



FINANCE COMMITTEE MEETING SEPT. 17, 2020



BOARD OF COMMISSIONERS

Dr. Ana "Cha" Guzmán
Chair

Jessica Weaver
Vice Chair

Charles Clack
Commissioner

Jo-Anne Kaplan
Commissioner

Olga Kauffman
Commissioner

Ruth Rodriguez
Commissioner

PRESIDENT & CEO

David Nisivoccia

**SAN ANTONIO HOUSING AUTHORITY
FINANCE COMMITTEE or
**SPECIAL BOARD MEETING
TELECONFERENCE**

Call In Phone Number: (631) 743-5186

PIN: 865 566 233#

1:30 p.m., Thursday, September 17, 2020

The Board of Commissioners will convene for a Committee, or Special Board meeting, by teleconference, for discussion on the following matters:

MEETING CALLED TO ORDER

1. The Board of Commissioners or its Committee may hold a closed meeting pursuant to Texas Government Code § 551.071-076 for consultation concerning attorney-client matters, real estate, litigation, personnel, and security matters. The Board or Committee reserves the right to enter into closed meeting at any time, during the course of the meeting.

PUBLIC COMMENT

2. Public Comment - Citizens are provided three minutes each to speak to any agenda items. Citizens wishing to speak to items posted on the agenda should access Phone Number: **(631) 743-5186** and enter PIN Number: **865566233#**, prior to **1:30 p.m.**

MINUTES

3. Minutes
 - Approval of the November 21, 2019, Finance Committee Meeting minutes

INDIVIDUAL ITEMS FOR CONSIDERATION

4. Consideration and appropriate action regarding Resolution 6065, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2020-2021 (Muriel Rhoder, Chief Administrative Officer; Aiyana Longoria, Director of Internal Audit)
5. Cash Overview Presentation (Ed Hinojosa, Chief Financial Officer; Diana Kollodziej Fiedler, Director of Finance and Accounting)

REPORTS PROVIDED TO THE BOARD

- Quarterly Financial Report
- Quarterly Internal Audit Update

6. Adjournment

*Note: Whenever the Texas Open Meetings Act (Section 551.001 et seq. of the Texas Government Code) provides for a closed meeting in matters concerning legal advice, real estate, contracts, personnel matters, or security issues, the Board may find a closed meeting to be necessary. For convenience of the citizens interested in an item preceded by an asterisk, notice is given that a closed meeting is contemplated. However, the Board reserves the right to go into a closed meeting on any other item, whether it has an asterisk, when the Board determines there is a need and a closed meeting is permitted.

**Note: If a quorum of the Board of Commissioners attends the Committee Meeting, this meeting becomes a Special Meeting of the Board, but no Board action will be taken other than recommendations to the full Board, unless the full Board is present.

**MINUTES
SAN ANTONIO HOUSING AUTHORITY
FINANCE COMMITTEE MEETING
November 21, 2019**

SCHEDULED: 2:00 p.m. at 818 S. Flores St., San Antonio, TX, 78204

COMMISSIONERS PRESENT:

Jessica Weaver, Vice-Chair
Jo-Anne Kaplan, Commissioner

COMMISSIONERS ABSENT:

Morris A. Stribling, DPM, Chair
Charles Clack, Commissioner
Sofia A. Lopez, Commissioner
Marie R. McClure, Commissioner

COUNSEL: Doug Poneck, Escamilla & Poneck, LLP

STAFF:

David Nisivoccia, President and CEO
Muriel Rhoder, Chief Administrative Officer
Ed Hinojosa, Chief Financial Officer
Timothy E. Alcott, Real Estate and Legal Services Officer
Adrian Lopez, Director of Community Development Initiatives
Janie Rodriguez, Director of Human Resources
Diana Kollodziej Fiedler, Director of Finance and Accounting

Steven Morando, Director of Procurement and General Services
Michael Reyes, Director of Communications and Public Affairs
Domingo Ibarra, Director of Security
Thomas Roth, Director of Asset Management
Brandee Perez, Director of Federal Housing Programs
Kristi Baird, Director of Beacon Communities
Aiyana Longoria, Director of Internal Audit

Item 1: Meeting called to order

Committee Chair Jo-Anne Kaplan called the meeting to order at 2:00 p.m.

PRESENTATION

Item 2: Independent Auditors Report

- **Governance Letter and status of the FY2019 Audit, presented by Santos Fraga, Marc Sewell, Kane Wells of RSM US LLP** (Ed Hinojosa, Chief Financial Officer; Diana Kollodziej Fiedler, Director of Finance and Accounting)

OPERATIONS

Item 3: Update and discussion regarding the Quarterly Financial Report for the San Antonio Housing Authority

Ms. Diana Kollodziej Fiedler, Director of Finance and Accounting, reported and provided the financial highlights of the San Antonio Housing Authority for the Fiscal Year (FY) ended June 30, 2019. The results of operations for the FY ended June 30, 2019, reflect a Surplus Before Non-Cash Items of \$23.4 million, which was \$10.5 million above budgeted projections.

Total Operating Revenue was approximately \$16.0 million above budget, due primarily to favorable variances of \$8.5 million in Grants revenue and \$7.1 million in Section 8 Housing Assistance Payment (HAP) Revenue. Grants revenue was above budget by \$8.5 million, due primarily to a favorable variance in Capital Funds revenue of \$3.8 million, which resulted from the timing of both Capital Fund and Choice grant expenditures. HAP Revenue was \$7.1 million above budget, due to actual MTW lease-up of 101% compared to budgeted lease-up of 93%.

Total Operating Expenses ended the FY \$6.6 million above budget, due primarily to unfavorable variances of \$5.6 million in Ordinary Maintenance and Operations and \$5.8 million in Section 8 HAP Expense. The unfavorable variance of \$5.6 million in Ordinary Maintenance and Operations was primarily due to unfavorable variances in Public Housing, including unit make ready costs and new HVAC installations. HAP Expense was \$5.8 million higher than budgeted, due to higher voucher utilization, as well as, the implementation of Small Area Fair Market Rents in October 2018. Partially offsetting the overall unfavorable variance of \$6.6 million in Total Operating Expenses were favorable variances of \$1.9 million in Salaries and Benefits, \$0.5 million in Utilities, and \$2.3 million in Other Expenses.

The Comparative Balance Sheet reflects an overall increase in Total Net Position of \$10.9 million from June 30, 2018, to June 30, 2019. Total Assets increased \$13.6 million, or 3.84%, due primarily to increases of \$10.9 million in Current Assets and \$1.9 million in Other Non-Current Assets. The \$10.9 million increase in Current Assets resulted primarily from the refinance of Burning Tree and Encanta Villa, which contributed \$6.6 million to the overall increase. Other significant increases stemmed from the sale of various Scattered Sites properties and Blueridge Homes, which resulted in proceeds of \$2.2 million and \$4.6 million, respectively. Partially offsetting this was approximately \$4.1 million of disbursements made during the FY for Blueridge redevelopment. The \$1.9 million increase in Other Non-Current Assets was due primarily to accrued interest on various partnership notes and an increase in investment in joint ventures for the Science Park and O'Connor LPs. Total Liabilities increased by \$4.1 million, or 4.36%, due primarily to the refinance of Burning Tree and Encanta Villa, which resulted in new debt of \$6.8 million. The increase was partially offset by scheduled debt payments of \$3.5 million and a prepayment of \$1.0 million towards the Energy Performance Contract loan.

- Item 4: Consideration and appropriate action regarding Resolution 5986, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2019-2020 and update and discussion regarding Internal Audit Department Activities** (Aiyana Longoria, Director of Internal Audit)
Ms. Aiyana Longoria, Director of Internal Audit, presented the proposed Internal Audit Plan for Fiscal Year 2019-2020.

Motion: Vice Chair Weaver moved to approve Resolution 5986. Commissioner Kaplan seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Jessica Weaver, Vice Chair	X			
Jo-Anne Kaplan, Commissioner	X			

Item 5: Adjournment

With no objections, Committee Chair Kaplan adjourned the meeting at 2:56 p.m.

ATTEST:

Ana M. "Cha" Guzman
Chair, Board of Commissioners

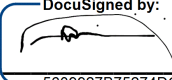
Date


David Nisivoccia
President and CEO

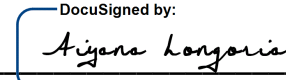
Date

**BOARD OF COMMISSIONERS
Finance Committee**

**RESOLUTION 6065, ADOPTING THE SAN ANTONIO HOUSING AUTHORITY INTERNAL
AUDIT PLAN FOR FISCAL YEAR 2020-2021**

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David Nisivoccia
President and CEO

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Muriel Rhoder
Chief Administrative Officer

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Aiyana Longoria
Director of Internal Audit

REQUESTED ACTION:

Consideration and appropriate action regarding Resolution 6065, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2020-2021.

FINANCIAL IMPACT:

None.

SUMMARY:

The 2020-2021 Internal Audit Plan is a risk-based plan developed to determine that the priorities of the Internal Audit department are consistent with The Institute of Internal Auditors, Inc. (IIA) Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing (Standards), as well as, the San Antonio Housing Authority’s (Housing Authority’s) strategic goals. The IIA Standard 2020, “Communication and Approval” requires the chief audit executive (CAE), i.e., the Director of Internal Audit, to communicate the internal audit activity’s plans and resource requirements to senior management and the Board for review and approval. The Housing Authority’s Internal Audit Plan is defined in the Housing Authority’s Internal Audit Charter and included as part of the comprehensive internal audit program established pursuant to the Housing Authority’s Internal Audit Policy. Internal Audit activities also align with the Housing Authority’s strategic goal to transform core operations to be a high performing and financially strong organization. Final approval of the Internal Audit Plan for 2020-2021, resides with the Board of Commissioners.

The IIA Standard 2010, “Planning,” requires the internal audit plan to be based on a documented risk assessment, undertaken at least annually, with input from senior management and the Board. The Housing Authority’s CAE issued risk assessment surveys to the members of the Board of Commissioners, the Board’s attorney, and to each member of senior management and multiple operational personnel. The results of these surveys were tabulated to identify the significant risk areas, which were then included as proposed audits for the 2020-2021 Internal Audit Plan.

Additionally, in accordance with the approved Internal Audit Charter: “At least twice a year, the Audit Committee will meet separately with the CAE to provide a status report on operations and to discuss any matters that the Audit Committee or the CAE believes should be discussed

SAN ANTONIO HOUSING AUTHORITY

September 17, 2020

privately.”

STRATEGIC GOAL:

Transform core operations to be a high performing and financial strong organization.

ATTACHMENTS:

Resolution 6065

Slide presentation: Internal Audit Plan - 2020-2021

**San Antonio Housing Authority
Resolution 6065**

RESOLUTION 6065, ADOPTING THE SAN ANTONIO HOUSING AUTHORITY INTERNAL AUDIT PLAN FOR FISCAL YEAR 2020-2021

WHEREAS, internal auditing is an independent, objective assurance and consulting activity designed to add value and improve San Antonio Housing Authority (Housing Authority) operations; and

WHEREAS, internal auditing helps the Housing Authority accomplish its mission by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes; and

WHEREAS, internal audit activities align with the Housing Authority's strategic goal to transform core operations to be a high performing and financially strong organization; and

WHEREAS, the 2020-2021 internal audit plan is a risk-based plan developed to establish the priorities of the internal audit activity, consistent with The Institute of Internal Auditors, Inc. (IIA) Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing (Standards), as well as the Housing Authority's strategic goals; and

WHEREAS, IIA Standard 2020, entitled "Communication and Approval," requires the Chief Audit Executive, i.e., the Director of Internal Audit, to communicate the internal audit activity's plans and resource requirements to senior management and the Board for review and approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of SAHA hereby:

Approves Resolution 6065, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2020-2021, as attached to this Resolution.

Passed and approved the 8th day of October 2020.

