted to a mental health clinic or emergency shelter. However, the Authority files do not include information that document those participants being in an emergency shelter to support meeting HUD's program requirements. This issue of the Authority maintaining one version of participant files, while its subrecipient maintains another version of the file further supports our concerns that the Authority did not monitor its program to ensure compliance with HUD rules and requirements.
- Comment 4 As stated in comments 1 and 3, we requested that the Authority provide us complete files of the sampled participants so that we could determine compliance with rules and requirements. As the grantee in charge of administering the program, HUD requires the Authority to ensure complete records are available for review. As such, our review was on the Authority and not its subrecipients, the County. Accordingly, Authority management stated that the County determined disability eligibility of the participants, not the Authority. It relied on documentation from the County to determine eligibility without verification to ensure compliance with program rules and requirements. As stated in the report, we identified instances unlicensed professionals assessed and certified participants' disability to meet program requirements. This practice occurred as a result of the Authority's reliance on the County performing the work without ensuring it was in compliance with HUD rules and requirements.
- Comment 5 We disagree. This audit illustrated that the Authority administered its program in a manner that raises concerns of funds wasted on ineligible participants that could also be characterized as program abuse. Further, as noted in comment 4, we

identified instances where personnel falsely represented themselves as licensed professionals, when they were not.

- Comment 6 We disagree with the Authority's assertion. As noted in comment 1, there was ongoing communication and dialogue about the information requested and our conclusions. As stated in the Scope and Methodology section, we conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions. In our assessment the evidence obtained during our audit of the Authority, provided a reasonable basis for our finding and conclusions. If the Authority has additional information it would like to submit, it will certainly have that opportunity to provide it to HUD during the audit resolution process after the report is issued.
- Comment 7 We strongly disagree with the Authority's accusation of discrimination. Our issue is that unlicensed County staff assessed these questioned individuals' disability. The participants in question had sources of income from regular employment and no disability benefits from the Department of Social Security. There was no other evidence to support the participants' had a disability in accordance to HUD rules and requirements. As stated in the report, an individual is considered to meet the disability requirement if the disability impairs their ability to live an independent life. However, the Authority's files for these participants showed documentation that they were able to live an independent life without impairment. As a result, we believe that our conclusions for these participants are correct.
- Comment 8 As noted in comment 6, our audit work was sufficient and we took into consideration everything that the Authority provided to us. Further, as noted in comment 1, there was ongoing communication during our audit on the records requested, as well as tentative findings and conclusions. At no time, did the Authority express disagreement or request to discuss the need to review additional files or records with us until our exit conference to discuss the draft report. The "repeated requests" that the Authority referred to were all made after our audit fieldwork was completed and the discussion draft was sent out and the due date established for its written response.
- Comment 9 We acknowledged that the Authority had a partnership with the County to assist with determining participant eligibility for HUD and non-HUD programs. Nevertheless, it was the Authority's responsibility as the grantee to ensure compliance with HUD's SPC program requirements. We focused our review on whether the Authority ensured that participants were specifically eligible as defined in HUD program requirements. As noted in the audit, our review of the Authority's files showed that 50 of 75 participants reviewed were ineligible.

Comment 10 The Authority's files reviewed during the audit did not reflect that the participants were eligible and there were certifications made at that time as to the eligibility of the participants. During the audit resolution, the Authority can provide any additional documentation to HUD for consideration.

Comment 11 We disagree with the Authority's assertion. After a formal request, the Authority provided us a memorandum of understanding dated July 1, 2012, which it executed with the County to provide services on its behalf using HUD funds. However, the memorandum of understanding provided in Attachment A¹ of this response was never provided to us during the audit fieldwork. In addition, this document dated August 6, 2005, was only for two of the eight grants that we reviewed. Section III. C. of the memorandum of understanding dated July 1, 2012, required that the Authority ensure that homeless assistance funds are administered in accordance with the requirements of applicable laws and program regulations. 24 CFR 582.400(a) states that HUD will hold the Authority responsible for the overall administration of the program, including overseeing the County's handling of the program. Under the grant agreement, it agrees to operate the program in accordance with provisions of this part and other applicable HUD regulations.

