



Issue Date	February 15, 2008
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Audit Report Number	2008-CH-1003
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TO: Robert E. Nelson, Director of Public Housing Hub, 5FPH

FROM:  Heath Wolfe, Regional Inspector General for Audit, 5AGA

SUBJECT: The Highland Park Housing Commission, Highland Park, Michigan, Did Not Effectively Administer Its Public Housing and Capital Fund Programs

## **HIGHLIGHTS**

### **What We Audited and Why**

We audited the Highland Park Housing Commission's (Commission) Public Housing and Public Housing Capital Fund programs (programs). The audit was part of the activities in our annual audit plan. We selected the Commission based upon its fiscal year 2005 independent auditor's report that identified it as having high-risk programs. Our objectives were to determine whether the Commission effectively administered its programs and followed the U.S. Department of Housing and Urban Development's (HUD) requirements. This is the first of two audit reports on the Commission.

### **What We Found**

The Commission's programs administration regarding admission and occupancy, and procurement was inadequate. It did not comply with HUD's requirements and its policies in administering its admission and occupancy process. It was unable to support more than \$153,000 in Public Housing operating subsidies received, did not receive total household payments of nearly \$29,000, received excess total household payments of more than \$13,000, and received nearly \$8,000 in Public Housing operating subsidies to which it was not entitled.

The Commission's procurement activities were not conducted according to its and HUD's requirements. It did not follow HUD's requirements for full and open

competition regarding the procurement of professional, housing maintenance, and general cleaning services totaling nearly \$83,000 and lacked supporting documentation for more than \$61,000 in work under the Commission's Public Housing Capital Fund program.

We informed the Commission's acting executive director and the Director of HUD's Detroit Office of Public Housing Hub of minor deficiencies through a memorandum, dated February 15, 2008.

### **What We Recommend**

We recommend that the Director of HUD's Detroit Office of Public Housing require the Commission to provide support or reimburse its applicable program from nonfederal funds for the unsupported payments, reimburse its applicable program from nonfederal funds for the improper use of funds, and implement adequate procedures and controls to help ensure that nearly \$70,000 in Public Housing funds will be put to better use regarding its administration and occupancy processes.

For each recommendation without a management decision, please respond and provide status reports in accordance with HUD Handbook 2000.06, REV-3. Please furnish us copies of any correspondence issued because of the audit.

### **Auditee's Response**

We provided our file review results and supporting schedules to the Director of HUD's Detroit Office of Public Housing and the Commission's acting executive director during the audit. We also provided our discussion draft audit report to the Commission's acting executive director, its board president, and HUD's staff during the audit. We held an exit conference with the Commission's acting executive director on January 15, 2008.

We asked the Commission's acting executive director to provide comments on our discussion draft audit report by February 7, 2008. The acting executive director provided written comments dated, February 7, 2008. The complete text of the Commission's written comments, along with our evaluation of those comments, can be found in appendix B of this report.

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## **BACKGROUND AND OBJECTIVES**

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The Highland Park Housing Commission (Commission) is a public housing agency established by the City of Highland Park, Michigan (City), on June 16, 1970. The Commission is a division of the City's Community Development Department and is governed by a five-member board of commissioners (board) appointed by the City's mayor to five-year staggered terms. The board's responsibilities include overseeing the Commission's operations, as well as the review and approval of its policies. The board appoints the Commission's executive director, who serves as the board's secretary. The executive director is responsible for fulfilling the goals and objectives established by the board.

The Commission administers a Public Housing program funded by the U.S. Department of Housing and Urban Development (HUD) through program operating subsidies. The Commission provides assistance to low-income individuals seeking decent, safe, and sanitary housing. It currently manages 184 federally assisted program units in one complex and scattered sites. It received more than \$900,000 in program operating subsidies from October 2005 through March 2007.

The Public Housing Capital Fund program is administered by HUD's Office of Public and Indian Housing's Office of Capital Improvements. Capital funds are for the development, financing, and modernization of public housing developments and for management improvements. The Public Housing Reform Act of 1998 converted HUD's Comprehensive Grant and Comprehensive Improvement Assistance programs to the Public Housing Capital Fund program.

HUD awarded the Commission more than \$1 million in Capital Fund program grants for fiscal years 2004 through 2007. As of November 2007, the Commission had drawn down nearly \$278,000 in fiscal year 2004 Capital Fund program funds. The Commission had not drawn down any of its fiscal year 2005, 2006, or 2007 Capital Fund program funds as of November 2007.

HUD issued the results of its Public Housing Assessment System management operations certifications on September 10, 2007, scoring the Commission's Public Housing program as substandard at less than 60. On November 16, 2007, HUD issued the results of its initial assessment review. The assessment was to determine the conditions of the Commission's operations for fiscal year 2006 and serve as a basis for developing a memorandum of agreement. As a result, HUD executed a memorandum of agreement with the Commission effective October 1, 2007, requiring the Commission to improve its program performance.

Our objectives were to determine whether the Commission effectively administered its Public Housing and Public Housing Capital Fund programs (programs) and followed HUD's requirements. This is the first of two audit reports on the Commission.

## RESULTS OF AUDIT

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### Finding 1: Controls over the Program's Admission and Occupancy Processes Were Inadequate

The Commission did not comply with HUD's requirements and its program admission and continued occupancy policies (policies) regarding its Public Housing program households. It did not comply with HUD's requirements and its policies in administering its admission and occupancy process. It was unable to support more than \$153,000 in Public Housing operating subsidies received, did not receive total household payments of nearly \$29,000, received excess total household payments of more than \$13,000, and received nearly \$8,000 in Public Housing operating subsidies to which it was not entitled. The problems occurred because the Commission lacked adequate procedures and controls to ensure that HUD's requirements and its program policies were appropriately followed. As a result, HUD's Public Housing program funds were not used efficiently and effectively. Based upon our statistical sample, we estimate that over the next year, the Commission will overpay nearly \$70,000 in payments.