Ana M. "Cha" Guzman
Chair, Board of Commissioners

Attested and approved as to form:

David Nisivoccia
President and CEO



Internal Audit Plan 2020-2021

Presentation to Board of Commissioners
September 17, 2020

Objective and Background

Objective

- Review and adoption of the proposed 2020-2021 Internal Audit Plan by the Board, to set the priorities of the internal audit function for the fiscal year.

Background

- The Internal Audit Department adheres to The Institute of Internal Auditors, Inc. (IIA) Definition of Internal Auditing, Code of Ethics, and the following *International Standards for the Professional Practice of Internal Auditing* (Standards), as documented in the approved SAHA Internal Audit Policy and Internal Audit Charter.
- The IIA Standard 2010, “Planning,” Section A1, requires the following: “The internal audit activity’s plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.”
- The IIA Standard 2020, “Communication and Approval,” requires the following: “The chief audit executive must communicate the internal audit activity’s plans and resource requirements, including significant interim changes, to senior management and the board for review and approval. The chief audit executive must also communicate the impact of resource limitations.”

Process for Developing the 2020-2021

Internal Audit Plan

Risk Assessment Survey conducted

- Key variables assessed:
 - Staff time used in the process
 - Public disclosure implications
 - Alignment with strategic objectives
 - Increased Senior Management/Commissioner interest over prior year
 - Recent changes in personnel/procedures
 - Internal and external compliance requirements

Other considerations

- Oversight provided by other entities, including:
 - Independent Financial and Compliance Audit
 - Regulatory Audits and Reviews
 - Other Third-Party Reviews
- Time since last audit

Internal Audit Plan, cont'd.

Risk Assessment conducted

- Google Form and Interviews
- Risk Assessment Methodology was the same as that used for the 2019-2020 Audit Plan
- Risk Assessment Survey responses were received from the Board of Commissioners, SAHA Executive Leadership, and SAHA Staff
 - 94% response rate
- Feedback to format was positive, and future risk assessment will build upon feedback received
- A summary of the Risk Assessment results, and proposed audits were discussed with the CEO and Executive Leadership

Risk Assessment Survey Results

Board of Commissioners' Survey Results - Topics of Highest Interest

- Beacon Communities
 - Performing maintenance of properties

- Community Development Initiatives
 - Elderly and Disabled Case Management Services and administration of food and other programs
 - Self Sufficiency Programs (FSS, Jobs-Plus, ROSS) grant program operations and administration of financial incentives

- Development Services and Neighborhood Revitalization
 - Construction of new developments managed by third-parties

- Public Housing
 - Oversight of third party managed properties

- Safety and Security
 - Attend community Resident Council meetings and training, to address resident safety concerns and support on-site problem solving
 - Security Risk assessments

Risk Assessment Survey Results, cont'd.

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Business Process	Board o Commissioners	Executive Leadership	Senior Leadership Team	Other Staff
Assisted Housing Programs (AHP) - Program exits process		X	X	X
Community Development Initiatives (CDI) - Elderly and disabled case management services and administration of food and other programs; Self-Sufficiency grant programs operations and administration of financial incentives; and MTW program operations initiatives.	X	X	X	X
Construction Services and Sustainability - Planning, development and design of repair, retrofit or modernization projects; and Administration, management and oversight of capital improvement repair, retrofit or modernization construction contracts.	X	X	X	X
Development Services and Neighborhood Revitalization - Construction of new developments managed by third parties; capital planning for new developments; and purchase of capital property for use by SAHA.	X	X	X	X
Procurement - Planning procurement related items for Board of Commissioners approval, and general services maintaining commercial property/non-residential facilities - operating systems, equipment and related structures.	X	X	X	
Public Housing and Beacon Communities - Eligibility and admissions, oversight of third party management properties, performing maintenance of properties, program exits process, and third party maintenance of properties.	X	X	X	X
Safety and Security - Attend community Resident Council meetings and training, to address resident safety concerns and support on-site problem solving; synchronize deployment of Law Enforcement and Private Security (LEAPS) with crime stats from SAPD Fusion Center & serve as Fusion Center Liaison Officer (FLO); and Security Risk assessments.	X	X	X	

Proposed Internal Audit Plan for FY 2020-2021

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1st Qtr. (July - Sep)	2nd Qtr. (Oct. - Dec.)	3rd Qtr. (Jan. - March)	4th Qtr. (April - June)
Internal Audits			
<ul style="list-style-type: none"> Process for Construction of New Developments 	<ul style="list-style-type: none"> Process for Construction of New Developments 	<ul style="list-style-type: none"> Security Risk Assessment Process for Public Housing Communities 	<ul style="list-style-type: none"> Maintenance of Public Housing Properties
<ul style="list-style-type: none"> Waitlist and Tenant Selection Process for Public Housing at Third Party Managed Communities 	<ul style="list-style-type: none"> Vendor Quality and Dispute Resolution Process 	<ul style="list-style-type: none"> Elderly Disabled Services Program Administration 	<ul style="list-style-type: none"> Family Self-Sufficiency Processing and Program Completion

Compliance Reviews

<ul style="list-style-type: none"> Assisted Housing Program 	<ul style="list-style-type: none"> Assisted Housing Program 	<ul style="list-style-type: none"> Assisted Housing Program 	<ul style="list-style-type: none"> Assisted Housing Program
<ul style="list-style-type: none"> Beacon Communities/ Mixed Income 	<ul style="list-style-type: none"> Beacon Communities/ Mixed Income 	<ul style="list-style-type: none"> Beacon Communities/ Mixed Income 	<ul style="list-style-type: none"> Beacon Communities/ Mixed Income
<ul style="list-style-type: none"> Public Housing 	<ul style="list-style-type: none"> Public Housing 	<ul style="list-style-type: none"> Public Housing 	<ul style="list-style-type: none"> Public Housing
<ul style="list-style-type: none"> TP/DPUY Funds 	<ul style="list-style-type: none"> TP/DPUY Funds 	<ul style="list-style-type: none"> TP/DPUY Funds 	<ul style="list-style-type: none"> TP/DPUY Funds

Internal Audit also participates in various committees throughout the organization providing opinions on internal controls, and may conduct requested audits as needed.

QUESTIONS?



SAHA Cash Overview

Finance Committee Meeting
September 17, 2020

SAHA Overview

- The San Antonio Housing Authority's main federal programs are Section 8 Housing Choice Voucher (HCV) and Public Housing programs. In addition to these programs, SAHA operates many blended component units, which despite being legally separate entities, are considered part of SAHA and presented as funds of the primary government. The following slide provides a summary of active Business Units (budgeted for FYE 2021) by Line of Business.
- Currently SAHA holds cash in 60 accounts with Frost Bank and another 50 with various lenders for the credit of bond funds and reserves. SAHA provides authorization to the Trustee to invest this cash per its Permitted Investments, as outlined in the [Investment Policy](#).

Number of Active Business Units

3

Line of Business	Number of BUs
Public Housing	83
Real Estate Services	41
Beacon	34
Central Office Cost Center	23
Community Development Initiatives	13
Section 8	7
Capital Funds	5
	206

Types of Cash

- Federal Funds
- Non-Federal Funds
- MTW Funds
- Property Cash for Operations
- Capital Replacement Reserves
- Bond Funds/Reserves

Federal Funds

- SAHA's Federal Funds are received from its major federal funding streams for affordable housing, including:
 - Tenant-based rental assistance program (Section 8 HCV)
 - Project-based rental assistance programs (part of the Beacon portfolio)
 - Public housing operating fund program (Public Housing)
 - Central Office Cost Center (SAHA's management company)
 - Public housing capital fund program (Public Housing)
- Per HUD, cash balances in federal programs, as well as many state and local programs, are limited in their use to support only the program for which the funds were provided.
- Unrestricted cash, as defined by HUD, means cash available to support the general operations of a program without other third-party restrictions or further limitations of the providing government/source itself.
- Per SAHA's MTW contract, we are permitted to combine and use the HCV and Public Housing funds interchangeably for Section 8 and Section 9 purposes.

Non-Federal Funds

- SAHA's Non-Federal Funds are generally sourced from our Beacon Communities and development activities.
- The Non-Federal Funds are reported annually to HUD and are generally not subject to the same oversight as Federal Funds. They are, however, considered Public Funds and are governed by the Texas Public Funds Investment Act.

- As an MTW agency, SAHA is permitted to combine its Public Housing operating and capital funds with Housing Choice Voucher funds and use these funds interchangeably among the three programs.
- The caveat to this flexibility is that SAHA must "assist substantially the same total number of eligible low-income families as would have been served had the funding amounts not been combined."
- SAHA is able to use MTW funds to develop more affordable housing to better fit the needs of its community.
- SAHA had a projected HUD-Held Reserve balance at June 2020 of approximately \$26.9 million. The approved uses can be seen on slide 14.

Property Cash for Operations

- SAHA pays all bills and salaries for its programs and component units through its centralized check-writing system. As a result, interprogram receivables and payables arise during the normal course of operations. The balances are settled semi-monthly to the extent of available cash for each property.
- The MENAR (Months Expendable Net Assets Ratio) is used by HUD to evaluate and score only Public Housing. However, the ratio was utilized for Beacon to estimate approximately [2.12](#) months of operating expenses can be covered with current unrestricted resources based on unaudited financials at June 30, 2020.
- The third-party managed properties maintain an operating cash account in order to pay day-to-day expenses. Although there is not typically a dollar amount requirement stated in each Management Agreement, SAHA requests the management companies to calculate and return excess funds monthly.

Capital Replacement Reserves

- Funds set aside to fund the replacement of a building's equipment and components as they wear out. There is generally a minimum requirement to fund the replacement reserve of \$300 per unit, per year. Exact replacement reserve requirements are typically determined by the lender and may require a PCNA (project capital needs assessment).
- Examples of eligible replacement items include refrigerators, ranges, and other major appliances; major roof repairs; major plumbing and sanitary system repairs; repainting of building exterior; and replacement or major overhaul of central air conditioning or heating systems.

Bond Funds/Reserves

- Revenue Fund - The revenue bond project account in which all receipts and income (gross revenues) are deposited and recorded.
- Debt Service (Bond Service) Fund - A revenue bond project fund into which an amount of revenue is deposited that will be sufficient to pay semi-annual interest and maturing principal.
- Repair and Replacement Reserve Fund - The revenue bond project fund into which revenue is directed in order to fund eligible replacement items and major repairs.
- Surplus Fund - The revenue bond project fund into which excess money will be placed for use in emergencies.

*These funds are typically additionally restricted by the loan/bond agreements.

Other Considerations

- For the Public Housing Program, HUD utilizes a financial condition sub-indicator known as Months Expendable Net Assets Ratio (MENAR) to measure SAHA's ability to operate using its net available unrestricted resources (of which cash is a significant contributor) without reliance on additional funding. The unaudited MENAR for June 30, 2020 was [1.67](#), which means less than 2 months of operating expenses can be covered with currently available resources.
- HUD recommends a reserve equal to 4 months of operating expenses.

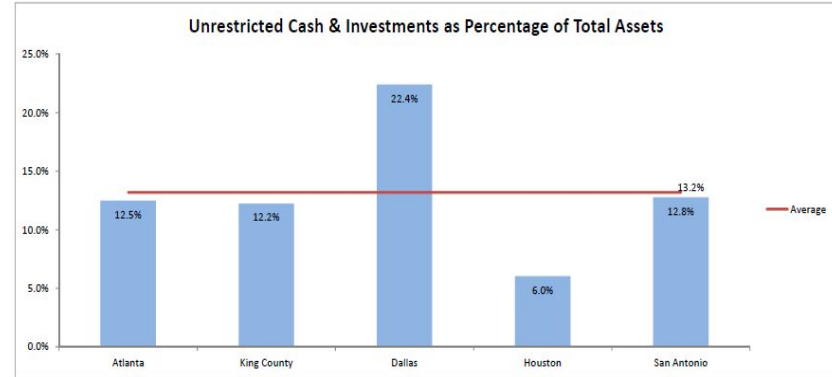
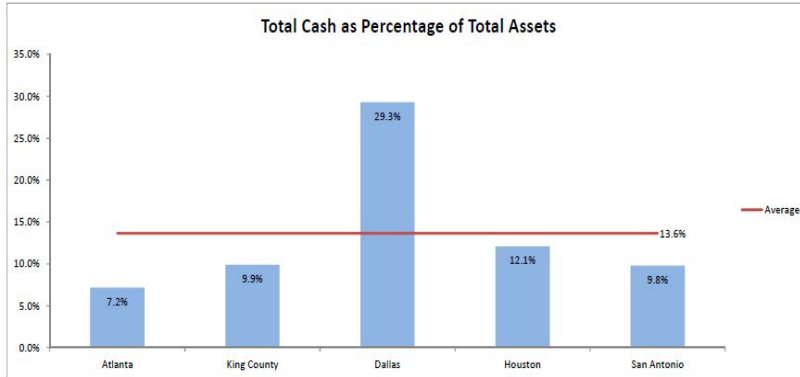
Other Considerations (cont.)

