
AUDIT REPORT



Inappropriate Use of Federal Funds Led to \$3.5 Million Deficit in HUD Programs Administered by Fall River Housing Authority

2005-BO-1005

August 31, 2005

OFFICE OF AUDIT, REGION 1
Boston, MA



Issue Date	August 31, 2005
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TO: Donna J. Ayala, Director, Office of Public Housing, Massachusetts State Office, 1APH

FROM: John A. Dvorak, Regional Inspector General for Audit, 1AGA

SUBJECT: Inappropriate Use of Federal Funds Led to \$3.5 Million Deficit in HUD Programs Administered by Fall River Housing Authority, Fall River, Massachusetts

HIGHLIGHTS

What We Audited and Why

We reviewed the Housing Choice Voucher, the Public Housing Operating Fund, and the Public Housing Capital Fund programs at the Fall River Housing Authority (Authority). The audit was conducted as part of our fiscal year 2005 annual audit plan. Our objective was to determine whether the Authority used its federal funds in compliance with the financial provisions of its annual contributions contracts.

What We Found

The Authority did not administer its federal funds in compliance with the financial provisions of its annual contributions contracts. The Authority used federal funds to pay expenditures for state-subsidized housing programs. This condition occurred because the Authority failed to follow the internal controls that it established to ensure compliance with its annual contributions contracts and prevent the use of federal funds to pay state program expenses. As a result, the Authority did not have \$3.5 million available to administer

its federal programs. Additionally, the Authority over reported its voucher utilization because it did not have adequate controls to ensure accurate reporting of voucher utilization.

What We Recommend

We recommend that the director of the Office of Public Housing require the Authority to

- Repay \$3,530,080 taken from the federal programs);
- Strengthen its controls over tracking and reporting of federal funds; and
- Establish adequate controls to ensure accurate reporting of Section 8 housing choice voucher utilization.

For each recommendation in the body of the report 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

The complete text of the auditee's response, along with our evaluation of that response, can be found in appendix B of this report.

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BACKGROUND AND OBJECTIVES

The United States Housing Act of 1937 established the first federal framework for government-owned affordable housing. This act also authorized public housing as the nation's primary vehicle for providing jobs and building and providing subsidized housing through the Department of Housing and Urban Development (HUD). HUD disperses funds to public housing authorities to provide subsidy payments, or housing assistance payments, directly to owners of housing units on behalf of qualified, participating low-income families.

The Housing and Community Development Act of 1974 authorized and established the Section 8 program. The Section 8 program allows public housing authorities to pay subsidies directly to the housing owner on behalf of the assisted family. Since its enactment, the Section 8 program has become the most important source of federal subsidies for assisted housing and is HUD's largest program with annual funding exceeding \$22 billion. In addition, Congress directed HUD that Section 8 funds shall only be used for activities related to the provision of tenant-based rental assistance authorized under Section 8. Congress also directed that operating subsidy funds shall only be used for activities related to the provision of operating subsidies to approved housing authorities.

Through annual contributions contracts, HUD contracts with the Fall River Housing Authority (Authority) for the administration and management of 1,569 low-income units and 2,431 Section 8 vouchers. The annual contributions contracts require the Authority to follow appropriations laws, public housing notices, and the Authority's administrative plan. The Authority, through its leases with property owners and its agreements with other housing authorities, provides Section 8 housing assistance payment subsidies to assist families with housing. The Authority receives a fee to administer the Housing Choice Voucher program.

With the passage of the federal fiscal year 2004 Appropriations Act, HUD changed the way in which it funded vouchers. With this change, HUD began basing voucher funding on actual utilization and housing assistance payments reported in its Voucher Management System instead of using estimated utilization and housing assistance payments. HUD relies on these data to determine the amount of renewal funds to pay to each housing authority and needs accurate information on voucher utilization to appropriately distribute limited public housing funding. The actual voucher cost and utilization data are reported to the Voucher Management System by the housing authorities..

Our overall audit objective was to determine whether the Authority used its federal funds in compliance with the financial provisions of its annual contributions contracts. We examined the causes of the operating deficits in the federal programs and the accuracy of portability and utilization data reported to HUD.

