

**Housing Authority of the City of Shreveport  
Shreveport, Louisiana**

**Comprehensive Annual Financial Report**

**For the Year Ended September 30, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4-25-07

**Donzetta H. Kimble  
Executive Director**

**Bobbie R. Brown  
Assistant Executive Director**

**Prepared by the Accounting and  
Special Programs and Development Departments**

**Housing Authority of the City of Shreveport  
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# INTRODUCTORY SECTION



*Housing Authority*  
OF THE  
*City of Shreveport*

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2500 Line Avenue  
SHREVEPORT, LA 71104

COMMISSIONERS

MURPHY L. HUNT  
CHAIRMAN  
HAROLD KELLY  
VICE CHAIRMAN  
DAVID S. WATKINS  
MARGY RAY

DONZETTA H. KIMBLE  
EXECUTIVE DIRECTOR

BOBBIE R. BROWN  
ASST. EXECUTIVE  
DIRECTOR

March 15, 2007

Mr. Murphy L. Hunt, Chairman  
and Members of the Board of Commissioners  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, LA 71104

**RE: Fiscal Year 2006 Financial Report**

Dear Members of the Board of Commissioners:

The Comprehensive Annual Financial Report of the Housing Authority of the City of Shreveport (Authority), for fiscal year ending 30 September 2006, is hereby submitted. The report has been prepared by the Authority's Accounting and Special programs and Development Departments staff, in accordance with guidelines recommended by the Government Finance Officers Association of the United States and Canada. Additional information relative to the Authority's financial status is included in the management's discussion and analysis.

- A. Management Responsibility** – Responsible for the accuracy of data and the completeness and fairness of its presentation, to include all disclosures. To the best of our knowledge and belief, the enclosed data is materially accurate in all aspects, and is reported in such a manner that has been designed to present fairly the financial position and results of various funds, accounts and other component units of the Authority's operations. All disclosures necessary to enable the reader to ascertain a clear understanding of the Authority's financial activities are included.
- B. Comprehensive Annual Financial Report (CAFR)** – The CAFR consists of the following component parts:
1. **Introductory Section** – This section includes a transmittal letter and the Authority's organizational structure;
  2. **Financial Section** – This section consists of management's discussion and analysis, basic financial statements, and combining individual fund statement and schedules. Combining statements are presented when a Public Housing Agency has more than one major fund of a given fund category. Various statements are utilized to illustrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements; and

3. **Statistical Section** – This section consists of a number of tables containing unaudited data depicting the financial history, demographics and other miscellaneous data of the Authority for the preceding ten (10) years.

The Authority is required to undergo an annual audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular No. A-133, (Audits of states, local governments and non-profit organizations). Information related to a single audit includes the Schedule of Expenditures of federal awards, findings and recommendations, if applicable, and auditor's reports on internal control and compliance with applicable laws and regulations. The single audit report is issued apart from the CAFR.

Since its inception, the mission of the Authority has been to provide decent, safe, sanitary and affordable housing for low-income families residing in or expected to reside in the primary market area of which it has jurisdiction. It is further tasked with providing a network of resources to assist public housing families in their effort to become self-reliant. Even though the Authority is not mandated to provide all direct social services to residents, it has a responsibility to help them secure such services. As a steward of taxpayers' fund, the Authority will employ quality employees and encourage excellence to ensure that the Authority will achieve and maintain high performance standards.

To assist and enable low-income families in their plight from public housing to self-sufficiency the Authority implemented and administers numerous resident-oriented programs, which are discussed in the notes of the financial statements include in this report.

- C. **Reporting Entity** – This report includes all funds of the Authority. Components units are legally separate entities for which a government is financially accountable.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into an Annual Contributions Contract with the Authority for the purpose of assisting the Authority in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the Authority for the purpose of maintaining this low-rent character.

The Authority was duly created pursuant to the authority of the Constitution and statutes (LSA:RS 40:381, Section 401) of the State of Louisiana and was duly organized on the 11th day of March 1940, and since the date of its organization, the Authority has continued to exist without interruption in the performance of its public corporate purposes, with its principal place of business, located at 2500 Line Avenue, Shreveport, Louisiana.

The creation of the Authority was contingent upon the adoption of a resolution by the local governing body of the City of Shreveport constituting a declaration to the need of a Public Housing Agency in the City of Shreveport, Parish of Caddo, State of Louisiana. Even though the Authority has interconnection with the City of Shreveport in several respects, it is not a component unit of the City, as by the pronouncements of the Governmental Accounting Standards Board, in that it is not financially accountable for the operations of the Authority, and has no responsibility fund deficits or rights to receive surpluses, and has not guaranteed the Authority's debts.

The governing body of the Authority is its Board of Commissioners. The Board of Commissioners is comprised of five (5) members. They are appointed by the Mayor of the City of Shreveport and confirmed by the City Council, to serve a five (5) year staggered term with the option of

reappointment. Each member serves until a successor is appointed. The Board of Commissioners appoints the Executive Director/Secretary who is charged with the responsibility to administer the day-to-day affairs of the Authority. The primary funding source for the Authority is through subsidy received from HUD, which oversees the expenses of most of its funds.

The Housing Authority is financially accountable for Shreveport Housing Authority Resident Advisory Board Inc, a legal and separate entity. The Housing Authority can, to a limited degree, impose its will on the Resident Advisory Board.

The Housing Authority also provides office space and office furnishings for the Resident Advisory Board.

**D. Major Initiatives** – The Authority received a SEMAP score of 78 for fiscal year 2006. To-date, the Authority has not received its Fiscal year 2006 PHAS score.

1. Homeownership Program – The Authority developed a Section 5(h) Homeownership plan by which an implementation agreement was authenticated by HUD, October 1999, authorizing the Authority to sell up to fifty (50) of its public housing units to eligible and qualifying public housing residents. Currently, three houses were sold and removed from the Authority's inventory.
2. Capital Fund Program – Funding provided to the Authority by HUD to improve its management and maintenance operations and upgrade the housing stock to modernization and energy conservation standards. The major undertaking currently in effect is the continued comprehensive Modernization of LA 2-7. Renovation of LA 2-7 will take place in three phases. Phase I is the renovation of 32 dwelling units which is complete. Phase II includes alterations and additions to the Office Maintenance Community Building (OMC), and Phase III includes drainage and site improvements. Future projects will include replacement of heating units with new central HVAC systems in 70 of the family units at La 2-5 and the comprehensive modernization of 129 single family housing units as La 2-3, 14 single family housing units at La 2-9, and 36 single family housing units at La 2-10.
3. Section 8 Programs – The Authority has administered various Section 8 Rental Assistance Programs since its inception under the Federal Housing and Community Development Act of 1974. Under the Section 8 Programs, rental assistance is provided to landlords on behalf of Section 8 participants who reside in privately-owned housing in the City of Shreveport.
4. In the Fiscal Year 2003, the Ross Neighborhood Network Grant was awarded in the amount of \$250,000.00 As a result of the grant, computer labs were created at Naomi D. Jackson Height and Wilkinson Terrace Developments. The primary focus of the labs was to assist in improving the academic performance of the children living in public housing as well as teach basic computer skills and Internet usage to students and adults. An additional center was established at U. S. Goodman Plaza Community and Career Center that assisted adult residents in resume writing and job preparation skills. This center also provided services to senior residents living in U. S. Goodman Plaza as well as student attending the Community Center's GED Preparatory Class.

As of December 31, 2005, the Neighborhood Networks Center at Naomi D. Jackson Heights was closed as a result of the relocation of residents due to a Hope VI demolitions grant. On January 31, 2006 the remaining Neighborhood Network Centers were closed because of a lack of refunding. The Housing Authority continues to pursue other alternatives in trying to reopen the labs.

**E. Long Term Financial Planning** The Housing Authority is founded on the belief that decent, safe, and sanitary housing is central to the physical and emotional health, the productivity, and the self esteem of the people it serves. Recognizing its responsibility to maintain physical properties while affording dignity and respect to every individual, the objective of the Housing Authority is to improve the quality of life through a community partnership. HUD has made major changes to the operating subsidy calculation and will be requiring housing authorities to manage their properties according to an asset management model. This will require project based management, project based budgeting, and project based accounting. All of these changes must be accomplished while maintaining the overall mission of the Housing Authority as stated above.

**F. Internal Control** – The Authority's management staff is responsible for establishing and maintaining internal control which has been designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure the adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles in the United States of America. Internal control is designed to provide reasonable, but not absolute assurance recognizes that :

1. The cost of control should not exceed the benefit likely to be derived; and
2. The valuation of costs and benefits requires estimates and judgment by management.

It is our opinion that the Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the Authority is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations that govern those programs. As a component part of the Authority's single audit, aforementioned, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the Authority has complied with applicable laws and regulations.

The result of the Authority's single audit for fiscal year ending 30 September 2006, provided no instances of material weakness in internal control or significant violation of applicable laws and regulations.

**G. Budgetary Controls** – The Authority maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Authority's Board of Commissioners. The level of budgetary control (that is, level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. Revision(s) to the budget enacted requires the Authority's Board of Commissioners approval. As illustrated by the statements and schedules included in the financial Section of this report, the Authority continues to meet its responsibility for sound financial management.

**H. Cash Management** - All funds invested by the Authority during the year were placed in Certificates of Deposits with local banks. The cumulative amount of interest earned during the year on these investments was \$207,419.

The Authority's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits in financial institutions were collateralized by instruments insured by the Federal Deposit Insurance Corporation.

- I. **Risk Management** – The Authority has a safety program in place which is designed to eliminate and/or reduce to a minimum, the possibilities of unsafe acts by the Authority's employee, residents, contract labors and the general public. The Authority encourages the philosophy of "Think Safety and Be Safe."

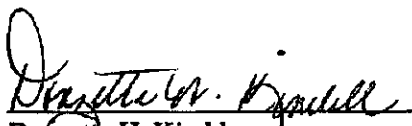
The Authority has Workers Compensation and Employers Liability Insurance coverage with a policy limit of \$1,000,000.00 per accident, per employee.

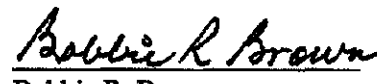
- J. **Independent Audit** – The independent audit report of the Authority's Financial Statements as completed by Allen, Green & Williamson, LLP, Certified Public Accountants, 2414 Ferrand Street, Monroe, Louisiana 71201, follows as an integral component of this report. Their audit of the financial statements and accompanying combining and individual fund statements and schedules were performed in accordance with auditing standards generally accepted in the United States of America and accordingly, included a review of the Authority's Systems of budgetary and accounting controls.

- K. **Award** – The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report. To be awarded this certificate a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. This certificate is valid for a period of one year only.

The award is granted only after an intensive review of the financial report by an expert panel of Certified Public Accountants. Management believes that the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2006, which will be submitted to GFOA for review, will conform to the principles and standards of this organization.

- L. **Acknowledgements** – The preparation of this report could not have been accomplished with little ease without the Authority's efficient and dedicated Accounting and Special Programs and Development Departments staff. Our sincere thanks and appreciation are expressed to them for their enable an invaluable assistance. Thanks are also rendered to the Authority's entire staff for their interest and support in planning and conducting the financial operations of the Authority in a responsible and progressive manner.

  
Donzetta H. Kimble  
Executive Director

  
Bobbie R. Brown  
Assistant Executive Director



**Housing Authority of the City of Shreveport**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Housing Authority  
of the City of Shreveport  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

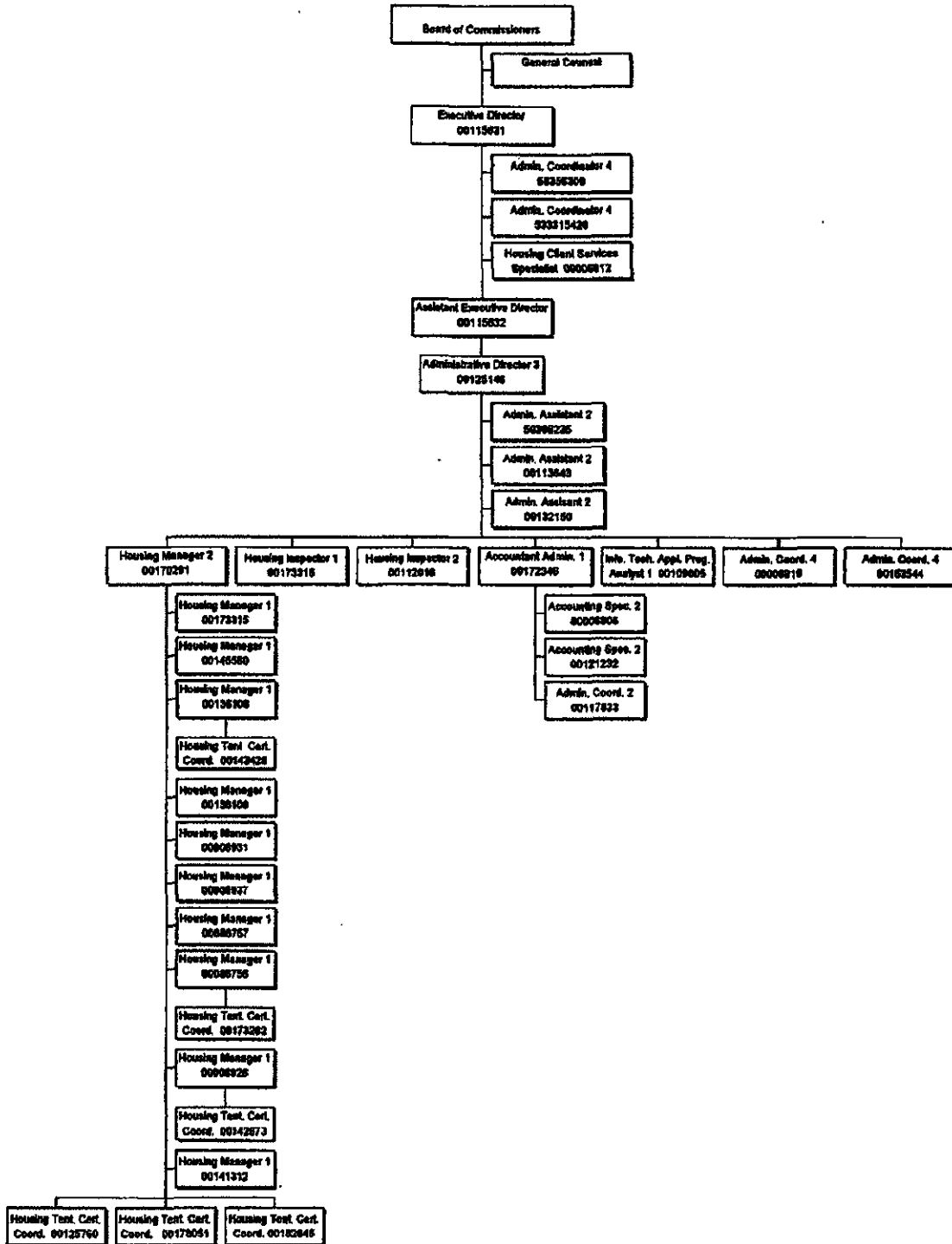


President

Executive Director

# Housing Authority of the City of Shreveport

## Organizational Chart Administrative Office



**Housing Authority of the City of Shreveport**

**Appointed Officials  
September 30, 2006**

**Board of Commissioners**

David Watkins, Chairman

Mr. Harold Kelly, Vice Chairman

Reverend Dr. Murphy L. Hunt

Ms. Margy Ray

Mr. Richard B. King, Jr., Attorney at Law

**Selected Administrative Officials**

Donzetta H. Kimble

Executive Director

Bobbie R. Brown

Assistant Executive Director

Ivory J. Glover

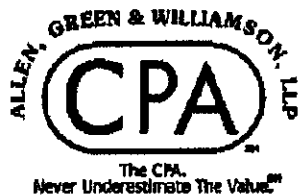
Administrative Director 3

Maurine Crenshaw

Accountant Administrator 1

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**FINANCIAL SECTION**



**ALLEN, GREEN & WILLIAMSON, LLP**  
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Tim Green, CPA  
Margie Williamson, CPA

Diane Ferschoff, CPA  
Amy Tynes, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

**Basic Financial Statements** We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Housing Authority of the City of Shreveport as of and for the year ended September 30, 2006, which collectively comprise the Housing Authority's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Housing Authority as of September 30, 2006 and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued, under separate cover, our report dated March 15, 2007, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

**Required Supplemental Information** The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

**Other Supplemental Information** Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise the Housing Authority's basic financial statements. The accompanying information identified in the table of contents as other supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Introductory and Statistical Sections** The information identified in the table of contents as the Introductory section, and Statistical Sections are presented for purposes of additional analysis and is not a required part of the basic financial statements of the Housing Authority. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 15, 2007

**REQUIRED SUPPLEMENTAL INFORMATION**  
**MANAGEMENT'S DISCUSSION**  
**AND ANALYSIS (MD&A)**



## Housing Authority of the City of Shreveport

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### Management's Discussion and Analysis (MD&A)

September 30, 2006

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As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended September 30, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

#### FINANCIAL HIGHLIGHTS

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$27,636,623 (*net assets*). Of this amount, \$5,288,747 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Housing Authority's enterprise funds reported combined ending net assets of \$27,636,623 an increase of \$1,503,824 in comparison with the prior year. Approximately 19% of this total amount is *available for spending* at the Housing Authority's discretion (unrestricted net assets).
- At the end of the current fiscal year, unrestricted net assets for the general fund was \$194,794 or 4% of total general fund operating expenses for the fiscal year. Unrestricted net assets of the Section 8 fund of \$4,590,255 is 28 % of total Section 8 operating expenses for the year. Unrestricted net assets of the other enterprise funds of \$503,698 is 53% of total operating expenses for the year.
- Net assets of the general fund decreased \$758,199 from the prior year. The administrative expenses increased 120%. Housing Assistance Payments increase 100% due to relocation of tenants from the demolition of Jackson Heights. However, the decrease was mostly offset by an increase in the Capital Fund Program of \$458,468 due to construction in progress and the HOPE VI program of \$1,350,344. Net assets of the Section 8 fund increased \$2,556,586. The Section 8 net asset increase is due to operating expenses decreasing by a larger amount than the decrease in operating revenues. Housing Assistance Payments decreased by 7.5% and total non-operating revenue increased approximately 1%. Also, a new ruling from Housing and Urban Development allows agencies to retain the excess Housing Choice Voucher funding for future HAP (Housing Assistance Payments). The other enterprise funds net assets decreased \$294,563 due mainly to an increase in maintenance expenses.

**OVERVIEW OF THE FINANCIAL STATEMENTS** This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

**FUND FINANCIAL STATEMENTS** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Housing Authority are reported as proprietary fund types.

Housing Authority of the City of Shreveport

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Management's Discussion and Analysis (MD&A)  
September 30, 2006

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**USING THIS ANNUAL REPORT** The Housing Authority's annual report consist of financial statements that show information about the Housing Authority's most significant funds - such as the Housing Authority's general fund, Section 8 fund, and other enterprise funds.

<b>Comprehensive Annual Financial Report</b>
<b><u>Introductory Section</u></b> Transmittal Letter Organizational Chart Appointed Officials and Selected Administrative Officials
<b><u>Financial Section</u></b> (Details Outlined in the Next Chart)
<b><u>Statistical Section</u></b> Net Assets by Component Changes in Net Assets General Fund Revenues by Source Tenant Demographics: Occupancy Ratios by Program Property Characteristics and Dwelling Unit Composition
(Refer to the Table of Contents in the front of this report for more details and the specific location of items identified above)

Housing Authority of the City of Shreveport

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Management's Discussion and Analysis (MD&A)  
September 30, 2006

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*Financial Section*

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

**Basic Financial Statements**

Fund  
Financial Statements

Notes to the Basic Financial  
Statements

Supplemental Information

Nonmajor Funds Combining Statements  
Schedule of Compensation Paid Board Members  
Financial Data Schedule

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

The Introductory Section and the Statistical Section were prepared by the Housing Authority without association by the independent auditors. Accordingly, the Housing Authority assumes full responsibility for the accuracy of these two sections.

