



U.S. Department of Housing and Urban Development  
District Office of the Inspector General  
Office of Audit, Box 42  
Richard B. Russell Federal Building  
75 Spring Street, SW, Room 330  
Atlanta, GA 30303-3388  
(404) 331-3369

March 9, 2000

Audit Related Memorandum  
No. 00-AT-201-1801

MEMORANDUM FOR: Hildamar Ortiz, Director, Public Housing Division, 4NPH

FROM: Nancy H. Cooper  
District Inspector General for Audit-Southeast/Caribbean, 4AGA

SUBJECT: Misuse of HUD Funds  
Puerto Rico Public Housing Administration (PHA)  
San Juan, Puerto Rico

During our recent audit of Puerto Rico Public Housing Administration's procurement activities, we identified several conditions regarding the PHA's use of HUD funds. These conditions were not within the scope of the audit but warrant your immediate attention and resolution. As detailed in Attachment A, we found that the PHA:

- Improperly withdrew and used Public Housing operating funds totaling about \$17 million for ineligible disaster relief expenses, and
- Improperly withdrew and transferred \$1 million in Comprehensive Grant Program (CGP) funds to the Puerto Rico Economic Development Bank for public housing resident loans.

Please reply within 60 days on each recommendation describing: (1) the corrective action taken; (2) the proposed corrective action and a planned implementation date; or (3) why action is not considered necessary. Also, please furnish us copies of any correspondence or directives issued as a result of the audit. Note that Handbook 2000.06 REV-3 requires that management decisions be reached on all recommendations within 6 months of report issuance. It also provides guidance regarding interim actions and the format and content of your reply.

If you have any questions, please contact me at (404) 331-3369 or Aurora Rodriquez at (787) 766-5540.

Attachments

- A - Finding and Recommendations
- B - PHA Comments
- C - Distribution

### **The PHA Improperly Withdrew and Used HUD Funds for Ineligible Activities**

The PHA did not comply with Federal requirements governing management and use of HUD funds. It improperly withdrew and used over \$18 million for ineligible program activities. This occurred because the PHA disregarded program requirements. As a result, the Federal Government incurred excess interest costs and program objectives may have been adversely impacted.

Title 24 Code of Federal Regulations, part 85.20(b)(3) provides that grantees must have adequate controls to safeguard grant funds and ensure that they are used solely for authorized purposes.

#### Improper Draw And Use of Public Housing Operating Funds

The PHA improperly withdrew and used over \$17 million in Public Housing operating funds to pay ineligible hurricane expenses. This occurred because the PHA disregarded HUD requirements. HUD's agreement with the PHA provides that the PHA may only withdraw funds to pay project development and operating costs.

We found that from September 1998 through March 1999, based on instructions from the PHA Administrator, HUD operating funds were improperly drawn down and transferred to a separate bank account established to pay for the rehabilitation and operation of emergency shelters and other costs associated with Hurricane George.

| <i>MONTH</i>   | <i>AMOUNT TRANSFERRED</i> |
|----------------|---------------------------|
| September 1998 | \$ 2,400,000              |
| October 1998   | 2,000,000                 |
| November 1998  | 4,000,000                 |
| December 1998  | 3,000,000                 |
| January 1999   | 5,250,000                 |
| March 1999     | 1,000,000                 |
| <b>Total</b>   | <b>\$17,650,000</b>       |

As of March 1999, the PHA's accounting records showed an accounts payable to the operating fund of \$17,268,520.

The PHA's Acting Associate Administrator for Finance acknowledged that HUD funds were improperly used. She said that the funds would be reimbursed to HUD when the PHA's disaster claim was paid by Federal Emergency Management Agency. HUD program officials stated that they did not approve the PHA's use of Public Housing operating funds to pay hurricane costs.

### **PHA Comments**

The PHA stated that OIG did not specify any law, regulation or other requirement which was violated by the PRPHA using funds for the Hurricane George recovery efforts. Even if the OIG could demonstrate that the use of PRPHA funds for emergency shelters was problematic, the Government of Puerto Rico has already reimbursed the PRPHA for the cost of this program.

The PHA also stated that the OIG allegations contained in this memorandum were outside of the scope of the procurement audit, and thus, violated the OIG's own procedures. The PHA claimed that the findings included in this memorandum were mentioned, but not discussed in substance or in any detail at the exit conference for the procurement audit.