We acknowledged the emails in attachment B¹, specifically the emails dated December 29, 2014, and January 7, 2015. Initially, we requested participant files from the County. However, meetings with the Authority and the County found that two files existed for each participant. The County maintained a set of files that included medical information needed to assess their disability requirement into the program. Due to issues in obtaining complete participant files, we informed the County that we wanted information about the names of personnel who assessed the eligibility the sampled participants. We did not request access to County participant files to allow us to determine the names of the individuals that assessed sampled participants' disability. Instead, we attempted to use the State of California's online database to verify the credentials of personnel performing the assessments of participants.

Comment 12 We disagree. Throughout the review, we kept the Authority management aware of the audit status and they were invited to all interviews. On December 18, 2014, we met with the County to discuss its responsibilities for the program. At this time, Authority management declined to attend. During this meeting, we welcomed the County to bring any other personnel responsible for assessing participant eligibility requirements. We asked about program oversight and the County confirmed that the Authority did not perform formal monitoring of its

¹ We did not include the attachments (A through I) in the report because it was too voluminous; however, they are available upon request.

records or work. That contradicts the Authority's assertion in its response that it oversees the County records.

Throughout the audit, we requested all participant files from the Authority to complete the audit. The Authority stated that it would provide us the requested documentation. During the audit, the Authority stated that privacy laws did not allow for it to access County files that included relevant medical information needed to determine that disability requirements were met. At one time, the Authority did have the information in its files; however, it removed the documentation. This practice resulted in the Authority being dependent on the County to maintain another set of files that included participant medical information. Due to these issues with accessing files that the Authority should have been able to maintain, we did not review the County files. Instead, we focused our attention on reviewing the County staff that accessed the participants to determine whether they were licensed to assess disability.

Since we used the State of California's Board of Behavioral Science and Department of Consumer Affairs database to verify County personnel's license, there was no need to obtain information from the County. During the audit, we made the Authority aware of our concerns about unlicensed County staff assessing participants under the pretense that they were licensed. The Authority did not provide us documentation that addressed our reported issue.

We had already reviewed the document that Authority provided in Attachment C during the audit fieldwork. However, we had concerns about the individual signing the form as a licensed social worker. A review of the State of California's database for licensed professionals in the behavior health field showed that this individual was not licensed until at least one year after signing the document. With regard to the use of licensed marriage and family therapists (LMFT), we had concerns that individuals with this license assessed participants' physical disability, not the mental disability as the Authority believes had occurred. Their examples support our concerns of unlicensed individuals assessing participants' disabilities. Further, the Authority's incorrect statement supports our concerns that it did not monitor the program to ensure that participants were eligible for the program.

While conducting our review of the Authority, two formal requests were made for complete file records of all participants sampled. On November 5, 2014, we requested that the Authority provide us 14 complete files for review during the survey phase. On December 1, 2014, we made a second request for an additional 61 complete files for review during the audit phase. Authority management never advised there were additional electronic records. 24 CFR 582.300(d) required the Authority keep all program files available for review by HUD. During another meeting with management, we made them aware that the review would be based on all documents that are maintained by the Authority. As a result, our audit was

dependent on the Authority providing us with all complete files to meet our audit objective. The Authority's failure to provide us with complete files would raise concerns that it did not maintain complete documents as required by HUD.

As stipulated in HUD Handbook 2000.06 Rev-4, Appendix 1, ineligible costs are those "questioned because of an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds." As detailed in the audit report, we identified reoccurrences where documentation provided to auditors contradicted program requirements for both homeless and disability requirements, therefore deeming questioned costs ineligible. As a result, our characterization of costs as ineligible was correct. Nevertheless, as part of the audit resolution, the Authority will have the opportunity to provide documentation to support the questioned costs.

- Comment 13 The Authority administered eight separate grants and each of those grants were subject to 24 CFR 582, Notice of Funding Availabilities for 2007, 2009—2013, and the HEARTH ACT, depending on the date of the grant agreement. If participants were under a State of California-funded program that provided them additional assistance, this information was not in the files provided to us by the Authority. As a result, we applied the corresponding requirements previously mentioned to determine whether the Authority ensured that eligible participants were homeless as defined by HUD.