**Reporting the Housing Authority's Most Significant Funds** The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Housing Authority's enterprise funds use the following accounting approach:

Housing Authority of the City of Shreveport

Management's Discussion and Analysis (MD&A)  
September 30, 2006

Proprietary funds – All of the Housing Authority's services are reported in enterprise funds. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

**FINANCIAL ANALYSIS** The Housing Authority's net assets were \$27,636,623 at September 30, 2006. Of this amount, \$5,288,747 was unrestricted. Restricted net assets of \$475,301 are reported separately to show legal constraints from debt covenants and enabling legislation that limits the Housing Authority's ability to use those net assets for day-to-day operations.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, capital fund and resident opportunity programs. Section 8 vouchers, moderate rehabilitation and new construction programs are accounted for in the section 8 fund. The I-49, University Oaks, Armstrong Center and Resident Advisory Board programs are accounted for in separate funds. Our analysis below focuses on the net assets and the change in net assets of the primary government as a whole.

**Table 1**  
**Net Assets**  
**(in thousands)**

	September 30,	
	<u>2006</u>	<u>2005</u>
Current assets	\$ 6,549	\$ 4,216
Restricted current assets	656	715
Capital assets, net	<u>25,453</u>	<u>26,235</u>
Total assets	<u>32,658</u>	<u>31,166</u>
Current liabilities	1,273	1,035
Current liabilities payable from current restricted assets	181	223
Long-term liabilities	<u>3,567</u>	<u>3,775</u>
Total liabilities	<u>5,021</u>	<u>5,033</u>
Net assets		
Invested in capital assets, net of related debt	21,873	22,480
Restricted	475	1,326
Unrestricted	<u>5,289</u>	<u>2,327</u>
Total net assets	<u>\$27,637</u>	<u>\$26,133</u>

**Housing Authority of the City of Shreveport**

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**Management's Discussion and Analysis (MD&A)**  
**September 30, 2006**

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**Table 2**  
**Changes in Net Assets**  
**(in thousands)**

	September 30,	
	2006	2005
<b>Revenues/capital contributions:</b>		
<b>Operating revenues</b>		
Rent and other	\$ 2,524	\$ 2,597
<b>Nonoperating revenues</b>		
Interest earnings	207	110
State Grants	23	31
Federal grants	<u>21,138</u>	<u>19,145</u>
Total revenues/capital contributions	23,892	21,883
<b>Expenses:</b>		
<b>Operating expenses</b>		
Administration	4,296	2,822
Tenant services	192	384
Utilities	658	764
Ordinary maintenance and operations	2,054	2,303
Protective services	235	252
General expenses	546	494
Nonroutine maintenance	143	58
Housing assistance payments	13,230	14,291
Depreciation	2,041	2,117
Interest and bank charges	<u>240</u>	<u>252</u>
Total expenses	<u>23,635</u>	<u>23,737</u>
Income (loss) before contributions	257	(1,854)
 Capital contributions	 <u>1,247</u>	 <u>972</u>
 Increase (decrease) in net assets	 <u>\$ 1,504</u>	 <u>(\$ 882)</u>

Total revenues increased by \$2,009 due primarily to an increase in interest earnings and an increase in federal grant funding. The capital contributions increased \$275.

Total expenses decreased \$102 due primarily to a decrease in tenant service expense, utilities, protective service expense, ordinary maintenance, and housing assistance payments.

**THE HOUSING AUTHORITY'S FUNDS** As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Housing Authority is being accountable for the resources taxpayers and other provide to it but may also give you more insight into the Housing Authority's overall financial health.

## Housing Authority of the City of Shreveport

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### Management's Discussion and Analysis (MD&A) September 30, 2006

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General fund net assets decreased (\$758,199) this year. The decrease in net assets of the general fund last year was (\$1,263,993). General fund expenses increased \$811,489 due primarily to an increase in administrative expenses by approximately 120%, an increase in general expenses by approximately 4% and an increase in Housing Assistance payments by 100%. Rental and other related income decreased \$38,962, but federal revenue increased \$1,026,483. The increase in federal revenue is due mainly to an increase in the HOPE VI grant of \$1,350,334 and an increase in capital contributions of \$458,468.

Section 8 net assets increased \$2,556,586 this year. The net assets of the Section 8 fund increased last year by \$481,793. Section 8 income increased \$891,840 due to an increase in federal grants, an increase in dwelling rental, an increase in interest earnings, and a decrease in federal grants used as a security for revenue bonds. Expenses of the Section 8 fund decreased (\$1,187,138) due mainly to a decrease in, tenant service expenses, ordinary maintenance and repair, and housing assistance payment.

Other enterprise net assets decreased (\$294,563) this year. Last year net assets decreased (\$99,563). Rental and related income increased \$71,994, primarily due to an increase in dwelling rent in the I49 fund. Expenses increased \$273,382 due mainly to an increase in ordinary maintenance and repairs for the I49 fund.

#### CAPITAL ASSET AND DEBT ADMINISTRATION

*Capital Assets* At September 30, 2006, the Housing Authority had \$25,452,575 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$782,723, or 3% from last year. See Note 4 to the financial statements for more detail on capital assets. No debt was issued for these additions.

#### Capital Assets at Year-end (in thousands)

	<u>2006</u>	<u>2005</u>
Land	\$ 3,160	\$ 3,160
Buildings	20,431	22,327
Furniture and equipment	337	408
Construction in progress	<u>1,525</u>	<u>340</u>
Totals	<u>\$25,453</u>	<u>\$26,235</u>

*Debt* At September 30, 2006, the Housing Authority had \$3,580,000 in mortgage revenue bonds outstanding. The bonds mature annually until 2019 and have a stated interest rate of 6.1%. Our long-term debt includes accrued annual and sick leave of \$209,835. We present more detail about our long-term liabilities in Note 8 to the financial statements.

**Housing Authority of the City of Shreveport**

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**Management's Discussion and Analysis (MD&A)**

**September 30, 2006**

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**ECONOMIC FACTORS** The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions.

**CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT** Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Maurine Crenshaw, Accountant Administrator, at the Housing Authority of the City of Shreveport, 2500 Line Avenue, Shreveport, Louisiana 71104, telephone number (318) 698-3615.

## **BASIC FINANCIAL STATEMENTS**



**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Balance Sheet  
September 30, 2006**

**Statement A**

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 193,871	\$ 3,967,832	\$ 449,639	\$ 4,611,342
Investments	144,574	501,229	71,143	716,946
Accounts receivable, net	420,788	23,775	8,432	450,995
Interfund receivable	0	376,226	0	376,226
Interest receivable	876	1,638	849	3,363
Prepaid items and other assets	167,781	153,932	0	321,713
Inventory	68,724	0	0	68,724
<b>Restricted Assets:</b>				
Restricted deposits	88,080	43,841	13,971	145,892
Repair and replacement account	0	10,366	0	10,366
Surplus account	0	4,643	0	4,643
Bond fund account	0	78,869	0	78,869
Debt service fund account	0	416,203	0	416,203
<b>Total Current Assets</b>	<u>1,084,694</u>	<u>5,578,554</u>	<u>542,034</u>	<u>7,205,282</u>
<b>Non Current Assets</b>				
<b>Capital Assets</b>				
Land, buildings, and equipment (net of accumulated depreciation)	<u>17,988,414</u>	<u>3,985,860</u>	<u>3,478,301</u>	<u>25,452,575</u>
<b>TOTAL ASSETS</b>	<u>\$ 19,073,108</u>	<u>\$ 9,564,414</u>	<u>\$ 4,020,335</u>	<u>\$ 32,657,857</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

ENTERPRISE FUNDS  
Balance Sheet  
September 30, 2006

Statement A

	GENERAL	SECTION 8	OTHER ENTERPRISE	TOTAL
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 242,676	\$ 372,967	\$ 13,172	\$ 628,815
Interfund payable	376,226	0	0	376,226
Unearned revenue	10	4,767	4,864	9,641
Current portion of compensated absences	60,214	6,330	2,595	69,139
Current portion of long term debt	0	190,000	0	190,000
<b>Current Liabilities Payable From Current</b>				
<b>Restricted Assets:</b>				
Deposits due others	88,080	43,841	13,971	145,892
Accrued interest	0	34,780	0	34,780
<b>Total Current Liabilities</b>	<b>767,206</b>	<b>652,685</b>	<b>34,602</b>	<b>1,454,493</b>
<b>Noncurrent Liabilities</b>				
Compensated absences payable	86,649	50,313	3,734	140,696
Notes and bonds payable	0	3,390,000	0	3,390,000
Claims payable	36,045	0	0	36,045
<b>Total Noncurrent Liabilities</b>	<b>122,694</b>	<b>3,440,313</b>	<b>3,734</b>	<b>3,566,741</b>
<b>Total Liabilities</b>	<b>889,900</b>	<b>4,092,998</b>	<b>38,336</b>	<b>5,021,234</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	17,988,414	405,860	3,478,301	21,872,575
Restricted - Expendable	0	475,301	0	475,301
Unrestricted	194,794	4,590,255	503,698	5,288,747
<b>NET ASSETS</b>	<b>18,183,208</b>	<b>5,471,416</b>	<b>3,981,999</b>	<b>27,636,623</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 19,073,108</b>	<b>\$ 9,564,414</b>	<b>\$ 4,020,335</b>	<b>\$ 32,657,857</b>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Statement of Revenues, Expenses,  
and Changes in Net Assets  
For the Year Ended September 30, 2006**

Statement B

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>				
Dwelling rental	\$ 1,125,033	\$ 365,656	\$ 563,345	\$ 2,054,034
Other	<u>138,935</u>	<u>240,106</u>	<u>90,382</u>	<u>469,423</u>
Total operating revenues	<u>1,263,968</u>	<u>605,762</u>	<u>653,727</u>	<u>2,523,457</u>
<b>OPERATING EXPENSES</b>				
Administration	2,493,277	1,664,591	138,368	4,296,236
Tenant services	95,613	94,615	1,542	191,770
Utilities	402,054	191,860	63,686	657,600
Ordinary maintenance & operations	1,188,463	396,571	469,133	2,054,167
Protective services	132,304	102,414	0	234,718
General expenses	318,211	206,488	21,436	546,135
Nonroutine maintenance	0	0	142,647	142,647
Housing assistance payments	7,476	13,222,996	0	13,230,472
Depreciation	<u>1,705,957</u>	<u>207,286</u>	<u>127,231</u>	<u>2,040,474</u>
Total operating expenses	<u>6,343,355</u>	<u>16,086,821</u>	<u>964,043</u>	<u>23,394,219</u>
Operating Income (Loss)	<u>(5,079,387)</u>	<u>(15,481,059)</u>	<u>(310,316)</u>	<u>(20,870,762)</u>
<b>Nonoperating revenues (expenses)</b>				
Interest earnings	104,861	86,805	15,753	207,419
State grants	22,960	0	0	22,960
Federal grants	2,946,677	17,632,877	0	20,579,554
Federal grants used as security for revenue bonds	0	558,305	0	558,305
Interest and bank charges	<u>0</u>	<u>(240,342)</u>	<u>0</u>	<u>(240,342)</u>
Total nonoperating revenues (expenses)	<u>3,074,498</u>	<u>18,037,645</u>	<u>15,753</u>	<u>21,127,896</u>
NET INCOME (Loss) before Contributions	(2,004,889)	2,556,586	(294,563)	257,134
Capital contributions	1,246,690	0	0	1,246,690
Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in net assets	<u>(758,199)</u>	<u>2,556,586</u>	<u>(294,563)</u>	<u>1,503,824</u>
NET ASSETS AT BEGINNING OF YEAR	<u>18,941,407</u>	<u>2,914,830</u>	<u>4,276,562</u>	<u>26,132,799</u>
NET ASSETS AT END OF YEAR	\$ <u>18,183,208</u>	\$ <u>5,471,416</u>	\$ <u>3,981,999</u>	\$ <u>27,636,623</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the City of Shreveport**



**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Statement of Cash Flows  
For the Year Ended September 30, 2006**

Statement C

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Rental receipts	\$ 1,125,036	\$ 373,038	\$ 565,480	\$ 2,063,551
Other receipts	87,820	240,208	90,388	418,414
Payments to vendors	(3,551,954)	(2,337,732)	(688,049)	(6,577,735)
Payments to employees	(1,018,398)	(558,182)	(159,589)	(1,736,169)
Payments to private landlords	0	(13,213,370)	0	(13,213,370)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(3,357,497)</u>	<u>(15,496,042)</u>	<u>(191,770)</u>	<u>(19,045,309)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
State grants	23,082	0	0	23,082
Federal grants	2,825,076	18,364,144	0	21,189,220
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>2,848,158</u>	<u>18,364,144</u>	<u>0</u>	<u>21,212,302</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase capital assets	(1,262,097)	(8,057)	(6,472)	(1,276,626)
Contributed capital	1,231,534	0	0	1,231,534
Principal paid on capital debt	0	(175,000)	0	(175,000)
Interest paid on capital debt	0	(243,765)	0	(243,765)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>\$ (30,563)</u>	<u>\$ (428,822)</u>	<u>\$ (6,472)</u>	<u>\$ (483,857)</u>

(CONTINUED)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ENTERPRISE FUNDS  
Statement of Cash Flows  
For the Year Ended September 30, 2006**

**Statement C**

	<u>GENERAL</u>	<u>SECTION 8</u>	<u>OTHER ENTERPRISE</u>	<u>TOTAL</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities				
of investments	\$ 719,122	\$ 649,913	\$ 177,703	\$ 1,546,738
Interest and dividends	112,284	90,101	16,597	218,982
Purchase investments	<u>(144,574)</u>	<u>(501,229)</u>	<u>(71,143)</u>	<u>(716,946)</u>
 <b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	 <u>886,832</u>	 <u>238,785</u>	 <u>123,157</u>	 <u>1,048,774</u>
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	 <u>146,930</u>	 <u>2,680,065</u>	 <u>(75,085)</u>	 <u>2,751,910</u>
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	 <u>135,021</u>	 <u>1,331,608</u>	 <u>538,695</u>	 <u>2,005,324</u>
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	 <u>281,951</u>	 <u>4,011,673</u>	 <u>463,610</u>	 <u>4,757,234</u>
 <b>Reconciliation to financial statements</b>				
Cash and cash equivalents	193,871	3,967,832	449,639	4,611,342
Restricted deposits	<u>88,080</u>	<u>43,841</u>	<u>13,971</u>	<u>145,892</u>
 Total cash and restricted deposits	 <u>281,951</u>	 <u>4,011,673</u>	 <u>463,610</u>	 <u>4,757,234</u>
 <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	(5,079,387)	(15,481,059)	(310,316)	(20,870,762)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation and amortization expense	1,705,957	207,286	127,231	2,040,474
Change in assets and liabilities:				
Receivables, net	(51,113)	2,713	(2,723)	(51,123)
Inventories	8,686	0	0	8,686
Prepaid items	(6,572)	12,828	0	6,256
Interfund receivables	0	(198,114)	0	(198,114)
Accounts payables	(128,703)	(42,732)	(10,950)	(182,385)
Interfund payables	198,114	0	0	198,114
Deferred revenues	10	4,767	4,864	9,641
Compensated absences	<u>(4,489)</u>	<u>(1,731)</u>	<u>124</u>	<u>(6,096)</u>
 <b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	 <u>\$ (3,357,497)</u>	 <u>\$ (15,496,042)</u>	 <u>\$ (191,770)</u>	 <u>\$ (19,045,309)</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

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**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority of the City of Shreveport (the Housing Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing authorities are chartered as public corporations under the laws LSA-R.S. 40:391 of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority of the City of Shreveport is governed by a five-member board of commissioners. The members, appointed by the Honorable Mayor of the City of Shreveport, serve a staggered term of five years.

The Housing Authority has the following units:

		<u># of Units</u>
PHA Owned Housing	FW 923	674
Homeownership		5
Section 8		
Rental Certificates	FW 2075	159
Rental Vouchers	FW 2215	3169
Moderate Rehab	FW 2075	145
Existing - Stone Vista	FW 2163	152
New Construction - Goodman Plaza	FW 77-393	170
Non HUD Programs:		
I-49 Dwelling Rental Units		54
University Oaks I		64
University Oaks II		60

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a *primary government*, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The Housing Authority is a related organization of the City of Shreveport since the City appoints a voting majority of the Housing Authority's governing board. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Shreveport. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Shreveport.



**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Based on this criteria, the Housing Authority has determined that the following component unit should be considered as part of the Housing Authority reporting entity.

The Resident Advisory Board is a legally separate entity. The Resident Advisory Board is fiscally dependent on the Housing Authority as the Housing Authority provides 100% of their funding. According to GASB Statement 14 paragraph 53 a component unit should be included in the reporting entity financial statements using the blended method if the component unit provides services entirely, or almost entirely, to the primary government, or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. Other component units that should be blended are those that exclusively, or almost exclusively, benefit the primary government by providing services indirectly. The Resident Advisory Board is included through blended presentation because it exclusively benefits the Housing Authority by providing services indirectly to the Housing Authority. The Board was established to administer several federal programs for the Housing Authority. The Board does not provide services other than to administer these federal programs for the Housing Authority.

**B. FUNDS** The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. All funds of the Housing Authority are classified as proprietary.

The general fund is used to account for the public housing and capital fund programs. Section 8 vouchers, moderate rehabilitation and new construction programs are accounted for in the section 8 fund. The I-49, University Oaks, Armstrong Center and Jackson Heights Child Care and Resident Advisory Board programs are accounted for in separate funds.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

**D. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**E. INVESTMENTS** Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Housing Authority reports at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**Definitions:**

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

**F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**G. INVENTORY AND PREPAID ITEMS** All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the purchase method. At year-end the amount of inventory is recorded for external financial reporting purposes.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

**H. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The Housing Authority capitalizes items over \$300 and refrigerators and ranges. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	40 years
Building and site improvements	15 years
Office equipment (other than computers)	7 years
Computers	3 years
Automobiles and trucks	5 years

**I. DEFERRED REVENUES** The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

**J. COMPENSATED ABSENCES** The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave which may be received upon termination or retirement. In a case where the employee notifies the Housing Authority not less than six months prior to retirement or resignation, annual leave in excess of 300 hours may be utilized prior to separation of employment. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

**K. RESTRICTED NET ASSETS** Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**L. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - DEPOSITS** The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2006. Fair value was determined by obtaining "quoted" year-end market prices.

**Interest Rate Risk:** The Housing Authority's policy does not address interest rate risk.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

**Credit Rate Risk:** The Housing Authority investments are in Certificates of Deposits and Savings Accounts which do not have credit ratings; however, the Housing Authority's policy does not address credit rate risk.

**Custodial Credit Risk-Deposits:** In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of September 30, 2006 the Housing Authority had a bank balance of \$6,339,087, in which \$6,239,087 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Housing Authority's name. Even though the pledge securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request. The Housing Authority's policy does not address custodial credit risk.

**NOTE 3 - RECEIVABLES** The receivables at September 30, 2006, are as follows:

Class of Receivables	General	Section 8	Other Enterprise	Total
Residents	\$ 0	\$ 5,005	\$ 6,432	\$ 11,437
Others	60,613	0	0	60,613
HUD	360,175	18,770	0	378,945
Total	<u>\$ 420,788</u>	<u>\$ 23,775</u>	<u>\$ 6,432</u>	<u>\$ 450,995</u>

The accounts receivable from residents is net of an allowance of \$20,765. The Housing Authority expects to collect all other balances in full; therefore, no allowance for doubtful accounts has been established.

**NOTE 4 - CAPITAL ASSETS** The changes and balances in capital assets are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
<b>Non depreciable capital assets:</b>				
Land	\$ 3,160,477	\$ 0	\$ 0	\$ 3,160,477
Construction in progress	339,788	1,184,769	0	1,524,557
	<u>3,500,265</u>	<u>1,184,769</u>	<u>0</u>	<u>4,685,034</u>
<b>Depreciable capital assets:</b>				
Buildings and improvements	53,901,340	0	3,055	53,898,285
Furniture and equipment	1,951,086	168,417	257,243	1,862,260
Total	<u>59,352,691</u>	<u>1,353,186</u>	<u>260,298</u>	<u>60,445,579</u>
<b>Less accumulated depreciation:</b>				
Buildings and improvements	31,574,165	1,893,054	0	33,467,219
Furniture and equipment	1,543,229	147,420	164,864	1,525,785
Total	<u>33,117,394</u>	<u>2,040,474</u>	<u>164,864</u>	<u>34,993,004</u>
Capital assets, net	<u>\$ 26,235,297</u>	<u>\$ (687,288)</u>	<u>\$ 95,434</u>	<u>\$ 25,452,575</u>

**NOTE 5 - RETIREMENT SYSTEM** The Housing Authority participates in the Housing-Renewal and Local Agency Retirement Plan, administered by Automatic Data Processing Retirement Services, a defined contribution plan. All regular and full-time employees are eligible to participate in the plan on the first day of the month after

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

completing one year of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 8 % of each participant's basic (excludes overtime) compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority's total payroll for year ended September 30, 2006, was \$1,884,044. The Housing Authority's contributions were calculated using the base salary amount of \$1,527,586. Both the Housing Authority and the covered employees made the required contributions of \$212,977 for the year ended September 30, 2006.