### **Evaluation of PHA Comments**

The finding clearly stated that the PHA violated Title 24 CFR 85.20 (b)(3) which states that grantees must have adequate controls to safeguard grant funds and ensure that they are used solely for authorized purposes. HUD's agreement with the PHA provides that the PHA may only withdraw funds to pay for the development and operations of projects under its Annual Contribution Contract (ACC). The PHA did not provide evidence that HUD authorized the use of its operating funds for the hurricane emergency. Additionally, OMB Circular A-87 provides guidance for cost allocation. It states that to be allowable under Federal awards, costs must be necessary and reasonable for proper and efficient performance and administration of the Federal awards. A cost is allocable to a particular cost objective if the goods and services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

The PRPHA claimed that by October 23, 1999, \$18,862,167 was reimbursed to cancel the Emergency Fund for Hurricane George. To complete the funds for the reimbursement, the PHA loaned \$2,881,989 from the Assets Administration of the former Puerto Rico Urban Renewal Corporation (former Trustee). Of the \$2,881,989, the PHA used \$1,476,623 to reimburse the funds it improperly withdrew for the emergency.

The audit related memorandum disclosed a matter that required HUD's attention and resolution. During the course of our procurement audit, we became aware that the PHA improperly used HUD funds and we reported the situation. Also during our review of the purchase orders issued by the PHA for fiscal years 1998 and 1999, we selected purchase order number 99-301 for \$9,570 dated December 9, 1998. The purchase order was for the purchase of tickets to a musical show and was paid from the PHA's operating funds. Upon our inquiry, it was determined that the purchase was charged to a special fund established for the hurricane emergency. Therefore, we became aware of the existence of the emergency fund and that it was established using PHA's operating funds.

During the working session held with the PHA on November 4, 1999, the PHA officials acknowledged the audit related memorandum. The officials informed us that they were in the process of reimbursing the money. As a result, we did not have a need for any further discussions regarding the memorandum. The PHA had the opportunity to discuss the issues of the memorandum further, if they felt it was necessary.

### Improper Draw and Transfer of CGP Funds For Ineligible Activities

On May 17, 1996, the PHA and the Puerto Rico Economic Development Bank agreed to establish a \$1 million revolving fund. Its purpose was to finance loans to public housing residents for economic development projects. The agreement authorized the bank various fees including: (1) five percent of the loan amount for evaluating the application, (2) one percent of the loan for closing and disbursing the loan, and (3) three and a half percent of the unpaid principal for administering the loan. The PHA improperly transferred \$1 million in CGP funds to the bank for the loans. As of June 30, 1997, the fund's balance was \$1,069,178.

Our procurement audit determined that PHA officials routinely disregarded program requirements. We made several recommendations in that report to strengthen management controls.

### **PHA Comments**

Despite the OIG's allegations to the contrary, PRPHA's establishment of a resident business development loan fund is a permitted expenditure of Comprehensive Grant Program ("CGP") funds. Federal Regulations permit public housing authorities to expend their CGP funds on management improvements, including "residents programs and services through the coordination of the provision of social services from tribal or local government or other public and private government entities" as stated in 24 CFR 968.112(g)(2)(i). PRPHA's coordinated effort with the Puerto Rico Economic Development Bank to establish a business development loan fund for public housing residents qualifies as such a program. Again, the OIG provides no evidence that the expenditure is not authorized.

### **Evaluation of PHA Comments**

As stated in memo, the agreement was to finance loans to public housing residents for economic development projects. Revolving funds to finance loans are not a social services activity; it is an economic development activity. Title 24 CFR Part 968.310 (g), dated April 1, 1995, states a PHA's ongoing operating expenses, including direct provisions of social services through either contract or force account labor, are ineligible management improvement costs. Also, 24 CFR Part 968.310 (g)(1) *Economic development costs*, states that HUD encourages PHAs to the greatest extent feasible, to hire residents as trainees or employees to carry out the modernization program under this subpart, and to contract with resident-owned business for modernization work. Therefore, the use of CGP funds for establishing a revolving loan fund is an ineligible activity.

We recommend that you:

- A. Verify the \$18,862,167 reimbursement to the CGP funds by examining the respective bank statements and deposit slips.
- B. Request the PHA to reimburse the CGP funds the \$1 million transfer to the Government Development Bank for a loan revolving fund.
- C. Compute and bill the PHA the amount of lost interest based on Department of Treasury borrowing costs for the amount used for the hurricane emergency and for the \$1 million used for the loan revolving fund.

