



Issue Date January 12, 2007
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Audit Report Number 2007-SE-1001
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TO: Jack Peters, Director, Region X, Office of Community Planning and Development, OAD

*Joan S. Hobbs*

FROM: Joan Hobbs, Regional Inspector General for Audit, Region X, OAGA

SUBJECT: The YWCA of Seattle - King County - Snohomish County, Seattle, Washington,  
Did not Properly Administer Its Supportive Housing Program Grants

## **HIGHLIGHTS**

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

As part of the Inspector General's annual plan, we audited the YWCA of Seattle - King County - Snohomish County (YWCA). Our audit objective was to determine whether the YWCA administered its Supportive Housing Program grants in accordance with HUD requirements, Office of Management and Budget requirements, and the grant agreements. More specifically, we wanted to determine whether (1) the YWCA complied with grant matching fund requirements and (2) grant expenditures were eligible and supported with adequate documentation.

### **What We Found**

The YWCA generally administered its Supportive Housing Program grants in accordance with HUD requirements. However, it received \$118,207 in excess funds because it did not provide a sufficient cash match for one of its grants. It was also unable to support \$68,783 in labor costs charged to its grants.

## What We Recommend

We recommend that HUD require the YWCA to (1) repay \$118,207 in grant funds expended without the required cash match, (2) reimburse the grant and/or repay HUD from nonfederal funds for the \$68,783 in unsupported labor costs unless it can provide adequate supporting documentation, and (3) implement policies and procedures so that its grants are carried out in accordance with applicable laws and regulations.

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

## Auditee's Response

We provided the YWCA a draft report on December 6, 2006. The YWCA provided written comments on January 2, 2007. It agreed to establish and implement adequate procedures that comply with HUD regulations. However, it requested that the repayment recommendations be waived.

The complete text of the auditee's response, along with our evaluation of that response, can be found in appendix B of this report. Exhibits that were attached to the response are available upon request.

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## BACKGROUND AND OBJECTIVES

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The Supportive Housing Program is authorized under Title IV of the McKinney-Vento Homeless Assistance Act (*United States Code* 11381-11389). The program is designed to promote the development of supportive housing and services, including innovative approaches to assist homeless persons in the transition from homelessness and to promote the provision of supportive housing for homeless persons to enable them to live as independently as possible. Eligible activities include transitional housing, permanent housing for homeless persons with disabilities, innovative housing that meets the intermediate and long-term needs of homeless persons, and supportive services for homeless persons not provided in conjunction with supportive housing. Grantees are required to supplement the amount funded through the Supportive Housing Program with some its own resources. The amount required varies depending on the type of grant activities awarded.

The YWCA of Seattle - King County - Snohomish County (YWCA) serves more than 55,000 people annually, providing a diverse array of effective services throughout King and Snohomish Counties. Its programs are designed to meet the emerging needs of the community and effectively support today's women, children, and families.

The YWCA's programs include

- Housing and shelter services to meet the basic survival needs of homeless women, children, and families and to break the cycle of homelessness and poverty.
- Domestic violence and violence prevention services to prevent domestic violence through education, outreach, and advocacy.
- Employment and self-sufficiency services to help women and their families become increasingly independent through employment and life skills training.
- Children, youth, and family services to support families in their efforts to be economically self-sufficient.
- Health care services to promote sound physical and mental health.

Since 2004, the YWCA has been awarded more than \$3.3 million in Supportive Housing Program funding from federal, city, and county governments. These funds support a variety of programs for homeless families and individuals. We reviewed more than \$1.8 million in grant funds, awarded by the U.S. Department of Housing and Urban Development (HUD) to the YWCA between January 2004 and April 2006. We also reviewed a \$528,780 grant that was still active as of January 2004 (see appendix D).

Our audit objective was to determine whether the YWCA administered its Supportive Housing Program grants in accordance with HUD requirements, Office of Management and Budget requirements, and the grant agreements. More specifically, we wanted to determine whether (1) grant expenditures were eligible and supported with adequate documentation and (2) the YWCA complied with grant matching fund requirements.