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#### **The Commission Lacked Documentation Supporting Household Eligibility**

From the Commission's 187 active Public Housing program households as of March 2007, we statistically selected 29 households' files by using the U.S. Army Audit Agency's Statistical Sampling System software. In addition, we selected all seven households' files the Commission leased to between January and March 2007. The 36 households' files were reviewed to determine whether the Commission accurately verified and calculated the income information received from the households for their housing assistance and utility allowance payments. Our review was limited to the information maintained by the Commission in its households' files.

The Commission lacked documentation to support that more than \$22,000 in program operating subsidies received for the period January 1 through March 31, 2007, were for eligible households. Of the 36 households' files selected for review:

- Seven were missing proof of sex-offender activity screenings,
- Seven were missing proof of family behavior and suitability for tenancy,
- Seven were missing community service exempt certifications,
- Six were missing proof of past performance in meeting financial obligations,
- Three were missing signed declaration of U.S. citizenship certifications, and
- Two were missing HUD Form 9886, Authorization for the Release of Information and Privacy Act Notice.

According to the community service advisor, over the past two years, the Commission had admitted applicants without verifying or reviewing the information in households' admission packets. The community service advisor also said that as a result of our audit, all required documentation would be reviewed and verified. We did not determine whether the Commission implemented this procedure to ensure compliance with HUD's requirements and its policies.

### **The Commission Lacked Documentation Supporting Households' Continued Occupancy**

The Commission lacked documentation to support that more than \$131,000 in Public Housing program operating subsidies received for the period October 1, 2005, through March 31, 2007, were for eligible households' continued occupancy. Of the 36 households' files selected for review:

- 29 were missing community service exempt certifications,
- 23 were missing verifications of family behavior and suitability for tenancy,
- 22 were missing proof of sex-offender activity screenings,
- 20 were missing HUD Form 9886, Authorization for the Release of Information and Privacy Act Notice,
- 19 were missing signed declaration of U.S. citizenship certifications,
- 19 were missing proof of past performance in meeting financial obligations,
- 11 were missing proof of criminal activity screenings,
- Six were missing proof of legal identity,
- Five were missing HUD consent forms for household members 18 years of age and older,
- Five were missing proof of Social Security numbers,
- Three were missing proof of income,
- Three were missing community service compliance certifications, and
- Two were missing proof of family definition.

The Commission's files did not include 299 material documents as required by HUD's regulations. Appendix D of this report includes the results of our household file reviews.

According to the Commission's community service advisor, recertifications were completed, even if the required documentation was missing, to complete the households' certification in a timely manner. The community service advisor also said that as a result of our audit, all required documentation would be reviewed and verified. We did not determine whether the Commission implemented this procedure to ensure compliance with HUD's requirements.

### The Commission Incorrectly Calculated Total Household Payments and Utility Allowances

The Commission incorrectly calculated households' total household payments and utility allowances, resulting in lost total household payments of \$28,663 and excess total household payments of \$13,070 from October 1, 2005, through November 30, 2007. It incorrectly calculated total household payments and/or utility allowances for 30 (83 percent) of the 36 households selected for review for one or more certifications. The 30 household files contained 30 annual income calculation errors (23 files contained understated household income and seven files contained overstated household income), 17 incorrect utility allowance payments, three overstated medical expenses, and one incorrect family composition certification.

According to the Commission's community service advisor, calculation errors were a mix of human error, oversight, and not having accurate information. HUD's on-site initial assessment review, conducted from June 25 through July 3, 2007, and issued to the Commission on November 16, 2007, disclosed that the Commission was in violation of HUD's regulations regarding the establishment of utility allowances. As of November 2007, the Commission's policies did not address how households would be reimbursed regarding the underpayment of housing assistance and utility allowances.

### The Commission Received Excess Subsidies

The Commission overstated the number of units eligible for subsidies for the period October 1, 2005, through December 31, 2006. It included two properties that were no longer part of its Public Housing program inventory. For the period October 1 through December 31, 2005, the Commission was authorized to receive \$246 per month per unit and \$269 per month from January 1 through December 31, 2006. The Commission inappropriately received nearly \$8,000 in excess subsidies for the period October 1, 2005, to December 31, 2006. The following table shows the excess subsidies received for the two properties sold by the City.

Period of operating subsidy	Months	Units claimed	Monthly subsidy	Actual available units	Excess subsidy
Oct. 1- Dec. 31, 2005	3	200	\$246	198	\$1,476
Jan. 1-Dec. 31, 2006	12	200	\$269	198	6,456
<b>Total excess subsidies</b>					<b><u>\$7,932</u></b>

According to the financial manager, when the subsidy request was prepared, the Commission was not aware that the City had sold two of the Commission's Public Housing properties. The financial manger also said that in a discussion with a

revitalization specialist with HUD's Detroit Office of Public Housing, the Commission was told that the City had no right to sell the properties; therefore, it should continue claiming the two units, HUD would deal with the City directly, and any adjustments would be handled at a later date. According to HUD's revitalization specialist, he said that he never advised the Commission to continue claiming subsidies for the two units sold by the City. There had been no resolution as of November 30, 2007, and the two properties were not part of the Commission's inventory. The Commission adjusted its 2008 calendar year budget for available units from 200 to 198.

### **Households Were Not Selected from the Waiting List Properly**

The Commission did not ensure that households were properly selected from its waiting list. Of the 36 household files selected for review, the Commission lacked documentation to support that 20 households were properly selected from the waiting list. On May 1, 2004, the Commission purged 20 household files. HUD's regulations require the Commission to maintain a clear audit trail for all households admitted to its Public Housing program after May 24, 2001. For the remaining 16 households reviewed, we were able to determine that 14 were not selected from the waiting list properly. The household files indicated that applicants with earlier application dates had the same priority factor. The files also noted that applicants contacted the Commission, stating that they were still interested in housing. In addition, the Commission did not maintain a clear audit trail for seven applicants admitted to its Public Housing program after May 24, 2001.