**RENO & CAVANAUGH, PLLC**  
ATTORNEYS AT LAW

1250 Eye Street, N.W.  
Suite 900  
Washington, DC 20005-3922

202/783-2800  
FAX 202/783-0550  
www.renocavanaugh.com

February 15, 2000

**VIA OVERNIGHT MAIL AND FACSIMILE**

Ms. Sonya Lucas  
U.S. Department of Housing and Urban Development  
Office of Inspector General - Office of Audit  
Richard B. Russell Federal Building  
75 Spring Street, SW, Room 330  
Atlanta, GA 30303-3388

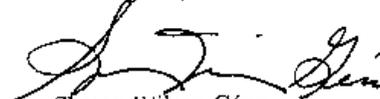
Re: Puerto Rico Public Housing Administration ("PRPIIA")/ Response to Audit  
Related Memorandum No. 99-AT-201

Dear Ms. Lucas:

Bill Sherman has asked me to forward to you the enclosed response. Per your telephone communication with him on Friday, it is his understanding that the response was to be received by your office today.

Please feel free to contact him at (202) 371-6000 or myself at (202) 783-2800 should you have any additional questions regarding the same.

Best regards,

  
Sharon Wilson Géno

cc: John Blakeman  
Gordon Cavanaugh  
James Hibey  
Aurora Rodriguez  
William R. Sherman

**Puerto Rico Public Housing Administration**  
**Response to Audit Related Memorandum AT - 99-201**

The Puerto Rico Public Housing Administration ("PRPHA") has been asked to respond to the above referenced memorandum from the U.S. Department of Housing and Urban Development - Office of Inspector General ("OIG") to the Director of the Public Housing Division regarding the PRPHA's use of HUD funds during 1996 and 1998-1999. The OIG alleges that PRPHA's use of funds to assist homeless victims of Hurricane Georges and create a resident economic development program were improper, but fails to cite any requirements which have been violated. Not only does PRPHA vehemently disagree with the OIG's "findings", it also contends that the OIG violated its own procedures in issuing the memorandum.

The OIG Has Not Demonstrated That the PRPHA Violated Any Regulations By Using Funds For Hurricane Georges Recovery Efforts

On September 22, 1998, Hurricane Georges attacked Puerto Rico, resulting in one of the worst natural disasters in American history. Over 30,000 residents were left homeless overnight throughout Puerto Rico's 78 municipalities. Countless others were without water, food, and electricity for weeks. The vast majority of those displaced were very low income residents who were concentrated in low lying areas. Many of the victims were elderly who were not able to protect their homes from the disaster or escape its path. Electricity and water was not fully restored for months. President Clinton immediately declared Puerto Rico a major disaster area.

As the primary agency responsible for the housing needs of low income Puerto Ricans, PRPHA was charged by the Governor of Puerto Rico with operating emergency shelters for displaced hurricane victims. Many of the shelters were located at public housing sites and staffed by PRPHA management agents. HUD Secretary Andrew Cuomo twice visited the emergency shelters in the aftermath of the disaster. During those visits, Secretary Cuomo indicated that, due to the emergency situation, HUD would provide PRPHA with greater flexibility to use monies it had already received. In order to address these immediate needs, PRPHA used funds from its reserve account to pay for the cost of these shelters. Without those PRPHA funds, many low-income elderly, families, and individuals would have been without shelter some for as long as a year.

The OIG does not specify any law, regulation or other requirement which was violated by PRPHA's use of funds in this manner. Even if the OIG could demonstrate that the use of PRPHA funds for emergency shelters was problematic, the Government of Puerto Rico has already fully reimbursed PRPHA for the cost of this program. Copies of documents verifying the

reimbursement are attached hereto as Exhibit A. Consequently, no remedial action is necessary.

#### The PRPHA's Use of Funds for Resident Economic Development Activities Was Proper

Despite the OIG's allegations to the contrary, PRPHA's establishment of a resident business development loan fund is a permitted expenditure of Comprehensive Grant Program ("CGP") funds. Federal regulations permit public housing authorities to expend their CGP funds on management improvements, including "resident programs and services through the coordination of the provision of social services from tribal or local government or other public and private government entities." 24 C.F.R. § 968.112(g)(2)(i). PRPHA's coordinated effort with the Puerto Rico Economic Development Bank to establish a business development loan fund for public housing residents qualifies as such a program. Again, the OIG provides no evidence that the expenditure is not authorized.