RESULTS OF AUDIT

Finding 1: The Authority Used Federal Funds to Subsidize State Programs

The Authority inappropriately used federal funds to pay expenditures of state programs. It used funds from the Housing Choice Voucher, Public Housing Operating Fund, Public Housing Capital Fund, and Public Housing Drug Elimination programs to fund its state-subsidized housing programs. This condition occurred because the Authority failed to follow the internal controls it established to ensure compliance with the financial provisions of its annual contributions contracts for its federal programs. As a result, the Authority did not have \$3.5 million available for its federal programs on January 1, 2005.

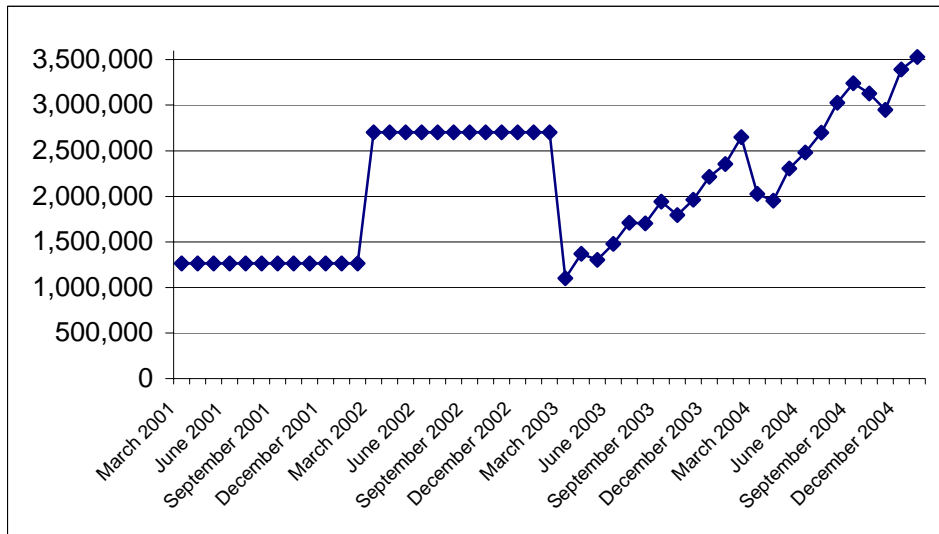
The Authority Used Federal Funds Inappropriately

The Authority's consolidated annual contributions contracts with HUD require the Authority to maintain records that identify the source and application of funds. These records are required to allow HUD to determine whether the Authority expended funds appropriately. Therefore, the Authority uses a series of fund accounts to track the source and use of funds for the Housing Choice Voucher program (Section 8 program), the Public Housing Operating Fund program (low-rent program), the Public Housing Capital Fund program, and the Public Housing Drug Elimination program.¹ The funds received for the federal programs flow through the Authority's federal account into its revolving fund, from which program expenditures are paid. We verified that the Authority recorded paid program expenditures in the appropriate fund accounts for the programs. This verification showed that between March 2001 and January 2005, the Authority transferred \$6,340,789 to the revolving fund to pay for expenses of its state-subsidized housing programs. This improper use occurred because the Authority failed to follow its internal controls that would have prevented it from using federal funds for state-subsidized housing programs.

Between March 2003 and November 2004, the Authority repaid \$2,810,709 to its federal programs but needed to repay an additional \$3,530,080 as of January 2005. In addition, the Authority's use of funds continues to increase as shown in the following chart.

¹ The Public Housing Drug Elimination program ended on February 29, 2004.

Average use of federal funds for state programs increasing²



The Authority attributed its inappropriate use of its federal funds to a failure by the Commonwealth of Massachusetts Department of Housing and Community Development (the state) to provide sufficient funding for the state-subsidized housing programs. At our request, the Authority contacted the state to determine the amount owed. The state advised that it owed the Authority \$1,412,122 on December 31, 2004. This situation occurred because the Authority’s management did not aggressively pursue collections from the state.

The Authority indicated that it used the federal funds for state-subsidized housing programs because it did not want to discontinue housing for families assisted by the state programs.³ However, the Authority also had needy families waiting for federally assisted housing, and these families typically had waited for approximately one year. In addition, the Authority’s use of the \$3.5 million for state programs has decreased voucher utilization in its federal Housing Choice Voucher program, thereby reducing future awards. Under the appropriations laws for 2005, HUD is required to fund vouchers at housing authorities based upon actual utilization and housing assistance payments. In its response, the Authority has pointed out that its conservative approach to voucher utilization was a necessary adjustment to changes in the voucher program and concerns over program costs.

² Appendix B lists the transfers by month.

