



City of Albuquerque
Office of Internal Audit
P.O. Box 1293 Albuquerque, New Mexico 87103

Interoffice Memorandum

April 28, 2011

Ref. No.: 11-06-109F

To: The Accountability in Government Oversight Committee

From: Carmen L. Kavelman, Director, Office of Internal Audit

**Subject: STATUS REPORT ON REPORT NO. 06-109, HOUSING AUTHORITY FUND –
DEPARTMENT OF FAMILY AND COMMUNITY SERVICES**

Attached is a status report of the recommendations made in Audit No. 06-109, Housing Authority Fund, Department of Family and Community Services (DFCS), issued January 31, 2007.

The follow up process has changed. A memo is sent to the department requesting the status of corrective action in regards to our findings and recommendations. The follow-up procedures rely on the information provided by the department. The Office of Internal Audit then determines the status as fully implemented, resolved, partially implemented or not implemented. A draft of the report is sent to the department to ensure it is factually accurate prior to being sent to the AGO Committee for approval.

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Attachment



City of Albuquerque

Office of Internal Audit

FOLLOW-UP OF THE HOUSING SERVICES FUND
DEPARTMENT OF FAMILY AND COMMUNITY SERVICES

AUDIT #06-109

April 27, 2011

INTRODUCTION

The Office of Internal Audit performed a follow-up of Audit No. 06-109, Housing Services Fund – Department of Family and Community Services (DFCS). The purpose of our follow-up is to report on the progress made by DFCS management in addressing our findings and recommendations. Our follow-up procedures rely on the department providing the status of the recommendation.

Our follow-up is substantially less in scope than an audit. Our objective is to report on the status of corrective action in regards to our findings and recommendations.

We limited our scope to actions taken to address our audit recommendations from the date of our final report, January 31, 2007, through March 23, 2011.

BACKGROUND INFORMATION

The United States Department of Housing and Urban Development (HUD) provides federal funding to the City of Albuquerque through Albuquerque Housing Services (AHS). AHS is a division of DFCS and provides housing assistance programs to low income families, elderly and disabled households. The AHS mission is to assist eligible households with decent, safe and affordable housing, to include living environments that promote economic self-sufficiency, upward mobility and social diversity. Currently, AHS assists approximately 5,100 Albuquerque families

with their housing needs. The three main programs offered by AHS include: Public Housing, Section 8 Voucher and Family-Sufficiency.

Public Housing – AHS owns and manages approximately 950 housing units throughout Albuquerque. These units provide affordable housing for low income families, the elderly and disabled individuals. Tenants pay 30% of their income toward their rent, then any additional costs are subsidized with federal funding.

Section 8 – AHS issues housing choice vouchers to eligible low income families. The families are free to choose any housing unit that meets minimum health and safety standards. Households assisted through this program pay 30% of their income toward the rent. AHS pays private landlords the difference between what the household pays and the rent for the unit. Over 4,000 Albuquerque families receive rental assistance through this program.

Family Self-Sufficiency – This program combines housing assistance programs with various support services to assist participating families in meeting their planned goals over a five year period.

SUMMARY

DFCS has fully implemented three of the recommendations noted in the initial audit.

The status of the recommendations is identified by the symbols in the following legend:



Fully Implemented



Resolved



Partially Implemented



Not implemented

Recommendation #1 DFCS should:

- Provide additional training to staff responsible for tenant files, including staff responsible for the oversight of tenant files, to ensure the documentation included within the tenant files is complete, accurate and properly authorized.
- Document the date(s) of training, who attended the training, and topics that were discussed at the training.

Response: DFCS/AHS agreed additional staff training was needed. There were inconsistencies in how tenant file information was reflected that made it difficult for anyone reviewing files to determine, with any certainty, whether or not policies and procedures were being followed.

DFCS/AHS was reviewing the process and paperwork involved to make sure it was clear and consistent in each file to reflect that procedures in place were being followed.

DFCS/AHS would keep record of the type of training that took place and who attended.

Recommendation #2 DFCS should:

- Provide additional ongoing training to staff responsible for tenant files, to ensure documentation included within the tenant files is complete, accurate and properly authorized.
- Document the date(s) of training, who attended the training, and topics that were discussed at the training.

Response: DFCS/AHS agreed there was a need for additional training of Section 8 staff. AHS would provide program staff with the required technical training needed to ensure tenant files were handled consistently and they were complete, accurate and properly authorized.

Recommendation #3: DFCS should:

- Provide additional training to staff responsible for the oversight of tenant files, to ensure the payments to receiving Housing Authorities are terminated and overpayments are promptly reimbursed once the portable families are absorbed by the receiving Housing Authorities.
- Document the date(s) of training, who attended the training, and topics that were discussed at the training.
- Ensure the overpayment of \$3,410.06 is reimbursed by the receiving Housing Authority.

Response: DFCS agreed with the finding and noted that the refund had been received; however, this was not reflected in the tenant file. DFCS agreed there was room for improvement in the handling of tenant files for portable families. It would re-emphasize the proper handling and documentation of portability vouchers as part of its regular training for fiscal and Section 8 staff to ensure compliance with all applicable HUD regulations and internal policies and procedures.

Status of Recommendations 1, 2 and 3:



Fully Implemented

DFCS reports the following actions have been taken:

- Three individuals perform quality control procedures (one for the Public Housing program, one for the Section 8 program and one for intake files). Quality control procedures include the use of a checklist to ensure file accuracy and completeness and a process to accumulate the results of the file review.
- Staff members have received the following training:
 - 17 staff members attended external training in 2007 and/or 2008.
 - 6 veteran employees attended HUD-approved training prior to 2007.
 - 5 employees, hired in 2009, received extensive internal one-on-one training.
 - 2 supervisors attended public housing manager training in 2011.
 - 1 senior housing manager attended ongoing programmatic update seminars.