Resident self-sufficiency is vital to the success of the public housing. PRPHA's implementation of this program is consistent with HUD's efforts to encourage housing authorities to play a larger role in the economic empowerment of residents. In addition, Section 9(d) of *The Quality Housing and Work Responsibility Act of 1998* makes plain Congress's desire for public housing capital to be used to enhance the economic well-being of residents.

The resident business development loan fund in question was established well before the current administrator took over operation of PRPHA. Records regarding the awards and expenditures have been maintained and audited by an outside accountant. To date no evidence has been presented to PRPHA that demonstrates these funds are inappropriately allocated, including in the OIG draft report.

#### The OIG's Memorandum Violates Its Own Procedures.

The allegations contained in the supplemental memorandum are outside the scope of the procurement audit, and thus, violate the OIG's own procedures. The HUD OIG Handbook - 20003.3 and the HUD Audit Management System Handbook - 2000.6 establish a process which the OIG must follow in auditing grantees and issuing reports. The process includes advance notification, an entrance conference, and an exit conference. According to the OIG Handbook, "[t]he scope stated in the report will show the functions of the audit entity reviewed and appraised." HUD OIG Handbook - 2000.3, Section 4-10. The OIG is to disclose the scope of the audit at the entrance conference and discuss any such findings at the exit conference.

The process is very important because it ensures that the OIG receives all of the information it needs and that the grantee does not fall victim to false accusations. Both the OIG and the grantee are protected when each party is fully informed. When the OIG does not follow its own regulations, the integrity of the issued report is called into question.

In this case, the auditor clearly overstepped the audit scope in reviewing these matters which are entirely unrelated to the procurement audit being conducted by the OIG. The OIG did not notify PRPHA at the entrance conference that it was conducting a financial audit, as well as a

program audit of PRPHA. The alleged findings contained in the supplemental memorandum were mentioned, but not discussed in substance or in any detail at the exit conference for the procurement audit. A significant amount of time and taxpayer money could have been saved if PRPHA had been fully informed and had an opportunity to fully explain its actions to the auditor before an unauthorized and misleading report was issued.



GOBIERNO DE PUERTO RICO  
 DEPARTAMENTO DE LA  
**VIVIENDA**  
 ADMINISTRACION DE VIVIENDA PUBLICA

EXHIBIT A

October 23, 1999

Ms. Hildamar Ortiz Esq.  
 Director  
 Office of Public Housing  
 HUD Caribbean Office  
 Hato Rey, P.R.

Repayment Emergency Funds

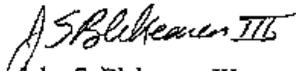
The following is a summary of the payments made to cancel the Emergency Fund for Hurricane Georges :

|   |                 |
|---|-----------------|
| Fund Transfer Order No. 213215 dated 7/6/99         | \$ 7,470,544.00 |
| Fund Transfer Order No. 213219 dated 8/16/99        | 1,500,000.00    |
| Fund Transfer From P.R.O.M.B. dated 8/22/99         | 8,415,000.00    |
| Fund Transfer From P.R. Dept. Housing dated 8/22/99 | 1,476,623.97    |
| Total   | \$18,862,167.97 |

Please find enclosed copies of these Transfers. You will receive a reconciliation of this account within the next 5 days.

Should you require additional information, contact us at your earliest convenience.

Cordially,

  
 John S. Blakeman III  
 Administrator





# FUNDS TRANSFER ORDER

CONTROL NO.

T. 213215

|  |                        |                         |                      |                          |
|--|------------------------|-------------------------|----------------------|--------------------------|
| Originated by (Agency Name):<br><b>Administración de Vivienda Pública</b>  |                        |                         |                      | Date:<br><b>7-06-99.</b> |
| Transfer to:   | Accounts to be Debited | Accounts to be Credited | ABA Number           | Amount                   |
|  | 1-247-080-5            | 478-10-124              |                      | 7,470,544.00 (2)         |
| Special Instructions:<br><br>Para transferir a la cuenta Operacional, la cantidad será acreditada a la cuenta a cobrar del Fondo 036, por gastos de Georges. |                        |                         |                      |                          |
| Prepared by:   |                        |                         | Verified by:         |                          |
| Government Development Bank for Puerto Rico is hereby authorized to make the funds transfer between the above mentioned accounts. Approved by:               |                        |                         |                      |                          |
| Authorized Signature   |                        |                         | Authorized Signature |                          |