³ Through these state-subsidized housing programs, the Authority housed or provided subsidies to a maximum of 882 families.

Conclusion

The Authority failed to follow its internal controls to prevent the use of federal funds to pay nonprogram or state program expenditures. The Authority's inappropriate use of \$3.5 million in federal funds to pay expenses for its state-subsidized programs left its federal programs less funding for federal purposes.

Recommendations

We recommend that the director of the Office of Public Housing require the Authority to

- 1A. Identify the federal program(s), and the month and year of each transfer and expense that nets to \$3,530,080.
- 1B. Submit monthly accounting reports with supporting documentation to HUD for monitoring.

We also recommend that the director of the Office of Public Housing

- 1C. Confirm repayment from nonfederal sources the \$3,530,080 plus interest to the appropriate federal program(s) or United States Treasury for the funds repaid for closed programs.
- 1D. Confirm the implementation of controls over tracking and reporting of federal funds to ensure that the Authority is using federal funds for federal programs only.
- 1E. Take appropriate administrative actions against Authority Officials for the improper use of federal funds.

Finding 2: The Authority Inaccurately Tracked and Reported Voucher Utilization

The Authority misreported its voucher utilization by 350 vouchers between April 1, 2002, and March 31, 2004. All authorities must report voucher cost and utilization data to HUD through the Voucher Management System. HUD also requires all housing authorities to be able to identify and support all voucher transactions related to portability using a register and separate subsidiary ledger. The Authority did not have adequate controls to ensure accurate reporting of its Section 8 voucher utilization and port-in vouchers. The lack of controls allowed the Authority's staff to change voucher reporting procedures and report port-in vouchers as its own vouchers. As a result, the Authority inflated its voucher utilization data in the Voucher Management System.

Changes in Procedures Led to Inflated Utilization

The Authority's annual contributions contract with HUD requires accurate reporting of voucher utilization into the Voucher Management System. HUD uses the data in the Voucher Management System to calculate future funding for housing authorities. However, the Authority did not report accurate utilization data to HUD. In January 2002, the Authority replaced an external management company that had administered its Section 8 program with its own staff. The staff then changed the Authority's reporting procedures for voucher utilization and began overreporting the Authority's voucher utilization. The change in voucher reporting resulted in the port-in vouchers being inappropriately included in the Authority's utilization counts in the Voucher Management System.⁴ Also, the Authority's internal controls did not detect in a timely manner that its reported voucher utilization data included the port-in vouchers. HUD needs accurate information on voucher utilization to appropriately distribute limited public housing funding and relies on the data in the Voucher Management System to determine the amount of renewal funds to pay to each housing authority.

From April 1, 2002, to March 31, 2004, the Authority routinely administered an average of 12 port-in vouchers per month for other housing authorities, which the authority reported as part of its own voucher utilization in the Voucher Management System. Through the portability feature of the Housing Choice Voucher program, HUD-subsidized families can move from the jurisdiction of one housing authority to another housing authority or port in. The second housing authority may administer the port-in voucher for the first housing authority

⁴ Appendix C shows the reported utilization and the actual utilization by month.

and report the port-in vouchers separately from its own voucher utilization. In the spring of 2004, the Authority discovered that it had incorrectly entered the port-in data into the Voucher Management System and attempted to correct the data. It entered revisions, but did not always enter the correct utilization data or correct the appropriate month. As a result, additional revisions are needed. In addition, the Authority was considering changes to its procedures for reporting Section 8 utilization, but it had not changed these procedures or its administrative plan as of the end of our audit.

Conclusion

The Authority misreported its voucher utilization. This occurred because the Authority did not have adequate controls established to prevent the over reporting. Additionally, the Authority's internal controls did not detect the inaccurate data in a timely manner. By including port-in vouchers from other housing authorities in its utilization data, the Authority inflated its voucher utilization and increased the funding it received as indicated in finding 1.

Recommendations

We recommend that the director of the Office of Public Housing confirm that the Authority has

- 2A Reconciled reported utilization data and identify the correct data for the Voucher Management System.
- 2B Updated the Authority's written procedures to reflect changes in voucher utilization reporting procedures.
- 2C Submitted documentation supporting its revisions correcting the port-in utilization data in the Voucher Management System.