**NOTE 6 - ACCOUNTS PAYABLE** The payables at September 30, 2006, are as follows:

	General	Section 8	Other Enterprise	Total
Vendors	\$ 30,908	\$ 49,234	\$ 10,501	\$ 90,643
Wages	40,965	17,893	2,671	61,529
Payable to HUD	91,367	305,840	0	397,207
Other	79,436	0	0	79,436
Total	<u>\$ 242,676</u>	<u>\$ 372,967</u>	<u>\$ 13,172</u>	<u>\$ 628,815</u>

**NOTE 7 - COMPENSATED ABSENCES** At September 30, 2006, employees of the Housing Authority have accumulated and vested \$209,835 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made.

**NOTE 8 - LONG TERM OBLIGATIONS** The following is a summary of the long-term obligation transactions for the year ended September 30, 2006:

	Compensated Absences	Notes and Bonds	Total
Balance, Beginning	\$ 215,931	\$ 3,755,000	\$ 3,970,931
Additions	58,429	0	58,429
Deductions	64,525	175,000	239,525
Balance, Ending	<u>209,835</u>	<u>3,580,000</u>	<u>3,789,835</u>
Amount due within one year	<u>\$ 69,139</u>	<u>\$ 190,000</u>	<u>\$ 259,139</u>

The following bonds are outstanding at September 30, 2006. The Mortgage Revenue bonds are collateralized with all revenues derived from operations of Goodman Plaza.

	Issue Date	Maturity Date	Interest Rate	Issue Amount	Balance September 30, 2006
<u>Mortgage revenue bonds</u>					
Series 1993	8-1-93	2019	6.100%	<u>\$5,295,000</u>	<u>\$3,580,000</u>

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

At September 30, 2006, the Housing Authority has reserved \$475,301 in the debt service fund for future debt requirements. The bonds are due as follows:

Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 190,000	\$ 218,539	\$ 408,539
2008	200,000	206,949	406,949
2009	210,000	194,699	404,699
2010	220,000	182,449	402,449
2011 to 2015	1,100,000	646,536	1,746,536
2016 to 2019	<u>1,660,000</u>	<u>260,836</u>	<u>1,920,836</u>
Total	<u>\$3,580,000</u>	<u>\$1,710,008</u>	<u>\$5,290,008</u>

**NOTE 9 - COMMITMENTS AND CONTINGENCIES**

**Litigation** At September 30, 2006, the Housing Authority is involved in various litigation. In the opinion of legal counsel the potential loss on all claims will not materially affect the Housing Authority's financial position.

**Construction Projects** The Housing Authority had one construction project in progress at September 30, 2006. This project just started with a balance of \$54,514 left to complete. This project is being funded by HUD. Funds are requested periodically as the cost is incurred.

**Self-Insurance** The Housing Authority is partially self-insured for employee's group and health insurance coverage. Claims are funded through employee contributions and operating funds of the Housing Authority. The Housing Authority maintains stop-loss coverage with an insurance company for claims in excess of \$5,000 per claim for each employee. All known claims filed and an estimate of incurred but not reported claims based on experience of the Housing Authority are made and accrued as necessary in the financial statements.

**Grant Disallowances** The Housing Authority participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**Loan Grantor** The Housing Authority is the guarantor of a \$250,000 loan to the Shreveport Urban Renaissance Corporation. The Housing Authority would be liable to pay this debt, if the Shreveport Urban Renaissance Corporation was unable to pay.

**NOTE 10 - RISK MANAGEMENT** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance. The Housing Authority established a risk management program for employee's group health insurance in 1995.

**Housing Authority of the City of Shreveport**  
**Notes to the Basic Financial Statements**  
**September 30, 2006**

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims in excess of \$5,000. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years. Changes in the balances of claims liabilities during the past year are as follows:

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Unpaid claims, beginning of fiscal year	\$ 18,754	\$ 34,487	\$ 66,891
Incurred claims (including IBNRs)	147,467	213,187	196,545
Claim payments	<u>131,734</u>	<u>180,783</u>	<u>227,391</u>
Unpaid claims, end of fiscal year	<u>\$ 34,487</u>	<u>\$ 66,891</u>	<u>\$ 36,045</u>

**NOTE 11 – ECONOMIC DEPENDENCE** Statement of Financial Accounting Standard (SFAS) No. 14 requires in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$22,378,518 to the Housing Authority, which represents approximately 89% of the Housing Authority's total revenue for the year.

**NOTE 12 - SEGMENT INFORMATION** The Housing Authority issued mortgage revenue bonds to finance the acquisition of Goodman Plaza, a 170-unit multifamily rental apartment complex designed for elderly persons and families. All of the Section 8 programs are reported in one fund. Repayment of the bonds relies on revenue generated by activities of Goodman Plaza. Summarized financial information for Goodman Plaza is presented below.

**Condensed Statement of Net Assets**

<b>Assets:</b>		
Current assets		\$ 615,651
Restricted assets		529,577
Capital assets (net)		<u>3,242,541</u>
Total assets		<u>4,387,769</u>
<b>Liabilities:</b>		
Current liabilities		41,749
Current liabilities payable from current restricted assets		244,276
Noncurrent liabilities		<u>3,394,962</u>
Total liabilities		<u>3,680,987</u>
<b>Net assets:</b>		
Invested in capital assets, net of related debt		(337,459)
Restricted		510,081
Unrestricted		<u>534,160</u>
Total net assets		<u>\$ 706,782</u>

**Housing Authority of the City of Shreveport  
Notes to the Basic Financial Statements  
September 30, 2006**

**Condensed Statement of Revenues, Expenses,  
and Changes in Net Assets**

Rental income	\$ 365,656
Other income	34,516
Depreciation and amortization expense	(144,644)
Other expenses	<u>(794,619)</u>
Operating income (loss)	(539,091)
Nonoperating revenues (expenses)	
Interest earnings	45,216
Federal grants	558,305
Interest and back charges	<u>(227,514)</u>
Change in net assets	(163,084)
Net assets at beginning of year	<u>869,866</u>
Net assets at end of year	<u>\$ 706,782</u>

**Condensed Statement of Cash Flows**

Net cash provided (used) by:	
Operating activities	\$ (409,369)
Noncapital financing activities	558,305
Capital and related financing activities	(407,739)
Investing activities	214,877
Beginning cash and cash equivalents	<u>75,698</u>
Ending cash and cash equivalents	<u>\$ 31,772</u>

**NOTE 13- INTERFUND ACTIVITIES**

**Receivables/Payables**

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
Section 8	General	\$376,226

The purpose of the interfund transactions was to cover current year expenses on cost reimbursement programs until reimbursement was received.



**Housing Authority of the City of Shreveport**

**Nonmajor Enterprise Funds**

**I-49**

This fund originated from the displacement of homes caused by the construction of Interstate 49. The fund consists of rental income and expenses of single family rental units scattered throughout Caddo Parish. The fund also accounts for proceeds from the sale of rental units.

**UNIVERSITY OAKS**

Apartment complex purchased in September 1999 to provide units under Section 8 and the open market.

**ARMSTRONG CENTER**

Community Center for Goodman Plaza. The center was closed during the year.

**RESIDENT ADVISORY BOARD**

Provides services to the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

NONMAJOR ENTERPRISE FUNDS  
Combining Balance Sheet  
September 30, 2006

Exhibit 1

	L-49	UNIVERSITY OAKS	ARMSTRONG CENTER	RESIDENT ADVISORY BOARD	TOTAL NONMAJOR FUNDS
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 24,117	\$ 388,880	\$ 26,806	\$ 9,836	\$ 449,639
Investments	71,143	0	0	0	71,143
Accounts receivable, net	2,789	3,643	0	0	6,432
Interfund receivables	0	0	0	0	0
Interest receivable	849	0	0	0	849
<b>Restricted Assets</b>					
Restricted deposits	<u>5,068</u>	<u>8,903</u>	<u>0</u>	<u>0</u>	<u>13,971</u>
<b>TOTAL CURRENT ASSETS</b>	<u>103,966</u>	<u>401,426</u>	<u>26,806</u>	<u>9,836</u>	<u>542,034</u>
<b>Capital Assets</b>					
Capital assets (net of accumulated depreciation)	<u>1,311,223</u>	<u>2,154,832</u>	<u>12,246</u>	<u>0</u>	<u>3,478,301</u>
<b>TOTAL ASSETS</b>	<u>1,415,189</u>	<u>2,556,258</u>	<u>39,052</u>	<u>9,836</u>	<u>4,020,335</u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts payable	4,038	9,134	0	0	13,172
Interfund payables	0	0	0	0	0
Unearned revenue	1,306	3,558	0	0	4,864
Current portion of compensated absences	1,013	1,582	0	0	2,595
<b>Current Liabilities Payable from Current Restricted Assets</b>					
Deposits due others	<u>5,068</u>	<u>8,903</u>	<u>0</u>	<u>0</u>	<u>13,971</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>11,425</u>	<u>23,177</u>	<u>0</u>	<u>0</u>	<u>34,602</u>
<b>Noncurrent Liabilities</b>					
Compensated absences	<u>1,458</u>	<u>2,276</u>	<u>0</u>	<u>0</u>	<u>3,734</u>
<b>Total Liabilities</b>	<u>12,883</u>	<u>25,453</u>	<u>0</u>	<u>0</u>	<u>38,336</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	1,311,223	2,154,832	12,246	0	3,478,301
Unrestricted	<u>91,083</u>	<u>375,973</u>	<u>26,806</u>	<u>9,836</u>	<u>503,698</u>
<b>NET ASSETS</b>	<u>1,402,306</u>	<u>2,530,805</u>	<u>39,052</u>	<u>9,836</u>	<u>3,981,999</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,415,189</u>	<u>\$ 2,556,258</u>	<u>\$ 39,052</u>	<u>\$ 9,836</u>	<u>\$ 4,020,335</u>

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**NONMAJOR ENTERPRISE FUNDS**  
**Combining Statement of Revenues, Expenses, and Changes in Net Assets**  
**For the Year Ended September 30, 2006**

Exhibit 2

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>RESIDENT ADVISORY BOARD</u>	<u>TOTAL NONMAJOR FUNDS</u>
<b>OPERATING REVENUES</b>					
Dwelling rent	\$ 199,506	\$ 383,839	\$ 0	\$ 0	\$ 563,345
Other	6,512	11,113	0	72,757	90,382
<b>Total operating revenues</b>	<b>206,018</b>	<b>374,952</b>	<b>0</b>	<b>72,757</b>	<b>653,727</b>
<b>OPERATING EXPENSES</b>					
Administration	66,165	60,996	0	11,207	138,368
Tenant services	273	810	0	459	1,542
Utilities	4,921	58,765	0	0	63,686
Ordinary maintenance and operations	156,657	163,817	84,708	63,951	469,133
General expenses	11,520	9,916	0	0	21,436
Nonroutine maintenance	63,712	78,935	0	0	142,647
Protective services	0	0	0	0	0
Depreciation and amortization expense	61,736	64,813	682	0	127,231
<b>Total operating expenses</b>	<b>384,984</b>	<b>438,052</b>	<b>85,390</b>	<b>75,617</b>	<b>964,043</b>
<b>Operating Income (Loss)</b>	<b>(158,966)</b>	<b>(63,100)</b>	<b>(85,390)</b>	<b>(2,860)</b>	<b>(310,316)</b>
<b>Nonoperating revenues (expenses)</b>					
Interest earnings	15,452	301	0	0	15,753
Federal grants	0	0	0	0	0
<b>Total nonoperating revenues (expenses)</b>	<b>15,452</b>	<b>301</b>	<b>0</b>	<b>0</b>	<b>15,753</b>
<b>Change in net assets</b>	<b>(143,514)</b>	<b>(62,799)</b>	<b>(85,390)</b>	<b>(2,860)</b>	<b>(294,563)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>					
	1,545,820	2,593,604	124,442	12,696	4,276,562
<b>NET ASSETS AT END OF YEAR</b>					
	\$ 1,402,306	\$ 2,530,805	\$ 39,052	\$ 9,836	\$ 3,981,999

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**NONMAJOR ENTERPRISE FUNDS  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2006**

Exhibit 3

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>RESIDENT ADVISORY BOARD</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Rental receipts	\$ 198,250	\$ 367,230	\$ 0	\$ 0	\$ 565,480
Other receipts	6,518	11,113	0	72,767	90,388
Payments to vendors	(229,435)	(298,289)	(84,708)	(75,817)	(688,049)
Payments to employees	(74,822)	(84,767)	0	0	(159,589)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(99,489)</u>	<u>(4,713)</u>	<u>(84,708)</u>	<u>(2,860)</u>	<u>(191,770)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Federal grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Purchase capital assets	<u>0</u>	<u>(6,472)</u>	<u>0</u>	<u>0</u>	<u>(6,472)</u>
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>\$ 0</u>	<u>\$ (6,472)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (6,472)</u>

(CONTINUED)

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**NONMAJOR ENTERPRISE FUNDS  
Combining Statement of Cash Flows  
For the Year Ended September 30, 2006**

Exhibit 3

	<u>I-49</u>	<u>UNIVERSITY OAKS</u>	<u>ARMSTRONG CENTER</u>	<u>RESIDENT ADVISORY BOARD</u>	<u>TOTAL</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>					
Proceeds from sales and maturities of investments	\$ 177,703	\$ 0	\$ 0	\$ 0	\$ 177,703
Interest and dividends	16,296	301	0	0	16,597
Purchase investments	<u>(71,143)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(71,143)</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>122,856</u>	<u>301</u>	<u>0</u>	<u>0</u>	<u>123,157</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	23,367	(10,884)	(84,708)	(2,860)	(75,085)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>5,818</u>	<u>408,667</u>	<u>111,514</u>	<u>12,696</u>	<u>538,695</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>29,185</u>	<u>397,783</u>	<u>26,806</u>	<u>9,836</u>	<u>463,610</u>
Reconciliation to financial statements					
Cash and cash equivalents	24,117	388,880	26,806	9,836	449,639
Restricted deposits	<u>5,068</u>	<u>8,903</u>	<u>0</u>	<u>0</u>	<u>13,971</u>
<i>Total cash and restricted deposits</i>	<u>29,185</u>	<u>397,783</u>	<u>26,806</u>	<u>9,836</u>	<u>463,610</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating income (loss)	(158,966)	(63,100)	(85,390)	(2,860)	(310,316)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization expense	61,736	64,813	682	0	127,231
Change in assets and liabilities:					
Receivables, net	(2,556)	(167)	0	0	(2,723)
Interfund receivables	0	0	0	0	0
Accounts payable	(933)	(10,017)	0	0	(10,950)
Interfund payables	0	0	0	0	0
Deferred revenues	1,306	3,558	0	0	4,864
Compensated absences	<u>(76)</u>	<u>200</u>	<u>0</u>	<u>0</u>	<u>124</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ (99,489)</u>	<u>\$ (4,713)</u>	<u>\$ (84,708)</u>	<u>\$ (2,860)</u>	<u>\$ (191,770)</u>

**Housing Authority of the City of Shreveport**

**Schedule of Compensation Paid Board Members  
For the Year Ended September 30, 2006**

**Exhibit 4**

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

David Watkins, Chairman

Harold Kelly, Vice Chairman

Reverend Dr. Murphy L. Hunt

Margy Ray

Richard B. King, Jr., Attorney at Law

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item <u>No.</u>	<u>Account Description</u>	Business <u>Activities</u>	N/C S/R Section 8 <u>Programs</u>	Low Rent Public <u>Housing</u>
111	Cash - Unrestricted	\$449,639	\$506,160	\$451,254
113	Cash - Other Restricted	\$0	\$510,081	\$30,375
114	Cash - Tenant Security Deposits	\$13,971	\$19,496	\$57,705
100	Total Cash	\$463,610	\$1,035,737	\$539,334
122	Accounts Receivable - HUD Other Projects	\$0	\$0	\$0
124	Accounts Receivable - Other Government Accounts Receivable - Tenants - Dwelling	\$0	\$0	\$57,040
126	Rents Allowance for Doubtful Accounts - Dwelling	\$8,092	\$5,944	\$18,166
126.1	Rents	(\$1,660)	(\$939)	(\$18,166)
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
129	Accrued Interest Receivable	\$849	\$1,638	\$876
120	Total Receivables, net of allowances for doubtful accounts	\$7,281	\$6,643	\$57,916
131	Investments - Unrestricted	\$71,143	\$501,229	\$144,574
142	Prepaid Expenses and Other Assets	\$0	\$153,932	\$167,781
143	Inventories	\$0	\$0	\$68,724
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$0	\$0
150	Total Current Assets	\$542,034	\$1,697,541	\$978,329
161	Land	\$505,713	\$411,180	\$1,659,715
162	Buildings Furniture, Equipment & Machinery -	\$4,586,988	\$4,282,388	\$44,723,880
163	Dwellings Furniture, Equipment & Machinery -	\$30,548	\$117,628	\$449,461
164	Administration	\$58,851	\$67,093	\$613,574
165	Leasehold Improvements	\$0	\$1,248	\$0
166	Accumulated Depreciation	(\$1,703,799)	(\$1,636,996)	(\$31,105,906)
167	Construction In Progress	\$0	\$0	\$0
160	Total Fixed Assets, Net of Accumulated Depreciation	\$3,478,301	\$3,242,541	\$16,340,724
180	Total Non-Current Assets	\$3,478,301	\$3,242,541	\$16,340,724
190	Total Assets	\$4,020,335	\$4,940,082	\$17,319,053

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0002</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0007</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0009</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0010</u>	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services
\$14,276	\$44,717	\$5,447	\$9,001	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$14,276	\$44,717	\$5,447	\$9,001	\$0	\$0
\$0	\$0	\$7,495	\$11,275	\$285,898	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$7,495	\$11,275	\$285,898	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$14,276	\$44,717	\$12,942	\$20,276	\$285,898	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$19,162
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	(\$19,162)
\$0	\$0	\$0	\$0	\$15,300	\$0
\$0	\$0	\$0	\$0	\$15,300	\$0
\$0	\$0	\$0	\$0	\$15,300	\$0
\$14,276	\$44,717	\$12,942	\$20,276	\$301,198	\$0



**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item <u>No.</u>	<u>Account Description</u>	Business <u>Activities</u>	N/C S/R Section 8 <u>Programs</u>	Low Rent Public <u>Housing</u>
312	Accounts Payable <= 90 Days	\$10,501	\$31,251	\$56,701
321	Accrued Wage/Payroll Taxes Payable	\$2,671	\$3,952	\$40,965
	Accrued Compensated Absences - Current			
322	Portion	\$2,595	\$5,445	\$60,214
325	Accrued Interest Payable	\$0	\$34,780	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$257,414	\$91,367
333	Accounts Payable - Other Government	\$0	\$0	\$79,436
341	Tenant Security Deposits	\$13,971	\$19,496	\$57,705
342	Deferred Revenues	\$4,864	\$4,767	\$0
	Current Portion of Long-term Debt - Capital			
343	Projects/Mortgage Revenue Bonds	\$0	\$190,000	\$0
345	Other Current Liabilities	\$0	\$0	\$30,375
347	Interprogram Due To	\$0	\$0	\$0
310	Total Current Liabilities	\$34,602	\$547,105	\$416,763
	Long-term Debt, Net of Current - Capital			
351	Projects/Mortgage Revenue Bonds	\$0	\$3,390,000	\$0
	Accrued Compensated Absences - Non			
354	Current	\$3,734	\$8,972	\$86,649
350	Total Noncurrent Liabilities	\$3,734	\$3,398,972	\$86,649
300	Total Liabilities	\$38,336	\$3,946,077	\$503,412
508	Total Contributed Capital	\$0	\$0	\$0
	Invested in Capital Assets, Net of Related			
508.1	Debt	\$3,478,301	(\$337,459)	\$16,340,724
511	Total Reserved Fund Balance	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$475,301	\$0
512.1	Unrestricted Net Assets	\$503,698	\$856,163	\$474,917
513	Total Equity/Net Assets	\$3,981,999	\$994,005	\$16,815,641
600	Total Liabilities and Equity/Net Assets	\$4,020,335	\$4,940,082	\$17,319,053