### FOR GOVERNMENT DEVELOPMENT BANK USE ONLY

|                    |      |              |      |                    |      |
|--------------------|------|--------------|------|--------------------|------|
| Order Received by: | Date | Approved by: | Date | Entered To DDA by: | Date |
|                    |      |              |      |                    |      |

NN25-0068-0590



# FUNDS TRANSFER ORDER

CONTROL NO. T- ---213219

|   |                        |                         |              |                        |
|---|------------------------|-------------------------|--------------|------------------------|
| Originated by (Agency Name):<br><b>ADMINISTRACION DE VIVIENDA PUBLICA</b>   |                        |                         |              | Date<br><b>8-16-99</b> |
| Transfer to:  | Accounts to be Debited | Accounts to be Credited | ABA Number:  | Amount                 |
|   | 124-7080-5             | 478-10124               |              | \$1,500,000.00 (2)     |
| <p>BCC. BUREAU DE L'ORDRE<br/>         PARA PUERTO RICO<br/>         SAN JUAN P.R.<br/>         DIV. DE TRANSACCIONES Y OPERACIONES<br/>         99 AUG 16 PM 12:59</p>   |                        |                         |              |                        |
| <p>Special Instructions: <b>PARA TRANSFERENCIA DINERO DE EMERGENCIA DE GEORGE PARA EL FONDO OPERACIONAL, SEGUN INSTRUCCIONES DE LA SRA. NIVEA FLORES, ADMINISTRADORA ASOCIADA DE FINANZAS Y ADMINISTRACION.</b></p> <p style="text-align: right;"><i>E(2) = \$ 8,970,544.00 payment of Jerna.</i></p> |                        |                         |              |                        |
| Prepared by:<br><b>BRUNILDA SANTIAGO</b>  |                        |                         | Verified by: |                        |
| <p>Government Development Bank for Puerto Rico is hereby authorized to make the funds transfer between the above mentioned accounts. Approved by:</p> <p>_____</p> <p style="text-align: center;">Authorized Signature</p>  |                        |                         |              |                        |

### FOR GOVERNMENT DEVELOPMENT BANK USE ONLY

|                    |      |              |      |                    |      |
|--------------------|------|--------------|------|--------------------|------|
| Order Received by: | Date | Approved by: | Date | Entered To DDA by: | Date |
|                    |      |              |      |                    |      |

NN25-0068-0590



GOBIERNO DE PUERTO RICO  
DEPARTAMENTO DE LA  
**VIVIENDA**  
ADMINISTRACION DE VIVIENDA PUBLICA

22 de octubre de 1999

José A. Martínez  
Secretario Auxiliar de Finanzas  
y Sistemas de Información

Atención: Sra. Reyes

Nivea Flores  
Administradora Asociada  
Finanzas y Administración

Transferencia Fondos

Solicito se transfieran los \$8,415,000 millones enviados por la Oficina de Gerencia y Presupuesto, para cubrir la deuda de Fondos Federales Operacionales, a la cuenta número 4781012-4 perteneciente al Banco Gubernamental de Fomento.

22 de octubre de 1999

Sra. Iris Díaz  
Gerente de Vivienda  
Oficina de Gerencia y Presupuesto

Estimada señora Díaz :

A tono con nuestra conversación telefónica y en relación a la reclamación de fondos que ha sometido la Administración de Vivienda Pública a FEMA, quiero informarle lo siguiente :

- Que la reclamación total final será por aproximadamente 19.6 millones .
- Que al presente se ha reclamado la cantidad de \$16,829,587 a la oficina de FEMA.
- Que según esta reclamación FEMA desembolsó la cantidad de 8,414,587 lo cual constituye aproximadamente un 50% de la cantidad reclamada.

A tales efectos, solicitamos se desembolse una cantidad igual a \$8,415,000 para reembolsar la misma al Gobierno Federal /HUD, por Fondos Federales utilizados para estos propósitos.

La diferencia entre la reclamación estimada y la reclamación sometida será incluida en el informe final. Esta cantidad deberá estar en el Departamento de Hacienda con suma urgencia.