- A significant amount of the Beacon portfolio's funds are restricted by debt covenants. SAHA's lenders generally require a Debt Service Coverage Ratio (DSCR) of 1.25. The ratio is calculated by dividing the annual net operating income by the annual debt service (principal and interest). A ratio of 1.25 means a property must generate an extra 25% of additional income after paying its debt. The Beacon overall DSCR at June 30, 2020 was 1.78 because several properties do not carry debt at this point.
- The San Antonio Housing Facility Corporation, one of SAHA's most significant blended component units, has provided loan guarantees totaling approximately \$32.6 million for various properties. Consequently, it is imperative for the Facility Corporation to maintain a strong cash position.

Cash Levels vs. Other Housing Authorities

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FDS Line	Atlanta 6/30/2019	King County 12/31/2018	Dallas 12/31/2018	Houston 12/31/2018	San Antonio 6/30/2020
111 Cash - Unrestricted	\$ 16,587,121	\$ 88,768,530	\$ 66,566,814	\$ 18,530,384	\$ 28,880,459
100 Total Cash	35,070,913	116,859,050	87,049,482	46,368,098	41,342,829
131 Investments - Unrestricted	44,327,319	56,034,562	-	4,666,330	25,061,275
150 Total Current Assets	110,545,381	197,852,354	104,874,142	56,954,824	96,938,389
190 Total Assets	487,763,990	1,183,016,897	297,124,377	384,266,959	422,417,894
310 Total Current Liabilities	17,282,083	17,742,940	10,861,165	25,333,829	21,406,452



Proposed Uses of SAHA MTW Funds

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Priority	Purpose	Amount (in Mil)
Section 8	To enable Section 8 to continue to serve residents in spite of increased costs due to COVID-19	\$2.2
Public Housing	To enable the Public Housing Program to continue to serve residents in spite of increased costs due to COVID-19	\$4.5
Community Development Initiatives	<p>Program administration and implementation of MTW strategic goals:</p> <ul style="list-style-type: none"> • Host 1,200 community events/activities with 18,000 residents participating • Provide 20,000 households with food assistance valued at \$1 million • Provide 50 college scholarships and over 180 REACH Awards • Maintain over 1,800 FSS/Jobs Plus participants; 40% maintain employment • Facilitate 20 residents to graduate from FSS; provide over \$100k in escrows • Assess over 1,500 EDS residents and facilitate 90% maintenance independence 	\$1.4
Other Uses	<ul style="list-style-type: none"> • Capital Planning • Additional funding for East Meadows Public Improvements and Relocation (due to loss of CDBG funds) • Expansion of Public Housing Wi-Fi • Highland Park • Preservation and expansion of affordable and public housing 	<p>\$0.5</p> <p>\$0.2</p> <p>\$3.0</p> <p>\$1.0</p> <p>\$14.1</p>
Total Proposed Uses of SAHA MTW Funds		\$26.9

Unrestricted Cash

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	Federal Programs	Self-Insurance Program	Internally Restricted For Capital Repairs	Restricted by Limited Partnership Agreements	Other Unrestricted Cash	Total
Central Office Cost Center	2,404,624					2,404,624
Public Housing	1,805,992					1,805,992
Section 8	4,686,660					4,686,660
PBA Properties Unrestricted Cash	1,294,778					1,294,778
Capital Fund Program	-					-
Central Office - Health Insurance		1,354,234				1,354,234
Properties under SAHFC			2,875,217	3,273,256	1,416,605	7,565,078
Community Development Initiatives					61,003	61,003
Homeownership					45,100	45,100
Education Investment Foundation					501	501
Development Activities under SAHFC					1,164,023 ^a	1,164,023
Other Development Activities					2,195,207 ^a	2,195,207
Other Beacon Properties Cash			1,676,269		2,465,402 ^b	4,141,671
Central Bank Cash					2,161,589 ^c	2,161,589
Total Unrestricted Cash	\$ 10,192,054	\$ 1,354,234	\$ 4,551,486	\$ 3,273,256	\$ 9,509,430	\$ 28,880,459

^a **Development Activities under SAHFC and Other Development Activities** - Real Estate Services has budgeted operating expenses of \$1.9 million for FYE 2021.

^b **Other Beacon Properties Cash** - HUD has a 25% equity participation in the Woodhill property which may impact the ability to use these funds.

^c **Central Bank Cash** - A single payroll disbursement and a single weekly check run each total approximately \$1 million.

Restricted Cash

	Total
Public Housing	3,629,623
Section 8	1,117,583
Section 8 - FSS Escrow	1,197,034
Project-Based Properties	701,220
Properties under SAHFC	3,343,633
Education Investment Foundation	144,331
Capital Fund Program	43,756
Development Activities under SAHFC	966,599
Non-Profit - Other Restricted	603,840
Other Restricted Cash	111,687
Endowment Trust	603,064
Total Restricted Cash	\$ 12,462,370

Public Housing - The total of \$3.6 million in Restricted Cash includes \$2.4 million of proceeds from the sale of various Public Housing assets which, with HUD's permission, may be used for federally subsidized units.

Investments

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	Federal Programs	Self-Insurance Program	For Capital Repairs	Other Unrestricted Investments	Total
Unrestricted Investments:					
Central Office Cost Center	2,999,475	1,999,650			4,999,125
Public Housing	9,264,786				9,264,786
PBA Properties	1,999,650				1,999,650
Properties under SAHFC			1,999,650	2,599,545	4,599,195
Development Activities under SAHFC				399,930	399,930
Other Beacon Properties Investments ^a				3,798,589	3,798,589
Total Unrestricted Investments	\$ 14,263,911	\$ 1,999,650	\$ 1,999,650	\$ 6,798,064	\$ 25,061,274

	Total
Restricted Investments:	
Public Housing ^b	8,729,453
Capital Fund Program	1,199,342
Other Restricted Investments	6,115,770
Total Restricted Investments	\$ 16,044,565

^a **Other Beacon Properties Investments** - \$1 million is earmarked for the Beacon Wi-Fi project.

^b **Public Housing** - Includes \$6 million in funds related to the redevelopment of the Mirasol homes.

QUESTIONS?

SAN ANTONIO HOUSING AUTHORITY**September 17, 2020****MEMORANDUM**

To: Finance Committee

From: David Nisivoccia, President and CEO 

Presented by: Ed Hinojosa, Chief Financial Officer 
Diana Kollodziej Fiedler, Director of Finance and Accounting 

RE: Update and discussion regarding the Quarterly Financial Report for the San Antonio Housing Authority

SUMMARY:**Financial Performance Highlights**

The Quarterly Financial Report for the San Antonio Housing Authority for the fiscal year ended June 30, 2020, is attached. The results of operations for the fiscal year ended June 30, 2020, reflect a Surplus Before Non-Cash Items of \$23.2 million, which was \$14.3 million above budgeted projections.

Total Operating Revenue was approximately \$13.6 million above budget, due primarily to favorable variances of \$6.9 million in Grants revenue and \$4.1 million in Section 8 HAP Revenue. The \$6.9 million favorable variance in Grants revenue resulted predominantly from a favorable variance of \$3.6 million in Public Housing operating subsidy. The actual proration for the year was 97.5% compared to the budgeted proration of 89.5%. Despite this significant increase in funding, Public Housing operations reported only a \$481,000 surplus at year-end, net of transfers totaling \$1.6 million. Additionally, capital grants revenue was \$2.4 million higher than budgeted, due to the timing of capital grant expenditures. Section 8 HAP Revenue was \$4.1 million favorable and included a fulfilled request of \$3.3 million in HUD-held funds that was used to support Public Housing and CDI operations and pay construction expenses related to East Meadows II.

Total Operating Expenses ended the period \$3.3 million below budget, due primarily to favorable variances of \$2.4 million in Salaries and Benefits and \$1.5 million in Other Expenses, partially offset by an unfavorable variance of \$2.2 million in Ordinary Maintenance and Operations. The Authority had 105 full-time vacant positions at year-end, which led to the majority of segments reporting favorably for Salaries and Benefits. Other Expenses were \$1.5 million favorable attributable to lower than anticipated consulting fees, telephone and internet expenses, technology and licensing fees, and other administrative expenses. The unfavorable variance of \$2.2 million in Ordinary Maintenance and Operations was primarily due to Public Housing, which reported unfavorable variances in HVAC repair and replacement, unit make ready costs, supplies and materials, and other contract costs.

The Comparative Balance Sheet reflects an overall increase in Total Net Position of \$23.6 million from June 30, 2019, to June 30, 2020. Total Assets increased by \$53.6 million, due to the additions of \$4.3 million in Current Assets and \$59.0 million in Fixed Assets, offset partly by a

SAN ANTONIO HOUSING AUTHORITY**September 17, 2020**

\$9.8 million reduction in Other Non-Current Assets. The \$4.3 million increase in Current Assets resulted chiefly from the sale of various Scattered Site properties. The \$59.0 million surge in Fixed Assets was largely due to additions of buildings and land of \$43.5 million and \$23.0 million, respectively. The increase in buildings was attributable to the O'Connor, Science Park II, and Refugio partnerships becoming wholly owned entities of the San Antonio Housing Facility Corporation and the Clark 05 Housing partnership (Rosemont at Highland Park) becoming wholly owned by the San Antonio Housing Development Corporation. The increase in land was caused by the Authority acquiring ownership interests in several properties: Champion at Del Rio, Champion at Marshall Meadows, Champion at Port Royal, Majestic Ranch, Culebra Crossing, Arroyo Seco, Trader Flats, Artisan at Ruiz, and 1604 Lofts. The decrease of \$9.8 million in Other Non-Current Assets was largely due to the elimination of \$9.1 million in related party notes receivable as a result of Refugio becoming wholly owned. Total Liabilities increased by \$31.6, due mainly to the acquisitions of the O'Connor, Science Park II, Refugio, and Highland Park properties. As a condition of becoming the sole owner, SAHA affiliates were required to assume the debt obligations of each partnership. The total mortgage debt for the four properties totaled \$21.4 million. Additionally, there was an \$11.4 million increase in deferred ground lease revenue, which arose from the Facility Corporation entering into ground leases with the Majestic Ranch, Culebra Crossing, Trader Flats, Artisan at Ruiz, and 1604 Lofts partnerships. Also impacting the increase in Total Liabilities were a \$1.7 million increase in interest rate swap liabilities and a \$1.6 million increase in contract retainage. The overall increase was partially offset by scheduled debt payments of \$3.9 million.

Supplemental Information—Funding Environment

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provides supplemental funding to help cover increased costs and support administrative expenses. SAHA received an award of CARES Act funds for Public Housing of \$3.9 million and in July drew approximately \$2.5 million of those funds for expenses incurred between March 27 and June 30, 2020. The Authority also received an additional \$1.8 million in Housing Choice Voucher Administrative Fees in May and an additional \$2.3 million in August. Due to the Agency's MTW designation, it is probable that SAHA will not receive any CARES Act funding for HAP.