## RESULTS OF AUDIT

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### Finding 1: The Transition into Permanent Project Grant Was Overfunded Due to Insufficient Cash Match

The YWCA did not provide adequate cash match for its Transition into Permanent Project grant as required by government regulations. Some of the cash match certified in its application and annual progress report was not cash, but housing assistance provided by another entity. This occurred because YWCA staff did not understand that the match had to be actual revenue and expenditures received by and paid for by the YWCA. As a result, HUD overfunded the grant by \$118,207, and the YWCA did not provide sufficient funds to carry out its approved homeless activities.

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#### **HUD Requires Grantees to Share in the Costs of the Program**

HUD regulations and grant agreements require the grantees to share in Supportive Housing Program costs. By law, Supportive Housing Program funds may be used to pay for up to 80 percent of the total supportive services for each year of the grant term. The grantee or project sponsor must provide cash resources for at least 20 percent of the project's total supportive services expenditures. HUD requires that this cash match (equivalent to 25 percent of the amount paid by HUD) be paid by the end of each operating year.

The grantee's cash source can be itself; cash donations and contributions; and/or federal, state, and local governments. The annual progress report, signed by the YWCA's chief executive officer, contains a listing of sources and amounts of cash match provided for the grant period, along with a certification that states, "...all information stated herein is true and accurate."

#### **The YWCA Did Not Expend Sufficient Funds for the Program**

To receive full funding, the YWCA must expend the total supportive services amount in the application's technical submission. Although the total funds expended were considerably less than stated in the technical submission, the YWCA requested full supportive services funding from the grant. Thus, HUD funded more than 80 percent of the total supportive services expenditures.

Grant number /grant term	Actual funds expended	HUD's share at 80 percent	Required 20 percent cash match	Actual expended by YWCA	Over- funded by HUD
WA01B00-0033 Feb. 1, 2001- Jan. 31, 2002	\$174,911	\$139,929	\$34,982	\$22,739	\$12,243
WA01B00-0033 Feb. 1, 2002- Jan. 31, 2003	\$173,264	\$138,611	\$34,653	\$5,397	\$29,256
WA01B00-0033 Feb. 1, 2003- Jan. 31, 2004	\$189,887	\$151,910	\$37,977	\$22,020	\$15,957
WA01B30-0046 Feb. 1, 2004- Jan. 31, 2005	\$152,204	\$121,763	\$30,461	(\$7,252) <sup>1</sup>	\$37,713
WA01B40-0045 Feb. 1, 2005- Jan. 31, 2006	\$170,547	\$136,438	\$34,109	\$11,071	\$23,038
Total					\$118,207

HUD was unaware of the overfunding since the YWCA certified more cash match than it provided. This occurred because YWCA staff did not understand that the match had to be actual revenue and expenditures received by and paid for by the YWCA. Consequently, the match in the annual progress report included noncash match, housing costs that were not eligible as supportive services, and labor costs that could not be adequately supported by the YWCA as follows:

- One of the federal sources listed in the report was “housing.” However our review of the support for “housing” disclosed that it was not cash deposited into the YWCA accounting system, but savings from housing assistance that was provided by others. The annual progress reports submitted in 2005 and 2006 included non-cash “housing” match of \$99,199 and \$100,679, respectively.
- Included in the schedule of cash match was transitional housing operating and rental assistance provided by the state. We reviewed the supporting documentation and determined that some of the assistance was for permanent housing, which is not an eligible Supportive Housing Program activity. Therefore, the assistance cannot be used as cash match for the program. The reports submitted in 2005 and 2006 included ineligible rental assistance match of \$26,908 and \$21,231, respectively.

<sup>1</sup> For this grant, HUD funded administrative expenses over the 5 percent limit.

- Another YWCA program provided labor support for housing placement. However, due to inadequacies in its timekeeping procedures (finding 2), there was no way of identifying the hours spent on the grant activity.

### **The Current Year Financial Budget Is Significantly Less Than the Application Budget**

The YWCA has a history of not providing sufficient resources for its Transition Into Permanent Program grant. In order for HUD to fully fund the grant, the YWCA must expend approximately \$210,000 for supportive services. Based on the current financial records, the YWCA will only expend \$180,000 (including ineligible and administration costs). YWCA draws of grant funds from HUD are made based on total eligible expenditures. At the current drawdown rate, HUD will fund more than 80 percent of the eligible supportive services expenditures.