FIRMADO  
JOSE A. MARTINEZ VAZQUEZ  
SECRETARIO AUXILIAR  
FINANZAS Y SISTEMAS DE INFORMACION



GOBIERNO DE PUERTO RICO  
DEPARTAMENTO DE LA

## VIVIENDA

ADMINISTRACION DE ACTIVOS DE LA EXTINTA CRUY

22 de octubre de 1999

Sr. John S. Blakeman, III  
Administrador  
Administración de Vivienda Pública  
Piso 8

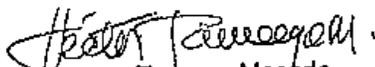
Estimado señor Blakeman:

Acuso recibo de su memorando del día de hoy en el cual nos solicita un préstamo por \$2,881,989.97 para completar el procedimiento de reembolso por concepto del gasto operacional de los refugios habilitados luego del paso del Huracán Georges.

Adjunto para su trámite pertinente y desglosado conforme a su solicitud, cheques número 11957 y número 11958 por \$1,476,623.97 y \$1,405,366.00 respectivamente.

Una vez se recupere el reembolso correspondiente bajo la reclamación a FEMA, la Administración de Vivienda Pública deberá expedir el reembolso a esta Oficina por el total de la cantidad antes mencionada.

Cordialmente,

  
Héctor Tamayo Maseda  
Director

Anejos

cc: Hon. Carlos O. González, Secretario  
Ing. Héctor Morales, Subsecretario  
Sr. José A. Martínez, Sec. Aux. de Finanzas  
CPA Ramón Otero



GOBIERNO DE PUERTO RICO  
DEPARTAMENTO DE LA  
**VIVIENDA**  
ADMINISTRACION DE VIVIENDA PUBLICA

25 de octubre de 1999

Brunilda Santiago  
Directora de Contabilidad

Nivea Flores  
Administradora Asociada de Finanzas  
Y Administración

**Déposito Cheque de la Administración de Activos de la CRUV**

La Administración de Vivienda Pública recibió de la extinta CRUV el cheque num. 11958 por \$ 1,405,366 para cubrir gastos relacionados con el Huracán Georges. Este cheque debe ser depositado en la cuenta num. 039-090477 del Banco Popular de PR.

Este dinero ha sido destinado para el pago de cuentas pendientes con nuestros Agentes Administradores y suplidores de servicios. De haber algún sobrante deberá devolverse a la Administración de Activos de la Extinta CRUV.

Estos fondos serán devueltos a la Extinta CRUV tan pronto recibamos el reembolso de toda nuestra reclamación a FEMA.

CC: Héctor Morales Vargas  
John S. Blakeman III  
Cardona & Irizarry

GOBIERNO DE PUERTO RICO

119

Vendor ID AVP  
Vendor Name ADMINISTRACION DE

10-22-99

| Description   | Amount       |
|---|--------------|
| GASTO OPERACIONALES AL MANEJO<br>REFUGIOS DEL HURACAN GEORGES | 1,405,366.00 |

GOBIERNO DE PUERTO RICO  
DEPARTAMENTO DE LA VIVIENDA  
ADMINISTRACION DE ACTIVOS DE LA CRUV  
TEL (787) 759-8511/8310/8870

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO  
SAN JUAN, PUERTO RICO 00910  
101-211/215

119  
1298

\*\*\*\* FOUR HUNDRED FIVE THOUSAND THREE HUNDRED SIXTY SIX & NO/100 DOLLAR  
DATE AMOUNT \$

10-22-99 \$1,405,366.00

PAY TO THE ORDER OF

ADMINISTRACION DE VIVIENDA PUBLICA

*Enrique Rivera*  
NOT VALID OVER SIX MONTHS  
*[Signature]*  
AUTHORIZED SIGNATURE

011958 021502118 25000053



25 de octubre de 1999

Brunilda Santiago  
Directora de Contabilidad

Nivea Flores  
Administradora Asociada de Finanzas  
Y Administración

**Déposito Cheque de la Administración de Activos de la CRUV**

La Administración de Vivienda Pública recibió de la extinta CRUV el cheque num. 11957 por \$ 1,476,623.97 para cubrir los fondos operacionales federales utilizados para pagar gastos relacionados con el Huracán Georges. Este cheque debe ser depositado en la cuenta num. 039-090477 del Banco Popular de PR.