PROPOSED ACTION:

None

FINANCIAL IMPACT:

None

ATTACHMENTS:

Financial Performance Report
Cash and Investment Summary
Grants Report

**San Antonio Housing Authority
Financial Performance Report
As of June 30, 2020
(UNAUDITED)**

**Condensed Statement of Revenue and Expenses
(For the Fiscal Year Ended 6/30/2020)**

	ACTUAL 6/30/2020	BUDGET 6/30/2020	Variance	%	Highlights Section
Operating Revenue					
Tenant Revenue	\$ 34,851,837	\$ 32,508,641	\$ 2,343,196	7.21%	I(a)(1)
Grants	50,879,412	43,967,839	6,911,573	15.72%	I(a)(2)
HAP Revenue	104,979,635	100,894,216	4,085,419	4.05%	I(a)(3)
Miscellaneous Revenue	5,485,439	5,231,197	254,242	4.86%	I(a)(4)
Total Operating Revenue	\$ 196,196,323	\$ 182,601,893	\$ 13,594,431	7.44%	
Operating Expenses					
Salaries and Benefits	\$ 33,477,392	\$ 35,905,300	\$ (2,427,908)	-6.76%	I(b)(1)
Ordinary Maintenance and Operations	15,260,876	13,028,260	2,232,615	17.14%	I(b)(2)
Utilities	6,748,354	7,874,776	(1,126,423)	-14.30%	I(b)(3)
Other Expenses	11,537,184	13,003,197	(1,466,014)	-11.27%	I(b)(4)
HAP Expense	100,253,526	100,725,716	(472,190)	-0.47%	
Total Operating Expenses	\$ 167,277,331	\$ 170,537,250	\$ (3,259,919)	-1.91%	
Net Operating Income	\$ 28,918,993	\$ 12,064,643	\$ 16,854,350	139.70%	
Non-Operating Income (Expenses)					
Interest Expense	\$ (3,214,351)	\$ (3,261,055)	\$ 46,704	-1.43%	
Interest Income	2,451,419	2,377,706	73,713	3.10%	
Other Income (Expenses)	(4,970,925)	(2,263,290)	(2,707,635)	119.63%	I(c)(1)
Total Non-Operating Income (Expenses)	\$ (5,733,857)	\$ (3,146,639)	\$ (2,587,218)	82.22%	
Surplus (Deficit) Before Non-Cash Items	\$ 23,185,135	\$ 8,918,004	\$ 14,267,132	159.98%	
Non-Cash Items					
Depreciation and Amortization	\$ (14,643,899)	\$ (12,293,488)	\$ (2,350,412)	19.12%	
Non-Operating Income (Expense)	15,101,730	7,674	15,094,057	196701.11%	I(c)(1)
Total Non-Cash Items	\$ 457,831	\$ (12,285,814)	\$ 12,743,645	-103.73%	
Change in Net Position	\$ 23,642,966	\$ (3,367,810)	\$ 27,010,777	-802.03%	I(c)(1)

**San Antonio Housing Authority
Financial Performance Report
As of June 30, 2020
(UNAUDITED)**

Comparative Balance Sheet

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>Increase (Decrease)</u>	<u>%</u>	<u>Highlights Section</u>
Assets					
Current Assets	\$ 96,948,322	\$ 92,617,335	\$ 4,330,987	4.68%	
Fixed Assets	258,091,792	199,042,271	59,049,521	29.67%	
Other Non-Current Assets	66,578,017	76,340,748	(9,762,731)	-12.79%	
Total Assets	<u>\$ 421,618,131</u>	<u>\$ 368,000,354</u>	<u>\$ 53,617,777</u>	<u>14.57%</u>	II(a)
Deferred Outflows of Resources					
Deferred Charges on Refunding	\$ 497,370	\$ 611,579	\$ (114,209)	-18.67%	
Deferred Swap Outflows	3,022,359	1,296,698	1,725,661	133.08%	
Total Deferred Outflows of Resources	<u>\$ 3,519,729</u>	<u>\$ 1,908,277</u>	<u>\$ 1,611,452</u>	<u>84.45%</u>	
Total Assets and Deferred Outflows of Resources	<u><u>\$ 425,137,860</u></u>	<u><u>\$ 369,908,631</u></u>	<u><u>\$ 55,229,229</u></u>	<u><u>14.93%</u></u>	
Liabilities					
Current Liabilities	\$ 20,510,357	\$ 18,332,399	\$ 2,177,958	11.88%	
Non-Current Liabilities	106,327,803	76,919,488	29,408,315	38.23%	
Total Liabilities	<u>\$ 126,838,160</u>	<u>\$ 95,251,887</u>	<u>\$ 31,586,273</u>	<u>33.16%</u>	II(b)
Deferred Inflows of Resources					
Deferred Swap Inflows	\$ -	\$ -	\$ -	-	
Total Liabilities and Deferred Inflows of Resources	<u>\$ 126,838,160</u>	<u>\$ 95,251,887</u>	<u>\$ 31,586,273</u>	<u>33.16%</u>	
Net Position					
Net Investment in Capital Assets	\$ 171,345,466	\$ 129,854,815	\$ 41,490,651	31.95%	
Restricted Net Position	30,720,052	30,354,202	365,850	1.21%	
Unrestricted Net Position	96,234,182	114,447,727	(18,213,545)	-15.91%	
Total Net Position	<u>\$ 298,299,700</u>	<u>\$ 274,656,744</u>	<u>\$ 23,642,956</u>	<u>8.61%</u>	II(c)
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 425,137,860</u></u>	<u><u>\$ 369,908,631</u></u>	<u><u>\$ 55,229,229</u></u>	<u><u>14.93%</u></u>	

San Antonio Housing Authority
Financial Performance Report
As of June 30, 2020
(UNAUDITED)

HIGHLIGHTS

The results of operations for the fiscal year ended June 30, 2020 reflect a surplus before non-cash items of \$23.2 million, which was \$14.3 million above budget. Total Operating Revenue was above budget by \$13.6 million, or 7.44%, and Total Operating Expenses were below budget by \$3.3 million, or 1.91%.

Total Assets and Deferred Outflows of Resources increased by \$55.2 million, or 14.93%. Total Liabilities and Deferred Inflows of Resources increased by \$31.6 million, or 33.16%. Presented below are explanations which summarize the results of operations and changes in financial condition.

I. Income Statement

Total Operating Revenue was above budget by \$13.6 million and Total Operating Expenses were below budget by \$3.3 million.

(a) **Operating Revenue**

- (1) Tenant Revenue ended the year \$2.3 million, or 7.21%, above budget due primarily to unbudgeted tenant rents collected from four properties acquired in 2020: Rosemont at Highland Park, Legacy at Science Park, Legacy on O'Connor, and Refugio Place. Higher than anticipated rent adjustments and vacancies in the Beacon portfolio partially offset the overall favorable variance. Public Housing also contributed to the favorable variance, with higher than expected tenant revenue at the Westway Apartments, Mirasol Homes, and Alazan Courts.
- (2) Grants revenue was above budget by \$6.9 million, or 15.72%, attributable mainly to a favorable variance of \$3.6 million in Public Housing operating subsidy. The actual proration for the year was 97.5% compared to the budgeted proration of 89.5%. Despite this significant increase in funding, Public Housing operations reported only a \$481,000 surplus at year-end, net of transfers in totaling \$1.6 million. Additionally, capital grants revenue was \$2.4 million higher than budgeted due to the timing of capital grant expenditures.
- (3) Section 8 HAP Revenue was \$4.1 million, or 4.05%, higher than budgeted. The favorable variance included a fulfilled request of \$3.3 million in HUD-held funds that was used to support Public Housing and CDI operations and pay construction expenses related to East Meadows II.
- (4) Miscellaneous Revenue was above budget by \$254,000, or 4.86%, chiefly due to bond issuer fees of \$941,000 earned by the Las Varas Public Facility Corporation for its role in issuing bonds for the Trader Flats and 1604 Lofts apartment projects. Although the San Antonio Housing Facility Corporation earned a total of over \$1.1 million in development fees for preconstruction development of various projects, the line item ended the year under budget by \$779,000. Also partially offsetting the overall favorable variance was ground lease revenue which was overbudgeted.

**San Antonio Housing Authority
Financial Performance Report
As of June 30, 2020
(UNAUDITED)**

(b) **Operating Expenses**

- (1) The Salaries and Benefits expense line item ended the year \$2.4 million, or 6.76%, below budget with the majority of segments reporting favorably. The Authority had 105 full-time vacant positions at year-end.
- (2) The Ordinary Maintenance and Operations expense line item ended the year \$2.2 million, or 17.14%, over budget primarily due to unfavorable variances in Public Housing. Significant unfavorable variances included \$659,000 in unit make ready costs, \$353,000 in supplies and materials, \$294,000 in HVAC repair and replacement, and \$354,000 in other contract costs. Also contributing was Beacon which reported unfavorably in painting and plumbing repairs for a combined \$256,000.
- (3) Utilities expense ended the year \$1.1 million, or 14.30%, below budget. Public Housing was the primary contributor to the favorable variance, reporting \$952,000 below budget. Across all segments, electricity was \$924,000 favorable.
- (4) The Other Expenses line item was below budget by \$1.5 million, or 11.27%. The Central Office, Real Estate, and Public Housing segments were the most significant contributors to the favorable variance in Other Expenses. Significant favorable variances for the Other Expenses category included \$729,000 in consulting fees, \$316,000 in telephone and internet expenses, \$270,000 in technology and licensing fees, and \$172,000 in other administrative expenses.

(c) **Summary of Changes in Net Position**

- (1) Change in Net Position ended the year with a \$27.0 million favorable variance. Net Operating Income was above budget by \$16.9 million. Additionally, there was a favorable variance of \$15.1 million in Non-Operating Income (Non-Cash Items). Of this amount, \$5.7 resulted from a gain on the sale of various Scattered Site properties; \$9.9 million resulted from gains on various land acquisitions associated with the recent multi-family property transactions with Vesta Corporation and Post Investment Group; and \$2.0 million resulted from a favorable legal settlement with HUD. Partially offsetting the overall favorable variance was a non-cash loss of \$2.2 million related to the acquisitions of Rosemont at Highland Park, Legacy at Science Park, Legacy on O'Connor, and Refugio Place.

II. Balance Sheet

Total Assets and Deferred Outflows of Resources increased by \$55.2 million, Total Liabilities and Deferred Inflows of Resources increased by \$31.6 million, and Total Net Position increased by \$23.6 million.

- (a) Total Assets increased by \$53.6 million, or 14.57%, due to increases of \$4.3 million in Current Assets and \$59.0 million in Fixed Assets, partially offset by a decrease of \$9.8 million in Other Non-Current Assets. The \$4.3 million increase in Current Assets resulted primarily from the sale of various Scattered Site properties. The \$59.0 million increase in Fixed Assets was predominantly due to increases in buildings and site

**San Antonio Housing Authority
Financial Performance Report
As of June 30, 2020
(UNAUDITED)**

improvements of \$43.5 million and \$9.2 million, respectively. The O'Connor, Science Park II, and Refugio partnerships became wholly owned entities of the San Antonio Housing Facility Corporation and the Clark 05 Housing partnership (Rosemont at Highland Park) became wholly owned by the San Antonio Housing Development Corporation. Another key contributor was an increase in land of \$23.0 million; acquisitions for the year totaled \$23.5 million and were partially offset by the sale of various Scattered Site properties. The Authority acquired ownership interests in several properties: Champion at Del Rio, Champion at Marshall Meadows, Champion at Port Royal, Majestic Ranch, Culebra Crossing, Arroyo Seco, Trader Flats, Artisan at Ruiz, and 1604 Lofts. Also contributing was an increase in construction in progress of \$17.9 million, with the largest contributors being Victoria Plaza (comprehensive modernization of \$12.2 million) and Castle Point (rehabilitation and site improvements of \$3.8 million). The overall increase in Fixed Assets was partially offset by an increase in accumulated depreciation of \$35.0 million. The decrease of \$9.8 million in Other Non-Current Assets was largely due to the elimination of \$9.1 million in related party notes receivable as a result of Refugio becoming wholly owned.