We agree that the Authority maintains a memorandum of understanding with the County for an unrelated program, Master Leasing Housing Program, a State of California-funded program (attachment D). However, the information within the files did not provide documentation to show that the emergency shelter housing program meets HUD requirements to allow participants to transition to the HUD program and meet homelessness requirements. We acknowledge the listing of HUD's definition and requirements for homelessness as stated in attachment E. Within this attachment, written documentation or certification is requirement to show that the participant would meet program requirements. However, the 33 files did not have the required documentation that show the Authority ensure that the participants in question had met homelessness eligibility. The Authority should provide complete documentation during the audit resolution process after the report is issued evidencing participants meeting program homelessness requirements.

- Comment 14 In the same manner as the homelessness requirement, we used the appropriate requirements within 24 CFR 582, Notice of Funding Availabilities for 2007, 2009—2013, and the HEARTH ACT to determine whether the Authority ensured that participants met program disability requirements. As a result, we concluded that the Authority did not ensure that the 17 participants had met disability

requirements as defined by HUD. Any additional information can be provided to HUD during the audit resolution process.

- Comment 15 We determined that there were instances of individuals assessing participants' disability requirements by unlicensed professionals. In addition, the documentation provided in Attachment C further supported the finding that unlicensed personnel were assessing participants' disability. On November 7, 2013, the individual signed the redacted form as a Master's in Social Work intern or MSWI. However, the State of California Department of Consumer Affairs' database system for licensed health professionals showed that this individual was not licensed as an associate clinical social worker until December 3, 2014. The Authority provided us a listing of individuals who they believed to have been licensed professionals that assessed the participants' disability. A comparison of the names to the State's database system identified some individuals licensed as marriage and family therapist assessing physical disabilities of participants to determine eligibility into the program. These instances could place the Authority at risk due to incorrect assessments by those individuals not specialized in the area of the participants' needs.
- Comment 16 As stated in the previous comments, we requested that the Authority provide us complete participants' files. Nevertheless, the Authority will have the opportunity during the audit resolution phase to provide additional documentation to HUD to address the audit recommendations.
- Comment 17 We disagree. The Authority did not provide us the memorandum of understanding included in Attachment A until its response to this audit. This document signed on July 11, 2005, covered only two of the eight program grants that we reviewed during the audit. The memorandum of understanding provided during the audit was dated July 1, 2012, and indicated that the County would determine participant eligibility for the program. It further stated that the Authority was responsible for complying with program rules and requirements. The procedures, revised on August 25, 2011, included in Attachment G are admission procedures for personnel to follow when processing participants for the program. Attachment H is the Authority's review procedures for personnel to follow to ensure information is entered into the appropriate computer system. Neither of the documents were formal monitoring policies and procedures that would have allowed the Authority to ensure eligibility compliance with program rules and requirements. At the time of our review, we did not identify any formal monitoring policies and procedures in place at the time of audit. As a result, we believe that the recommendation is appropriate to ensure that it has monitoring policies and procedures in place to ensure compliance with HUD rules and requirements. However, the Authority will have additional opportunities to address this with HUD during the audit resolution process.

Comment 18 We agree that HUD monitoring results were positive with no findings. However, HUD reviewed three of the eight grants in March 2011. Since the 2011 review, HUD has not reviewed the program to determine whether there were findings. Given the time that has occurred since the 2011 review, it would be inaccurate to conclude that the program still operated without any issues. As a result, we conducted a review of all eight grants within the program to determine if there were issues that would raise concerns as to whether the Authority was in compliance with program rules and requirements.

Comment 19 We disagree with the Authority's opinion about the manner in which we conducted the review and reached our conclusion. In addition, HUD's 2011 monitoring of three grants under the program may have resulted in no findings, but our 2015 review of all eight grants identified issues that the Authority must address to ensure compliance. It will have the opportunity to resolve those issues identified in this report by providing the required documentation to show that it ensured participants were eligible for the program. Based on the documentation provided to HUD, we may adjust the questioned costs accordingly.

Appendix C

Criteria

The following are sections of 24 CFR Part 582, the McKinney-Vento Homeless Assistance Act, the notice of funding availability, and agreements.

24 CFR 582.5, Definitions, effective April 1, 2008

Homeless or homeless individual has the meaning given in section 103 of the McKinney Act (42 U.S.C. [United States Code] 11302).