### **Conclusion**

The Commission did not properly use its Public Housing program funds when it failed to comply with HUD's requirements and its policies. As previously mentioned, the Commission was unable to support more than \$153,000 in Public Housing operating subsidies received, did not receive total household payments of nearly \$29,000, received excess total household payments of more than \$13,000, and received nearly \$8,000 in Public Housing operating subsidies to which it was not entitled. As a result, HUD's Public Housing program funds were not used efficiently and effectively.

If the Commission implements adequate procedures and controls over its housing assistance and utility allowance payments to ensure compliance with HUD's regulations and its policies, we estimate that more than \$70,000 in payments will be accurately spent over the next year based on the error rate found in our sample. Our methodology for this estimate is explained in the Scope and Methodology section of this audit report.

## Recommendations

We recommend that the Director of HUD's Detroit Office of Public Housing require the Commission to

- 1A. Provide supporting documentation or reimburse its Public Housing program \$153,223 (\$22,092 for household eligibility and \$131,131 for continued occupancy) from nonfederal funds for the unsupported operating subsidies related to the 36 household files cited in this finding.
- 1B. Reimburse its Public Housing program \$28,663 (\$16,262 plus \$12,401) from nonfederal funds for the lost total household payments for 23 households cited in this finding.
- 1C. Reimburse the appropriate households \$13,070 for the underpayment of housing assistance and utility allowance payments cited in this finding.
- 1D. Implement adequate procedures and controls over its admission and continued occupancy processes to ensure that it meets HUD's requirements and its policies. These procedures and controls should include but not be limited to ensuring that all required documentation is obtained and maintained in the Commission's current household files to support that households' eligibility and total household payment and utility allowance calculations are correct. By implementing adequate procedures and controls, the Commission should help ensure that it receives \$70,437 in additional household payments over the next year.
- 1E. Revise its policies to address how households will be reimbursed when they overpay total household payments.
- 1F. Reimburse its Public Housing program \$7,932 in operating subsidies from nonfederal funds for the two properties sold by the City.
- 1G. Implement adequate procedures and controls to ensure that Public Housing operating subsidies are received only for eligible households.

We also recommend that the Director of HUD's Detroit Office of Public Housing

- 1H. Revise the October 2007 memorandum of agreement with the Commission to ensure that it encompasses the recommendations cited in this finding.

## Finding 2: The Commission’s Procurement Activities Were Not Conducted According to Its and HUD’s Requirements

The Commission failed to follow its and HUD’s procurement requirements. It did not (1) maintain sufficient records detailing significant procurement histories, (2) document the method used in the procurement for professional and contracting services, and (3) perform a cost or price analysis for every procurement transaction including contract modifications or independent cost estimates. These problems existed because the Commission lacked adequate procedures and controls over its procurement process. As a result, HUD cannot be assured that the Commission obtained the best possible price when purchasing services and merchandise or used Public Housing and Public Housing Capital Fund programs funds effectively and efficiently.

### Contracting Files Were Missing Supporting Documentation for Payments Made to Contractors

The Commission failed to maintain documentation supporting the procurement method used and required when making partial payments to a contractor performing work under its Public Housing Capital Fund program. Specifically, the names, addresses, telephone numbers, persons contacted, and date and amount of each quotation submitted by all contractors bidding for the projects were missing. In addition, bid proposals submitted by the contractors were missing and the reason for the Commission not accepting the lowest bid for one of the six work items was not justified in writing. Moreover, the Commission did not maintain the required supporting documentation for five payments of more than \$61,000 in capital funds for work completed under the program. The following table shows the unsupported funds from the capital fund program.

Payment date	Project number	Original contract price	Payments not supported	Total paid per project
June 24, 2004	2	\$70,000	\$7,875	\$68,380
June 24, 2004	3	66,000	29,700	66,000
Sept. 23, 2004	4	68,000	10,818	53,327
Sept. 23, 2004	4		3,759	
Sept. 15, 2005	5	45,500	9,050	41,000
<b>Totals</b>		<b>\$249,500</b>	<b>\$61,202</b>	<b>\$228,707</b>

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According to the Commission’s second former acting executive director, solicitations for bids were conducted for projects to be funded by its Public Housing Capital Fund program, and the contractors would receive payment when the job was completed. However, the Commission lacked documentation in its files the receipt of bids from all solicitors. Also, it did not perform a cost or price analysis before entering into a contract with the contractors. In addition, after the procurement of the contractors for the Public Housing Capital Fund program, the Commission would contact the contractors directly to perform other jobs.

Without performing the required independent cost estimates and cost analysis, the Commission lacked assurance that it received the best price for the services provided. The independent cost estimate gives the Commission a fair market value basis on which to evaluate incoming proposals. The cost analysis ensures that the proposed price is reasonable for the services provided under the contract. A cost analysis on bids or proposals received is required to verify the proposed cost data and to evaluate specific elements of the costs. In this case, the Commission could not determine whether it paid for questionable or unallowable costs or inflated items.

### **The Commission Failed to Properly Maintain Sufficient Procurement Records**

The Commission purchased merchandise through nine vendors without providing full and open competition to obtain the best possible price for the services. The nine vendors provided ongoing services to the Commission from as early as 1975 through 2006. The Commission failed to properly maintain and record the procurement process in the selection of the vendors, did not always record the dates and cost of the items purchased, and used Public Housing program operating funds to pay for the merchandise, showing a pattern of using the same vendor without obtaining bids from other suppliers. Due to the Commission's incomplete records and missing documentation, we were unable to determine the exact amount the Commission paid to all vendors for the items purchased.

### **Housing Maintenance and Cleaning Services Were Not Properly Procured**

Contrary to HUD's and its procurement requirements, the Commission disbursed nearly \$58,000 in Public Housing program operating funds for housing maintenance and cleaning services without procuring the services through full and open competition.

The Commission hired one family member of an employee and two independent contractors to perform housing maintenance services. It also hired two family members of an employee for cleaning services. It paid nearly \$58,000 in Public Housing program operating funds for services completed from August 2002 through March 2007 that exceeded its own \$600 procurement threshold.