### **Recommendations**

We recommend that the director of the Region X Office of Community Planning and Development require the YWCA to

- 1A. Repay from nonfederal funds \$118,207 expended for the Transition into Permanent Project grant without the required cash match.
- 1B. Establish and implement adequate procedures to ensure that its Supportive Housing Program grants are carried out in accordance with cash match laws and regulations.

## Finding 2: The YWCA Could Not Always Support the Eligible Use of Grant Funding Received

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The YWCA was unable to provide documentation to support the eligible use of \$68,783 of the nearly \$1.5 million in Supportive Housing Program grant funds received from HUD. This occurred because the YWCA did not fully understand the HUD and Office of Management and Budget regulations that require labor to be recorded by activity. The YWCA activity reports collected time by program without identification of the activity performed, in violation of government requirements. As a result, HUD does not have adequate assurance that grant funds were used for eligible activities.

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### Supportive Housing Program Requirements

The Supportive Housing Program grant agreements between HUD and the YWCA require the YWCA to comply with Office of Management and Budget Circular A-122, Cost Principles for Non-Profit Organizations. Circular A-122 specifies that the distribution of salaries and wages to awards must be supported by personnel activity reports. These reports must reflect the actual activity of each employee whose compensation is charged, in whole or in part, directly to awards.

Supportive Housing Program regulations specify what program activities are eligible. Eligible supportive service costs include salaries paid to supportive service providers and costs directly associated with providing such services. Eligible operating costs are those associated with the day-to-day operation of the supportive housing programs. Actual expenses that a recipient incurs for conducting ongoing assessments of the supportive services are also eligible. Some administrative activities are eligible and are limited to 5 percent of the grant award. Program activities that do not directly benefit homeless clients are not eligible.

### Program Directors Performed Ineligible Activities without Adequate Documentation

The YWCA program directors' duties included the following activities that are not eligible as supportive services or operations:

Recruit, hire, supervise, schedule, and train the program's direct-service staff and volunteers;

- Provide program planning, development, and implementation;



- Develop and maintain productive working relationships with other community social service organizations;
- Prepare and monitor contract, program, and administrative reports and files;
- Monitor program finances and assist with annual budget preparation; and
- Act in the place of the regional directors in their absence.

Some of the above activities performed by the program directors could be eligible as administration; however, YWCA administrative costs already exceeded the 5 percent limit. Therefore, none of the administrative activities performed by the program directors could be charged to the grant. Without additional identification of the program directors' labor activities, we cannot determine whether all of their time charged to the grant was eligible.

### **The Activity Reports Did Not Record Labor Hours by Budget Activity**

In 2001, the HUD Region X Office of Community Planning and Development performed a review of the YWCA's timekeeping procedures. The office reported that the YWCA's procedures were not compliant with Office of Management and Budget requirements. The report stated, "The most significant part of this is that the compensation must be related directly to the award." As a result of the review, the YWCA provided a draft activity report showing that hours would be collected by activity. This closed the Office of Community Planning and Development finding. However, the draft time sheet was revised to collect the costs by program rather than by activity.

Although the YWCA program directors may have performed a combination of eligible and ineligible activities, the activity reports only collected their time by YWCA program. We asked why the time sheet recorded costs by program rather than grant activity. YWCA staff stated that they thought program and activity were synonymous.

We reviewed the drawdown support for four of the grants awarded to the YWCA. Three of the four grants were charged for program directors' time split between supportive services and operations without documentation to support the actual time spent on each activity.

<b>Grant name</b>	<b>Grant number</b>	<b>Unsupported charge for program director</b>
Auburn Transitional Housing for Families	WA01B300003	\$ 2,930
	WA01B400020	1,052
Anita Vista Transitional Housing Program	WA01B300019	8,375
Three Agency Demonstration Project	WA01B300024	1,642
Transition into Permanent Project	WA01B000033	852
	WA01B300046	22,425
	WA01B400045	23,840
	WA01B500053	<u>7,667</u>
<b>Total unsupported</b>		<b><u>\$ 68,783</u></b>

Since the program directors' time was charged to the grants without identification of the activities performed and determination that the charges were eligible, HUD does not have adequate assurance that the activities performed were charged to the correct grant category or that the activities were eligible under the grant agreement.