Person with disabilities means a household composed of one or more persons at least one of whom is an adult who has a disability.

- (1) A person shall be considered to have a disability if such person has a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions.
- (3) Notwithstanding the preceding provisions of this definition, the term person with disabilities includes, except in the case of the SRO [single room occupancy] component, two or more persons with disabilities living together, one or more such persons living with another person who is determined to be important to their care or well-being, and the surviving member or members of any household described in the first sentence of this definition who were living, in a unit assisted under this part, with the deceased member of the household at the time of his or her death. (In any event, with respect to the surviving member or members of a household, the right to rental assistance under this part will terminate at the end of the grant period under which the deceased member was a participant.)

24 CFR 582.300, General Operations, effective April 1, 2008

(d) Records and reports. (1) Each recipient must keep any records and, within the timeframe required, make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require.

24 CFR 582.400, Grant Agreement, effective April 1, 2008

(a) General. The grant agreement will be between HUD and the recipient. HUD will hold the recipient responsible for the overall administration of the program, including overseeing any subrecipients or contractors. Under the grant agreement, the recipient must agree to operate the program in accordance with the provisions of this part and other applicable HUD regulations.

McKinney-Vento Homeless Assistance Act, Section 103, General definition of homeless individual, effective May 20, 2009

(a) In general

For purposes of this chapter, the terms “homeless”, “homeless individual”, and “homeless person” means—

- (1) an individual or family who lacks a fixed, regular, and adequate nighttime residence;
- (2) an individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- (3) an individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing);
- (4) an individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided;
- (5) an individual or family who—
 - (A) will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, as evidenced by—
 - (i) a court order resulting from an eviction action that notifies the individual or family that they must leave within 14 days;
 - (ii) the individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days; or
 - (iii) credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible shall be considered credible evidence for purposes of this clause;
 - (B) has no subsequent residence identified; and
 - (C) lacks the resources or support networks needed to obtain other permanent housing
- (6) unaccompanied youth and homeless families with children and youth defined as homeless under other Federal statutes who—
 - (A) have experienced a long term period without living independently in permanent housing,
 - (B) have experienced persistent instability as measured by frequent moves over such period, and

- (C) can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.

Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, 24 CFR 582.5, Definitions, effective January 4, 2012

Homeless means:

- (1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
 - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or
 - (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- (2) An individual or family who will imminently lose their primary nighttime residence, provided that:
 - (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
 - (ii) No subsequent residence has been identified; and
 - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

Person with disabilities means a household composed of one or more persons at least one of whom is an adult who has a disability.

- (1) A person shall be considered to have a disability if he or she has a disability that:
 - (i) Is expected to be long-continuing or of indefinite duration;
 - (ii) Substantially impedes the individual's ability to live independently;
 - (iii) Could be improved by the provision of more suitable housing conditions; and

- (iv) Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury.

HEARTH Act, 24 CFR 582.301, Recordkeeping, effective January 4, 2012

- (b) Homeless status. The recipient must maintain and follow written intake procedures to ensure compliance with the homeless definition in § 582.5. The procedures must require documentation at intake of the evidence relied upon to establish and verify homeless status. The procedures must establish the order of priority for obtaining evidence as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third. However, lack of thirdparty [sic] documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider, as defined in section 401(32) of the McKinney-Vento Homeless Assistance Act, as amended by the HEARTH Act. Records contained in an HMIS [homeless management information system] or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates entries are made.
- (c) Disability. Each recipient of assistance under this part must maintain and follow written intake procedures to ensure that the assistance benefits persons with disabilities, as defined in § 582.5. In addition to the documentation required under paragraph (b), the procedures must require documentation at intake of the evidence relied upon to establish and verify the disability of the person applying for homeless assistance. The recipient must keep these records for 5 years after the end of the grant term. Acceptable evidence of the disability includes:
 - (1) Written verification of the disability from a professional licensed by the state to diagnose and treat the disability and his or her certification that the disability is expected to be long-continuing or of indefinite duration and substantially impedes the individual's ability to live independently;
 - (2) Written verification from the Social Security Administration;
 - (3) The receipt of a disability check (e.g., Social Security Disability Insurance check or Veteran Disability Compensation);
 - (4) Intake staff-recorded observation of disability that, no later than 45 days of the application for assistance, is confirmed and accompanied by evidence in paragraph (c)(1), (2), (3), or (4) of this section; or
 - (5) Other documentation approved by HUD.