Specifically, the Commission paid \$40,713 to one family member and two independent contractors (\$17,295 and \$23,418, respectively, from August 15, 2002, through March 7, 2007) for housing maintenance services and another two family members \$9,991 for cleaning services that exceeded \$600. The family member hired for housing maintenance services was related to the Commission's

housing inspector, who was responsible for the oversight of the contractors, thereby, creating a conflict of interest.

The Commission lacked supporting documentation that other suppliers were contacted orally, by telephone, or in writing to obtain quotes. According to the Commission's second former acting executive director, contractors for housing maintenance services were selected based on past performance and their ability to do the job. Also, according to the second former acting executive director, the Commission's employees had no knowledge of HUD's or its own requirements regarding the hiring of family members. As a result of our audit, the Commission started placing ads in the newspaper, soliciting contractors to perform housing maintenance services. In addition, the Commission plans to contact at least three companies for oral bids on small jobs not to exceed the \$2,000 micro purchase threshold.

### **Professional Services Were Not Properly Procured**

The Commission did not consistently procure architectural services. Its first former acting executive director entered into a contract with CLM Architects, LLC (CLM Architects) on January 15, 2004, to provide services for its fiscal year 2004 Public Housing Capital Fund program projects. Although the Commission did not execute an extension to its contract, dated January 15, 2004, it continued to procure the services of CLM Architects. The Commission's payee ledger, dated June 6, 2006, showed that more than \$22,000 in capital funds was paid for architectural services related to fiscal year 2004 projects. The Commission did not obtain HUD approval for its continued use of CLM Architects for a term greater than two years.

The second former acting executive director stated that the Commission used the qualifications-based procurement method. However, the Commission's files did not contain documentation to support that the qualifications-based selection method used to procure CLM Architects was justified.

The Commission paid nearly \$10,000 between January 12 and December 28, 2006, for legal services from Harold Dunne, Attorney at Law, without properly procuring these services. It lacked supporting documentation that it procured or entered into a contract for legal services. As of August 26, 2007, the Commission had started the soliciting process for legal services.

### **Conclusion**

The Commission's procurement activities were not conducted according to its and HUD's requirements. It did not (1) maintain sufficient records detailing significant procurement histories, (2) document the method used in the procurement of professional and contracting services, and (3) perform a cost or

price analysis for every procurement transaction, including contract modifications or independent cost estimates.

Additionally, the Commission's procurement policies had not been updated since 1996. Further, the Commission's board and top management did not exercise their responsibilities to implement effective procedures and controls over the Commission's procurement process. The Commission failed to maintain sufficient records detailing significant procurement histories; written selection procedures for procurement transactions; proper documentation for the procurement of architectural, housing maintenance, and cleaning services; and evidence of a cost or price analysis for procurement transactions.

As a result, HUD lacks assurance that the Commission's procurement awards were conducted through full and open competition. In addition, HUD cannot be assured that Public Housing and Public Housing Capital Fund programs funds were used effectively and efficiently for the Commission's procurement activities or that costs charged for the procured services were reasonable.

## Recommendations

We recommend that the Director of HUD's Detroit Office of Public Housing require the Commission to

- 2A. Provide supporting documentation for the use of \$61,202 for work performed under its Public Housing Capital Fund program or reimburse its program from nonfederal funds for the applicable amount.
- 2B. Provide support that the use of \$82,774 (\$27,286 to three family members, \$23,418 to two independent contractors, \$22,150 to CLM Architects, and \$9,920 to Harold Dunne, Attorney at Law) in Public Housing program funds for housing maintenance, cleaning, and professional services were reasonable or reimburse its program from nonfederal funds for the applicable amount.
- 2C. Implement adequate procedures and controls to ensure that it follows its procurement policy and HUD's requirements regarding all procurement transactions, including maintaining adequate documentation and a contract register.

We also recommend that the Director of HUD's Detroit Office of Public Housing

- 2D. Revise the October 2007 memorandum of agreement with the Commission to ensure that it encompasses the recommendations cited in this finding.

## SCOPE AND METHODOLOGY

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To accomplish our objectives, we reviewed

- Applicable laws; HUD's regulations at 24 CFR [*Code of Federal Regulations*] 5, 84, 85, 960, and 965; HUD's Public Housing Occupancy Guidebook; HUD's Handbook 7460.8, REV-2; section 125 of the Michigan Compiled Laws; City Ordinance 939; Office of Management and Budget Circular A-87, attachments A and B; and the November 1990 Program Integrity Bulletin.
- The Commission's accounting records, annual audited financial statements for 2005 and 2006, bank statements and canceled checks, data from HUD's Line of Credit Control system, Public Housing program household files, computerized databases, by-laws, policies and procedures, board meeting minutes from October 2005 through March 2007, organization chart, job descriptions, annual contributions contract, and statement of policies, section II and III.
- HUD's files for the Commission.

We also interviewed the Commission's current employees, HUD staff, program households, and employees of the City and State.

### **Finding 1**

We statistically selected 29 of the Commission's program household files, using Excel and the U.S. Army Audit Agency's Statistical Sampling System, from the 187 households residing in the Commission's program units as of March 2007. Our sampling criteria used a 90 percent confidence level, 12 percent estimated error rate, and precision of plus or minus 10 percent. In addition, we selected all seven households' files the Commission leased to between January and March 2007. The 36 households were selected to determine whether the Commission had supporting documentation for and correctly calculated total household and utility allowance payments from October 2005 through March 2007.

Of the 29 program households statistically selected for review, our sampling results determined that the Commission incorrectly calculated total household payments and/or utility allowances or made inaccurate utility allowance payments for 26 (90 percent) of the 29 households. The Commission did not receive total household payments and utility allowance payments netting \$16,399 (\$11,637 in unreceived total household payments plus \$16,052 in underpayments of utility allowance payments minus \$11,290 in excess total household payments received) for the 26 households. The average amount lost by the Commission was \$565 per household. We estimate the Commission will receive additional total household payments totaling \$70,437 (187 units times the average of \$565 lost per household divided by the 18 months reviewed times 12 months for the next year) over the next year. This estimate is presented to demonstrate the annual amount of additional total household payments and Public Housing program operating subsidy that could be put to better use for the Commission's program if it implement our

recommendation. While these benefits would recur indefinitely, we were conservative in our approach and only included the initial year in our estimate.