## Recommendations

We recommend that the director of the Region X Office of Community Planning and Development require the YWCA to

- 2A. Provide adequate supporting documentation or repay HUD for \$68,783 in unsupported expenses from nonfederal funds.
- 2B. Establish and implement adequate procedures to ensure that grant expenditures are eligible and adequately supported.

## SCOPE AND METHODOLOGY

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We performed the audit between February and November 2006. The audit generally covered the period from January 2004 through April 2006. We expanded the scope as necessary. We reviewed guidance applicable to Supportive Housing Program grants and interviewed staff from the YWCA. We also consulted with staff from the Region X Office of Community Planning and Development. Our primary methodologies included

- Reviewing HUD Supportive Housing Program regulations and Office of Management and Budget Circular A-122, Cost Principles for Non-Profit Organizations.
- Reviewing the grant application, agreement, and annual progress report to determine the types of activities being funded, amount of funding, and progress in completing the activities.
- Reviewing the latest audited financial reports.
- Reviewing the grantee's organizational charts, staff listings, and job descriptions.
- Analyzing the grantee's financial information from its accounting records.
- Reviewing client files for eligibility.
- Reviewing the supporting documentation for costs billed to the Supportive Housing Program grants to determine whether the expenses were reasonable, accurate, and allowable under HUD regulations.
- Reviewing time sheet policies and procedures to determine whether labor charges were adequately supported and complied with the cost principles.
- Reviewing general ledger revenue transactions and cash match supporting documentation to determine whether the cash was deposited and the source was eligible.

We conducted our audit in accordance with generally accepted government auditing standards and included tests of management controls that we considered necessary.

# INTERNAL CONTROLS

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

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

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

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## Relevant Internal Controls

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

- Policies and procedures in place to ensure that grant expenditures are eligible and adequately supported.
- Policies and procedures in place to ensure that Supportive Housing Program grants are carried out in accordance with applicable laws and regulations.

We assessed the relevant controls identified above.

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

## Significant Weaknesses

Based on our review, we believe the following items are significant weaknesses:

The YWCA did not have

- Policies and procedures in place to ensure that grant expenditures were eligible and adequately supported (findings 1 and 2).
- Policies and procedures in place to ensure that its Supportive Housing Program grants were carried out in accordance with applicable laws and regulations (finding 1).

## APPENDIXES

### Appendix A

#### SCHEDULE OF QUESTIONED COSTS

Recommendation number	Ineligible 1/	Unsupported 2/
1A	\$118,207	
2A		\$68,783

1/ Ineligible costs are costs charged to a HUD-financed or HUD-insured program or activity that the auditor believes are not allowable by law; contract; or federal, state, or local policies or regulations.

2/ Unsupported costs are those costs charged to a HUD-financed or HUD-insured program or activity when we cannot determine eligibility at the time of audit. Unsupported costs require a decision by HUD program officials. This decision, in addition to obtaining supporting documentation, might involve a legal interpretation or clarification of departmental policies and procedures.

## Appendix B

# AUDITEE COMMENTS AND OIG'S EVALUATION

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### Ref to OIG Evaluation

### Auditee Comments

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**YWCA**

MOVING WOMEN AND FAMILIES FORWARD  
Seattle • King County • Snohomish County

January 2, 2007

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U.S. Department of Housing and Urban Development  
Office of Inspector General – Region X  
Federal Office Building  
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Seattle, WA 98104-1000

Re: Draft Audit Report

Dear Ms. Hobbs:

Thank you for the opportunity to respond to the findings and recommendations contained in your letter of December 6, 2006. We also appreciate your willingness to extend the deadline for our response to January 2, 2007, to accommodate vacation and holiday schedules. Throughout the audit, Edward Schmidt and Connie Hart were professional and courteous. They also provided valuable information and guidance that we are already using to improve our ability to meet the technical requirements for the HUD funding we receive.