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0002</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0007</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0009</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0010</u>	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$10,895	\$37,531	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$285,898	\$0
\$10,895	\$37,531	\$0	\$0	\$285,898	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$10,895	\$37,531	\$0	\$0	\$285,898	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$15,300	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$3,381	\$7,186	\$12,942	\$20,276	\$0	\$0
\$3,381	\$7,186	\$12,942	\$20,276	\$15,300	\$0
\$14,276	\$44,717	\$12,942	\$20,276	\$301,198	\$0

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item <u>No.</u>	<u>Account Description</u>	<u>Business Activities</u>	<u>N/C S/R Section 8 Programs</u>	<u>Low Rent Public Housing</u>
703	Net Tenant Rental Revenue	\$563,345	\$365,656	\$1,125,033
704	Tenant Revenue - Other	\$90,382	\$34,516	\$138,851
705	Total Tenant Revenue	\$653,727	\$400,172	\$1,263,884
706	HUD PHA Operating Grants	\$0	\$1,459,476	\$1,337,851
706.1	Capital Grants	\$0	\$0	\$0
708	Other Government Grants	\$0	\$0	\$0
711	Investment Income - Unrestricted	\$15,753	\$41,681	\$103,584
714	Fraud Recovery	\$0	\$0	\$0
715	Other Revenue	\$0	\$0	\$117,500
720	Investment Income - Restricted	\$0	\$15,373	\$0
700	Total Revenue	\$669,480	\$1,916,702	\$2,822,819

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0002</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0007</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0009</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0010</u>	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$10,415	\$183,587	\$131,377	\$157,435	\$1,406,626	\$2,882
\$0	\$0	\$0	\$0	\$15,156	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$325	\$1,752	\$584	\$583	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$10,740	\$185,339	\$131,961	\$158,018	\$1,421,782	\$2,882

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item <u>No.</u>	<u>Account Description</u>	<u>Business Activities</u>	<u>N/C S/R Section 8 Programs</u>	<u>Low Rent Public Housing</u>
911	Administrative Salaries	\$73,977	\$102,988	\$458,173
912	Auditing Fees	\$383	\$2,236	\$6,549
913	Outside Management Fees	\$0	\$0	\$0
914	Compensated Absences	\$122	(\$441)	(\$4,489)
	Employee Benefit Contributions -			
915	Administrative	\$21,837	\$49,655	\$192,195
916	Other Operating - Administrative	\$42,049	\$40,613	\$218,896
921	Tenant Services - Salaries	\$0	\$2,771	\$34,770
922	Relocation Costs	\$0	\$0	\$0
	Employee Benefit Contributions - Tenant			
923	Services	\$0	\$1,362	\$14,466
924	Tenant Services - Other	\$1,542	\$7,405	\$46,376
931	Water	\$16,730	\$13,012	\$46,749
932	Electricity	\$24,766	\$155,463	\$152,464
933	Gas	\$2,190	\$1,201	\$49,950
938	Other Utilities Expense	\$20,000	\$16,224	\$152,891
941	Ordinary Maintenance and Operations - Labor	\$87,138	\$85,033	\$515,911
	Ordinary Maintenance and Operations -			
942	Materials and Other	\$66,116	\$84,750	\$293,310
	Ordinary Maintenance and Operations -			
943	Contract Costs	\$287,137	\$95,859	\$150,107
	Employee Benefit Contributions - Ordinary			
945	Maintenance	\$28,742	\$27,244	\$229,135
952	Protective Services - Other Contract Costs	\$0	\$102,414	\$132,304
961	Insurance Premiums	\$10,683	\$37,282	\$185,055
962	Other General Expenses	\$0	\$0	\$0
963	Payments in Lieu of Taxes	\$0	\$0	\$79,426
964	Bad Debt - Tenant Rents	\$10,753	\$2,629	\$49,304
967	Interest Expense	\$0	\$240,342	\$0
969	Total Operating Expenses	\$694,165	\$1,068,042	\$3,003,542
	Excess Operating Revenue over Operating			
970	Expenses	(\$24,685)	\$848,660	(\$180,723)
971	Extraordinary Maintenance	\$113,972	\$0	\$0
972	Casualty Losses - Non-Capitalized	\$28,675	\$0	\$4,426
973	Housing Assistance Payments	\$0	\$868,299	\$0
974	Depreciation Expense	\$127,231	\$131,816	\$1,677,907
900	Total Expenses	\$964,043	\$2,068,157	\$4,685,875
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0
	Excess (Deficiency) of Operating Revenue			
1000	Over (Under) Expenses	(\$294,563)	(\$151,455)	(\$1,863,056)

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0002</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0007</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0009</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0010</u>	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services
\$967	\$4,597	\$4,963	\$4,963	\$0	\$0
\$64	\$319	\$319	\$319	\$0	\$0
\$1,256	\$7,322	\$9,244	\$7,138	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$700	\$1,297	\$1,624	\$1,624	\$0	\$0
\$149	\$710	\$739	\$738	\$0	\$2,882
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$160,909	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$1
\$0	\$0	\$0	\$0	\$0	\$0
\$2	\$10	\$10	\$9	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$1	\$1	\$1	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$358	\$2,158	\$2,182	\$2,182	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$3,496	\$16,414	\$19,082	\$16,974	\$160,909	\$2,883
\$7,244	\$168,925	\$112,879	\$141,044	\$1,260,873	(\$1)
\$0	\$0	\$0	\$0	\$1,245,717	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$6,850	\$167,804	\$109,538	\$135,117	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$891
\$10,346	\$184,218	\$128,620	\$152,091	\$1,406,626	\$3,774
\$0	\$0	\$0	\$0	\$0	\$0
\$394	\$1,121	\$3,341	\$5,927	\$15,156	(\$892)

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item No.	<u>Account Description</u>	<u>Business Activities</u>	<u>N/C S/R Section 8 Programs</u>	<u>Low Rent Public Housing</u>
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0
1103	Beginning Equity	\$4,276,562	\$1,145,460	\$17,178,776
	Prior Period Adjustments, Equity Transfers			
1104	and Correction of Errors	\$0	\$0	\$1,499,921
	Maximum Annual Contributions Commitment			
1113	(Per ACC)	\$0	\$116,206	\$0
	Prorata Maximum Annual Contributions			
	Applicable to a Period of less than Twelve			
1114	Months	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$0	\$298,707	\$0
1116	Total Annual Contributions Available	\$0	\$414,913	\$0
1120	Unit Months Available	2,047	3,859	9,030
1121	Number of Unit Months Leased	1,868	3,664	7,543
1117	Administrative Fee Equity	\$0	\$0	\$0
1118	Housing Assistance Payments Equity	\$0	\$0	\$0

Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0002</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0007</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0009</u>	Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitat <u>LA002MR0010</u>	Revitalization of Severely Distressed Public Housing	Resident Opportunity and Supportive Services
\$0	\$0	\$0	\$0	\$0	\$0
\$2,987	\$6,065	\$9,601	\$14,349	\$144	\$892
\$0	\$0	\$0	\$0	\$0	\$0
\$16,205	\$111,933	\$127,170	\$182,344	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$276,789	\$1,303,862	\$232,661	\$131,532	\$0	\$0
\$292,994	\$1,415,795	\$359,831	\$313,876	\$0	\$0
96	432	540	552	0	0
68	388	507	388	0	0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0



**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item No.	<u>Account Description</u>	Housing Choice Vouchers	Public Housing Capital Fund Program	Disaster Voucher Program
111	Cash - Unrestricted	\$2,985,376	\$0	\$96,135
113	Cash - Other Restricted	\$24,345	\$0	\$0
114	Cash - Tenant Security Deposits	\$0	\$0	\$0
100	Total Cash	\$3,009,721	\$0	\$96,135
122	Accounts Receivable - HUD Other Projects	\$0	\$67,617	\$0
124	Accounts Receivable - Other Government Accounts Receivable - Tenants - Dwelling	\$0	\$0	\$0
126	Rents Allowance for Doubtful Accounts - Dwelling	\$0	\$0	\$0
126.1	Rents	\$0	\$0	\$0
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$0	\$67,617	\$0
131	Investments - Unrestricted	\$0	\$0	\$0
142	Prepaid Expenses and Other Assets	\$0	\$0	\$0
143	Inventories	\$0	\$0	\$0
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0
144	Interprogram Due From	\$376,226	\$0	\$0
150	Total Current Assets	\$3,385,947	\$67,617	\$96,135
161	Land	\$0	\$0	\$0
162	Buildings Furniture, Equipment & Machinery -	\$887,650	\$0	\$0
163	Dwellings Furniture, Equipment & Machinery -	\$0	\$60,510	\$0
164	Administration	\$341,574	\$99,899	\$0
165	Leasehold Improvements	\$0	\$0	\$0
166	Accumulated Depreciation	(\$485,905)	(\$39,955)	\$0
167	Construction In Progress	\$0	\$1,509,257	\$0
160	Total Fixed Assets, Net of Accumulated Depreciation	\$743,319	\$1,629,711	\$0
180	Total Non-Current Assets	\$743,319	\$1,629,711	\$0
190	Total Assets	\$4,129,266	\$1,697,328	\$96,135

<u>State/Local</u>	<u>Other Federal Program 1</u>	<u>Total</u>
\$23,605	\$25,732	\$4,611,342
\$0	\$0	\$564,801
\$0	\$0	\$91,172
\$23,605	\$25,732	\$5,267,315
\$0	\$0	\$372,285
\$10,233	\$0	\$67,273
\$0	\$0	\$32,202
\$0	\$0	(\$20,765)
\$0	\$0	\$0
\$0	\$0	\$3,363
\$10,233	\$0	\$454,358
\$0	\$0	\$716,946
\$0	\$0	\$321,713
\$0	\$0	\$68,724
\$0	\$0	\$0
\$0	\$0	\$376,226
\$33,838	\$25,732	\$7,205,282
\$0	\$0	\$2,576,608
\$0	\$0	\$54,480,906
\$0	\$0	\$658,147
\$3,959	\$0	\$1,204,112
\$0	\$0	\$1,248
(\$1,280)	\$0	(\$34,993,003)
\$0	\$0	\$1,524,557
\$2,679	\$0	\$25,452,575
\$2,679	\$0	\$25,452,575
\$36,517	\$25,732	\$32,657,857

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item No.	<u>Account Description</u>	<u>Housing Choice Vouchers</u>	<u>Public Housing Capital Fund Program</u>	<u>Disaster Voucher Program</u>
312	Accounts Payable <= 90 Days	\$17,983	\$8,769	\$0
321	Accrued Wage/Payroll Taxes Payable	\$13,941	\$0	\$0
	Accrued Compensated Absences - Current			
322	Portion	\$885	\$0	\$0
325	Accrued Interest Payable	\$0	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0
341	Tenant Security Deposits	\$0	\$0	\$0
342	Deferred Revenues	\$0	\$0	\$0
	Current Portion of Long-term Debt - Capital			
343	Projects/Mortgage Revenue Bonds	\$0	\$0	\$0
345	Other Current Liabilities	\$24,345	\$0	\$0
347	Interprogram Due To	\$0	\$58,848	\$0
310	Total Current Liabilities	\$57,154	\$67,617	\$0
	Long-term Debt, Net of Current - Capital			
351	Projects/Mortgage Revenue Bonds	\$0	\$0	\$0
	Accrued Compensated Absences - Non			
354	Current	\$41,341	\$0	\$0
350	Total Noncurrent Liabilities	\$41,341	\$0	\$0
300	Total Liabilities	\$98,495	\$67,617	\$0
508	Total Contributed Capital	\$0	\$0	\$0
	Invested in Capital Assets, Net of Related			
508.1	Debt	\$743,319	\$1,629,711	\$0
511	Total Reserved Fund Balance	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$3,287,452	\$0	\$96,135
513	Total Equity/Net Assets	\$4,030,771	\$1,629,711	\$96,135
600	Total Liabilities and Equity/Net Assets	\$4,129,266	\$1,697,328	\$96,135

<u>State/Local</u>	<u>Other Federal Program 1</u>	<u>Total</u>
\$1,483	\$0	\$126,688
\$0	\$0	\$61,529
\$0	\$0	\$69,139
\$0	\$0	\$34,780
\$0	\$0	\$397,207
\$0	\$0	\$79,436
\$0	\$0	\$91,172
\$10	\$0	\$9,641
\$0	\$0	\$190,000
\$0	\$0	\$54,720
\$31,480	\$0	\$376,226
\$32,973	\$0	\$1,490,538
\$0	\$0	\$3,390,000
\$0	\$0	\$140,696
\$0	\$0	\$3,530,696
\$32,973	\$0	\$5,021,234
\$0	\$0	\$0
\$2,679	\$0	\$21,872,575
\$0	\$0	\$0
\$0	\$0	\$475,301
\$865	\$25,732	\$5,288,747
\$3,544	\$25,732	\$27,636,623
\$36,517	\$25,732	\$32,657,857

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

**PHA: LA002 FYED: 09/30/2006**

Line Item <u>No.</u>	<u>Account Description</u>	<u>Housing Choice Vouchers</u>	<u>Public Housing Capital Fund Program</u>	<u>Disaster Voucher Program</u>
703	Net Tenant Rental Revenue	\$0	\$0	\$0
704	Tenant Revenue - Other	\$0	\$0	\$0
705	Total Tenant Revenue	\$0	\$0	\$0
706	HUD PHA Operating Grants	\$15,708,532	\$199,318	\$367,517
706.1	Capital Grants	\$0	\$1,231,534	\$0
708	Other Government Grants	\$0	\$0	\$0
711	Investment Income - Unrestricted	\$26,507	\$0	\$0
714	Fraud Recovery	\$41,709	\$0	\$0
715	Other Revenue	\$46,381	\$0	\$0
720	Investment Income - Restricted	\$0	\$0	\$0
700	Total Revenue	\$15,823,129	\$1,430,852	\$367,517

<u>State/Local</u>	<u>Other Federal Program 1</u>	<u>Total</u>
\$0	\$0	\$2,054,034
\$0	\$0	\$263,749
\$0	\$0	\$2,317,783
\$0	\$0	\$20,965,016
\$0	\$0	\$1,246,690
\$22,960	\$172,843	\$195,803
\$1,277	\$0	\$192,046
\$0	\$0	\$41,709
\$84	\$0	\$163,965
\$0	\$0	\$15,373
\$24,321	\$172,843	\$25,138,385

**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item No.	Account Description	Housing Choice Vouchers	Public Housing Capital Fund Program	Disaster Voucher Program
911	Administrative Salaries	\$350,878	\$108,070	\$0
912	Auditing Fees	\$21,756	\$0	\$0
913	Outside Management Fees	\$641,378	\$0	\$21,608
914	Compensated Absences	(\$1,290)	\$0	\$0
	Employee Benefit Contributions -			
915	Administrative	\$155,292	\$0	\$0
916	Other Operating - Administrative	\$190,272	\$91,248	\$26
921	Tenant Services - Salaries	\$0	\$0	\$0
922	Relocation Costs	\$0	\$0	\$0
	Employee Benefit Contributions - Tenant			
923	Services	\$0	\$0	\$0
924	Tenant Services - Other	\$83,077	\$0	\$0
931	Water	\$0	\$0	\$0
932	Electricity	\$0	\$0	\$0
933	Gas	\$0	\$0	\$0
938	Other Utilities Expense	\$5,929	\$0	\$0
941	Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0
	Ordinary Maintenance and Operations -			
942	Materials and Other	\$0	\$0	\$0
	Ordinary Maintenance and Operations -			
943	Contract Costs	\$103,682	\$0	\$0
	Employee Benefit Contributions - Ordinary			
945	Maintenance	\$0	\$0	\$0
952	Protective Services - Other Contract Costs	\$0	\$0	\$0
961	Insurance Premiums	\$152,782	\$0	\$0
962	Other General Expenses	\$6,915	\$0	\$0
963	Payments in Lieu of Taxes	\$0	\$0	\$0
964	Bad Debt - Tenant Rents	\$0	\$0	\$0
967	Interest Expense	\$0	\$0	\$0
969	Total Operating Expenses	\$1,710,671	\$199,318	\$21,634
	Excess Operating Revenue over Operating			
970	Expenses	\$14,112,458	\$1,231,534	\$345,883
971	Extraordinary Maintenance	\$0	\$0	\$0
972	Casualty Losses - Non-Capitalized	\$0	\$0	\$0
973	Housing Assistance Payments	\$11,578,542	\$0	\$249,748
974	Depreciation Expense	\$75,470	\$26,383	\$0
900	Total Expenses	\$13,364,683	\$225,701	\$271,382
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0
	Excess (Deficiency) of Operating Revenue			
1000	Over (Under) Expenses	\$2,458,446	\$1,205,151	\$96,135

<u>State/Local</u>	<u>Other Federal Program 1</u>	<u>Total</u>
\$0	\$0	\$1,109,576
\$0	\$0	\$31,945
\$364	\$36,873	\$725,183
\$0	\$0	(\$6,098)
\$0	\$0	\$424,224
\$13,318	\$3,140	\$604,780
\$0	\$0	\$37,541
\$0	\$0	\$160,909
\$0	\$0	\$15,828
\$0	\$0	\$138,401
\$0	\$0	\$76,491
\$0	\$0	\$332,724
\$0	\$0	\$53,341
\$0	\$0	\$195,044
\$0	\$0	\$688,082
\$0	\$0	\$444,176
\$0	\$0	\$636,788
\$0	\$0	\$285,121
\$0	\$0	\$234,718
\$0	\$0	\$392,682
\$0	\$0	\$6,915
\$0	\$0	\$79,426
\$0	\$0	\$62,686
\$0	\$0	\$240,342
\$13,682	\$40,013	\$6,970,825
\$10,639	\$132,830	\$18,167,560
\$0	\$0	\$1,359,689
\$0	\$0	\$33,101
\$7,476	\$107,098	\$13,230,472
\$776	\$0	\$2,040,474
\$21,934	\$147,111	\$23,634,561
\$0	\$0	\$0
\$2,387	\$25,732	\$1,503,824



**Housing Authority of the City of Shreveport  
Financial Data Schedule  
For the Year Ended September 30, 2006**

PHA: LA002 FYED: 09/30/2006

Line Item No.	<u>Account Description</u>	<u>Housing Choice Vouchers</u>	<u>Public Housing Capital Fund Program</u>	<u>Disaster Voucher Program</u>
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0
1103	Beginning Equity	\$1,736,368	\$1,760,438	\$0
	<i>Prior Period Adjustments, Equity Transfers</i>			
1104	and Correction of Errors	(\$164,043)	(\$1,335,878)	\$0
	<i>Maximum Annual Contributions Commitment</i>			
1113	(Per ACC)	\$0	\$0	\$0
	<i>Prorata Maximum Annual Contributions</i>			
	<i>Applicable to a Period of less than Twelve</i>			
1114	Months	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$803,096	\$0	\$0
1116	Total Annual Contributions Available	\$803,096	\$0	\$0
1120	Unit Months Available	38,088	0	468
1121	Number of Unit Months Leased	33,519	0	468
1117	Administrative Fee Equity	\$543,298	\$0	\$0
1118	Housing Assistance Payments Equity	\$3,487,473	\$0	\$0

<u>State/Local</u>	<u>Other Federal Program 1</u>	<u>Total</u>
\$0	\$0	\$0
\$1,157	\$0	\$26,132,799
\$0	\$0	\$0
\$0	\$0	\$553,858
\$0	\$0	\$0
\$0	\$0	\$3,046,647
\$0	\$0	\$3,600,505
16	158	55,286
16	158	48,587
\$0	\$0	\$543,298
\$0	\$0	\$3,487,473

**Housing Authority of the City of Shreveport**



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# STATISTICAL SECTION

**Housing Authority of the City of Shreveport  
Statistical Section  
Contents**

	<b>Table Number</b>	<b>Page Number</b>
<b>Financial Trends</b>		
These schedules contain trend information to help the reader understand how the Housing Authority's financial performance and well being has changed over time.		
<b>Net Assets by Component</b>	1	56
<b>Changes in Net Assets</b>	2	57
<b>Revenue Capacity</b>		
This schedule contains information to help the reader assess the Housing Authority's most significant revenue source.		
<b>General Fund Revenues by Source</b>	3	58
<b>Demographic and Economic Information</b>		
This schedule offers demographic and economic indicators to help the reader understand the environment within which the Housing Authority's financial activities take place.		
<b>Tenant Demographics</b>	4	59
<b>Operating Information</b>		
This schedule contains service and infrastructure data to help the reader understand how the information in the Housing Authority's financial report relates to the services the Housing Authority provides and the activities it performs.		
<b>Property Characteristics and Dwelling Unit Composition</b>	5	60

HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Net Assets by Component  
 Fiscal Years Ended June 30, 2001 through June 30, 2006  
 (Accrual Basis of Accounting)

	2001	2002	2003	2004	2005	2006
Investment in capital assets, net of related debt	\$ 23,638,742	\$ 24,342,094	\$ 23,971,330	\$ 23,400,231	\$ 22,480,298	\$ 21,872,575
Restricted	471,316	475,422	492,232	499,999	1,325,193	475,301
Unrestricted	4,822,956	4,060,569	3,814,481	3,114,334	2,327,308	5,288,747
Total net assets	\$ 28,933,014	\$ 28,878,085	\$ 28,278,043	\$ 27,014,564	\$ 26,132,799	\$ 27,636,623

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2001.