## **Finding 2**

We statistically selected 20 of the Commission's disbursements using Excel and the U.S. Army Audit Agency's Statistical Sampling System, from 63 check amounts that equaled to or were greater than \$600 as of March 2007. Of the 1,700 checks listed in the Commission's general fund account, 192 were written during our audit period, and for 63 checks written, the amount was equal to or greater than \$600. Our sampling criteria used a 90 percent confidence, 12 percent expected error rate, and precision of plus or minus 10 percent.

We chose two contractors and the architect associated with the Commission's Public Housing Capital Fund program. The two contractors were involved with bidding on the fiscal year 2004 Public Housing Capital Fund program grant work items; therefore, we did not obtain a sample and chose to review the two contractors and the architect.

We selected nine vendors identified for our audit period, eight from the list of vendors and one from the Commission's inventory listing, to review. Six of the names were identified on both lists. We also selected family members of the Commission's employees. We did not obtain a sample and chose nine vendors and five family members to review.

Our results determined the Commission's procurement activities were not conducted according to HUD's and its requirements. Records were not maintained detailing significant procurement histories; methods used in the procurement for architectural and contracting services were not evident; a cost or price analysis for every procurement transaction, including contract modifications or independent cost estimates, was not performed; and information related to the purchase of merchandise was not properly recorded.

We performed our on-site audit work from April through November 2007 at the Commission's central offices located at 13725 John R, Highland Park, Michigan. The audit covered the period October 2005 through March 2007 and was expanded as determined necessary.

We performed our audit in accordance with generally accepted government auditing standards.

# INTERNAL CONTROLS

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Internal control is an integral component of an organization's management that provides reasonable assurance that the following objectives are being achieved:

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

Internal controls relate to management's plans, methods, and procedures used to meet its mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations. They include the systems for measuring, reporting, and monitoring program performance.

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## Relevant Internal Controls

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

- Program operations - Policies and procedures that management has implemented to reasonably ensure that a program meets its objectives.
- Validity and reliability of data - Policies and procedures that management has implemented to reasonably ensure that valid and reliable data are obtained, maintained, and fairly disclosed in reports.
- Compliance with laws and regulations - Policies and procedures that management has implemented to reasonably ensure that resource use is consistent with laws and regulations.
- Safeguarding resources - Policies and procedures that management has implemented to reasonably ensure that resources are safeguarded against waste, loss, and misuse.

We assessed the relevant controls identified above.

A significant weakness exists if management controls do not provide reasonable assurance that the process for planning, organizing, directing, and controlling program operations will meet the organization's objectives.

## Significant Weakness

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

- The Commission lacked adequate procedures and controls to ensure compliance with HUD's regulations and the Commission's policies regarding household files, contracting practices, and conflicts of interest (see findings 1 and 2).

## 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		\$153,223	
1B	\$28,663		
1C	13,070		
1D			<u>\$70,437</u>
1F	<u>7,932</u>		
2A		61,202	
2B		<u>82,774</u>	
Totals	<u>\$49,665</u>	<u>\$297,199</u>	<u>\$70,437</u>

- 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 polices 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 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 Office of Inspector General (OIG) recommendation is implemented. This includes reduction in outlays, deobligation of funds, withdrawal of interest subsidy 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 instance, if the Commission implements our recommendation it will receive additional total household payments. Once the Commission successfully improves its procedures and controls, this will be a recurring benefit. Our estimate reflects only the initial year of this benefit.

## Appendix B

# AUDITEE COMMENTS AND OIG'S EVALUATION

### Ref to OIG Evaluation

### Auditee Comments

		HIGHLAND PARK HOUSING COMMISSION
February 6, 2008	DORENE PENNY JAMERSON- ACTING EXECUTIVE DIR.	13725 JOHN R., HIGHLAND PARK, MICHIGAN 48203 (313) 868-4500
Nikita Irons, Asst. Regional Inspector General for Audit U.S. Department of Housing and Urban Development 477 Michigan Avenue, Room 1780 Detroit, Michigan 48226-2592	Ralph Holcomb, <i>President</i> Rev. Timothy Dilena, <i>Commissioner</i> Ronald Hill, <i>Commissioner</i> Sylvia Pugh, <i>Commissioner</i> Arthur Turner, <i>Commissioner</i>	
Re: Highland Park Housing Commission Public Housing and Public Housing Capital Fund Programs 2008-CH-100X		
Dear Ms. Irons:		
Below is the Highland Park Housing Commission's response to the draft audit report of HUD's Office of Inspector General for Audit:		
<b><u>Finding 1: Controls Over the Program's Admission and Occupancy Processes Were Inadequate</u></b>		
<b><u>The Commission Lacked Documentation Supporting Household Eligibility</u></b> <b>Response:</b> This administration agrees in part that some of the households did not contain the appropriate verifications in the admissions packets. However, a total of 36 households were reviewed and a total of 29 or 80.6% did contain the appropriate verifications in the files. A total of 7 or 19.4% did not contain the appropriate verifications in the files. This administration agrees that the admissions process must be completed accurately and must be verified in all cases. This administration did implement criminal activity screening and believes that the screening information can be secured. This administration also during the period of January 1 through March 31, 2007 verified U.S. citizenship certifications and Authorizations for Release of Information and Privacy Act Notice. The Authorizations were used to secure criminal activity screening and it is the belief that the information has been inadvertently removed from the files. We are seeking the information so that the supporting documentation may be supplied as appropriate to support the program operating subsidies cited.		

### Comment 1

**Comment 2**

This administration is unable to provide documentation to support some of the operating subsidies as the procedures in place at the time of the audit did not adequately provide proof of family behavior and suitability for tenancy and proof of past performance in meeting financial obligations. Additionally, although an extensive procedure for community service exempt certifications was documented, the prior executive director did not follow through to assure the process was completely implemented.