The YWCA takes its contract obligations very seriously, always striving to achieve client outcomes that exceed expectations and to administer programs effectively and efficiently. We have taken to heart the procedural recommendations in the draft report. If you have any questions about the following response, please do not hesitate to call me directly at 206-461-4854 or our Chief Financial Officer Kris Lambright at 206-490-4380.

Finding #1 – Insufficient Cash Match

The terms of our Supportive Housing Program (SHP) grants require us to share at least 80% of the cost of providing the program. For one of our eight programs receiving this funding – Transition into Permanent (TIPP) – the audit finds that we did not provide adequate cash match. We understand the rationale for this finding and believe the situation resulted from a reasonable difference in interpretation of HUD requirements as outlined in the SHP Policy Handbook.

- Rent As An Ineligible Expense. The HUD SHP Policy Handbook section on supportive services lists examples of eligible and ineligible supportive service costs. Examples of eligible costs included “first and last months rent, security deposits, credit checks, for transitional clients moving to permanent housing”. Rent was not included in the list of

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### Comment 1

**Ref to OIG Evaluation**

**Auditee Comments**

examples of ineligible costs. We interpreted this to mean that rent is an eligible expense. The handbook also says that 'a transitional housing participant who is graduating from the project may receive follow-up services paid for with SHP funds for an additional six months' This is done so that the participant is assisted in adjusting to independent living [24 CFP 583.120(b)]. Since the TIPP program is specifically for persons moving into permanent housing, we believed six months of rent would be eligible as match. Therefore, we included all THORA funds for move-in costs and up to six months of rent as cash match.

- Cash versus Non-Cash. We interpreted the SHP section on "cash match" to mean actual cash payments made for items or activities that are integral to delivery of the services provided under the grant. For example, an apartment donated by a landlord for a client's use would be in-kind, not cash, and therefore not eligible; whereas a rent subsidy paid by government to a landlord on behalf of a TIPP client would be an actual payment of cash and therefore eligible. We did not take this to mean that the subsidy payment had to be paid to the YWCA and passed through our accounting system to the landlord. YWCA staff assisted these clients with the large amount of paperwork necessary to apply for public housing subsidies and they also provided follow up help during the approval process. The case managers also helped in locating housing facilities that would accept the clients once they had a subsidy payment. Since we were instrumental in helping these clients receive this cash assistance, we recognized the subsidy paid as cash match.

While the Senior Director overseeing our housing programs made these interpretations in good faith, we understand the reasoning behind the auditor's finding and will follow that interpretation from now on. We have begun making policy and procedure changes to ensure compliance with match requirements as interpreted by your auditors. These corrective actions include –

- Reviewing current SHP contracts to verify that the correct cash match will be provided. Senior Program Directors, Linda Weedman and Patricia Hayden, will perform this review by January 31, 2007.
- Sending written instructions to directors managing SHP-funded programs reiterating that
  - ~ The only rent that can be used as match is rent paid up front as a move-in cost, i.e. first and last months
  - ~ Matching funds must be in the form of cash received by the YWCA and recognized in our General Ledger during the SHP program year.Linda Weedman will send this memo to the directors no later than January 31, 2007.
- Implementing a new form to be used when preparing draw downs that reconciles the total program costs, the costs charged to the grant and the cash match funds. This new form will be prepared by Kris Lambright and sent to the programs by January 31, 2007.

**Finding #2 – Inadequate Documentation of Eligible Use of Grant Funding**

We agree that we need to improve our method for tracking staff time by HUD activity, i.e. ineligible, operating and supportive services. We are taking these corrective actions –

- Add documentation. A second timekeeping document will be kept at program sites starting this month that records time by HUD-defined activity. This breakdown will be used to



**Ref to OIG Evaluation**

**Auditee Comments**

**Comment 2**

determine eligible costs for each drawdown. The new timekeeping document will be prepared by Kris Lambright and distributed for use starting with the pay period beginning January 24, 2007.