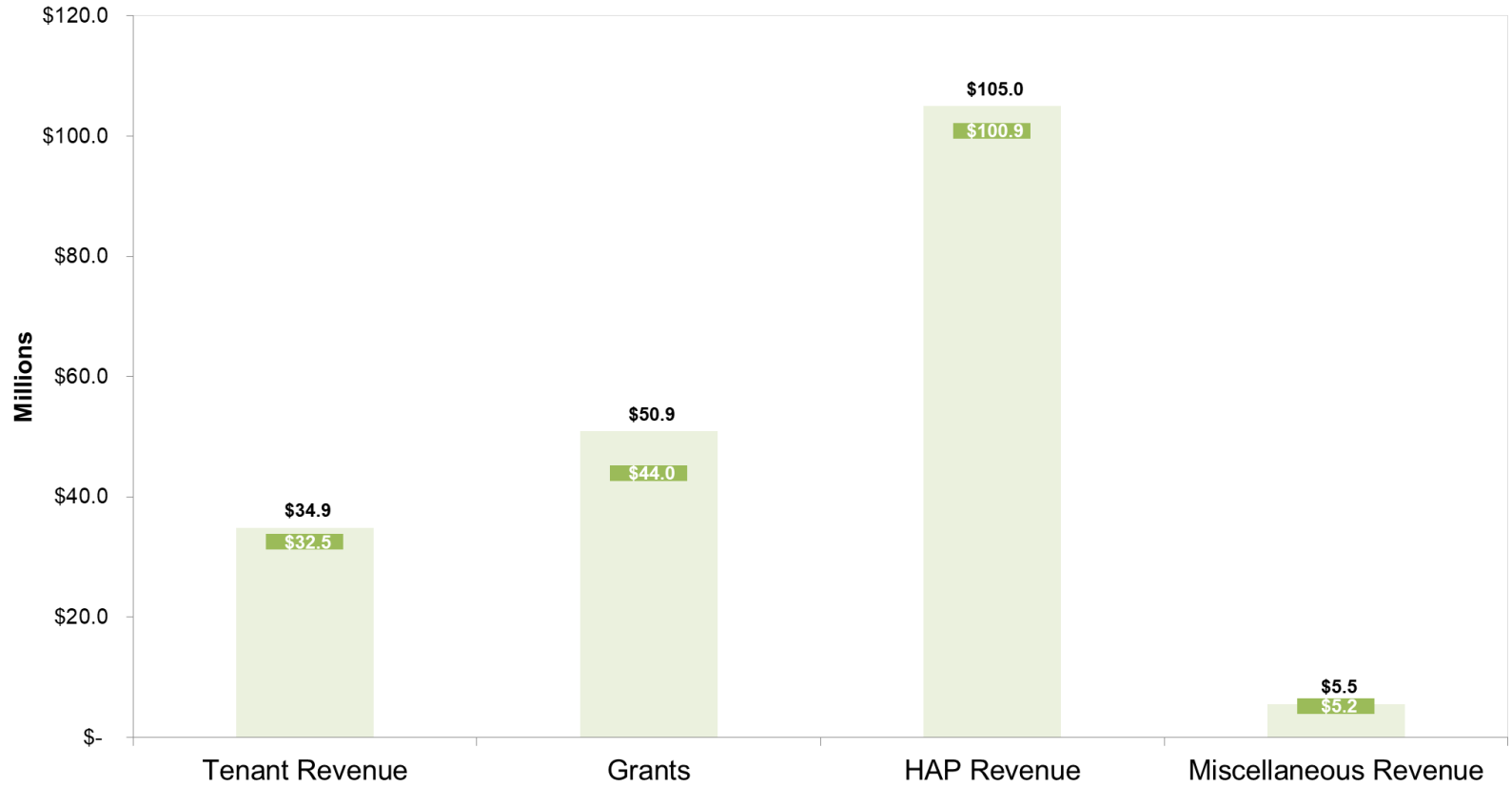
- (b) Total Liabilities increased by \$31.6 million or 33.16%, due primarily to the acquisitions of the O'Connor, Science Park II, Refugio, and Highland Park properties. As a condition of becoming the sole owner, SAHA affiliates were required to assume the debt obligations of each partnership. The total mortgage debt for the four properties totaled \$21.4 million. Additionally, there was an \$11.4 million increase in deferred ground lease revenue which arose from the Facility Corporation entering into ground leases with the Majestic Ranch, Culebra Crossing, Trader Flats, Artisan at Ruiz, and 1604 Lofts partnerships. Also contributing were a \$1.7 million increase in interest rate swap liabilities and a \$1.6 million increase in contract retainage. The overall increase was partially offset by scheduled debt payments of \$3.9 million.
- (c) Total Net Position increased by \$23.6 million, or 8.61%, as a result of the changes described above.

III. MTW Expenditures

	Cumulative Expenditure Balance as of 6/30/20
Projects	
Section 8	\$ 24,363
Community Development Initiatives	1,279,480
Capital Planning	373,210
Wheatley Matching	32,151
Development Activities:	
East Meadows Development - Public Improvements	(274,618)
East Meadows II Development - Public Improvements	753,160
Development of Alazan Lofts	51,510
Tampico Closing	710,000
	<hr/>
Total	\$ 2,949,256

Operating Revenue FYE June 30, 2020

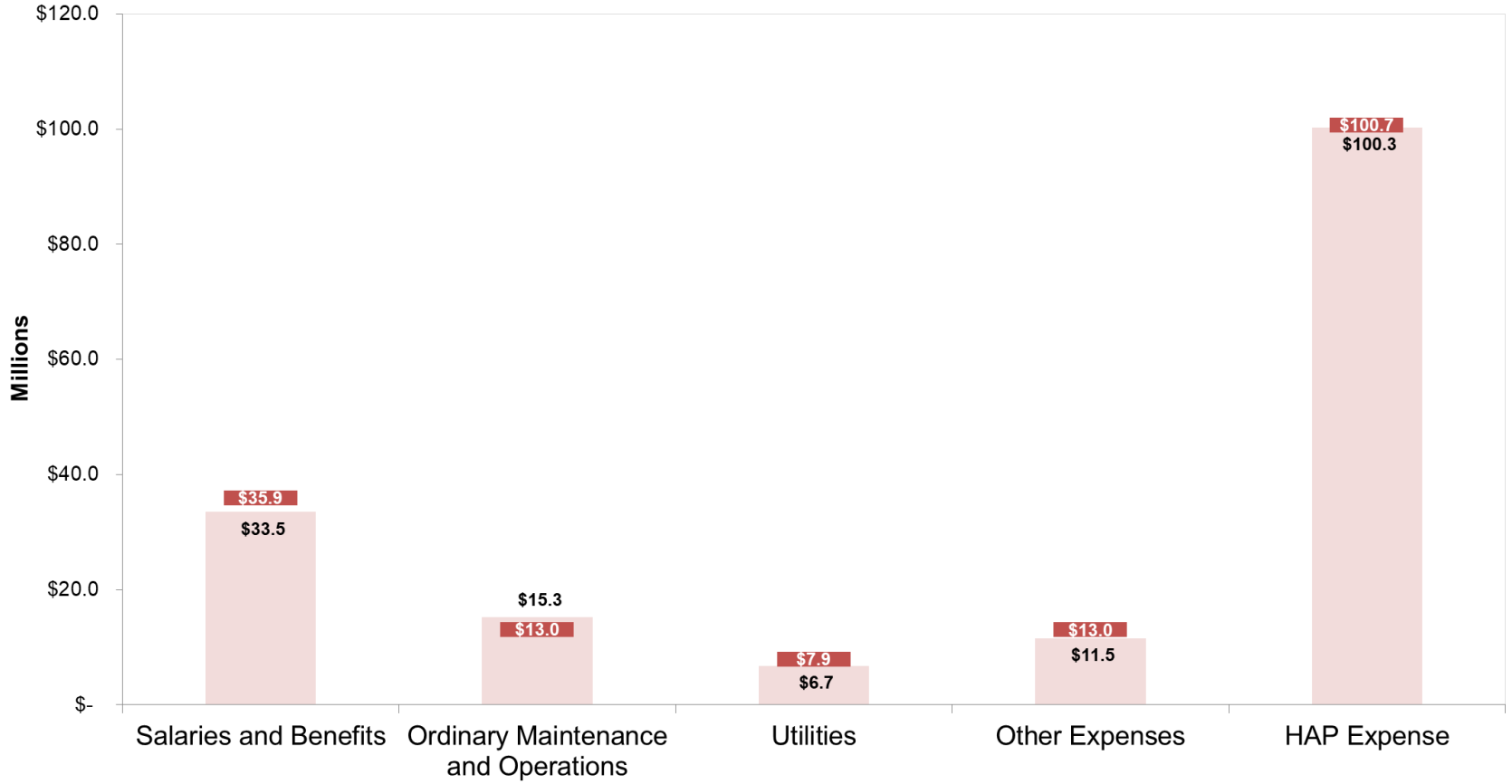
Actual Budget



Operating Expenses

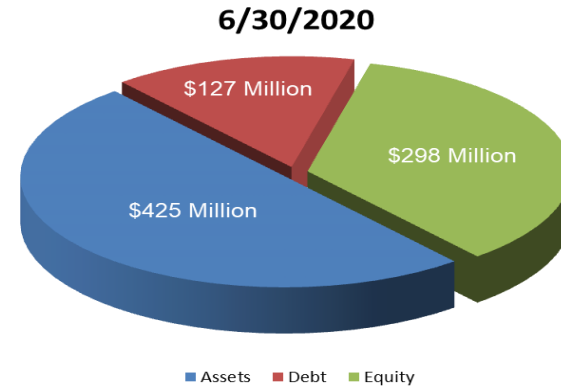
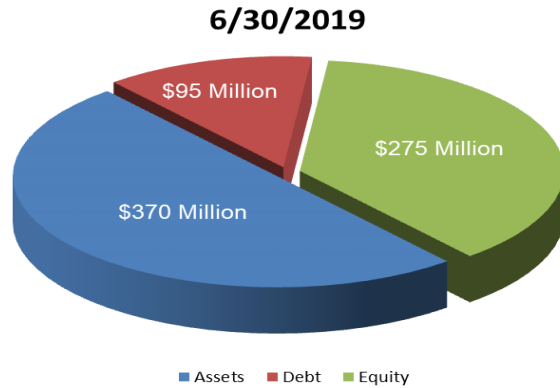
FYE June 30, 2020

Actual Budget



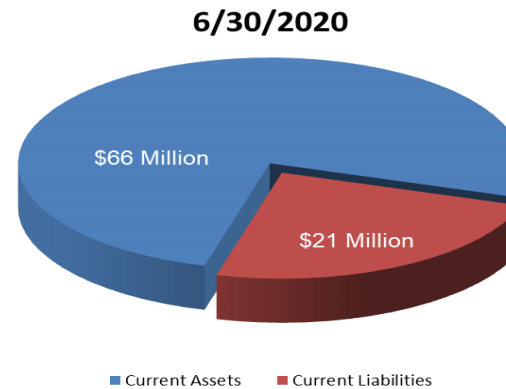
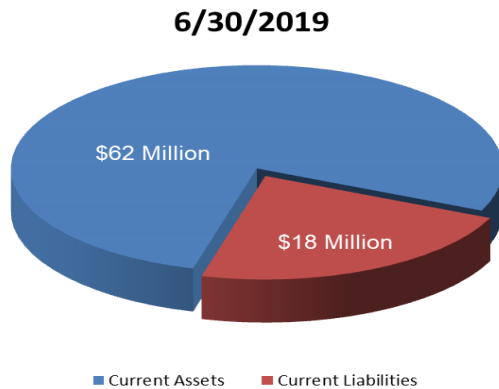
SAHA remains financially strong despite a small decrease in liquidity