Table 2

## HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

**Changes in Net Assets**  
**Fiscal Years Ended June 30, 2001 through June 30, 2006**  
 (Accrual Basis of Accounting)

	2001	2002	2003	2004	2005	2006
<b>Operating Revenues</b>						
Dwelling rental	\$ 2,038,307	\$ 1,936,200	\$ 2,050,953	\$ 2,051,204	\$ 2,042,849	\$ 2,054,034
Other	802,002	279,559	319,889	536,730	553,958	469,423
<b>Total operating revenues</b>	<u>2,838,309</u>	<u>2,216,759</u>	<u>2,370,842</u>	<u>2,587,934</u>	<u>2,596,807</u>	<u>2,523,457</u>
<b>Operating Expenses</b>						
Administration	2,349,144	2,519,857	2,625,450	2,743,051	2,821,747	4,286,236
Tenant services	234,135	361,804	633,370	500,374	383,901	191,770
Utilities	562,673	499,683	579,399	517,436	763,970	657,600
Ordinary maintenance & operations	1,354,695	1,310,643	1,699,564	1,886,233	2,302,754	2,054,167
Protective services	355,727	517,571	374,111	337,823	252,127	234,718
General expenses	861,201	1,267,509	516,467	521,112	494,126	546,135
Nonroutine maintenance	813,948	383,437	4,514	248,465	58,175	142,647
Housing assistance payments	9,536,223	13,222,638	15,257,143	15,199,404	14,290,526	13,230,472
Depreciation	1,967,590	2,119,455	2,084,419	2,043,533	2,117,521	2,040,474
<b>Total operating expenses</b>	<u>18,035,206</u>	<u>22,202,597</u>	<u>23,774,437</u>	<u>23,967,433</u>	<u>23,484,847</u>	<u>23,394,219</u>
<b>Income (Loss) from Operations</b>	<u>(15,096,897)</u>	<u>(19,986,838)</u>	<u>(21,403,795)</u>	<u>(21,409,499)</u>	<u>(20,888,040)</u>	<u>(20,870,762)</u>
<b>Nonoperating Revenues (Expenses)</b>						
Investment earnings	329,252	118,438	92,434	66,071	109,631	207,419
State grants	0	0	0	0	30,803	22,960
Federal grants	12,630,759	16,562,845	18,861,537	18,538,231	18,570,491	20,579,554
Federal grants used as security for revenue bonds	0	517,080	582,922	583,414	574,949	568,305
Interest and bank charges	(271,239)	(264,284)	(255,815)	(246,437)	(251,981)	(240,342)
<b>Total nonoperating revenues (expenses)</b>	<u>12,688,772</u>	<u>16,924,079</u>	<u>19,281,078</u>	<u>18,941,279</u>	<u>19,033,893</u>	<u>21,127,896</u>
<b>Net income (Loss) before Contributions and Transfers</b>	<u>(2,408,125)</u>	<u>(3,062,759)</u>	<u>(2,122,717)</u>	<u>(2,468,220)</u>	<u>(1,854,147)</u>	<u>257,134</u>
<b>Capital Contributions</b>	<u>1,392,740</u>	<u>3,007,834</u>	<u>1,622,674</u>	<u>1,204,741</u>	<u>972,384</u>	<u>1,246,680</u>
<b>Change in Net Assets</b>	<u>\$ (1,015,385)</u>	<u>\$ (54,925)</u>	<u>\$ (600,043)</u>	<u>\$ (1,263,479)</u>	<u>\$ (881,763)</u>	<u>\$ 1,503,824</u>

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2001.

Table 3

## HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

General Fund Revenues by Source  
Fiscal Years Ended June 30, 1997 Through 2006

Fiscal Year	Dwelling rentals		Federal sources		Interest earnings		Other (4)		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1997	966,326	33.76%	1,138,100	39.76%	48,803	1.70%	709,461	24.78%	2,862,690	100%
1998	1,061,490	43.62%	1,263,804	51.53%	91,361	3.75%	26,625	1.09%	2,433,280	100%
1999	1,063,770	43.39%	1,247,289	50.87%	99,942	4.06%	40,836	1.67%	2,451,837	100%
2000 (3)	1,116,641	43.75%	1,241,805	48.66%	117,956	4.62%	75,630	2.97%	2,552,232	100%
2001	1,149,370	33.62%	1,327,463	38.83%	153,949	4.50%	787,924	23.05%	3,418,726	100%
2002	1,074,128	38.90%	1,578,305	57.15%	48,704	1.76%	60,419	2.19%	2,761,553	100%
2003	1,117,962	35.79%	1,870,334	59.86%	30,660	0.99%	104,228	3.34%	3,123,384	100%
2004	1,162,967	38.57%	1,706,339	56.59%	22,347	0.74%	123,807	4.11%	3,015,460	100%
2005	1,173,628	35.56%	1,920,194	58.19%	45,747	1.39%	160,207	4.86%	3,299,674	100%
2006	1,125,033	25.93%	2,946,677	67.92%	104,861	2.42%	161,895	3.73%	4,338,466	100%

## Notes:

- (1) The funds of the Housing Authority were reported as enterprise funds beginning for the 1999 year. Previously, they were treated as governmental fund types.  
(2) The other amount column includes maintenance charges, late charges and other miscellaneous revenue.

Source: Comprehensive Annual Financial Reports of the Housing Authority of the City of Shreveport.



Table 4

## HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Tenant Demographics:  
Occupancy Ratios by Program  
Fiscal Years Ended June 30, 1997 Through 2006

Fiscal Year	General Fund			Section 8 Program			Total	
	Number of Units	Average occupied units	Occupied ratio	Number of units	Average occupied units	Occupied ratio	Number of Units	Average occupied units
1997	934	882	94.43%	1,894	1,863	94.43%	2,928	2,765
1998	934	878	94.00%	1,943	1,803	92.79%	2,877	2,681
1999	934	852	91.22%	2,055	1,978	96.25%	2,989	2,830
2000	945	869	91.96%	3,128	2,175	69.53%	4,073	3,044
2001	945	863	91.32%	3,332	2,263	67.92%	4,277	3,126
2002	944	837	88.67%	3,309	3,071	92.81%	4,253	3,908
2003	943	819	86.85%	3,319	3,273	98.61%	4,262	4,092
2004	942	873	92.68%	3,319	3,111	93.73%	4,261	3,984
2005	942	774	82.17%	3,319	3,047	91.80%	4,261	3,821
2006	671	618	92.10%	3,319	2,903	87.47%	3,990	3,521

Source: Records of the Housing Authority of the City of Shreveport.

## HOUSING AUTHORITY OF THE CITY OF SHREVEPORT

Property Characteristics and Dwelling Unit Composition  
June 30, 2006

Project Number	Name of Development	Address	Year built or acquired	Bedroom Composition				Total	
				Zero	One	Two	Three		
LA48-P002-002	Wilkinson Terrace	2725 Southern Avenue	1950	52	74	58	184		
LA48-P002-003	Hollywood Heights	5000 Armstrong Place	1966		65	64	129		
LA48-P002-004	Greenwood Terrace	4619 Luciana Circle	1976	8	46	36	100		
LA48-P002-005	Barton Drive Manor	1625 Barton Drive	1980	30	24	46	100		
LA48-P002-007	Briarwood Village	4223 Greenbriar Lane	1987			32	32		
LA48-P002-008	67 Unit Acquisition	Scattered Sites	1987			67	67		
LA48-P002-009	14 Unit Acquisition	Scattered Sites	1984			14	14		
LA48-P002-010	36 Unit Acquisition	Scattered Sites	1996			36	36		
LA48-P002-011	11 Unit Acquisition	Scattered Sites	2000		0	9	9		
<b>Total Units</b>				0	90	209	362	10	671
<b>Managed Units</b>									
LA48-0002-004	U. S. Goodman Plaza	625 Jordan Street	1978	20	100	50	170		
	I-49 Housing Program	Scattered Sites		4	8	42	54		
LA48-E002-009	University Oaks I & II Apartments	4701/15 Shreveport-Blanchard Hwy.	1999	56	64	4	124		
<b>Total Managed Units</b>				20	160	122	46	0	348

Source: Records of the Housing Authority of the City of Shreveport.

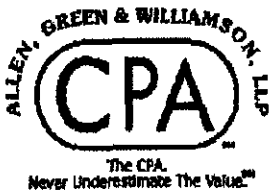
**Housing Authority of the City of Shreveport  
Shreveport, Louisiana**

**Single Audit Report  
As of and for the Year Ended September 30, 2006**

# Housing Authority of the City of Shreveport

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## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

We have audited the financial statements of each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Shreveport, Louisiana, as of and for the year ended September 30, 2006, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated March 15, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Housing Authority's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 06-F1.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Management Letter Items

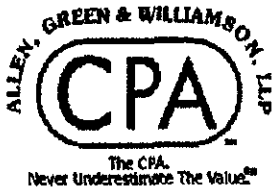
We noted certain additional matters that we reported to management of the Housing Authority in a separate letter dated March 15, 2007.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 15, 2007



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## Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

### Board Members

Housing Authority of the City of Shreveport  
Shreveport, Louisiana

### Compliance

We have audited the compliance of the Housing Authority of the City of Shreveport with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 2006. The Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority's compliance with those requirements.

In our opinion, the Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2006. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 06-F2, 06-F3, 06-F4, 06-F5, 06-F6, 06-F7, 06-F8, and 06-F9.

### Internal Control Over Compliance

The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Housing Authority's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable conditions are described in the accompanying schedule of findings and questioned costs and item 06-F2, 06-F3, 06-F4, 06-F5, 06-F6, 06-F7, 06-F8, and 06-F9.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above are material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Housing Authority of the City of Shreveport, as of and for the year ended September 30, 2006, and have issued our report thereon dated March 15, 2007. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.

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ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 15, 2007



**Housing Authority of the City of Shreveport  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2006**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
United States Department of Housing and Urban Development			
Direct Programs			
Public and Indian Housing			
Operating Subsidy	14.850	FW923	\$ 1,337,851
Public Housing Capital Fund Program	14.872	N/A	1,430,852
Section 8 Moderate Rehabilitation			
Mod Rehab #2	14.856	FW2075	10,415
Mod Rehab #7	14.856	FW2075	183,587
Mod Rehab #9	14.856	FW2075	131,377
Mod Rehab #10	14.856	FW2075	<u>157,435</u>
Total Program			<u>482,814</u>
Housing Choice Vouchers	14.871	FW2075	15,708,532
Section 8 New Construction	14.182	N/A	1,459,476
HOPE VI Demolition and Revitalization of Severely			
Distressed Public Housing	14.866	N/A	1,421,782
Resident Opportunity and Supportive Services	14.870	N/A	2,882
Disaster Voucher Program	14.DVP	N/A	367,517
Katrina Disaster Housing Assistance Program (KDHAP)	97.UKN	N/A	<u>172,843</u>
Total United States Department of HUD			<u>\$22,384,549</u>

**Housing Authority of the City of Shreveport**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2006**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of Shreveport, Shreveport, Louisiana. The Housing Authority of the City of Shreveport (the Housing Authority) reporting entity is defined in Note 1 to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's basic financial statements.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

Federal grants	\$20,579,554
Federal grants used as security for revenue bonds	558,305
Capital contributions	<u>1,246,690</u>
Total	<u>\$22,384,549</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART I - Summary of the Auditors' Results**

**Financial statement audit**

- i. The type of audit report issued was unqualified.
- ii. There was one reportable conditions required to be disclosed by Government Auditing Standards. The reportable condition was not considered to be a material weakness.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the basic financial statement.

**Audit of federal awards**

- iv. There were reportable conditions required to be disclosed by OMB Circular A-133. The reportable conditions were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal programs are:
  - Project Based Cluster:
    - CFDA #14.182 Section 8 New Construction
    - CFDA #14.856 Section 8 Moderate Rehabilitation
  - CFDA# 14.850 Public and Indian Housing Operating Subsidy
  - CFDA# 14.871 Section 8 Housing Choice Vouchers
  - CFDA# 14.866 Demolition & Revitalization of Severely Distressed Public Housing
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$671,536.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Reference # and title:      06-F1                      Depreciation schedule not maintained properly**

**Criteria or specific requirement:** Accounting record for capital assets should be maintained properly to include accurate cost, descriptions, useful lives, and depreciation expense is calculated on an acceptable and consistent basis.

**Condition found :** The following exceptions were found when testing the depreciation schedule:

- The accumulated depreciation does not include current year depreciation expense in most of the ledgers.
- Some current year additions are not listed on the depreciation schedule.
- Some assets listed are not being depreciated.
- Some assets are fully depreciated and should still be depreciating according to the purchase date.
- The calculation of depreciation was not consistent as to the first year's depreciation: some assets had a full year of depreciation the first year and others had half year convention.

**Possible asserted effect (cause and effect):**

**Cause:** The Housing Authority has problems with the asset software. Also, assets are entered by several people, some of which may not be knowledgeable of the information needed to enter the assets correctly.

**Effect:** The depreciation schedule does not provide accurate or reliable information when computing accumulated and depreciation expense..

**Recommendations to prevent future occurrences:** The Housing Authority should have the software vendor repair the asset program and assign someone to evaluate the depreciation schedule and make the necessary changes to correct the schedule. The Housing Authority should also select only one or two qualified individuals to enter the assets into the program.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART III – Findings and questioned costs for federal awards which are required to be reported under  
OMB Circular A-133 Section .510(a)**

**Reference # and title:**      **06-F2**                              **Test of Resident Files**

**Federal program and specific federal award identification:** This finding applies to the Low Rent Public Housing Program, CFDA # 14.850, FW923.

**Criteria or specific requirement:** The Housing Authority must re-examine family income and composition at least once every twelve months and adjust the total rent as necessary (24CFR sections 5.212, 5.230, 5.601 through 5.617). Changes in rent calculation resulting from re-examination should be reflected on the rental register. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The following key line items contain critical information: effective dates of action, names, dates of birth, social security numbers, unit address, total annual income, utility allowance, bedroom size, along with third party verification of income, student status, childcare expenses, and medical expenses.

**Condition found:** In testing twenty-seven resident files, the following exceptions were noted:

- One file had an incorrect social security number listed on the 50058.
- One file was missing verification for social security numbers for two members.
- Two files were missing verification for income.
- Four files were missing the 9886.
- Two files were missing annual inspections.
- One file was using the incorrect utility allowance.
- Four files were missing verification for the date of birth.
- Five files had incorrect birthdates on the 50058.
- One file was missing verification for student status for two members.

**Possible asserted effect (cause and effect):**

**Cause:** The auditor could not determine the cause.

**Effect:** It appears some of the files do not meet some of the federal requirements.

**Recommendations to prevent future occurrences:** Procedures should be established to review resident files and Form 50058 for accuracy and completeness prior to electronic submission.

**Reference # and title:**      **06-F3**                              **Waiting List**

**Federal program and specific federal award identification:** This finding applies to the Public and Indian Housing Low Rent Program, CFDA #14.850, FW923.

**Criteria or specific requirement:** The Housing Authority establishes and adopts written policies for the admission of residents. The policies include requirements for applicants, selection of applicants from the waiting list, setting of local preferences, and the acceptance or rejection of applicants (24CFR960.202 through 960.206). The Housing Authority follows the same guidelines for resident selection for all applicants.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART III – Findings and questioned costs for federal awards which are required to be reported under  
OMB Circular A-133 Section .510(a)**

**Condition found:** Ten residents were selected from a list of move-ins for the year to test the order of placement. Three exceptions were noted where new applicants were housed from a recently opened waiting list. The old waiting list was not purged into the new waiting list when reopened. Two other placements were questioned and we were told that these two placements were done at the request of the site manager.

**Possible asserted effect (cause and effect):**

**Cause:** The Housing Authority has procedures in place to ensure that all applicants are selected according to policy. Some of these procedures were not followed in the instances noted above.

**Effect:** The Housing Authority may not meet all federal requirements in maintaining and admitting families from the waiting list for the instances noted above.

**Recommendations to prevent future occurrences:** Housing Authority employees should follow established procedures in the placement of applicants from the waiting list.

**Reference # and title:**        06-F4                                Rent Reasonableness

**Federal program and specific federal award identification:** This finding applies to Section 8 Housing Choice Vouchers, CFDA #14.871, FW2075

**Criteria or specific requirement:** According to 24CFR982.507, the Housing Authority must determine if the initial rent to owner is a reasonable rent before the lease is approved under the Section 8 Housing Choice Voucher program. In order to determine reasonable rent, the unit must be compared to rent for other comparable unassisted units based on location, quality, size, unit type, etc. Although HUD does not require the unit to be compared to a certain number of unassisted units, it is industry practice to compare the unit to at least three unassisted units that fall under the same criteria and amenities; and the rent comparability should not be older than 24 months.

**Condition found:** The Housing Authority's rent reasonableness surveys were completed in September 2002; therefore all new admits during the year were compared to unassisted units outside the 24 month window.

**Possible asserted effect (cause and effect):**

**Cause:** The Housing Authority does not have procedures in place to ensure that the rent reasonableness surveys are updated within the required time frame.

**Effect:** The Housing Authority could have units on the Housing Assistance Program in which higher rent payments are being made than other unassisted units in the same area.

**Recommendations to prevent future occurrences:** The Housing Authority should have procedures in place to ensure that rent reasonableness requirements are met.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART III – Findings and questioned costs for federal awards which are required to be reported under  
OMB Circular A-133 Section .510(a)**

**Reference # and title:**      **06-F5**                      **Resident Files**

**Federal program and specific federal award identification:** This finding applies to Section 8 Housing Choice Vouchers, CFDA #14.871, FW2075

**Criteria or specific requirement:** The Housing Authority must re-examine family income and composition at least once every twelve months and adjust total rent as necessary (24CFR sections 5.230, 5.609, 982.15 and 981.516). Changes in rent calculation resulting from re-examination should be reflected on the HAP register. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The following key line items contain critical information: effective date of actions, names, dates of birth, social security numbers, unit address, unit inspection date, total annual income, payment standard, utility allowance, contract rent, TTP, HAP, along with third party verification of income, student status, childcare expenses, and medical expenses.

**Condition found:** In testing fifty resident files, the following exceptions were noted.

- Three exceptions were noted where the name on the 50058 did not agree to supporting documentation.
- One exception was noted where the HAP calculation was not correct.
- Three exceptions were noted where the income on the 50058 was calculated incorrectly based on the information in the file.
- One exception was noted where the social security number on the 50058 did not agree to supporting documentation.
- Three exceptions were noted where the inspection date on the 50058 did not agree to the inspection form.
- Three exceptions were noted where an incorrect payment standard was used in the calculation of HAP.
- One file requested for testing could not be found.
- One exception was noted where the HAP payment did not agree to the HAP register.
- Three exceptions were noted where the birth date on the 50058 did not agree to supporting documentation.
- One exception was noted where the social security number reported on the 50058 did not have supporting documentation in the file.
- One exception was noted where the contract rent on the 50058 did not agree to the lease.
- Two exceptions were noted where a written lease agreement was not in the file.
- Two exceptions were noted where required signatures of members were not included on Form 9886.

