

## **SUMMARY OF THE AUDIT METHODOLOGY**

This file contains details on the 25,226 overincome families discussed in audit report number 2015-PH-0002. To create this file, we obtained computer-processed data from HUD's Public and Indian Housing Information Center (PIC) system. The data that we used were current as of July 2014 for all housing authorities. For each family, we compared the total income reported in the PIC system to the income limits in HUD's 2014 qualifying income limits. We determined that there were 25,228 overincome families residing in public housing units administered by 2,257 public housing authorities nationwide.

Although we did not perform a detailed assessment of the reliability of the data, we did perform a minimal level of testing and found the data to be adequate for our purposes. To assess the reliability of the data, we selected a sample of 25 overincome families participating in public housing programs at non-Moving to Work housing authorities based on their income, admission date, and value of assets held by the family. The families that we selected were either admitted to the program after January 1, 2013, or had more than \$1 million in assets, or had income that was significantly greater than the income limits. We contacted the associated public housing authorities and requested historical tenant data for the families for the last 4 years, including income documentation such as wage and earnings statements. We compared the family's annual household income to the applicable 2014 income limit for the family to determine whether it was overincome. We found that the income recorded in PIC was reasonably accurate for 23 of the 25 families reviewed. Since we found that the family income recorded in PIC was significantly inaccurate for 2 of the 25 families reviewed, we adjusted the total number of overincome families residing in public housing units from 25,228 to 25,226. This file contains details on the 25,226 remaining families.

Note: As discussed in audit report number 2015-PH-0002, we adjusted our estimate of funds to be put to better use by 7 percent to compensate for other potential errors in the universe. However, because we are not able to predict which, if any, of the 25,226 families have errors in the data, we included all 25,226 families in this file.