Financial Strength



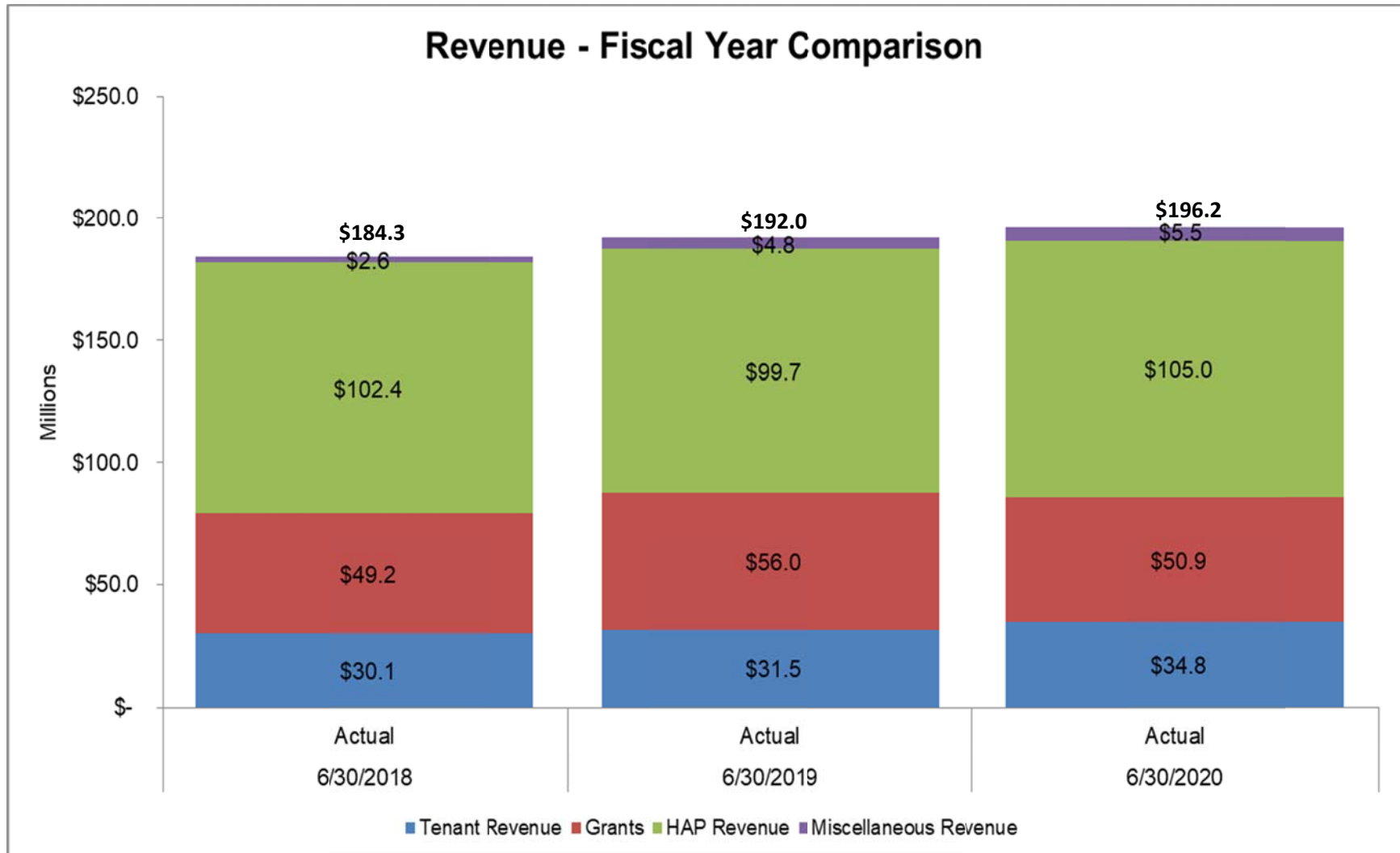
The debt-to-equity ratio increased from 0.35 to 0.43 due primarily to acquisitions of various partnerships.

Financial Liquidity

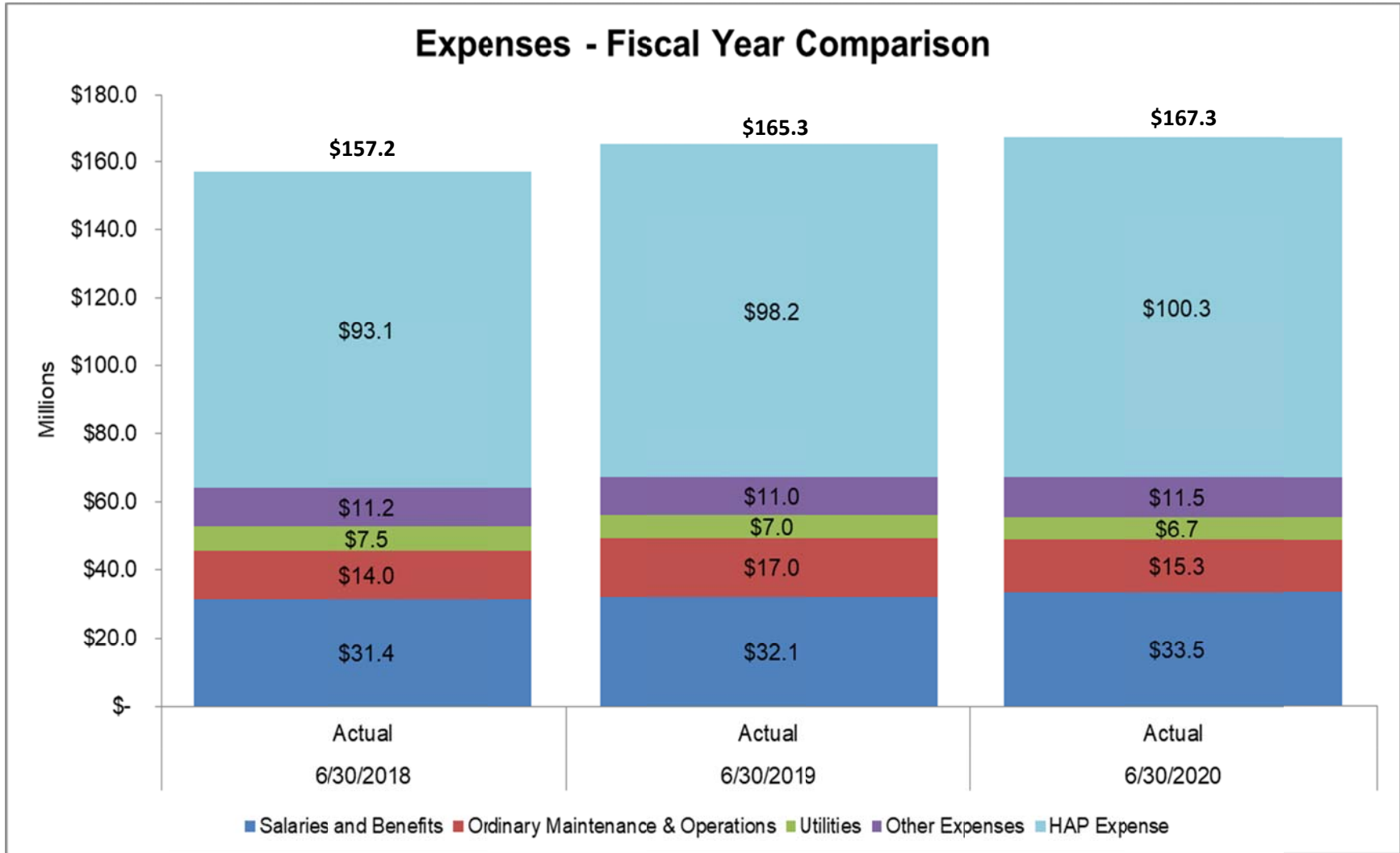


The current ratio decreased from 3.44 to 3.14, but remains a strong indicator of SAHA's ability to pay short-term obligations.

Total Revenue was approximately 2% higher compared to the previous year with Section 8 HAP Revenue the primary contributor



Total Expenses were 1% higher compared to the previous year chiefly caused by higher Section 8 HAP Expense



Summary of Major Changes in Cash and Investment Balance

For the Quarterly Period Ending June 30, 2020

The overall cash and investment balance increased by \$2.3 million over the previous quarter primarily due to the addition of \$2.5 million in unrestricted cash resources related to the acquisition and development of tax credit partnerships.

Note: On May 15, 2020, the agency was notified by Frost Bank that due to the economic impact of the COVID-19 crisis, the interest rates on demand deposits had fallen to 0.01%. To maximize the interest earned on deposits, an analysis was conducted and determined approximately \$40 million in cash was available for immediate investment in U.S. Treasury Bills with maturities ranging from 3 to 6 months. All investment purchases were made per with the agency's investment policy and did not have an impact on the overall change in cash & investments.

Cash

Unrestricted Cash

- **Central Office Cost Center-** There is a net cash decrease of approximately \$4.9 million over the previous quarter primarily due to the transfer out of \$1.9 million in funding for the purchase of 4 tax credit partnerships, and the purchase of a 3 million T-Bill as mentioned above. **For information on the investment see Investments- Unrestricted Investments at Various Banks- Central Office Cost Center on the report.**
- **Public Housing-** There is a net cash decrease of approximately \$3.5 million over the previous quarter mainly due to the purchase of a \$5 million T-Bill as mentioned above. Positive cash flow from operations, the reclassification of \$321 thousand in FSS Escrow funds from restricted cash, and the receipt of \$210 thousand in insurance proceeds helped to minimize the impact of the cash decrease. **For more information on the investment see Investments- Unrestricted Investments at Various Banks- Public Housing on the report.**
- **Properties under SAHFC-** There is a net cash increase of approximately \$2 million largely due to the transfer in of \$3.3 million from the acquisition of 3 tax credit partnerships and the reclassification of \$1.4 million in internally restricted modernization and development funds . The increase noted above was partially offset by a \$2.6 million decrease in cash related to a T-Bill investment. **For more information on the investment see Investments- Unrestricted Investments at Various Banks- Properties under SAHFC on the report.**
- **Development Activities under SAHFC-** There is a net cash increase of approximately \$188 thousand primarily due to the receipt of \$633 thousand in Development fees from 2 tax credit partnerships. The increase was partially offset by a \$400 thousand decrease in cash related to a T-Bill investment. **For more information on the investment see Investments- Unrestricted Investments at Various Banks- Development Activities under SAHFC on the report.**

Restricted Cash

- **Public Housing-** There is a net cash decrease of approximately \$14.3 million primarily due to the purchase of 2 T-Bills totaling \$13 million and the transfer out \$1.3 to unrestricted cash to fund an ongoing capital project at a public housing property. In addition to this, the program reclassified \$321 thousand in restricted FSS Escrow funds to unrestricted resources as mentioned above in **Bank-Held Cash- Unrestricted Cash-Public Housing**. The decrease in this category was offset by the receipt of \$322 thousand in proceeds from various scattered site property and land sales.

- **Properties under SAHFC-** There is a net cash decrease of approximately \$10.7 million primarily due to the purchase of 2 T-bills totaling \$7 million and the transfer out \$2.3 to unrestricted cash to fund an ongoing capital project at 2 Beacon communities. In addition to this, \$1.4 million in net proceeds received from refinancing were reclassified to unrestricted cash for presentation purposes. **See above in Bank-Held Cash- Unrestricted Cash-SAHFC. For more information on the investment see Investments- Unrestricted Investments at Various Banks- Development Activities under SAHFC on the report.**

Investments

Restricted Investments at Various Banks

Other Restricted Investments at Various Banks- There is a net cash decrease of \$1.2 million largely due to the transfer out of \$1.3 million in surplus bond and replacement reserve funds held with the Bank of New York as mentioned above in **Bank-Held Cash- Unrestricted Cash- Other Unrestricted Cash**. The overall decrease is net of an increase in investments held by bond trustees resulting from the transfer of pledged revenue and additions of interest income earned from investments.