Notice of Funding Availability for the Continuum of Care Homeless Assistance Program for Fiscal Year 2009

1.A.4.e. Chronically Homeless Person. An unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years. A disabling condition is defined as:

- (1) a disability as defined in Section 223 of the Social Security Act;
- (2) a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration, substantially impedes an individual's ability to live independently, and of such a nature that the disability could be improved by more suitable conditions;
- (3) a developmental disability as defined in Section 102 of the Developmental Disabilities Assistance and Bill of Rights Act;
- (4) the disease of acquired immunodeficiency syndrome or any conditions arising from the etiological agency for acquired immunodeficiency syndrome; or
- (5) a diagnosable substance abuse disorder. The term "homeless" in this case means a person sleeping in a place not meant for human habitation (e.g., living on the streets), in an emergency homeless shelter, or in a Safe Haven as defined by HUD.

Shelter Plus Care Grant Agreements Between the Housing Authority of the County of San Bernardino and HUD

"Recipient agrees to conduct an ongoing assessment of the rental assistance and supportive services required by the participants in the program; to be responsible for the overall administration of this grant, including overseeing any subrecipients, contractors and subcontractors; and to comply with such other terms and conditions, including record keeping and reports (which include racial and ethnic data on participants for program monitoring and evaluation purposes), as the Secretary may establish for purposes of carrying out the program in an effective and efficient manner."

"More specifically, Recipient shall not change sponsor or population to be served, or make any other changes inconsistent with the Application, without prior approval of HUD."

Appendix D

Summary of Review of Participant Eligibility

Sample	Program funds spent on participant	Program eligibility (yes or no)		Ineligible amount	Supported eligibility (yes or no)		Unsupported amount
		Homeless	Disability		Homeless	Disability	
1	\$6,765	Unable to determine	Unable to determine	Unable to determine	No	No	\$6,765
2	\$6,560	Yes	No	\$6,560	Yes	No	\$0
3	\$2,270	No	Yes	\$2,270	No	Yes	\$0
4	\$5,830	Yes	No	\$5,830	Yes	No	\$0
5	\$6,787	Yes	Yes	\$0	Yes	Yes	\$0
6	\$6,600	Yes	Yes	\$0	Yes	Yes	\$0
7	\$8,772	Yes	No	\$8,772	Yes	No	\$0
8	\$7,126	Yes	Yes	\$0	Yes	Yes	\$0
9	\$9,318	No	No	\$9,318	No	No	\$0
10	\$9,670	No	No	\$9,670	No	No	\$0
11	\$7,188	No	Yes	\$7,188	No	Yes	\$0
12	\$8,075	No	Yes	\$8,075	No	Yes	\$0
13	\$8,820	Yes	Yes	\$0	Yes	Yes	\$0
14	\$8,921	No	Yes	\$8,921	No	Yes	\$0
15	\$8,244	No	Yes	\$8,244	No	Yes	\$0
16	\$10,758	Yes	No	\$10,758	Yes	No	\$0
17	\$11,196	No	Yes	\$11,196	No	Yes	\$0
18	\$9,972	Yes	Yes	\$0	Yes	Yes	\$0
19	\$12,088	Unable to determine	Unable to determine	Unable to determine	No	No	\$12,088
20	\$12,971	Yes	No	\$12,971	Yes	No	\$0
21	\$10,877	No	Yes	\$10,877	No	Yes	\$0
22	\$10,188	No	Yes	\$10,188	No	Yes	\$0
23	\$13,538	No	Yes	\$13,538	No	Yes	\$0
24	\$10,324	Yes	Yes	\$0	Yes	Yes	\$0
25	\$10,080	Unable to determine	Yes	Unable to determine	No	Yes	\$10,080
26	\$13,880	Unable to determine	Yes	Unable to determine	No	Yes	\$13,880
27	\$10,062	Yes	No	\$10,062	Yes	No	\$0
28	\$12,957	Yes	Yes	\$0	Yes	Yes	\$0
29	\$14,556	No	Yes	\$14,556	No	Yes	\$0
30	\$15,396	No	No	\$15,396	No	No	\$0