- Update technical submissions. Since our program managers often provide significant direct service to clients, we will be updating our technical submissions to add program managers to the list of positions providing direct client service. Senior Program Directors, Linda Weedman and Patricia Hayden, will review future technical submissions to help ensure this change is made.
- Revise job descriptions. Based on legal advice, our current job descriptions include all possible activities the employee may perform. They do not adequately convey the proportion of time the employee can expect to spend on direct service versus administrative duties. We will be revising job descriptions to clarify that a majority of time will be spent on activities that are directly client-related. Our Human Resources Director, Matthew Bullock, will act as lead for this project and we expect to have the job descriptions updated within the next 60 days.

Despite the need for improvement, we believe we are providing enough additional information to support the allocation of the \$68,783 labor costs cited in the audit report. We recognize that we did not provide this level of supporting detail at least monthly as required by OMB Circular A-122, however we have now obtained the support for the time charges and they have been certified by the relevant personnel stating that this a fair and accurate reflection of how they spent their time for that period.

- Our regional and senior managers met with program managers and asked them to reflect on how they spent their time during the period in question. Based on those meetings and the program managers' experience with their jobs, each independently developed the percentage of client-related effort their jobs entailed during that period. Each signed and had notarized certifications of those percentages. We provided this supporting documentation for the time allocation charges to the auditors. Their assessments are further supported by the fact that other YWCA managers do the administrative work that cannot be charged to the SHP grants: regional directors, business office, payroll, community affairs and fundraising. Copies of the program manager certifications are attached with this response.
- In addition, of the program manager's labor cost charged to a program, only a portion was billed to the SHP grant. A spreadsheet summarizing these charges is attached. It is clear we devoted more time to serving these clients than we charged to these grants.

The YWCA takes seriously our obligation to be good stewards of the resources the community invests in our services. We regret and apologize for our technical errors. We are taking the corrective actions outlined above and developing training opportunities, including use of HUD's online resources, to ensure that we meet HUD's technical requirements.

We also are confident that federal taxpayers are "getting their money's worth" and more when HUD invests in YWCA services. As the audit report indicates, the YWCA "generally administered its Supportive Housing Program grants in accordance with HUD requirements." Client eligibility is unquestioned, and program performance is solid. HUD funds clearly were



**Ref to OIG Evaluation**

**Auditee Comments**

**Comment 3**

used effectively to serve the intended population. Over the period covered by these grants, we also raised and spent approximately \$3.4 million in additional public and private funds to operate these HUD-funded programs. These funds were spent providing services; repaying any portion of them to HUD will present a hardship and will detract from the work we are able to do for homeless families in 2007. For all these reasons, we respectfully request that you consider waiving the repayment recommendation.

Thank you for this opportunity to respond and for considering our request. We look forward to working with the Region X Office of Community Planning and Development in the months ahead to complete this process and continue providing effective services to the women and families in our community who need them most.

Sincerely yours,



Sue Sherbrooke  
CEO

## OIG Evaluation of Auditee Comments

- Comment 1** Rent is an eligible cost, however it is specifically limited to the first and last months rent. The Supportive Housing Program desk guide states “Almost any services aimed at moving homeless participants to independence are eligible for SHP support. The following are examples of services which may be paid for with supportive service grant funds: ... Housing search assistance, ..., Rent deposits,” The guide also provides clarification “Eligible supportive services costs ... first and last month’s rent, security deposits, credit checks for participants moving from transitional housing to permanent housing ...” Any additional rent paid on behalf of the client is considered permanent housing and therefore, would not be an eligible homeless activity.
- Comment 2** The additional support provided by the YWCA for the program manager’s labor is not verifiable. An after the fact “reflection” of the activities performed can’t be verified to any supporting documents. The certifications provided for the unsupported labor costs cannot be used as a substitute for verifiable supporting documentation. Therefore, the YWCA should be required to repay HUD for the \$68,783 in unsupported expenses from nonfederal funds.
- Comment 3** The requirement for repayment of grant funds due to insufficient match cannot be waived. By statute only 80 percent of the eligible project expenses can be paid with Supportive Housing Program grant funds. The \$118,207 for the lack of cash match must be repaid from nonfederal funds.