**San Antonio Housing Authority
Cash and Investment Summary
June 30, 2020**

	Balance 3/31/2020	Deposits	Withdrawals	Balance 6/30/2020
Cash				
Unrestricted Cash:				
Central Office Cost Center ⁽¹⁾	7,300,097	3,350,370	8,245,843	2,404,624
Public Housing ⁽¹⁾	5,305,119	11,872,865	15,371,992	1,805,992
Section 8 ⁽¹⁾	4,266,885	34,522,962	34,103,186	4,686,660
Community Development Initiatives	47,220	2,586,725	2,572,942	61,003
Central Office- Health Insurance ⁽²⁾	2,988,292	1,294,968	2,929,026	1,354,234
Homeownership	44,135	7,625	6,660	45,100
PBA Properties Cash ⁽¹⁾	2,970,773	2,693,256	4,369,251	1,294,778
Properties under SAHFC ^{(3) (4)}	5,504,954	12,611,945	10,551,822	7,565,078
Education Investment Foundation	7,439	728	7,666	501
Capital Fund Program ⁽¹⁾	-	2,708,540	2,708,540	-
Development Activities under SAHFC	976,420	1,556,391	1,368,788	1,164,023
Other Unrestricted Cash ⁽⁵⁾	11,483,276	47,312,853	50,297,663	8,498,467
Sub-Total:	40,894,610	120,519,228	132,533,379	28,880,459
Restricted Cash:				
Public Housing	17,955,398	369,848	14,695,623	3,629,623
Section 8	97,650	11,564,521	10,544,587	1,117,583
Section 8- FSS Escrow	1,556,802	73,384	433,152	1,197,034
Project Based Properties	892,973	111	191,863	701,220
Properties under SAHFC	14,035,344	311,460	11,003,171	3,343,633
Education Investment Foundation	155,263	58,223	69,155	144,331
Capital Fund Program	1,242,938	231	1,199,413	43,756
Development Activities under SAHFC	1,032,722	231,554	297,677	966,599
Non-Profit-Other Restricted	604,689	19,911	20,760	603,840
Other Restricted Cash	125,327	46,113	59,753	111,687
Endowment Trust	595,061	17,731	9,729	603,064
Sub-Total:	79,188,776	133,212,315	171,058,262	41,342,829
Investments				
Unrestricted Investments at Various Banks:				
Central Office Cost Center ^{(1) (2)}	-	5,000,529	1,404	4,999,125
Public Housing ⁽¹⁾	-	9,268,942	4,156	9,264,786
PBA Properties Unrestricted Investments ⁽¹⁾	-	2,000,182	532	1,999,650
Properties under SAHFC ⁽⁶⁾	-	4,600,419	1,224	4,599,195
Development Activities under SAHFC	-	400,036	106	399,930
Other Beacon Properties Investments	-	3,800,392	1,803	3,798,589
Restricted Investments at Various Banks:				
Public Housing	-	8,732,858	3,405	8,729,453
Capital Fund Program	-	1,200,137	794	1,199,342
Other Restricted Investments	937,217	7,258,080	2,079,527	6,115,770
Sub-Total:	937,217	42,261,574	2,092,951	41,105,840
Total Cash & Investments:	\$ 80,125,993	\$ 175,473,889	\$ 173,151,213	\$ 82,448,669

⁽¹⁾ Cash and Investments related to federal programs

⁽²⁾ Cash and Investments related to self insurance program

⁽³⁾ Includes \$3 Million in funds earmarked for capital repairs at four Beacon communities

⁽⁴⁾ Includes \$3.3 Million in cash from acquired tax credit partnerships internally restricted by the Limited Partnership Agreements

⁽⁵⁾ Includes \$676 Thousand in funds earmarked for capital repairs at two Beacon communities

⁽⁶⁾ Includes \$2 Million in proceeds from the refinancing earmarked for capital repairs at one Beacon communities

**San Antonio Housing Authority
Investment Value
June 30, 2020**

Investment	Maturity Date	Book Value		Market Value	
		3/31/2020	6/30/2020	3/31/2020	6/30/2020
COCC - Health Insurance T-Bill 912796XF1	August 20, 2020		1,999,650		1,999,650
COCC - Management Agent T-Bill 912796XF1	August 20, 2020		2,999,475		2,999,475
Converse Ranch I - T-Bill 912796XF1	August 20, 2020		799,860		799,860
Pecan Hill - T-Bill 912796XF1	August 20, 2020		999,825		999,825
PH - General Fund T-Bill 912796XF1	August 20, 2020		4,999,125		4,999,125
PH - Mirasol T-Bill 912796XF1	August 20, 2020		5,998,950		5,998,950
SAHFC - MM Unrestricted T-Bill 912796XF1	August 20, 2020		4,999,125		4,999,125
Sunshine Plaza - T-Bill 912796XF1	August 20, 2020		999,825		999,825
Woodhill PFC - T-Bill 912796XF1	August 20, 2020		999,825		999,825
Fannie Mae DS - T-Bill 912796Z21	November 12, 2020		1,199,342		1,199,342
PH - Restricted T-Bill 912796Z21	November 12, 2020		6,996,164		6,996,164
SAHFC - MM Restricted T-Bill 912796Z21	November 12, 2020		4,997,260		4,997,260
Sendero I PFC - T-Bill 912796Z21	November 12, 2020		1,998,904		1,998,904


**San Antonio Housing Authority
Cash Held for Tax Credit Partnerships
June 30, 2020**

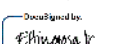
	3/31/2020	Deposits	Withdrawals	6/30/2020
Cash from Tax-Credit Partnerships	5,492,473	711,921	4,068,690	2,135,704
Total Cash Held for Properties Managed by SAHA:	\$ 5,492,473	\$ 711,921	\$ 4,068,690	\$ 2,135,704

**San Antonio Housing Authority
Collateralization
June 30, 2020**

	Total Deposits	Deposits Covered by FDIC	Deposits Covered by Collateral	Pledged Collateral
Frost National Bank	\$ 38,810,446	\$ 500,000	\$ 38,810,446	\$ 85,926,924
Orix Real Estate Capital, LLC	\$ 1,264,031	\$ 750,000	\$ -	\$ -
US Bank	\$ 1,032,722	\$ 250,000	\$ 160,622	\$ 160,622
Bank of New York - Woodhill	\$ 528,526	\$ -	\$ -	\$ -
Bank of New York - Sendero	\$ 132,701	\$ -	\$ -	\$ -
Bank of New York - Converse Ranch II	\$ 250,054	\$ -	\$ -	\$ -
Wells Fargo - Rosemont at Highland Park	\$ 112,474	\$ -	\$ -	\$ -
Walker & Dunlop - Converse Ranch I	\$ 528,019	\$ 250,000	\$ -	\$ -
Walker & Dunlop - Bella Claire	\$ 94,596	\$ 94,596	\$ -	\$ -
Walker & Dunlop - SAHFC	\$ 436,448	\$ 250,000	\$ -	\$ -
Berkadia Commercial Mortgage, LLC	\$ 94,756	\$ 94,756	\$ -	\$ -
	\$ 43,284,771	\$ 2,189,352	\$ 38,971,069	\$ 86,087,547

FDIC has made permanent the standard coverage - all funds in noninterest-bearing accounts are fully insured up to \$250,000
 The accompanying Cash and Investment Summary Report has been prepared in accordance with the compliance requirements of the Texas Public Funds Investment Act, Chapter 2256. As the Investment Officer for the San Antonio Housing Authority I certify that all investments in our portfolio comply with the investment strategy expressed in SAHA's Investment Policy dated April 14, 2016 and with the relevant provisions of the State of Texas, Government Code, Chapter 2256, Public Funds Investment.

DocuSigned by:

 Diana K. Fiedler, CPA, CMA
 Investment Officer, Director of Finance and Accounting

DocuSigned by:

 Ed Hinojosa, CFO

Footnotes:
 * Includes Mirasol Settlement Funds (Original Settlement Amount is \$12.7 million)

GRANTS REPORT AS OF June 30, 2020

Grant Number	Obligation End Date	Expenditure End Date	Amount to be Obligated by End Date	LOCCS Authorized	Cumulative PHA Obligated	Unobligated Amount	Obligation Percentage	Cumulative GL PHA Expended	Expended Percentage	LOCCS Disbursement	CAPITAL GRANTS		
											Unmet expenditure deadline approaching within 6 Months	Unmet obligation deadline approaching within 12 Months	Grant expenditure is not progressing as planned
Capital Fund Program (CFP)													
Capital Projects at various PH Properties													
TX59P006501-10	07/14/12	07/14/14	\$ 8,770,114.80	\$ 9,744,572.00	\$ 9,744,572.00	\$ -	100%	\$ 9,744,572.00	100%	\$ 9,744,572.00	(1)		
*Major Project: Marie McGuire													
TX59P006501-11	08/02/13	08/02/15	\$ 7,336,199.70	\$ 8,151,333.00	\$ 8,151,333.00	\$ -	100%	\$ 8,151,333.00	100%	\$ 8,151,333.00	(1)		
*Major Projects: Blanco, Marie McGuire, Westway													
TX59P006501-12	03/11/14	03/11/16	\$ 6,669,297.00	\$ 7,410,330.00	\$ 7,410,330.00	\$ -	100%	\$ 7,410,330.00	100%	\$ 7,410,330.00	(1)		
*Major Projects: Fair Avenue, South San, Sun Park													
TX59P006501-13	09/08/15	09/08/17	\$ 6,472,918.80	\$ 7,192,132.00	\$ 7,192,132.00	\$ -	100%	\$ 7,192,132.00	100%	\$ 7,192,132.00	(1)		
*Major Projects: Lewis Chatham, Jewett Circle, Westway													
TX59P006501-14	05/12/16	05/12/18	\$ 6,564,698.10	\$ 7,294,109.00	\$ 7,294,109.00	\$ -	100%	\$ 7,294,109.00	100%	\$ 7,294,109.00	(1)		
*Major Projects: Westway, Charles Andrews, Cassiano Homes													
TX59P006501-15	04/12/17	04/12/19	\$ 6,785,826.30	\$ 7,539,807.00	\$ 7,539,807.00	\$ -	100%	\$ 7,539,807.00	100%	\$ 7,539,807.00	(1)		
*Major Projects: Charles Andrews, HB Gonzalez													
TX59P006501-16	04/12/18	04/12/20	\$ 7,024,842.00	\$ 7,805,380.00	\$ 7,805,380.00	\$ -	100%	\$ 7,805,380.00	100%	\$ 7,805,380.00	(1)(2)		
*Major Projects: Westway, WC White													
TX59P006501-17	08/15/19	08/15/21	\$ 7,176,040.20	\$ 7,973,378.00	\$ 7,973,378.00	\$ -	100%	\$ 7,973,378.00	100%	\$ 7,973,378.00	(1)(3)		
*Major Projects: Victoria Plaza, Villa Tranchese													
TX59P006501-18	05/28/21	05/28/23	\$ 11,098,890.00	\$ 12,332,100.00	\$ 12,332,100.00	\$ -	100%	\$ 10,838,251.00	88%	\$ 10,401,210.36	(4)(7)		
*Major Projects: Victoria Plaza, Fair Avenue													
TX59P006501-19	04/15/22	04/15/24	\$ 11,636,649.90	\$ 12,929,611.00	\$ 9,779,930.64	\$ 3,149,680.36	76%	\$ 4,196,222.64	32%	\$ 3,172,948.16	(5)(7)		
*Major Projects: Victoria Plaza, Fair Avenue													
TX59P006501-20	03/25/23	03/25/25	\$ 11,742,078.60	\$ 13,046,754.00	\$ 4,802,001.42	\$ 8,244,752.58	37%	\$ -	0%	\$ -	(6)(7)		
*Major Projects: Madonna, L.C. Rutledge													
Urban Revitalization Program (Hope 6) (URP)													
Choice Neighborhood Grant													
TX6J006CNG112	09/30/19	09/30/19		\$ 29,652,649.09	\$ 29,652,649.09	\$ -	100%	\$ 29,652,649.09	100%	\$ 29,652,649.09	(1)		
*Implementation grant for Wheatley Neighborhood													

(1) These grants are expended and disbursed at 100% however, HUD still requests monthly updates in eLOCCS.
 (2) A portion of the 2016 CFP grant contains DDTF funding of \$832,561. Total DDTF funding has been expended.
 (3) A portion of the 2017 CFP grant contains DDTF funding of \$854,061. Total DDTF funding has been expended.
 (4) A portion of the 2018 CFP grant contains DDTF funding of \$1,204,763. Total DDTF funding has been expended.
 (5) A portion of the 2019 CFP grant contains DDTF funding of \$1,269,432. Total DDTF funding has been expended.
 (6) A portion of the 2020 CFP grant contains DDTF funding of \$733,624. No DDTF funding has been expended.
 (7) Obligation and Expenditure End Date were extended by 1 year for all open Capital Fund grants due to COVID-19. The extension was published by HUD on 04/10/2020.