SCOPE AND METHODOLOGY

We performed our review in accordance with generally accepted government auditing standards. We conducted the audit between December 2004 and May 2005, and covered the period April 1, 2002, through March 31, 2004. The audit period was extended when necessary to meet our objectives. We looked at the Authority due to risk analysis utilization. To accomplish our audit objectives, we

- Reviewed the annual contributions contracts, public and Indian housing notices, the Authority's administrative plans, and the board of commissioners' minutes, the audited financial statements, and the Authority's procedures.
- Interviewed Authority officials about the financial controls, the Section 8 program controls, and procedures.
- Analyzed the Authority's records for fiscal years 2001, 2002, 2003, and 2004.
- Summarized results of our analyses.

INTERNAL CONTROLS

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.

Relevant Internal Controls

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

- Compliance with laws and regulations – Policies of management to reasonably ensure that resource use is consistent with laws and regulations.
- Validity and reliability of data – Policies and procedures that management has implemented to reasonably ensure that valid data are entered into the Voucher Management System.

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 to be significant weaknesses:

- The Authority did not ensure federal funds were only utilized for federal programs in compliance with laws and regulations. (finding 1).
- The Authority did not have adequate systems for tracking and reporting utilization of vouchers (finding 2).

APPENDIXES

Appendix A

SCHEDULE OF QUESTIONED COSTS AND FUNDS TO BE PUT TO BETTER USE

Recommendation number	Ineligible 1/	Unsupported 2/	Unreasonable or unnecessary 3/	Funds to be put to better use 4/
1A.	\$3,530,080			

- 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 polices 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.
- 3/ Unreasonable/unnecessary costs are those costs not generally recognized as ordinary, prudent, relevant, and/or necessary within established practices. Unreasonable costs exceed the costs that would be incurred by a prudent person in conducting a competitive business.
- 4/ “Funds to be put to better use” are quantifiable savings that are anticipated to occur if an Office of Inspector General (OIG) recommendation is implemented, resulting in reduced expenditures at a later time for the activities in question. This includes costs not incurred, deobligation of funds, withdrawal of interest, reductions in outlays, avoidance of unnecessary expenditures, loans and guarantees not made, and other savings.

Appendix B

AUDITEE COMMENTS AND OIG'S EVALUATION

Ref to OIG Evaluation

Auditee Comments

FALL RIVER HOUSING AUTHORITY 85 MORGAN STREET P.O. BOX 989 FALL RIVER, MASSACHUSETTS 02722	
THOMAS J. COLLINS, JR. EXECUTIVE DIRECTOR	TELEPHONE (508) 675-3500
DANIEL P. McDONALD DEPUTY EXECUTIVE DIRECTOR OF OPERATIONS AND TECHNOLOGY	FAX (508) 677-1346 SECTION-8 FAX (508) 675-3435
August 12, 2005	
Mr. John Dvorak Regional Inspector General for Audit Region 1 U.S. Department of Housing & Urban Development Thomas P. O'Neill, Jr. Federal Building, Room 370 10 Causeway Street Boston, Massachusetts 02222-1092	
Subject: Draft Audit Report Fall River Housing Authority	
Dear Mr. Dvorac:	
Please be advised that I am in receipt of the Draft Audit Report for the Fall River Housing Authority dated July 20, 2005. Further, I and members of my staff have read the report, understand its contents, accept in principle the two audit findings, and agree to correct the two deficient areas identified in the discussion draft.	
While I agree in principle with both of the audit findings I find myself disagreeing with a number of the conclusions drawn and believe that these conclusions are not supported by the facts. I would like to highlight at this point those areas of disagreement.	
Audit Finding #1: Inappropriate Use of Federal Funds Led to \$3.5 Million Deficit in HUD Programs Administered by Fall River Housing Authority, Fall River Massachusetts	
The Authority inappropriately used federal funds to pay expenditures of state programs. It used funds from the Housing Choice Voucher, Public Housing Operating Fund, Public Housing Capital Fund, and Public Housing Drug Elimination programs to fund its state-subsidized housing programs.	

Ref to OIG Evaluation

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Comment 1

The Fall River Housing Authority agrees with this portion of the audit finding. The Authority disputes the claim that it **“failed to follow internal controls it established to ensure compliance with the financial provisions of its annual contributions contracts for its federal programs”**. The Authority acknowledges that in an effort to sustain its state-aided public housing program that it consciously made short-term loans from the federal program to the state program. The Authority, which is in the business of housing economically disadvantaged families, made every attempt to provide the maximum number of homes available to this population. These loans were always considered to be a receivable back to the federal program and in fact a series of payments from the state program to the federal program has been demonstrated.