**Corrective Action:**

The HPHC has implemented a Landlord Reference Check as a result of the audit findings to provide proof of family behavior and suitability for tenancy and proof of past performance in meeting financial obligations. The HPHC has also implemented a Community Service Exemption Certification which will be part of the Admissions and Re-Exam process. Additionally, the HPHC has implemented a checklist to determine the number of community service hours required if no exemption requirement is met.

**The Commission Lacked Documentation Supporting Households Continued Occupancy**

**Response:** Again, this administration agrees in part that some of the households did not contain the appropriate verifications in the Re-Exam continued Occupancy process. However, criminal activity screening did occur for some of the households and the Authorization for Release of Information was used to secure the screenings, and it is the belief that the information has been inadvertently removed from the files. We are seeking the information so that the supporting documentation may be supplied as appropriate to support the program operating subsidies cited.

**Corrective Action:**

The HPHC met with the appropriate staff on 2/4/08 and 2/6/08 to assure full compliance with Admission and Occupancy Re-Exam eligibility procedures.

**The Commission Incorrectly Calculated total Household Payments and Utility Payments**

**Response:** This administration agrees that the former executive director did not have in place effective measures to correctly calculate household payments and utility payments.

**Corrective Action:** The HPHC has approved a Utility audit. Procurement procedures are in process to contract with an auditing firm to determine the appropriate allowance payments. Once the audit is complete, the

**Comment 3**

HPHC will revise its policies to address both underpayments and overpayments.

**The Commission received Excess Subsidies**

**Response:** This administration agrees in part that two properties are questionable due to the significant cloud to title issues. Two properties appear to have been sold improperly. The HPHC has hired a consulting firm to investigate and pursue the properties or an adjustment to the payments in lieu of taxes (pilot) in place for HPHC. An initial court date is set for February 13, 2008 regarding the properties in question. In the meantime, the two properties have been removed from the budget.

**Corrective Action:** The HPHC is seeking recourse in the Wayne County Circuit Court with respect to properties in question.

**Households Were Not Selected from the Waiting List Properly**

**Response:** This administration agrees that households were not selected from the waiting list properly.

**Corrective Action:** The HPHC has revised its ACOP which provides for appropriate procedures for selecting candidates from the waiting list. The HPHC will follow the ACOP procedures.

**Finding 2: The Commission's Procurement Activities Were Not Conducted According to Its and HUD's Requirements**

**Contracting Files Were Missing Supporting Documentation for Payments Made to Contractors**

**Response:** This administration agrees in part that contracting files were missing supporting documentation for payments to contractors. However, this administration indicates that documentation was provided and input by the staff, however, the prior executive director removed the documentation and did not return the documentation to the files. This administration is currently seeking the documentation so that it may be returned to the appropriate files.

**Corrective Action:** The HPHC will seek the supporting documentation for the \$61,202 in work performed.

**The Commission Failed to Properly Maintain Sufficient Procurement Records**

**Response:** The HPHC agrees that the agency did not maintain sufficient records of procurement history.

**Corrective Action:**

The HPHC revised its procurement policy 10/15/07 which addresses selection, dates and cost of items purchased and demonstrates full and open competition to obtain the best possible price for services.

**Housing Maintenance and Cleaning Services Were Not Properly Procured**

**Response:** The HPHC agrees that the agency's housing maintenance and cleaning services were not properly procured.

**Corrective Action:**

The HPHC revised its procurement policy 10/15/07 which addresses selection, dates and cost of items purchased and demonstrates full and open competition to obtain the best possible price for services. Additionally, the HPHC has adopted a policy concerning hiring of family members and conflicts of interest. The HPHC will provide supporting documentation that the funds for housing maintenance, cleaning and professional services utilized were reasonable based on the work performed and other price quotes for the same services.

**Professional Services Were Not Properly Procured:**

**Response:** The HPHC agrees that the agency did not procure architectural services consistently and that the prior executive director did not procure legal services properly.

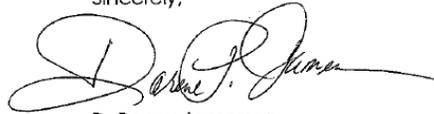
**Corrective Action:** The HPHC has a procurement policy that it is implementing. Current legal services have been submitted through the sealed bid process. The HPHC has developed and implemented as part of their procurement procedures a request for procurement form listing cost and price analysis, funding source and items or services required. Additionally, purchase orders with carbonated duplicates have been implemented. The Executive Director now signs all purchase orders and copies are kept in the file and the originals forwarded to Accounts payable.

**Ref to OIG Evaluation**

**Auditee Comments**

We trust that the above response addresses the audit findings. We remain committed to correcting any and all deficiencies cited so that we may have better controls in place and will adhere to federal, state and county regulations. In the meantime, should you have questions or need additional information, I can be reached at (313) 868-4500.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Penny Jamerson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

D. Penny Jamerson  
Acting Executive Director

CC: Ralph Holcomb, President  
Board of Commissioners

## OIG's Evaluation of Auditee Comments

- Comments 1** The Commission did not provide any documentation with its written comments for the unsupported operating subsidies to show the appropriate verifications were conducted to determine household eligibility. Therefore, we did not remove the recommendation from this report. The Commission notes that it is currently in the process of locating the documentation. The Commission will have further opportunity to provide comments and supporting documentation to HUD's staff, who will work with the Commission and our Office to resolve the recommendation.
- Comments 2** The Commission did not provide any documentation with its written comments to show that criminal activity screenings and HUD Form 9886, Authorization for the Release of Information and Privacy Act Notice, were administered by the Commission to determine the household continued occupancy. Therefore, we did not remove the recommendation from this report. The Commission notes that it is currently in the process of locating the documentation. The Commission will have further opportunity to provide comments and supporting documentation to HUD's staff, who will work with the Commission and our Office to resolve the recommendation.
- Comments 3** The Commission did not provide any documentation with its written comments to support payments to contractors under its Public Housing Capital Fund program. Therefore, we did not remove the recommendation from this report. The Commission notes that it is currently in the process of locating the documentation. The Commission will have further opportunity to provide comments and supporting documentation to HUD's staff, who will work with the Commission and our Office to resolve the recommendation.