Sample	Program funds spent on participant	Program eligibility (yes or no)		Ineligible amount	Supported eligibility (yes or no)		Unsupported amount
		Homeless	Disability		Homeless	Disability	
31	\$17,083	Yes	Yes	\$0	Yes	Yes	\$0
32	\$16,209	No	Yes	\$16,209	No	Yes	\$0
33	\$19,756	Yes	No	\$19,756	Yes	No	\$0
34	\$18,430	Yes	Unable to determine	Unable to determine	Yes	No	\$18,430
35	\$18,420	No	Yes	\$18,420	No	Yes	\$0
36	\$17,608	Yes	No	\$17,608	Yes	No	\$0
37	\$19,520	No	Yes	\$19,520	No	Yes	\$0
38	\$22,831	Yes	Yes	\$0	Yes	Yes	\$0
39	\$22,434	Yes	Yes	\$0	Yes	Yes	\$0
40	\$21,140	No	Yes	\$21,140	No	Yes	\$0
41	\$22,920	No	Yes	\$22,920	No	Yes	\$0
42	\$22,760	Yes	Yes	\$0	Yes	Yes	\$0
43	\$20,556	No	Yes	\$20,556	No	Yes	\$0
44	\$22,080	Unable to determine	Unable to determine	Unable to determine	No	No	\$22,080
45	\$26,165	No	Yes	\$26,165	No	Yes	\$0
46	\$23,646	Yes	No	\$23,646	Yes	No	\$0
47	\$25,151	Unable to determine	Unable to determine	Unable to determine	No	No	\$25,151
48	\$24,038	No	Yes	\$24,038	No	Yes	\$0
49	\$26,341	No	Yes	\$26,341	No	Yes	\$0
50	\$25,668	Yes	No	\$25,668	Yes	No	\$0
51	\$25,432	No	Yes	\$25,432	No	Yes	\$0
52	\$26,103	Yes	Yes	\$0	Yes	Yes	\$0
53	\$27,519	No	Yes	\$27,519	No	Yes	\$0
54	\$27,429	No	Yes	\$27,429	No	Yes	\$0
55	\$29,556	Yes	Yes	\$0	Yes	Yes	\$0
56	\$27,872	Unable to determine	Yes	Unable to determine	No	Yes	\$27,872
57	\$31,227	Yes	Yes	\$0	Yes	Yes	\$0
58	\$29,896	No	Yes	\$29,896	No	Yes	\$0
59	\$30,972	Yes	Yes	\$0	Yes	Yes	\$0
60	\$31,541	No	Yes	\$31,541	No	Yes	\$0
61	\$31,466	No	Yes	\$31,466	No	Yes	\$0
62	\$1,727	Yes	No	\$1,727	Yes	No	\$0
63	\$8,731	No	Yes	\$8,731	No	Yes	\$0

Sample	Program funds spent on participant	Program eligibility (yes or no)		Ineligible amount	Supported eligibility (yes or no)		Unsupported amount
		Homeless	Disability		Homeless	Disability	
64	\$9,728	Yes	Yes	\$0	Yes	Yes	\$0
65	\$14,317	No	Yes	\$14,317	No	Yes	\$0
66	\$13,625	No	Yes	\$13,625	No	Yes	\$0
67	\$11,968	Yes	Yes	\$0	Yes	Yes	\$0
68	\$15,412	No	Yes	\$15,412	No	Yes	\$0
69	\$15,963	No	Yes	\$15,963	No	Yes	\$0
70	\$18,488	Yes	No	\$18,488	Yes	No	\$0
71	\$23,469	No	Yes	\$23,469	No	Yes	\$0
72	\$24,671	Yes	No	\$24,671	Yes	No	\$0
73	\$27,456	No	Yes	\$27,456	No	Yes	\$0
74	\$30,616	Yes	No	\$30,616	Yes	No	\$0
75	\$31,755	No	Yes	\$31,755	No	Yes	\$0
Totals	\$1,289,484			\$865,890			\$136,346