## Appendix C

### CRITERIA

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- A. **Regulations at 24 CFR [Code of Federal Regulations] Part 583, Subpart B**, state that HUD will provide grants to pay for the actual costs of supportive housing or supportive services. HUD will also pay for the actual costs of supportive services for homeless persons and a portion of actual operating expenses for supportive housing.
- B. **Regulations at 24 CFR [Code of Federal Regulations] 583.145.b** state that matching funds must be cash resources provided to the project by one or more of the following: the recipient, the federal government, state and local governments, and private resources.
- C. **Office of Management and Budget Circular A-122, Purpose**, states that the circular establishes principles for determining costs of grants, contracts, and other agreements with nonprofit organizations.
- D. **Office of Management and Budget Circular A-122, Applicability**, states that circular principles shall be used by all federal agencies in determining the costs of work performed by nonprofit organizations under grants, cooperative agreements, cost reimbursement contracts, and other contracts in which costs are used in pricing, administration, or settlement.
- E. **Office of Management and Budget Circular A-122, attachment A, paragraph A, subparagraph 2b**, states that costs charged to the grant must conform to any limitations or exclusions of this circular or the grant as to types or amount of cost items.
- F. **Office of Management and Budget Circular A-122, attachment A, paragraph A, subparagraph 2g**, requires that allowable costs be adequately documented.
- G. **Office of Management and Budget Circular A-122, attachment B, paragraph 7, subparagraph m.2**, states that the distribution of salaries and wages to awards must be supported by personnel activity reports.
- H. **Office of Management and Budget Circular A-122, attachment B, paragraph 7, subparagraph m.2**, states that these reports must reflect the actual activity of each employee whose compensation is charged, in whole or in part, directly to awards.

## Appendix D

### SCHEDULE OF SUPPORTIVE HOUSING PROGRAM GRANTS AWARDED TO THE YWCA BY HUD

Grant name	Grant number	Grant term	Award
Auburn Transitional Housing for Families	WA01B300003	February 1, 2004- January 31, 2005	\$42,541
	WA01B400015	February 1, 2005- January 31, 2006	\$42,541
	WA01B500014	February 1, 2006- January 31, 2007	\$42,541
Anita Vista Transitional Housing Program	WA01B300019	March 1 2004- February 28, 2005	\$57,320
	WA01B400006	March 1, 2005- February 28, 2006	\$57,320
	WA01B500019	March 1, 2006- February 28, 2007	\$57,320
Family Village Transitional Housing and Child Care	WA01B300020	March 1, 2004- February 28, 2005	\$78,878
	WA01B400004	March 1, 2005- February 28, 2006	\$78,878
	WA01B500015	March 1, 2006- February 28, 2007	\$78,878
Long Term Leasing for the Disabled Permanent Housing	WA01B304003	February 1, 2004- January 31, 2005	\$100,099
	WA01B404015	February 1, 2005- January 31, 2006	\$100,099
	WA01B504003	February 1, 2006- January 31, 2007	\$100,099
Supportive Housing Program – Pathways	WA01B304002	March 1, 2004- February 28, 2005	\$72,245
	WA01B404004	March 1, 2005- February 28, 2006	\$72,245
	WA01B504014	March 1, 2006- February 28, 2007	\$72,245
Three Agency Demonstration Project	WA01B300024	February 1, 2004- January 31, 2005	\$85,615
	WA01B400020	February 1, 2005- January 31, 2006	\$85,615
	WA01B500045	February 1, 2006- January 31, 2007	\$85,615

Transition into Permanent Project	WA01B300046	February 1, 2004- January 31, 2005	\$167,868
	WA01B400045	February 1, 2005- January 31, 2006	\$167,868
	WA01B500053	February 1, 2006- January 31, 2007	\$167,868
Windermere House	WA01B300018	September 1, 2004- August 31, 2005	\$29,684
	WA01B400016	September 1, 2005- August 31, 2006	\$29,684
Total grants awarded between January 1, 2004, and April. 30, 2006			\$1,873,066
Grant closed in 2004 Transition into Permanent Project	WA00B000033	February 1, 2001- January 31, 2004	\$528,780
Total grant awards			\$2,401,846