En esta cuenta se emitirá un cheque a favor de la Administración de Vivienda Pública para la cuenta num. 478-1012-4 el cual disminuirá la cuenta 1127 en el fondo 033.

En caso de algún sobrante, luego de que reconcilie la cuenta deberá emitirse un cheque a nombre de la Administración de Activos de la Extinta CRUV.

CC: Héctor Morales Vargas  
John S. Blakeman III  
Cardona & Irizarry

Gobierno de Puerto Rico

1198

Vendor ID AVF  
Vendor Name ADMINISTRACION DE

1198  
10-22-99

| Description   | Amount       |
|---|--------------|
| GASTO OPERACIONALES AL MANEJO<br>REFUGIOS DEL HURACAN GEORGES | 1,476,623.97 |

GOBIERNO DE PUERTO RICO  
DEPARTAMENTO DE LA VIVIENDA  
ADMINISTRACION DE ACTIVOS DE LA CRUV  
TEL. (787) 759-8511/83108870

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO  
SAN JUAN, PUERTO RICO 00910  
101-211/215

119

1195

\*\*\*\* FOUR HUNDRED SEVENTY SIX THOUSAND SIX HUNDRED TWENTY THREE & 97/100 DOLLAR

DATE

AMOUNT

10-22-99

\*\*\*\*1,476,623.9

PAY  
TO THE  
ORDER  
OF:

ADMINISTRACION DE  
VIVIENDA PUBLICA

*Enrique Rivera*  
NOT VALID OVER SIX MONTHS  
*[Signature]*  
AUTHORIZED SIGNATURE

⑆011957⑆ ⑆021502118⑆ 250⑆0053⑆5⑆

DISTRIBUTION

Administrator, Puerto Rico Public Housing Administration  
 Puerto Rico Secretary of Housing  
 Deputy Secretary, SD (Room 10100)  
 Chief of Staff, S (Room 10000)  
 Special Assistant to the Deputy Secretary for Project Management, SD (Room 10100)  
 Acting Assistant Secretary for Administration, S (Room 10110)  
 Assistant Secretary for Congressional and Intergovernmental Relations, J (Room 10120)  
 Senior Advisor to the Secretary, Office of Public Affairs, S, (Room 10132)  
 Deputy Assistant Secretary of Administrative Services/Director of Executive Secretariat, AX  
 (Room 10139)  
 Director of Scheduling and Advance, AL (Room 10158)  
 Counselor to the Secretary, S (Room 10234)  
 Deputy Chief of Staff, S (Room 10226)  
 Deputy Chief of Staff for Operations, S (Room 10226)  
 Deputy Chief of Staff for Programs and Policy, S (Room 10226)  
 Director, Office of Special Actions, AK (Room 10226)  
 Deputy Assistant Secretary for Public Affairs, W (Room 10222)  
 Special Assistant for Inter-Faith Community Outreach, S (Room 10222)  
 Executive Officer for Administrative Operations and Management, S (Room 10220)  
 Senior Advisor to the Secretary for Pine Ridge Project, W, (Room 10216)  
 General Counsel, C (Room 10214)  
 Director, Office of Federal Housing Enterprise Oversight, O (9<sup>th</sup> Floor Mailroom)  
 Assistant Secretary for Housing/Federal Housing Commissioner, H (Room 9100)  
 Office of Policy Development and Research, R (Room 8100)  
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 Assistant Secretary for Community Planning and Development, D (Room 7100)  
 Assistant Deputy Secretary for Field Policy and Management, SDF (Room 7108)  
 Government National Mortgage Association, T (Room 6100)  
 Assistant Secretary for Fair Housing and Equal Opportunity, E (Room 5100)  
 Chief Procurement Officer, N (Room 5184)  
 Assistant Secretary for Public and Indian Housing, P (Room 4100)  
 Chief Information Officer, Q (Room 3152)  
 Director, Office of Departmental Equal Employment Opportunity, U (Room 5128)  
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United States Senate, Washington DC 20510-6250  
The Honorable Joseph Lieberman, Ranking Member, Committee on Governmental Affairs,  
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The Honorable Dan Burton, Chairman, Committee on Government Reform,  
United States House of Representatives, Washington DC 20515-6143  
The Honorable Henry A. Waxman, Ranking Member, Committee on Government Reform,  
United States House of Representatives, Washington, DC 20515-4305  
Ms. Cindy Fogleman, Subcommittee on Oversight and Investigations, Room 212,  
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