GRANTS REPORT AS OF June 30, 2020

HUD - PROGRAM GRANTS								PROGRAM GRANTS Grant expenditure is not progressing as planned.	
Grant Number	Effective Date	Expenditure End Date	LOCCS Authorized	Cumulative Expended	Expended Percentage	Remaining to Expend	LOCCS Disbursement		
Resident Opportunities & Self Sufficiency (ROSS) Funding for Family Self Sufficiency (FSS) Coordinators									
ROSS191334	05/13/19	05/12/22	\$ 508,761.00	\$ 125,250.77	25%	\$ 383,510.23	\$ 115,584.73		
*2018 ROSS Service Coordinators									
FSS20TX3445	01/01/20	12/31/20	\$ 936,002.00	\$ 433,206.04	46%	\$ 502,795.96	\$ 392,957.08		
*PH & HCV Combined FSS 2019									
Jobs Plus Funding for PHAs to develop locally-based approaches to increase earnings and advance employment outcomes for Public Housing residents									
TX006FJP000815	06/06/16	09/30/22	\$ 2,700,000.00	\$ 2,691,067.86	100%	\$ 8,932.14	\$ 2,608,299.78		
*Jobs Plus - Cassiano									

NON-HUD - PROGRAM GRANTS									
Grant Number	Performance Date	Award Amount	Cumulative Expended	Expended Percentage	Remaining to Expend	Reimbursement Received			
Annie E. Casey Foundation Wheatley Courts Family Support Services Caseworker (Eastside Jobs Plus)									
SAHA 2020 Jobs Plus East	01/01/20 - 12/31/20	\$ 85,000.00	\$ 21,483.50	25%	\$ 63,516.50	\$ -			
Alamo Colleges Health Professions Opportunity Grant (HPOG)									
HPOG Grant 2019	09/30/19 - 09/30/20	\$ 52,740.00	\$ 47,707.87	90%	\$ 5,032.13	\$ 37,774.15			

GRANTS REPORT AS OF June 30, 2020

LIST OF GRANT APPLICATIONS						
Grant Name	Award Amount	Date Submitted	Match Amount	Term of the Grant	Application Status	Description
Silver & Black Give Back Operation	\$100,000	07/16/19	N/A	N/A	Pending	Spurs Entertainment - Youth Learn & Play
Kresge Foundation BOOST Grant	\$450,000	07/26/19	N/A	N/A	Pending	BOOST Grant partnership with YWCA & ACCD
HBR	\$5,000	N/A	N/A	N/A	Awarded	Wells Fargo Grant
Wheatley Choice Infill	\$100,000	N/A	N/A	N/A	Awarded	Wells Fargo Grant



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Internal Audit Update

Presentation to Finance Committee
September 17, 2020

Internal Audit Q1 2021 Activities in Support of SAHA Strategic Goals

2

- ❑ **Strategic Goal 1: *Empower and equip families to improve their quality of life and achieve economic stability***
 - Reviewed one escrow packet for the CDI Family Self-Sufficiency program; and provided CDI with guidance on corrections

- ❑ **Strategic Goal 5: *Transform core operations to be a high performing and financially strong organization***
 - Contract Management for Capital Improvement
 - Rent Calculation and Collection for Public Housing
 - Disaster Preparedness
 - Resident and Participant Termination Process
 - Ongoing Compliance Audits

Status of 2019-2020 Internal Audit Plan

3

Internal Audits

- **Audit of Contract Management for Capital Improvement**
 - Final Report was sent to the Finance Committee on July 1, 2020

- **Audit of Rent Calculation and Collection Process for Public Housing**
 - Exceptions meetings with Management completed
 - Draft report in progress

- **Audit of Disaster Preparedness**
 - Final Close Out Letter sent to the Finance Committee on March 11, 2020
 - Currently being completed as a Control Self-Assessment (CSA)
 - ❑ Current COVID-19 experience used to capture workgroups and assist with development of a comprehensive preparedness plan

Status of 2019-2020 Audit Plan, cont'd.

4

- **Audit of Resident and Program Participation Termination Process**
 - Exceptions meetings with Management completed
 - Draft report in progress

- **Audit of East Meadows I and Wheatley Senior**
 - New audit added by request to review waiting list process and tenant selection plan
 - Announcement letter issued April 22, 2020 to MBM
 - ❑ Due to regulatory restrictions, leasing is a priority at this time, and audit is on hold until East Meadows II lease up is complete (est. mid-September 2020)
 - Audit has been expanded and added to proposed Internal Audit Plan 2020-2021

Status of 2019-2020 Audit Plan, cont'd.

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Compliance Audits

▣ Assisted Housing Program (*Ongoing*)

- 163 resident files audited in Q3 (decrease due to modified operations at the end of March)
- Modified operations compliance audits for AHP consist of:
 - New Admissions Income Targeting and Prorated Rent - audit verifies move-ins were not over the income limit at admission, and prorated rents were correct
 - Over and Under Housed Report - audit to identify if the over/under is due to a Reasonable Accommodation, or if the over or under housed has been addressed (via notes)
 - Certification Audit Report - the review will cover when certifications were open, approved and effective, and that the Housing Assistance Payment/Utilities Assistance Payment (HAP/UAP) differences are correct
 - Review of Port Out billing - audit of HAP/UAP for clients that have ported out to other housing authorities

Status of 2019-2020 Audit Plan, cont'd.

6

Compliance Audits cont'd.

❑ **Public Housing** (*Ongoing*)

- 181 resident files (20 communities) audited in Q3 (decrease due to modified operations at the end of March)
- Modified operations compliance audits for PH consist of:
 - Certification Audit Report - audit of date certifications were open, approved and effective. For certifications with an effective date less than 30 days out, but not approved, verification of what has been finalized or pending, and with any instances where a certification backdated, due to a decrease in rent, staff will check the rent roll for the tenant to verify that credit was applied to coincide with the certification
 - Security deposit report - audit to verify what was charged and collected
 - Transfer report - audit to verify that a valid certification was processed within 120 days of the transfer, or that a new one was completed if the last certification was older than that

Action Items

Status of Corrective Action Items resulting from Internal Audits

- Currently, there are five (5) open action items
- Five of the action items are expected to be completed this fiscal year

Status of Third Party Audits

There are no Third Party Audits to report

QUESTIONS?

STATUS OF MANAGEMENT CORRECTIVE ACTION ITEMS as of 8/28/20

Audit Plan Year	Final Report Date	Audit Title	Finding Type	Finding Number and Title	Finding / Condition Description and Recommendation	Management's Corrective Action Plan	Original Estimated Completion Date	Revised Estimated Completion Date	Status	Resp. Officer's Initials	Comments
<u>Fiscal Year 2013-2014</u>											
FY 13-14	10/5/2015	Audit of Records Retention	Internal Control Deficiency	Finding 1	Agency email communications are currently being retained indefinitely, and could be subject to e-discovery requirements.	<i>Emails have been retained since an incident arose where Commissioners lost emails that had been sent to their agency email accounts. At this point, we will work with the Interim President and CEO to ensure that the email record retention policy will hereinafter be followed.</i>	12/31/2015	12/30/2020	In Progress	EH	Google Unlimited has been procured; a Google Vault is included with this system that allows for automated email deletions based on recommended parameters. Pending executive approval to implement email retention policies.
<u>Fiscal Year 2016-2017</u>											
FY 16-17	8/20/18	Audit of CDI Grant Funds	Internal Control Deficiency	Finding 3 - BCJI - Delay in the Initial Execution of the Grant	The BCJI grant was awarded on September 25, 2012, to be effective October 1, 2012. Selection of the research partner, Trinity University, was not presented to the Board of Commissioners until June 21, 2013, almost nine months later. Recommendation To ensure compliance with grant provisions, CDI should develop a standard operating procedure for each grant. The procedure should address all grant provisions including, but not limited to, documentation, drawdown, and reporting requirements.	<i>[CDI] staff will review notes from Grants Committee meetings and complete a grants SOP for the Department.</i>	12/31/2018	9/30/2020	In Progress	BP	SOP for Grant Procedures, Monitoring and Oversight has been drafted. It is pending review and approval from grant committee.
FY 16-17	8/20/18	Audit of CDI Grant Funds	Internal Control Deficiency	Finding 5 - BCJI - Missed Financial Reporting Deadlines	Of the 19 Federal Financial Reports reviewed for the BCJI grant, five were filed over one day after the due date as indicated on the electronic confirmation receipt. Recommendation A method for monitoring/confirming the report submission should be established to ensure timely reporting.	<i>a. [CDI] Staff will review notes from Grants Committee meetings and complete a grants SOP for the Department. The SOPs will create a system to ensure that important dates and deadlines are met, including grant performance and financial reports.</i>	12/31/2018	9/30/2020	In Progress	BP	SOP for Grant Procedures, Monitoring and Oversight has been drafted. It is pending review and approval from grant committee.

STATUS OF MANAGEMENT CORRECTIVE ACTION ITEMS as of 8/28/20

Audit Plan Year	Final Report Date	Audit Title	Finding Type	Finding Number and Title	Finding / Condition Description and Recommendation	Management's Corrective Action Plan	Original Estimated Completion Date	Revised Estimated Completion Date	Status	Resp. Officer's Initials	Comments
FY 16-17	8/20/18	Audit of CDI Grant Funds	Internal Control Deficiency	Finding 6 - BCJI - Late Submission of Expenses	<p>The Federal Financial Report, submission 12 with a reporting period end date of September 30, 2015, included \$2,363.86 in expenses incurred during the previous quarter. These expenses were reported on line 10-e of the Federal Share of Expenditures report, in the column labeled This Period.</p> <p>Recommendation Ensure that all expenses and related reporting are completed in the required time frame, as listed in the BCJI Grant documentation.</p>	<p><i>[CDI] staff will review notes from Grants Committee meetings and complete a grants SOP for the Department. The SOPs will create a system to ensure that important dates and deadlines are met, including grant performance and financial reports.</i></p> <p><i>The Director of CDI will review and analyze adding an analyst position to the CDI Department. CDI will work with Finance and Accounting to determine the scope of work for the proposed analyst position and determine, during next fiscal year's budget process, if the adding the position is financially feasible.</i></p>	7/1/2019	9/30/2020	In Progress	BP	SOP for Grant Procedures, Monitoring and Oversight has been drafted. It is pending review and approval from grant committee.
FY 16-17	4/16/19	Audit of Tenant Participation Funds at Parkview Apartments	Significant Deficiency	Finding 3 - Check Disbursements	<p>Recommendation Internal Audit recommends that the Property Manager or Case Management Specialist assist the RC with establishing a bank account that will conform to the requirements set forth in the RC Manual. including the requirement for dual signatures, with the Treasurer being one of the signatories on each disbursement. Additionally, either the Property Manager or the Case Management Specialist should be on the bank account.</p>	<p><i>CDI Management will meet with PH Management to determine best course of action for supporting RC with establishing bank accounts. An SOP will be developed to provide guidance for SAHA staff who have expressed concerns with adding their names to the RC bank account.</i></p>	5/8/2019	9/30/2020	In Progress	BP	