**Possible asserted effect (cause and effect):**

**Cause:** Lack of quality control procedures.

**Effect:** The resident files referred to above may not meet some of the federal requirements.

**Recommendations to prevent future occurrences:** The administrator should establish checklists and review files before being sent to the Housing Authority for review to ensure that errors are not reported to HUD through the electronic submission of form 50058.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART III – Findings and questioned costs for federal awards which are required to be reported under  
OMB Circular A-133 Section .510(a)**

**Reference # and title:**      **06-F6**                              **Waiting List**

**Federal program and specific federal award identification:** This finding applies to Section 8 Housing Choice Vouchers, CFDA #14.871, FW2075

**Criteria or specific requirement:** The Housing Authority should have written policies in the Housing Choice Vouchers Program's administrative plan for selecting applicants from the waiting list and the Housing Authority's documentation must show that the policies are being followed. According to 24CFR982.201 through 982.207, the Housing Authority should admit families to the program from the waiting list, except for special admissions provided in 24CFR982.203. The Housing Authority should also document that all applicants that reach the top of the waiting list either move in or are given the opportunity to move onto the program.

**Condition found:** The top ten names from the January 2006 waiting list were selected to test placement from the waiting list. The two names at the top of the list were actually housed in 2004 but had not been taken off the list. The Housing Authority did not provide documentation that for four out of the ten applicants that the applicant was given the opportunity to move onto the program.

**Possible asserted effect (cause and effect):**

**Cause:** The Housing Authority does not have procedures in place to ensure adequate documentation retention and to ensure that once an applicant from the list is housed the applicant's name is taken off the list.

**Effect:** The Housing Authority may not meet all federal requirements in maintaining the waiting list.

**Recommendations to prevent future occurrences:** The Housing Authority should establish procedures to ensure applicants are selected properly from the waiting list and documentation is retained for all applicants chosen from the waiting list.

**Reference # and title:**      **06-F7**                              **HQS Inspections and Enforcement**

**Federal program and specific federal award identification:** This finding applies to Section 8 Housing Choice Vouchers, CFDA #14.871, FW2075

**Criteria or specific requirement:** According to 24CFR982.305, 982.40, and 982.405, the Housing Authority is required to inspect the units leased to a family at least annually to determine if the unit meets Housing Quality standards (HQS), and prepare a unit inspection report. For units that fail to meet HQS, the Housing Authority must require the owner (or family, if applicable) to correct any life threatening deficiencies within 24 hours after the inspection and all other HQS deficiencies within 30 days after the inspection. If the deficiencies are not corrected within the time frame, then the Housing Authority must take prompt action to terminate the HAP contract.

**Condition found:** Ten failed inspections were selected to test the requirements noted above. Two instances were noted where the initial inspection revealed an emergency item per the inspection report and there was no documentation that the emergency was abated within 24 hours.



**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART III – Findings and questioned costs for federal awards which are required to be reported under  
OMB Circular A-133 Section .510(a)**

**Possible asserted effect (cause and effect):**

**Cause:** There is no true inspection log being maintained for units that do not meet HQS guidelines. There are only daily inspector log sheets.

**Effect:** The Housing Authority may not meet federal guidelines for HQS inspections and enforcement for the instances noted above.

**Recommendations to prevent future occurrences:** The Housing Authority should have a system in place to ensure that HQS inspections are being completed on all units coming on to the program and annually thereafter. These inspections should be tracked by an inspection log and monitored to ensure all deficiencies are completed within the required time limits and notated on the inspection forms.

**Reference # and title:**        06-F8                                Test of Resident Files

**Federal program and specific federal award identification:** This finding applies to the Section 8 New Construction and Substantial Rehabilitation, CFDA # 14.182 and Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation, CFDA #14.856.

**Criteria or specific requirement:** HUD-50058 ( Family Report) and HUD-50059 (Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures) are required to be submitted electronically to HUD each time the Housing Authority completes an admission, annual re-examination, interim re-examination, portability move in, or other change of unit for a family. The Housing Authority must also submit the Family Report when a family ends participation in the program or moves out of the Housing Authority's jurisdiction under portability. The following line items contain critical information: type of action, effective date of action, names, date of birth, social security numbers, unit address, unit inspection dates, total annual income, contract rent to owner, and tenant rent.

**Condition found:** In testing twenty files, the following exceptions were noted.

- One instance of annual inspection report not found in the file.
- Three instances in which the birth date per the report did not agree to supporting documentation.
- Two instances in which the social security number per the report did not agree to supporting documentation.
- One instance was noted where food stamp income per the report was for one month only and not for 12 months.

**Possible asserted effect (cause and effect):**

**Cause:** The auditor could not determine the cause.

**Effect:** It appears the resident files referred to above do not include some required information and some of the documentation in the file does not agree to the report submitted to HUD.

**Recommendations to prevent future occurrences:** Procedures should be established to review resident files, 50058, and 50059 for accuracy and completeness prior to electronic submission.

**Housing Authority of the City of Shreveport  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended September 30, 2006**

**PART III – Findings and questioned costs for federal awards which are required to be reported under  
OMB Circular A-133 Section .510(a)**

**Reference # and title:      06-F9                              Procurement**

**Federal program and specific federal award identification:** This finding applies to the Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI), CFDA #14.866.

**Criteria or specific requirement:** The Housing Authority issued a request for qualifications (RFQ) for a master developer in the revitalization of Naomi D. Jackson Heights for demolition of 269 severely distressed public housing units. The RFQ stated “only those individual(s) or firm(s) holding a current license as required by LA R.S. 37:2150.1(4), will be issued RFQ documents. Proof of license is required at the time of issuance of RFQ documents.” Prior to the finalization of the RFQ, the Housing Authority requested clarification from the State Licensing Board for Contractors as to whether the master developer selected must be a licensed contractor. The response from the Licensing Board was that it was their opinion that the firm selected must be licensed in the construction classification of commercial building in order to bid and perform the work.

**Condition found:** Three RFQs were issued by the Housing Authority. One of the three respondents was a Louisiana licensed contractor. The respondent holding a Louisiana contractors license was initially selected by the Housing Authority but that decision was later rescinded. Another respondent was later selected. It does not appear that the respondent selected holds a Louisiana contractors license. The firm awarded the contract used a construction company with a Louisiana contractors license but the firm itself does not appear to hold a license.

The RFQ process could not be tested against the criteria set forth in the RFQ documents. The grading sheets for the selection of a Master Developer could not be located for testing.

**Possible asserted effect (cause and effect):**

**Cause:** The auditor could not determine the cause.

**Effect:** The Housing Authority did not follow policy or criteria set forth in the RFQ proposal.

**Recommendations to prevent future occurrences:** The Housing Authority should develop procedures to ensure policies and the processes outlined in RFQ’s are followed throughout the entire process.

## **Housing Authority of the City of Shreveport**

### **Other Information**

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular A-133. This information has been prepared by the management of the Housing Authority. Management accepts full responsibility, as required by OMB Circular A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow-up on prior audit findings; perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the Summary Schedule of Prior Audit Findings materially misrepresents the status of any prior audit finding.

**Housing Authority of the City of Shreveport  
Summary Schedule of Prior Audit Findings  
September 30, 2006**

**Reference # and title:      05-F1                              Documentation for MASS Submission**

**Condition found:** The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC) annually. This information is used to grade the housing authority's performance. Critical information included in the MASS is vacant unit turnaround time, work orders, annual inspection of dwelling unites and systems, and security.

The annual inspection of dwelling units provided on the MASS submission did not agree to supporting documentation for line A10000 and A10400. The MASS reflected that all units had been inspected using the Uniform Physical Conditions Standards, whereas the supporting documentation did not reflect all units. The security component concerning the number of evictions as a result of the applicable criteria, S11200, did not agree to supporting documentation.

**Corrective action taken** Emphasis was placed on storing, collecting, and reviewing reliable data for the MASS.

**Reference # and title:      05-F2                              HQS Inspections and Enforcement**

**Condition found:** According to 24CFR982.305, 982.40, and 982.405, the Housing Authority is required to inspect the units leased to a family at least annually to determine if the unit meets Housing Quality Standards (HQS), and prepare a unit inspection report. For units that fail the meet HQS, the Housing Authority must require the owner (or family, if applicable) to correct any life threatening deficiencies within 24 hours after the inspection and all other HQS deficiencies within 30 days after the inspection. If the deficiencies are not corrected within the required timeframe, then the Housing Authority must take prompt action to terminate the HAP contract.

There were ten failed inspections that were randomly selected for testing using the inspectors' logs. These inspections were tested to determine if the unit was re-inspected and all deficiencies were resolved within the required timeframe. Out of the ten inspections, the following was noted:

- Two inspections failed due to emergency items (smoke alarm batteries) were not completed within the 24 hour requirement.
- One inspection that had failed had no documentation that a re-inspection was completed or that the required repairs were completed within the proper timeframe.
- Three inspections reflected that the unit had failed per the inspector's log; however, there was no inspection form in the resident's file for the same date reflected on the inspector's log.
- One inspection could not be located and was not tested.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report for correction action plan for finding 06-F7.

**Reference # and title:      05-F3                              Waiting List**

**Condition found:** The Housing Authority should have written policies in the Housing Choice Voucher Program's administrative plan for selecting applicants from the waiting list and the Housing Authority's documentation must show that the policies are being followed. According to 24CFR982.201 through 982.207, the Housing Authority should admit families to the program from the waiting list, except for special admissions provided in 24CFR982.203. The Housing Authority should also document that all applicants that reach the top of the waiting list either move in or are given the opportunity to move onto the program.

**Housing Authority of the City of Shreveport  
Summary Schedule of Prior Audit Findings  
September 30, 2006**

To determine if the Housing Authority is giving the applicants that reach the top of the waiting list the opportunity to move in, it was noted that the waiting list is not being updated and maintained monthly. The Housing Authority had a waiting list from April 2005. The top ten applicants were selected to determine if they had either moved in or were given the opportunity to move in. The following was noted:

- One person was already placed on the program in December 2004 but was still on the April 2005 waiting list.
- One person was placed on the program in May 2002 but was still on the April 2005 waiting list.
- Five applicants were mailed a letter in September 2004 to which they did not respond and then mailed a second letter in April 2005. These five applicants were finally dropped off the waiting list in May 2005.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report for corrective action plan for finding 06-F6.

**Reference # and title:      05-F4                      Rent Reasonableness Determination**

**Condition found:** According to 24CFR982.507, the Housing Authority must determine if the initial rent to owner is a reasonable rent before the lease is approved under the Section 8 Housing Choice Voucher program. In order to determine reasonable rent, the unit must be compared to rent for other comparable unassisted units based on location, quality, size, unit type, etc. Although HUD does not require the unit to be compared to a certain number of unassisted units, it is industry practice to compare the unit to at least three unassisted units that fall under the same criteria and amenities; and the rent comparability should not be older than 24 months.

The Housing Authority's rent reasonableness surveys were completed in September 2002; therefore all new admits during the year were compared to unassisted units outside the 24 month window.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report for correction action plan for finding 06-F4.

**Reference # and title:      05-F5                      Test of Resident Files**

**Condition found:** The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the total rent as necessary (24CFR sections 5.230, 5.609, 982.515 and 981.516). Changes in the rent calculation resulting from a re-examination should be reflected on the HAP register. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The following key line items contain critical information: effective date of actions, names, dates of birth, social security numbers, unit address, unit inspection date, total annual income, payment standard, utility allowance, contract rent, TTP, HAP, along with 3<sup>rd</sup> party verification of income, student status, childcare expenses and medical expenses.

In testing fifty resident files, the following exceptions were noted:

- Five files had keypunch errors on social security numbers, birth dates, or names reported on Form 50058.
- Two files had incorrect inspections dates on Form 50058.
- Four files did not have proper 3<sup>rd</sup> party documentation of income.
- Two files had annual income calculated incorrectly.

**Housing Authority of the City of Shreveport  
Summary Schedule of Prior Audit Findings  
September 30, 2006**

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report for correction action plan for finding 06-F5.

**Reference # and title:**      05-F6                      Waiting List

**Condition found:** The Housing Authority should establish and adopt written policies for the admission of residents. The policies should include requirements for applicants, selection of applicants from the waiting list, setting of local preferences, and the acceptance or rejection of applicants (24CFR960.202 through 960.206). The Housing Authority should follow the same guidelines for resident selection for all applicants.

To determine if the Housing Authority is admitting families to the program by selecting them from the waiting list, there were ten families randomly chosen to determine if the family was selected from the waiting list. Three of the families that had moved in could not be traced to the waiting list.

To determine if the Housing Authority is giving the applicants that reach the top of the waiting list the opportunity to move in, it was noted that the Housing Authority selects applicants by preference. The Housing Authority does not print waiting lists monthly in preference order; therefore, this requirement could not be tested.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report for corrective action plan for finding 06-F3.

**Reference # and title:**      05-F7                      Test of Resident Files

**Condition found:** The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the total rent as necessary (24CFR sections 5.212, 5.230, 5.601 through 5.617). Changes in the rent calculation resulting from a re-examination should be reflected on the rental register. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The following key line items contain critical information: effective date of actions, names, dates of birth, social security numbers, unit address, total annual income, utility allowance, bedroom size, along with 3<sup>rd</sup> party verification of income, student status, childcare expenses and medical expenses.

In testing twenty-five resident files, the following exceptions were noted:

- One file did not have a completed resident application in file.
- Five files had keypunch errors on social security numbers, birth dates, or misspelled names on Form 50058.
- Four files did not use the proper utility allowance in determining rent calculation.
- Two files did not have proper deductions used in determining rent calculation.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report for corrective action plan for finding 06-F2.

**Housing Authority of the City of Shreveport  
Summary Schedule of Prior Audit Findings  
September 30, 2006**

**Reference # and title:**      **05-F8**                      **Operating Fund Calculation of Operating Subsidy**

**Condition found:** The Housing Authority is required to prepare the Operating Fund Calculation of Operating Subsidy at least 90 days before the end of the fiscal year. This calculation is used by HUD to determine the funding for the next year. The key items required to be tested are unit months available, add-ons to allowable expense level from previous year, total rent roll, other income, FICA contributions and unemployment compensation.

The report was prepared using a rent roll as of 4/1/2004 of \$89,517. The rent roll as of 4/1/2004 obtained from the Housing Authority reflects \$91,497, a difference of \$9,980. This difference in the rent roll amount resulted in an overstatement of subsidy needed from HUD of \$91,367. A payable to HUD was recorded for this amount.

**Corrective action taken:** The overstatement of subsidy was repaid to HUD in October, 2006.

**Housing Authority of the City of Shreveport  
Corrective Action Plan for Current-Year Findings and Questioned Costs  
September 30, 2006**

**Reference # and title:      06-F1                      Depreciation Schedule Not Maintained Properly**

**Condition found:** Accounting record for capital assets should be maintained properly to include accurate cost, descriptions, useful lives, and depreciation expense is calculated on an acceptable and consistent basis.

The following exceptions were found when testing the depreciation schedule:

- The accumulated depreciation does not include current year depreciation expense in most of the ledgers.
- Some current year additions are not listed on the depreciation schedule.
- Some assets listed are not being depreciated.
- Some assets are fully depreciated and should still be depreciating according to the purchase date.
- The calculation of depreciation was not consistent as to the first year's depreciation: some assets had a full year of depreciation the first year and others had half year convention.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:      06-F2                      Test of Resident Files**

**Condition found:** The Housing Authority must re-examine family income and composition at least once every twelve months and adjust the total rent as necessary (24CFR sections 5.212, 5.230, 5.601 through 5.617). Changes in rent calculation resulting from re-examination should be reflected on the rental register. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The following key line items contain critical information: effective dates of action, names, dates of birth, social security numbers, unit address, total annual income, utility allowance, bedroom size, along with third party verification of income, student status, childcare expenses, and medical expenses.

In testing twenty-seven resident files, the following exceptions were noted:

- One file had an incorrect social security number listed on the 50058.
- One file was missing verification for social security numbers for two members.
- Two files were missing verification for income.
- Four files were missing the 9886.
- Two files were missing annual inspections.
- One file was using the incorrect utility allowance.
- Four files were missing verification for the date of birth.
- Five files had incorrect birthdates on the 50058.
- One file was missing verification for student status for two members.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.



**Housing Authority of the City of Shreveport**  
**Corrective Action Plan for Current-Year Findings and Questioned Costs**  
**September 30, 2006**

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:**      **06-F3**                      **Waiting List**

**Condition found:** The Housing Authority establishes and adopts written policies for the admission of residents. The policies include requirements for applicants, selection of applicants from the waiting list, setting of local preferences, and the acceptance or rejection of applicants (24CFR960.202 through 960.206). The Housing Authority follows the same guidelines for resident selection for all applicants.

Ten residents were selected from a list of move-ins for the year to test the order of placement. Three exceptions were noted where new applicants were housed from a recently opened waiting list. The old waiting list was not purged into the new waiting list when reopened. Two other placements were questioned and we were told that these two placements were done at the request of the site manager.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:**      **06-F4**                      **Rent Reasonableness**

**Condition found:** According to 24CFR982.507, the Housing Authority must determine if the initial rent to owner is a reasonable rent before the lease is approved under the Section 8 Housing Choice Voucher program. In order to determine reasonable rent, the unit must be compared to rent for other comparable unassisted units based on location, quality, size, unit type, etc. Although HUD does not require the unit to be compared to a certain number of unassisted units, it is industry practice to compare the unit to at least three unassisted units that fall under the same criteria and amenities; and the rent comparability should not be older than 24 months.

The Housing Authority's rent reasonableness surveys were completed in September 2002; therefore all new admits during the year were compared to unassisted units outside the 24 month window.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Housing Authority of the City of Shreveport  
Corrective Action Plan for Current-Year Findings and Questioned Costs  
September 30, 2006**

**Reference # and title:**      **06-F5**                              **Resident Files**

**Condition found:** The Housing Authority must re-examine family income and composition at least once every twelve months and adjust total rent as necessary (24CFR sections 5.230, 5.609, 982.15 and 981.516). Changes in rent calculation resulting from re-examination should be reflected on the HAP register. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The following key line items contain critical information: effective date of actions, names, dates of birth, social security numbers, unit address, unit inspection date, total annual income, payment standard, utility allowance, contract rent, TTP, HAP, along with third party verification of income, student status, childcare expenses, and medical expenses.

In testing fifty resident files, the following exceptions were noted.

- Three exceptions were noted where the name on the 50058 did not agree to supporting documentation.
- One exception was noted where the HAP calculation was not correct.
- Three exceptions were noted where the income on the 50058 was calculated incorrectly based on the information in the file..
- One exception was noted where the social security number on the 50058 did not agree to supporting documentation.
- Three exceptions were noted where the inspection date on the 50058 did not agree to the inspection form.
- Three exceptions were noted where an incorrect payment standard was used in the calculation of HAP.
- One file requested for testing could not be found.
- One exception was noted where the HAP payment did not agree to the HAP register.
- Three exceptions were noted where the birth date on the 50058 did not agree to supporting documentation.
- One exception was noted where the social security number reported on the 50058 did not have supporting documentation in the file.
- One exception was noted where the contract rent on the 50058 did not agree to the lease.
- Two exceptions were noted where a written lease agreement was not in the file.
- Two exceptions were noted where required signatures of members were not included on Form 9886.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:**      **06-F6**                              **Waiting List**

**Condition found:** The Housing Authority should have written polices in the Housing Choice Vouchers Program's administrative plan for selecting applicants from the waiting list and the Housing Authority's documentation must show that the policies are being followed. According to 24CFR982.201 through 982.207, the Housing Authority should admit families to the program from the waiting list, except for special admissions provided in 24CFR982.203. The Housing Authority should also document that all applicants that reach the top of the waiting list either move in or are given the opportunity to move onto the program.