## Appendix C

### FEDERAL REQUIREMENTS AND COMMISSION'S POLICIES

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#### Finding 1

Federal regulations at 24 CFR [*Code of Federal Regulations*] 5.216 require that each assistance applicant submit the following information to the processing entity when the assistance applicant's eligibility under the program involved is being determined: a complete and accurate Social Security number assigned to the assistance applicant and to each member of the assistance applicant's household who is at least six years of age or if the assistance applicant or any member of the assistance applicant's household who is at least six years of age has not been assigned a Social Security number, a certification executed by the individual involved.

Federal regulations at 24 CFR 5.240(c) state that an authority must verify the accuracy of the income information received from a household and change the amount of the total household payment or rent or terminate assistance, as appropriate, based on such information.

Federal regulations at 24 CFR 5.609 state that annual income includes the full amount, before any payroll deductions, wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services; the net income from the operation of a business or profession; interest, dividends, and other net income of any kind from real or personal property; the full amount of periodic amounts received from Social Security, annuities, insurance policy, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts; payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay; welfare assistance payments; periodic and determinable allowance, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling; and all regular pay, special pay, and allowances of a member in the Armed Forces.

Federal regulations at 24 CFR 960.253(c)(3) state that an income-based tenant rent must not exceed the total household payment for the household minus any applicable utility allowance for utilities paid by the household. If the utility allowance exceeds the total tenant payment, the authority should pay the excess amount to the family or directly to the supplier.

Federal regulations at 24 CFR 960.253(e) state that in order for the family to make an informed choice about its rent options, the authority must provide sufficient information for an informed choice. Such information must include at least the following written information: (1) the authority's policies on switching type of rent in circumstances of financial hardship and (2) the dollar amount of tenant rent for the family under each option. If the family chose a flat rent for the previous year. The authority is required to provide the amount of income-based rent for the following year only the year for which the authority conducts an income reexamination or if the family specifically requests it and submits updated income information. For a family that chooses the flat rent option, the authority must conduct a reexamination of family income at least once every three years.

Federal regulations at 24 CFR 960.257(a)(1) state that for families who pay an income-based rent, an authority must conduct a reexamination of family income and consultation with the family upon verification of the information.

Federal regulations at 24 CFR 965.502 state that housing authorities shall establish allowances for authority-furnished utilities for all check-metered utilities and allowances for resident-purchased utilities for all utilities purchased directly by residents from the utilities suppliers and require the housing authority to maintain a record that documents the basis on which allowances and scheduled surcharges, and revisions thereof, are established and revised. Such record shall be available for inspection by residents.

Federal regulations at 24 CFR 965.503 require an authority to establish separate allowances for each utility and for each category of dwelling units determined by the authority to be reasonably comparable to facts affecting the utility use.

HUD's Public Housing Occupancy Guidebook, chapter 7.11, states that each household file must contain verification of the following information: names, relationship to the head of household, and Social Security numbers of all household members and screening information, such as verification of criminal history. Criminal records must not be filed in household files. Instead, the files should document that a criminal background check was conducted, the result of the check, and the source of the information.

## **Finding 2**

Federal regulations at 24 CFR 84.34(f) state that the recipient's property management standards for equipment acquired with federal funds and federally owned equipment shall include all of the following. (1) Equipment records shall be maintained accurately and shall include the following information, (i) description of the equipment, and (ii) manufacturer's serial number, model number, federal stock number, national stock number, or other identification number. (2) Equipment owned by the federal government shall be identified to indicate federal ownership. (3) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current use, and continued need for the equipment. (4) A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented; if the equipment was owned by the federal government, the recipient shall promptly notify HUD.

Federal regulations at 24 CFR 85.20 require the Commission's financial management systems to meet standards concerning financial reporting, accounting records, internal control, budget control, allowable cost, source documentation, and cash management. The Commission is required to maintain adequate records identifying the source and application of funds provided for financially assisted activities.

Federal regulations at 24 CFR 85.20(b)(2) state that the financial management systems of other grantees and subgrantees must meet the following standards regarding accounting records. Grantees and subgrantees must maintain records, which adequately identify the source and

application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

Federal regulations at 24 CFR 85.20(b)(6) state that account records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.

Federal regulations at 24 CFR 85.36(b)(3) state that grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer, or agent of the grantee or subgrantee shall participate in selection or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when (i) the employee, officer, or agent; (ii) any member of his immediate family; (iii) his or her partner; or (iv) an organization which employs or is about to employ any of the above has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees, or agents will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subagreements.

Federal regulations at 24 CFR 85.36(b)(9) state that grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Federal regulations at 24 CFR 85.36(f)(1) require grantees and subgrantees to perform a cost or price analysis in connection with every procurement action including contract modifications. Additionally, a grantee is required to make independent estimates, as a starting point, before receiving bids or proposals.

Office of Management and Budget Circular A-87, attachment A, subpart C, states that costs must be reasonable and adequately documented.

Office of Management and Budget Circular A-87, attachment B, states that fines, penalties, damages, and other settlements, resulting from violations (or alleged violations) of, or failure of the governmental unit to comply with, federal, state, local, or Indian tribal laws and regulations are unallowable except when incurred as a result of compliance with specific provisions of the federal award or written instructions by the awarding agency authorizing in advance such payments.

The Commission's annual contributions contract, section 123, states that each construction or equipment contract may provide for partial payments by the Commission to the contractor. In such event, the construction or equipment contract shall provide that the contractor shall supply to the Commission in a form satisfactory to the government, a detailed estimate showing a complete breakdown of the contract price. Partial payment shall be made in accordance with periodic estimates based upon said detailed breakdown and with appropriate supporting data. The periodic estimates shall cover work performed (including materials delivered to and properly stored on the site with the approval of the Commission) during the preceding period and shall be duly certified and approved by persons designated by the Commission.

The Commission's annual contributions contract, section 306, states the Commission must comply with all applicable state and local laws when purchasing equipment, materials, and supplies and in the award of contracts for services or for repairs, maintenance, and replacements. The Commission has to make such purchases and award such contracts only to the lowest responsible bidder after advertising a sufficient time previously for proposals with exceptions.