**Housing Authority of the City of Shreveport**  
**Corrective Action Plan for Current-Year Findings and Questioned Costs**  
**September 30, 2006**

The top ten names from the January 2006 waiting list were selected to test placement from the waiting list. The two names at the top of the list were actually housed in 2004 but had not been taken off the list. The Housing Authority did not provide documentation that for four out of the ten applicants that the applicant was given the opportunity to move onto the program.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:**      **06-F7**

**HQS Inspections and Enforcement**

**Condition found:** According to 24CFR982.305, 982.40, and 982.405, the Housing Authority is required to inspect the units leased to a family at least annually to determine if the unit meets Housing Quality standards (HQS), and prepare a unit inspection report. For units that fail to meet HQS, the Housing Authority must require the owner (or family, if applicable) to correct any life threatening deficiencies within 24 hours after the inspection and all other HQS deficiencies within 30 days after the inspection. If the deficiencies are not corrected within the time frame, then the Housing Authority must take prompt action to terminate the HAP contract.

Ten failed inspections were selected to test the requirements noted above. Two instances were noted where the initial inspection revealed an emergency item per the inspection report and there was no documentation that the emergency was abated within 24 hours.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:**      **06-F8**

**Test of Resident Files**

**Condition found:** HUD-50058 ( Family Report) and HUD-50059 (Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures) are required to be submitted electronically to HUD each time the Housing Authority completes an admission, annual re-examination, interim re-examination, portability move in, or other change of unit for a family. The Housing Authority must also submit the Family Report when a family ends participation in the program or moves out of the Housing Authority's jurisdiction under portability. The following line items contain critical information: type of action, effective date of action, names, date of birth, social security numbers, unit address, unit inspection dates, total annual income, contract rent to owner, and tenant rent.

**Housing Authority of the City of Shreveport  
Corrective Action Plan for Current-Year Findings and Questioned Costs  
September 30, 2006**

In testing twenty files, the following exceptions were noted.

- One instance of annual inspection report not found in the file.
- Three instances in which the birth date per the report did not agree to supporting documentation.
- Two instances in which the social security number per the report did not agree to supporting documentation.
- One instance was noted where food stamp income per the report was for one month only and not for 12 months.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

Telephone: (318) 227-8174  
Fax: (318) 221-2579

**Reference # and title:**      06-F9                      Procurement

**Condition found:** The Housing Authority issued a request for qualifications (RFQ) for a master developer in the revitalization of Naomi D. Jackson Heights for demolition of 269 severely distressed public housing units. The RFQ stated "only those individual(s) or firm(s) holding a current license as required by LA R.S. 37:2150.1(4), will be issued RFQ documents. Proof of license is required at the time of issuance of RFQ documents." Prior to the finalization of the RFQ, the Housing Authority requested clarification from the State Licensing Board for Contractors as to whether the master developer selected must be a licensed contractor. The response from the Licensing Board was that it was their opinion that the firm selected must be licensed in the construction classification of commercial building in order to bid and perform the work.

Three RFQs were issued by the Housing Authority. One of the three respondents was a Louisiana licensed contractor. The respondent holding a Louisiana contractors license was initially selected by the Housing Authority but that decision was later rescinded. Another respondent was later selected. It does not appear that the respondent selected holds a Louisiana contractors license. The firm awarded the contract used a construction company with a Louisiana contractors license but the firm itself does not appear to hold a license.

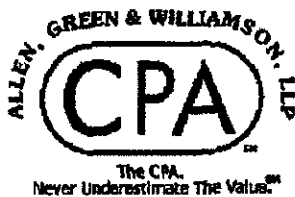
The RFQ process could not be tested against the criteria set forth in the RFQ documents. The grading sheets for the selection of a Master Developer could not be located for testing.

**Corrective action planned:** See Corrective Action/Improvement Plan document following this report.

**Person responsible for corrective action:**

Ms. Donzetta Kimble, Executive Director  
Housing Authority of the City of Shreveport  
2500 Line Avenue  
Shreveport, Louisiana 71104

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## Management Letter

Board of Commissioners  
Housing Authority of the City of Shreveport  
Shreveport, Louisiana

In planning and performing our audit of the financial statements of each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Shreveport, as of and for the year ended September 30, 2006, which collectively comprise the Housing Authority's basic financial statements, we considered the Housing Authority's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted certain matters involving other operational matters that are presented for your consideration. This letter does not affect our report dated March 15, 2007, on the basic financial statements of the Housing Authority. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, is intended to result in other operating efficiency. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comments are summarized as follows:

### **06-M1**      **Donation, Loan, or pledge of Public Credit**

**Comment:** Article 7, section 14 of the Louisiana Constitution prohibits, except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision being loaned, pledged, or donated to or for any person, association, or corporation, public or private. The Housing Authority donated money to help pay for the funeral expense of an employee's family member. The money was later replaced with money raised from other employees at the Housing Authority.

**Recommendation:** The Housing Authority should not loan or advance money to employees.

**Management's response:** See Corrective Action/Improvement Plan document following this report.

**06-M2**      **Test of Vendor Disbursements**

**Comment:** In testing disbursements we noted that a consultant invoice included duplicate charges on the November and December invoices. The amount overcharged was \$720. Also, the recording for the December invoice should have been split between 2 programs and the invoice was charged all to one program.

**Recommendation:** Invoices should be reviewed closely to ensure that duplicate charges are not included on the invoices. Care should be taken to ensure that invoices are recorded correctly in the general ledger.

**Management's response:** See Corrective Action/Improvement Plan document following this report.

\*\*\*\*\*

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of each major fund, and the aggregate remaining fund information of the Housing Authority, as of and for the year ended September 30, 2006, which collectively comprise the Housing Authority's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
March 15, 2007

**Housing Authority of the City of Shreveport  
Status of Prior Management Letter Items  
September 30, 2006**

**05-M1      Declaration of Emergency**

**Comment:** According to the Louisiana Public Bid Law, the Housing Authority is required to publish a notice in the official journal within ten days of declaring an emergency to inform the public that the Housing Authority has declared an emergency on a special item, which allows the Housing Authority to bypass normal bidding procedures. The Housing Authority declared an emergency on an alarm system for Goodman Plaza. This declaration was not published in the official journal.

**Management's response:** The Authority is aware of the requirement to publish a notice within ten (10) days of the declaration of an emergency to make the public aware of the deviation from competitive bidding process.

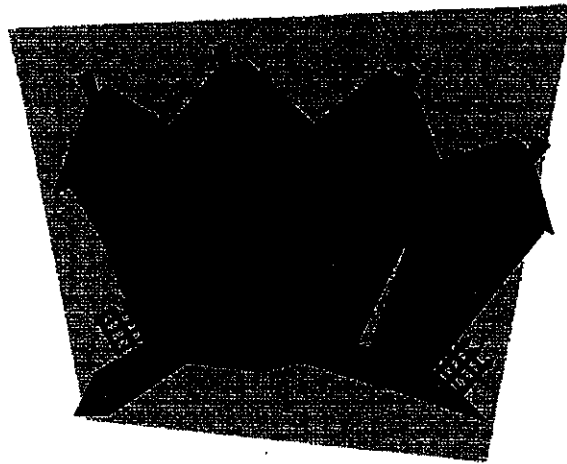
**05-M2      Capital Assets**

**Comment:** When reviewing the Housing Authority's depreciation schedule, there were several items noted:

- Some assets that exceeded the capitalization threshold were not being depreciated
- Some assets had an amount of accumulated depreciation that exceeded the cost
- Current year additions had 2 years worth of accumulated depreciation on the schedule
- The deprecation schedule did not foot correctly
- The calculation of depreciation was not consistent as to the first year's depreciation; some assets had a full year of depreciation the first year and others had half-year convention

**Management's response:** See Corrective Action/Improvement Plan document following this report for the corrective action plan for finding 06-F1.

**Housing Authority of the City of Shreveport**





**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT  
(AUTHORITY)  
2500 LINE AVENUE  
SHREVEPORT, LOUISIANA 71104**

**FY '2006 GENERAL PURPOSE FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**CORRECTIVE ACTION/IMPROVEMENT PLAN**

**29 MARCH 2007**

**DONZETTA H. KIMBLE  
EXECUTIVE DIRECTOR**



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**FY '2006 GENERAL PURPOSE FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**HOUSING AUTHORITY OF THE CITY OF SHREVEPORT**

**ADMINISTRATION  
BOARD OF COMMISSIONERS**

<b>MURPHY L. HUNT</b>	<b>CHAIRPERSON</b>
<b>HAROLD KELLY</b>	<b>VICE CHAIRMAN</b>
<b>DAVID S. WATKINS</b>	<b>MEMBER</b>
<b>MARGY RAY</b>	<b>MEMBER</b>
<b>VACANT</b>	<b>MEMBER</b>

**EXECUTIVE STAFF**

<b>DONZETTA H. KIMBLE</b>	<b>EXECUTIVE DIRECTOR</b>
<b>BOBBIE R. BROWN</b>	<b>ASST. EXECUTIVE DIRECTOR</b>

**COMPILED BY:**

**THE AUTHORITY'S SPECIAL PROGRAM AND DEVELOPMENT DEPARTMENTSTAFF**

**TYPED BY:**

**JANIFER O'NEAL WASHINGTON**

## **INTENT**

The Authority has prepared and will implement this Corrective Action/Improvement Plan which illustrates and undertakes measures to properly entertain the findings and concerns disclosed in its FY '2006 General Purpose Financial Statements and Independent Auditors Report as prepared by Allen, Green & Williamson, LLP, Certified Public Accountants, P.O. Box 6075, 2514 Ferrand Street, Monroe, Louisiana 71211-6075.

These measurements are undertaken to enhance and sustain the Authority's Administrative and management practices in administering its subsidized programs.

## **Management Letter 06-M1**

### **Management's Response**

Due to the absence of a lawful or legal meaning of "public funds", the Authority is unable to respectfully provide an appropriate or definitive response.

The funds temporarily used in the transaction, were derived from the monthly rental payment of the Authority's privately owned property. The usage of such residual are governed by the Board of Commissioners.

Therefore, it is conceivable that no violation has taken place, in that the funds were not provided through federal or state subsidy nor grants.

## **Management Letter 06-M2**

### **Management's Response**

The Authority's Executive Director has issued the Accounting Department Staff a directive with instruction not to process any vendor's invoice (i.e., Consultants, A&E Firms, General Contractors, services, etc.) without the approval of the staff person responsible certification of authenticity.

All invoices to include monthly utilities, services, partial payments, etc., shall be reviewed carefully to prevent, eliminate and or minimize the potential for duplicate charges.

Such defined and refined procedures shall be implemented to enhance accuracy in the disbursement of funds for purchases of goods and or services.

These procedures are mainly imposed where there is an agreement or contract executed with an independent contractor for the provisions of goods and or services.

**The Authority's Executive Director shall request a reimbursement in the amount of \$720.00 from the vendor.**

## AUTHORITY

**TASK & CONDITION:** Depreciation schedule not maintained properly

**GOAL & STANDARD:** Maintain a Depreciation Schedule Software Program that is accurate and up-to-date in data delivery.

**OBJECTIVE:** Compile accurate data in computing Capital Assets Depreciation

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Request the adoption of a resolution by the the Authority's Board of Commissioners to secure a consultant to assist with Capital Assets Depreciation Programming including staff training and software acquisition.	Donzetta H. Kimble, Executive Director	April 2007	April 2007
Prepare Request for Proposals to solicit a qualified Computer Programmer who is experienced in Capital Assets Depreciation.	Bobbie R. Brown, Asst. Executive Director	April 2007	May 2007
Schedule hand-on training for the Accounting and Automated Staff in the use of depreciation function on the Capital Assets software.	Bobbie R. Brown, Asst. Executive Director	June 2007	June 2007
Purchase computers software program or upgrade existing to achieve the intended function of the Accounting Depreciation Schedule.	Donzetta H. Kimble, Executive Director.	June 2007	June 2007
Designate specific data entry personnel.	Donzetta H. Kimble, Executive Director	June 2007	June 2007
Monitor and evaluate the depreciation schedule.	Lemer Jackson	June 2007	June 2007
Make adjustment as needed to adjust the Depreciation Schedule.	Lemer Jackson	June 2007	June 2007
Within 60 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Bobbie R. Brown, Asst. Executive Director	June 2007	June 2007



## AUTHORITY

**TASK & CONDITION:** Test of Resident Files (Two files were missing verification of income for two members, two files were missing Form HUD 9886 (Authorization for the Release of Information), two files were missing verification for the date of birth and one file was missing verification for student status for two members).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.212, 5.230, 5.601 through 5.617).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Issue a directive to the Central Processing Department to properly train its management and subordinate staff in public housing administration to include determining residents eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Assign a staff person to review the information compiled by the initial preparer in each public housing resident's file for completeness and accuracy.	Gwendolyn, Davis, Housing Manager 3	Immediately	On-going
Strengthen quality control procedures between initial preparation and maintenance of resident's file.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Train and retrain Management Staff on HUD Regulations and requirements as applicable to public housing residents.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Frequently revisit and disseminate quality control procedures during training and meetings.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Appoint an internal staff task force to conduct random audits of residents files for completeness and accuracy.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Monitor residents' imputed changes and transactions for completeness, accuracy, and compliance standards.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor for effectiveness and amend as needed.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Bobbie R. Brown, Asst. Executive Director	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (One file was missing verification of social security numbers for two members).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.212, 5.230, 5.601 through 5.617).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' files and implement corrective actions for those out of compliance to comply with regulations.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Develop and implement quality control procedures for Application Intake and Management Staff to review all applicants and residents' files for all HUD required documents.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Assign a staff person to audit and review files for completeness and accuracy.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor process for effectiveness and modify as needed.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (One file was using the incorrect utility allowance) in determining rent calculation.

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.212, 5.230, 5.601 through 5.617).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' files and implement corrective actions for those out of compliance to comply with regulations.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Develop and implement quality control procedures for Central Processing Department Staff to review all files to ensure files are compiled with all required documents, computation, and information is accurate.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Assign a staff person to review documents for accuracy to eliminate or minimize the reoccurrence of errors.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor process for effectiveness and modify as needed.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going

## AUTHORITY

**TASK & CONDITION:** Test of Resident Files (Two files were missing Annual Inspection).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.212, 5.230, 5.601 through 5.617).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Public Housing Management Staff requiring a physical inspection to be conducted jointly by management and each prospective resident on new move-in prior to the execution of a lease to determine and document the existing condition of the unit as being decent, safe, and sanitary.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Instruct Management Staff to complete the appropriate inspection reports on 1709 Point Coupee and 4954 McDaniel Drive and execute by both (management and resident) immediately and without fail.	Gwendolyn, Davis, Housing Manager 3	Immediately	On-going
Audit 100% of residents' files and existing residents' files without appropriate physical inspection report, conduct inspection and compile in accordance with regulations.	Site Managers, Housing Manager 1	Immediately	On-going
Direct management to lease only those units ready for occupancy and maintain physical report in resident's files.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Develop and implement procedure to ensure compliance with HUD's Regulations on future applicants/residents.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor action tasks for adherence and compliance quarterly, semiannually, annually, or more frequently if needed.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Audit a percentile of residents' files at least annually for quality control.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Gwendolyn, Davis, Housing Manager 3	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (One file had an incorrect social security number listed on the 50058 and five files had incorrect birth dates on the 50058).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.212, 5.230, 5.601 through 5.617).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' files and implement corrective actions for those out of compliance to comply with regulations.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Strengthen quality control procedures between Central Processing Department and Site Management on preparation and maintenance of residents' files.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing and keypunch errors.	Gwendolyn, Davis, Housing Manager 3	Immediately	On-going
Frequently revisit and disseminate quality control procedures during monthly managers/management meetings.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Appoint an internal staff task force to conduct random audits of residents' files for completeness and accuracy.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor residents' imputed changes and transactions for completeness, accuracy, and compliance standards.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor for effectiveness and amend as needed.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going



## AUTHORITY

**TASK & CONDITION:** Waiting List

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR960.202 through 960.206).

**OBJECTIVE:** Adhere to the Admission and Continued Occupancy Policy (ACOP)

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
The Authority's ACOP was not 100% adhered to by the Central Processing Department's Staff in housing applicants at the time of the audit.			
Issue the Central Processing Department Staff a directive to comply with the requirement of the ACOP in housing public housing applicants.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Maintain a waiting list of applicants compiled on a first-come first-served basis as described by the Consent Decree Order of preference and other local preference.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Ensure applicants are housed from the waiting list by order of date, time and preference.	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Any and all deviation shall be documented and approved by the Executive Director.			
Purge waiting list monthly for viability, (Delete move-ins no longer interested, expired, add applicants, etc.).	Gwendolyn Davis, Housing Manager 3	Immediately	On-going
Monitor for compliance.	Bobbie R. Brown, Asst. Executive Director	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Gwendolyn Davis, Housing Manager 3	May 2007	May 2007

## AUTHORITY

### TASK & CONDITION: Rent Reasonableness Determination

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR 9872.507).

**OBJECTIVE:** Ensure Section 8 Rental Assistance is comparable to that of local private market.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Administrator to conduct a rent reasonable study immediately to determine and compare rents in the Section 8 Program to that in local private market.	Authority's Board of Commissioners	Immediately	On-going
Direct the Section 8 Contract Administrator to conduct a rent reasonableness study annually to ensure rents being charged in the Section 8 Program are comparable to those in the private market.	Authority's Board of Commissioners	Immediately	On-going
Direct the Section 8 Contract Administrator to implement rent reasonableness in accordance with HUD Regulations and Authority's directive.	Authority's Board of Commissioners	Immediately	On-going
Implement rent reasonableness requirements in accordance with HUD Regulations and Authority's directive.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Designate an individual to apply the rent reasonableness test on each Section 8 Unit.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Designate and assign Authority's staff person(s) to monitor rent reasonableness implementation for full compliance.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Monitor tasks for compliance.	Authority's Section 8 Department	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 60 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	June 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (One exception was noted where the HAP calculation was not correct).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (Pendleton Development Corporation) (PDC) to properly train its staff in the Section 8 Program's administration to include determining participants eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Develop and implement a training program to properly train PDC's staff in determining participant's eligibility based on income.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a staff person to review the information compiled by the Initial preparer in each participant's file for completeness and accuracy.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Direct the Authority's Section 8 Staff to monitor the Section 8 Contract Administrator for compliance in determining eligibility in accordance with the applicable Code of Federal Regulations (CFR).	Bobbie R. Brown, Asst. Executive Director	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (Three exceptions were noted where the income on the 50058 was calculated incorrectly based on the information in the file).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (Pendleton Development Corporation) (PDC) to properly train its staff in the Section 8 Program's administration to include determining participants eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Develop and implement a training program to properly train PDC's staff in determining participant's eligibility based on income.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a staff person to review the information compiled by the initial preparer in each participant's file for completeness and accuracy.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Direct the Authority's Section 8 Staff to monitor the Section 8 Contract Administrator for compliance in determining eligibility in accordance with the applicable Code of Federal Regulations (CFR).	Bobbie R. Brown, Asst. Executive Director	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (One exception was noted where the social security number on the 50058 did not agree to supporting documentation).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Strengthen quality control procedures between Pendleton Development Corporation and the Authority's Section 8 Staff on preparation and maintenance of participant's file.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Retrain Pendleton Development Corporation's Staff on HUD Regulations and requirements as applicable to residents' eligibility.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Frequent revisit and disseminate quality control procedures during monthly managers/management meetings.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Appoint an internal staff task force to conduct random audits of residents files for completeness and accuracy.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Monitor residents imputed changes and transaction for completeness, accuracy, and compliance standards.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Monitor for effectiveness and amend as needed.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

### AUTHORITY

**TASK & CONDITION:** Resident Files (Three exceptions were noted where the inspection date on the 50058 did not agree to the inspection form).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Establish and implement quality control procedures for review and double checking documents for accuracy before confirming for record file or electronic transmission.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a Section 8 Staff person to review HUD Forms 50058 with file documentation for accuracy.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Monitor task for effectiveness and modify as needed.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007



## AUTHORITY

**TASK & CONDITION:** Resident Files (Three exceptions were an incorrect payment standard was used in the calculation of HAP).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (Pendleton Development Corporation) (PDC) to properly train its staff in the Section 8 Program's administration to include determining participants eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Develop and implement a training program to properly train PDC's staff in determining participant's eligibility based on income.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Assign a staff person to review the information compiled by the initial preparer in each participant's file for completeness and accuracy.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Direct the Authority's Section 8 Staff to monitor the Section 8 Contract Administrator for compliance in determining eligibility in accordance with the applicable Code of Federal Regulations (CFR).	Bobble R. Brown, Asst. Executive Director	Immediately	On-going
Monitor for effectiveness and amend as needed.	Authority's Section 8 Staff	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

**AUTHORITY**

**TASK & CONDITION:** Resident Files (One file requested for testing could not be found).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Implement quality control procedures to develop and maintain participants' files in an office secure environment arranged in an alphabetical or numerical order.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a staff person for accountability of participants' file.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Establish a procedure for participants' file checkout whether for processing or review, etc.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (One exception was noted where the HAP payment did not agree to the HAP register.

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Establish and implement quality control procedures for review and double checking documents for accuracy before confirming for participant's record file.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Monitor task for effectiveness and modify as needed for adherence and compliance.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (Three exceptions were noted where the birth date on the 50058 did not agree to supporting documentation).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (Pendleton Development Corporation) (PDC) to properly train its staff in the Section 8 Program's administration to include determining participants eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Develop and implement procedures for PDC's staff to review record documents for accuracy and completeness.	Section 8 Contract Administrator (Elmo Frazier)	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Direct the Authority's Section 8 Staff to monitor the Section 8 Contract Administrator for compliance.	Bobbie R. Brown, Asst. Executive Director	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (One exception was noted where the social security number reported on the 50058 did not have supporting documentation in the file).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (Pendleton Development Corporation) (PDC) to properly train its staff in the Section 8 Program's administration to include determining participants eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Develop and implement procedures for PDC's Staff to review record documents for accuracy and completeness.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Direct the Authority's Section 8 Staff to monitor the Section 8 Contract Administrator for compliance.	Bobble R. Brown, Asst. Executive Director	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (One exception was noted where the contract rent on the 50058 did not agree to the lease).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (Pendleton Development Corporation) (PDC) to properly train its staff in the Section 8 Program's administration to include determining participants eligibility based on income and family composition.	Donzetta H. Kimble, Executive Director	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Develop and implement procedures for PDC's Staff to review record documents for accuracy and completeness.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Direct the Authority's Section 8 Staff to monitor the Section 8 Contract Administrator for compliance.	Bobbie R. Brown, Asst. Executive Director	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007

## AUTHORITY

**TASK & CONDITION:** Resident Files (Two exceptions were noted where a written lease agreement was not in the file).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR sections 5.230, 5.609, 982.15 and 981.516).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Develop and implement quality control procedures for Pendleton Development Corporation's Staff to review all applicants and participants' files for the presence and execution of all HUD required documents.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Assign a staff person to review files for completeness and accuracy.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Monitor process for effectiveness and modify as needed.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Review 100% of the existing residents' file and implement corrective actions for those out of compliance to comply with regulations.	Section 8 Contract Administrator, (Elmo Frazier)	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Section 8 Contract Administrator, (Elmo Frazier)	April 2007	May 2007



### AUTHORITY

**TASK & CONDITION:** Resident Files (Two exception were noted where required signatures of members were not included on Form 9886).

**GOAL & STANDARD:** Administer the subsidized programs in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development.

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Develop and implement quality control procedures for Pendleton Development Corporation's staff to review all applicants and participants' files for all HUD required documents.	Elmo Frazier	Immediately	On-going
Assign a staff person to review files for completeness and accuracy.	Elmo Frazier	Immediately	On-going
Monitor process for effectiveness and modify as needed.	Elmo Frazier	Immediately	On-going
Review 100% of the existing participants' and residents' file and implement corrective actions for those out of compliance to comply with regulations.	Elmo Frazier	Immediately	On-going
Within 30 days of the issuance this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Elmo Frazier	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Resident Files (Two exception were noted where required signatures of members were not included on Form 9886).

**GOAL & STANDARD:** Administer the subsidized programs in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development.

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's/resident's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Develop and implement quality control procedures for Pendleton Development Corporation's staff to review all applicants and participants' files for all HUD required documents.	Elmo Frazier	Immediately	On-going
Assign a staff person to review files for completeness and accuracy.	Elmo Frazier	Immediately	On-going
Monitor process for effectiveness and modify as needed.	Elmo Frazier	Immediately	On-going
Review 100% of the existing participants' and residents' file and implement corrective actions for those out of compliance to comply with regulations.	Elmo Frazier	Immediately	On-going
Within 30 days of the issuance this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Elmo Frazier	Immediately	On-going

## AUTHORITY

**TASK & CONDITION:** Housing Quality Standards (HQS) Inspections and Enforcement

**GOAL & STANDARD:** Provide housing for Section 8 Program Participants

**OBJECTIVE:** Eliminate substandard housing participation in the Section 8 Programs

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (PDC) instructing the development and implementation of a documented procedure (eg. Monitoring log) to ensure health, safety and life threatening deficiencies are corrected within 24 hours and other deficiencies within 30 days.	Board of Commissioners	Immediately	On-going
Assign and task Section 8 Inspector with the duties and responsibilities of inspecting existing and new properties entering the program for compliance with local codes and HUD's Uniform Physical Condition Standards (UPCS).	Section 8 Contract Administrator Elmo Frazier	Immediately	On-going
Assign and task staff person(s) to index units with deficiency(ies) onto/into a monitoring log, track and monitor to ensure that deficiency(ies) are completed within the applicable time limits.	Section 8 Contract Administrator Elmo Frazier	Immediately	On-going
Monitor and document Section 8 Contract Administrator Inspector's performances for UPCS compliance.	Authority's Section 8 Housing Inspector	Immediately	On-going
Monitor Authority's Section 8 Housing Inspector's performance for effectiveness and modify as needed for compliance.	Donzetta H. Kimble Executive Director	Immediately	On-going
Within 30 days of the issuance this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Elmo Frazier	Immediately	On-going

## AUTHORITY

**TASK & CONDITION:** Test of Resident Files (Two files were missing Annual Inspection)

**GOAL & STANDARD:** Administer the subsidized program in compliance with the Department of Housing and Urban Development rules and regulations

**OBJECTIVE:** Compile residents' files with documents, completed and properly exceeds as required by HUD's regulations

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to Stone Vista Apartments Management Staff requiring a physical inspection to be conducted jointly by management and each prospective resident on new move-in prior to the execution of a lease to determine and document the existing condition of the unit as being decent, safe, and sanitary.	Donzetta H. Kimble Executive Director	Immediately	On-going
Instruct Management Staff to complete the appropriate inspection reports on Unit No. 143 (541 East Stoner Avenue) and execute by both (management and resident) immediately and without fail.	Stone Vista Apartment Management	Immediately	On-going
Audit 100% of residents' files and existing residents' files without appropriate physical inspection report, conduct inspection and compile in accordance with regulations.	Site Manager	Immediately	On-going
Direct management to lease only those units ready for occupancy and maintain physical report in residents' file.	Site Manager	Immediately	On-going
Develop and implement procedure to ensure compliance with HUD's Regulations.	Site Manager	Immediately	On-going
Monitor action tasks for adherence and compliance quarterly, semiannually, annually, or more frequently if needed.	Site Manager	Immediately	On-going
Audit a percentile of residents' files at least annually for quality control.	Site Manager	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Site Manager	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (Three instances in which the birth date per the report did not agree supporting documentation).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development.

**OBJECTIVE:** Minimize or eliminate the potential of transposing incorrect data

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 Contract Administrator (PDC) to establish and implement procedures for reviewing and double checking documents for accuracy before confirming as record file and or MTCS transmission.	Donzetta H. Kimble Executive Director	Immediately	On-going
Make corrective action to the file for 927 Crockett Unit No. 238	Elmo Frazier	Immediately	On-going
Review 100% of the existing participants' file and implement corrective actions for those out of compliance to comply with regulations.	Elmo Frazier	April 2007	On-going
Develop and implement procedures for PDC's staff to review record documents for accuracy and completeness.	Elmo Frazier	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Elmo Frazier	Immediately	On-going
Direct the Authority Section 8 Staff to monitor Section 8 Contract Administrator for compliance.	Donzetta H. Kimble Executive Director	Immediately	On-going
Implement a procedure for quality control to minimize or prevent the reoccurrence of the finding.	Elmo Frazier	Immediately	On-going
Monitor Action tasks for adherence and compliance.	Authority's Section 8 Staff	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Elmo Frazier	Immediately	On-going

**AUTHORITY**

**TASK & CONDITION:** Test of Resident Files (Three instances in which the birth date per the report did not agree supporting documentation).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development.

**OBJECTIVE:** Minimize or eliminate the potential of transposing incorrect data

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Stone Vista Apartments Management to establish and implement procedures for reviewing and double checking documents for accuracy before confirming as record file and or MTCS transmission.	Donzetta H. Kimble Executive Director	Immediately	On-going
Make corrective action to the file for 541 East Stoner Avenue #171.	Stone Vista Apartments Management	Immediately	On-going
Review 100% of the existing residents' files and implement corrective actions for those out of compliance to comply with regulations.	Stone Vista Apartments Management	Immediately	On-going
Develop and implement procedures for Stone Vista Apartment Management staff to review record documents for accuracy and completeness.	Stone Vista Apartments Management	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Stone Vista Apartments Management	Immediately	On-going
Direct the Authority Section 8 staff to monitor annually for compliance.	Donzetta H. Kimble Executive Director	Immediately	On-going
Implement a procedure for quality control to minimize or prevent the reoccurrence of the finding.	Stone Vista Apartments Management	Immediately	On-going
Monitor Action tasks for adherence and compliance.	Authority's Section 8 Staff	Immediately	On-going



ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Stone Vista Apartments Management	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (Two instances in which the social security number per the report did not agree to supporting documentation).

**GOAL & STANDARD:** Administer the Program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (HUD).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete Resident's File.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Stone Vista Apartments Management Staff to establish and implement procedures for reviewing and double checking documents for accuracy before confirming as record file and or MTCS transmission.	Donzetta H. Kimble Executive Director	Immediately	On-going
Make corrective action to the files on 541 East Stoner Avenue #224 and 124.	Stone Vista Apartments Management	Immediately	On-going
Review 100% of the existing participants' files and implement corrective actions for those out of compliance to comply with regulations.	Stone Vista Apartments Management	Immediately	On-going
Develop and implement procedures for Stone Vista Apartment Management Staff to review record documents for accuracy and completeness.	Stone Vista Apartments Management	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Stone Vista Apartments Management	Immediately	On-going
Direct the Authority Section 8 staff to monitor annually for compliance.	Donzetta H. Kimble Executive Director	Immediately	On-going
Implement a procedure for quality control to minimize or prevent the reoccurrence of the finding.	Stone Vista Apartments Management	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Monitor Action tasks for adherence and compliance.	Authority Section 8 Staff	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Stone Vista Apartments Management	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (One instance was noted where food stamp income per the report was for one month only and not for 12 months).

**GOAL & STANDARD:** Administer the Program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (HUD).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete Resident's File.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to Pendleton Development Corporation to audit 100% of the existing files to verify correctness in determining income and rent calculation.	Donzetta H. Kimble Executive Director	Immediately	On-going
Direct Pendleton Development Corporation to obtain third-party verification of income before calculating rent.	Donzetta H. Kimble Executive Director	Immediately	On-going
Establish and implement a plan to review each participant's file income determination, and rent calculation at initial move-in, interim and annual re-certification.	Elmo Frazier	Immediately	On-going
Implement procedures to carefully interview applicants and tenants to fully disclose income information.	Elmo Frazier	Immediately	On-going
Compute each applicant/participant's rent in accordance with HUD Handbook Determining Income and Calculating Rent.	Elmo Frazier	Immediately	On-going
Direct Pendleton Development Corporation Staff to recalculate rent for 1002 Texas Avenue #320.	Elmo Frazier	Immediately	On-going
Review 100% of the existing participants' files and implement corrective actions for those out of compliance to comply with regulations.	Elmo Frazier	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Elmo Frazier	Immediately	On-going

### AUTHORITY

**TASK & CONDITION:** Test of Resident Files (Three exceptions were noted where the name on the 50058 did not agree to supporting documentation).

**GOAL & STANDARD:** Administer the subsidized program in accordance with the established rules and regulations set forth by the U. S. Department of Housing and Urban Development (24CFR 908.101).

**OBJECTIVE:** Minimize or eliminate the potential of compiling an incomplete or erroneous participant's file.

**PERSON RESPONSIBLE:** Donzetta H. Kimble, Executive Director

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Issue a directive to the Section 8 contract Administrator (PDC) to establish and implement procedures for reviewing and double checking documents for accuracy before confirming as record file and or MTCS transmission.	Donzetta H. Kimble Executive Director	Immediately	On-going
Make corrective action to the files applicable.	Elmo Frazier	Immediately	On-going
Review 100% of the existing participants' file and implement corrective actions for those out of compliance to comply with regulations.	Elmo Frazier	Immediately	On-going
Develop and implement procedures for PDC's staff to review record documents for accuracy and completeness.	Elmo Frazier	Immediately	On-going
Assign a staff person(s) to review documents for accuracy to eliminate the reoccurrence and or minimize transposing errors.	Elmo Frazier	Immediately	On-going
Direct the Authority Section 8 staff to monitor Section 8 Contract Administrator for compliance.	Donzetta H. Kimble Executive Director	Immediately	On-going
Implement a procedure for quality control to minimize or prevent the reoccurrence of the finding.	Elmo Frazier	Immediately	On-going

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
Monitor Action tasks for adherence and compliance.	Authority's Section 8 Staff	Immediately	On-going
Within 30 days of the issuance of this corrective action plan, provide the Executive Director with written confirmation that the requirement has been implemented.	Elmo Frazier	Immediately	On-going

**AUTHORITY****TASK & CONDITION:** Procurement**GOAL & STANDARD:** Purchase goods and services in accordance with the Authority Procurement Policy**OBJECTIVE:****PERSON RESPONSIBLE:** Authority's Board of Commissioners

ACTION STEP STRATEGIES	PERSON(S) ASSIGNED ACTION TASKS	TARGET DATES	
		START	STOP
<p>The Authority has and had in effect a Procurement Policy that was prepared and is consistent with Louisiana Public Bid Law (LA R. S. 38:2211-2296) and OMB Circular 85.36 at the time of the Request for Proposals (RFP) for a Master Developer.</p> <p>At the on-set of the Revitalization of Naomi D. Jackson Heights Public Housing Community through HUD's Hope VI Program, the late Chairman of the Authority's Board of Commissioners saw fit to appoint/designate an oversight committee in the undertaking. The committee comprised of three (3) commissioners, the Authority's legal counsel, Assistant Executive Director/Contracting Officer and Director of the City of Shreveport Community Development. The Authority's Special Programs &amp; Development Department's staff which is headed by the Assistant Executive Director, prepared, published and solicited through local newspaper the RFP for a Master Developer to partner within the Revitalization of Naomi D. Jackson Heights Public Housing Community.</p> <p>The Committee reviewed the responses received in response to the RFP and the contract was awarded by the Board of Commissioners committee recommendation minus the Assistant Executive Director.</p>			



## MEMORANDUM

**TO:** The Management Staff of U. S. Goodman Plaza  
Peggy McCoy, Housing Manager 1  
Candace Wiggins, Housing Tenant Certification Coordinator  
Gwendolyn Davis, Housing Manager 3

**FROM:** Donzetta H. Kimble, Executive Director  
Housing Authority of the City of Shreveport

**SUBJECT:** Corrective Action/Improvement Plan to FY '06 Audit Findings

**DATE:** 29 March 2007

The Housing Authority of the City of Shreveport's FY'06 General Purpose Financial Statements and Independent Auditor's Report has been published. The report revealed two (2) deficiencies and or findings which required corrective actions on behalf of the Authority/U. S. Goodman Plaza.

The memorandum shall serve as a directive and command from the Executive Director to and for the Management Staff of U. S. Goodman Plaza to execute the following transactions:

1. Carry-out the actions tasks set forth in the Authority's Corrective Action and improvement Plan to correct the noted discrepancies.
2. Comply with the administrative procedures and practices established in the U. S. Department of Housing and Urban Development (HUD) Handbook 4350.3 Revision 1, and subsequent publications designed for the management and administration of U. S. Goodman Plaza.
3. Adhere to the above aforementioned to minimize and or prevent the reoccurrence of the deficiencies.

The Executive and Central Processing Department Supervisory Staff will monitor U. S. Goodman Plaza Management Staff's administrative practices for quality control and compliance.

Thank you in advance for your full cooperation.

## **MEMORANDUM**

**TO:** Gwendolyn Davis, Housing Manager 3

**FROM:** Donzetta H. Kimble, Executive Director  
Housing Authority of the City of Shreveport

**SUBJECT:** Corrective Action/Improvement Plan

**DATE:** 29 March 2007

The Housing Authority of the City of Shreveport's FY'06 General Purpose Financial Statements and Independent Auditor's Report has been published. The report revealed deficiencies and or findings which required corrective actions on behalf of the Authority.

The memorandum shall serve as a directive and command from the Executive Director for you to execute the following transactions:

1. Carry-out the actions tasks set forth in the Authority's Corrective Action and improvement Plan to correct the noted discrepancies.
2. Comply with the administrative procedures and practices established in the U. S. Department of Housing and Urban Development's Public Housing Occupancy Guidebook 24CFR, PIH Notices, Memorandums and subsequent publications designed for the management and administration of Public Housing Low Rent Program.
3. Adhere to the above aforementioned to minimize and or prevent the reoccurrence of the deficiencies.

The Executive Director or designee will monitor Public Housing Management Staff's administrative practices for quality control and compliance.

Thank you in advance for your full cooperation.

## MEMORANDUM

**TO:** Gwendolyn Davis, Housing Manager 3  
Housing Authority of the City of Shreveport

**FROM:** Donzetta H. Kimble, Executive Director  
Housing Authority of the City of Shreveport

**SUBJECT:** Public Housing Management Training

**DATE:** 29 March 2007

This memorandum shall serve as a directive instructing you to complete the following tasks:

1. Develop a training plan on the above subject.
2. Conduct remedial/familiarization training to the Authority's Management Staff placing emphasis on Determining Income Calculating Rents, required documents in determining eligibility and compiling residents' files.
3. Retrain subordinate staff as needed for individual competence and proficiency.

**MEMORANDUM**

**TO:** Gwendolyn Davis, Housing Manager 3  
Supervisory Management & Central Processing Division

**FROM:** Donzetta H. Kimble, Executive Director  
Housing Authority of the City of Shreveport

**SUBJECT:** Corrective Action/Improvement Plan to Audit Findings

**DATE:** 29 March 2007

This memorandum shall serve as a directive, instructing you to complete the following tasks which stemmed from the Housing Authority of the City of Shreveport's FY'06 General Purpose Financial Statements and Independent Auditor's Report:

1. Review each action tasks outline in the Authority's FY '06 Corrective Action & Improvement Plan as applicable to Public Housing Low Rent Program.
2. Perform the action tasks assign to you in the Action Plan; and
3. Adhere to the aforementioned tasks for quality control and compliance.

March 29, 2007

Pendleton Development Corporation  
533 Jordan Street  
Shreveport, LA 71101

ATTN: Mr. Elmo Frazier

RE: FY '06 Independent Auditor's Report Findings (Section 8 Programs)

Dear Mr. Frazier:

Members of the Housing Authority of the City of Shreveport's Board of Commissioners were made aware of repeated Section 8 Administration audit findings during the exit review of the Authority's draft FY-06 General Purpose Financial Statements and Independent Auditor's Report on Monday, March 26, 2007.

You are reminded that Pendleton Development Corporation is under contractual agreement with the Authority to carry out all components required in the administering of the Section 8 Program to comply with all applicable regulations and guidelines set forth by the U. S. Department of Housing and Urban Development (HUD).

This communication shall serve as a sixty (60) day notice to correct the deficiencies noted in the attached audit extract to bring the administration of the Section 8 Program into compliance with HUD regulations.

You must certify to the Authority that 100% of the participants' files were reviewed for and or update with the presence of each required document and that the rent reasonableness survey has been conducted and is currently up to date and in use.

Sincerely,  
HOUSING AUTHORITY OF THE  
CITY OF SHREVEPORT

Murphy L. Hunt, Chairman  
Board of Commissioners

Enclosures  
cc: file