The Commission's annual contributions contract, section 309, states the Commission must maintain complete and accurate books of account and records to identify the source and application of funds in such a manner as to allow HUD to determine that all funds have been expended in accordance with each specific program regulation and requirement, and property records must include an annual inventory of all equipment.

HUD Handbook 7460.8, REV-2, chapter 10.8, states that if a housing authority is still operating under the "old" annual contributions contract, the term of a contract is limited to two years. Section D of the handbook provides the option for the authority to extend the contract as long as the authority documented in the contract file the following: fund availability; statement that the option was included in and evaluated as part of the basic contract; a brief review of market prices to justify price reasonableness, indicating whether the option is still economical for the authority; and any other factors that support the authority's decision to exercise the option.

The Commission's inventory policies and procedures, section II-A, states that for nonexpendable purchases, the items must be properly safeguarded against loss, damage, and improper use. Whether the purchase is for nonexpendable or expendable items, the Commission shall take the necessary steps to ensure that all items are properly identified, recorded, and assigned for proper distribution to their final locale. Each nonexpendable item shall be logged into a separate record called an "individual unit inventory sheet." The inventory sheet shall show the assigned project number, project type, address assigned, make and/or model of item, date of purchase, serial number, vendor name, cost of item, and check number from the Commission's accounting records.

The Commission's statement of procurement policy III, paragraph B(3), states that for purchases greater than \$5,000, the contracting officer shall solicit bids orally, by telephone, or in writing from at least three suppliers if there are that number available in the locality. A file shall be kept showing the tabulations of the solicitations made and the quotations received. Award shall be made to the offeror providing the lowest acceptable quotation, unless justified in writing based on price and other specified factors, such as for architect-engineering contracts. If nonprice factors are used, they shall be disclosed to all those solicited. The names, addresses, and/or telephone numbers of the offeror and persons contacted and the date and amount of each quotation shall be recorded and maintained as a public record.

The Commission's statement of procurement policy III, paragraph D(5), states that architectural-engineering services may be obtained by either the competitive proposal or qualifications-based selection procedures. Sealed bidding shall not be used to obtain architectural-engineering services. Under qualifications-based selection procedures, competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to the negotiations of fair and reasonable compensation. This procedure shall not be used to purchase other types of services even though architect-engineering firms are potential sources.

The Commission's statement of procurement policy III, paragraphs E(2) and (3), state that each procurement based on noncompetitive proposals shall be supported by a written justification for using such procedures. The justification shall be approved in writing by the contracting officer, and the reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing a cost price analysis.

The Commission's statement of procurement policy III, paragraphs F(1)-(3), state that (1) cost or price analysis shall be performed for all procurement actions, including contract modifications; (2) if procurement is based on noncompetitive proposals, when only one offer is received, or for other procurements as deemed necessary (e.g., when contracting for professional, consulting, or architect-engineer services), the offeror shall be required to submit a cost breakdown showing projected costs and profit, commercial pricing, and sales information to enable the commission to verify the reasonableness of the product, and documentation showing that the offered price is set by law or regulation; and (3) cost analysis shall be performed if an offeror/contractor is required to submit a cost breakdown as part of its proposal.

## Appendix D

### HOUSEHOLD FILE REVIEWS – MISSING OR INCOMPLETE DOCUMENTATION MATERIAL TO ELIGIBILITY AND/OR CONTINUED OCCUPANCY

Household number	Proof of income eligibility and legal identity and meets family definition	Proof of citizenship	Proof of Social Security number	Criminal activities screening	Meets financial and behavior and suitability for tenancy	Consent forms	Community service related	Program operating subsidy
02404 05	0	2	0	1	2	1	1	\$3,156
02728 02	0	0	0	1	2	0	1	3,156
03214 07	0	0	0	1	1	0	1	3,156
03219 02	0	0	0	1	2	0	1	3,156
03402 09	0	0	0	1	2	0	1	3,156
03404 02	0	0	0	1	2	0	1	3,156
03508 04	0	1	0	1	2	1	1	3,156
01106 04	4	0	4	1	2	1	6	4,755
01108 01	7	5	0	0	0	9	8	4,755
01112 03	2	4	1	2	2	1	6	4,509
01113 04	0	0	0	1	2	0	2	4,755
02706 03	3	4	4	1	2	3	3	4,755
02708 05	0	0	0	2	2	0	3	4,755
02709 03	0	0	0	1	2	2	2	4,755
02711 02	0	3	0	1	2	3	4	4,755
02717 02	0	0	0	0	2	1	3	4,755
02720 04	0	1	0	2	2	2	3	4,755
02729 02	5	2	6	6	0	8	9	4,755
02730 04	0	6	0	2	2	4	4	4,755
02731 04	0	0	0	1	2	3	3	4,755
02739 03	1	0	0	1	2	3	3	4,755
03108 06	0	0	0	1	0	1	3	4,755
03201 03	0	1	0	1	0	0	2	4,755
03204 02	0	1	0	1	1	0	2	4,509
03215 03	0	0	0	1	2	0	1	1,865
03224 02	0	0	0	1	1	0	1	1,865
03307 04	0	1	0	1	2	1	3	4,755
03310 04	0	1	1	1	2	1	2	4,755
03317 04	0	1	0	1	2	1	2	4,755
03321 01	2	1	0	1	0	1	2	4,755
03405 02	0	1	0	1	1	0	2	4,263
03419 03	0	1	0	1	1	0	4	4,755
03420 02	0	1	0	1	2	2	2	4,755
03421 06	0	1	0	1	2	0	3	4,755
03504 01	0	1	0	1	2	0	2	4,755
04204 03	1	1	0	1	0	1	2	4,755
<b>Totals</b>	<b>25</b>	<b>40</b>	<b>16</b>	<b>46</b>	<b>55</b>	<b>50</b>	<b>99</b>	<b>\$153,223</b>

**Note:** An “X” identifies the missing or incomplete documentation in the household’s file.