As a result, the Authority did not have \$3.5 million available for its federal programs on January 1, 2005, and housed fewer families under its federal housing programs.

Comment 2

The Fall River Housing Authority disputes this assertion. There have been no facts introduced that suggest that any of our federal housing programs housed fewer families as a result of the loans to the state program. The FRHA clearly exercised caution in leasing units under the Section 8 Voucher Program as a result of overall funding considerations for the program (HUD mandated program funding changes) not as a result of short-term loans to the state program. The Authority's position is that it utilized its operating reserves in making short-term loans. It is the Authority's position that the public housing program and the Section 8 Voucher Program did not house fewer families because of its support of the state program.

The State advised that it owed the Authority \$1,412,122.00 on December 31, 2004. This situation occurred because the Authority's management did not aggressively pursue collections from the state.

Comment 3

The Fall River Housing Authority disputes this assertion. The Authority was operating under the approved Department of Housing & Community Development (DHCD) guidelines for its state-aided properties. The Authority was not exceeding its approved state expense levels and was in constant communication with DHCD (via e-mail and phone conversations) in an effort to secure prompt payment of state subsidy. The Authority was competing for scarce state resources and used all of its ability to recover in a timely fashion those dollars loaned from its federal program.

The Authority indicated that it used the federal funds for state-subsidized housing programs because it did not want to discontinue housing for families assisted by the state programs. However, the Authority also had needy families waiting for

Ref to OIG Evaluation

Auditee Comments

Comment 4

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federally assisted housing, and these families typically had waited for approximately one year.

There has been no connection that has been established, nor do we believe that one exists, between the time a family would be on our federal waiting list and the loans that occurred between our state and federal programs. None of the work required to house families in our federal program was interrupted during the period of time when the federal and state loans occurred. Families that were required to wait one year during this period would have been required to wait one year had the loans not taken place.

In addition, the Authority's inappropriate use of these funds caused the federal programs to house fewer families, which lowered its voucher utilization and will result in less federal funding being available in the future.

As previously indicated, the Authority's conservative approach to its voucher utilization was a necessary adjustment in HUD program changes and concern over program costs related to the Section 8 Voucher Program. Voucher utilization was not impacted by the federal and state loans.

The Authority does not dispute that as of 12-31-2004 the outstanding balance of the unpaid federal loans to the state program was \$3,530,080.00.

Comment 5

At this juncture, I am pleased to inform you that the Department of Housing & Community Development forwarded to the FRHA \$1,200,000.00 on 8-08-2005. These funds have been transferred along with the balance of funds required to repay the federal loans as of 6-30-2005 in their entirety. The FRHA is currently reconciling its accounts for July, 2005. Once complete, the balance due to the federal program will be transferred. It is anticipated that this transfer will be accomplished within the next two weeks. The FRHA will move forward as of August 1, 2005 with the prohibition of loans between the state and federal programs.

Please be advised that the Authority acknowledges that the practice of providing short-term loans from the federal program to the state program is prohibited. The FRHA is currently in negotiations with DHCD to ensure a timely and adequate subsidy payment is received to fund its state-aided operations.

Audit Finding #2

The Authority Inaccurately Tracked and Reported Voucher Utilization

Ref to OIG Evaluation

Auditee Comments

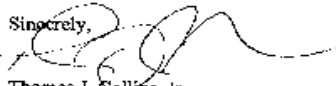
Comment 6

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The Fall River Housing Authority acknowledges that it had problems in 2002-2004 with reporting and tracking accurate figures of voucher utilization in the VMS system. Since the funding change in May 2004, the staff of the Housing Choice Voucher Program has taken a proactive role in making sure correct information gets reported into the VMS system. A procedure manual has been established and the staff is reviewing figures before and after submission. The FRHA is in the process of revising and reconciling reported utilization data for the Housing Choice Voucher Program from 2002-2004. This information will be submitted once complete.

It is my hope that the information supplied in this correspondence will meet the requirements of closing the two above referenced audit findings. I look forward to your response in the near future.

Sincerely,



Thomas J. Collins, Jr.
Executive Director

OIG Evaluation of Auditee Comments

- Comment 1 As shown in the chart on page 7, the Authority has not fully reimbursed its federal programs at any point in the last four years. As such the loans were not short term. Additionally, the Annual Contributions Contracts between HUD and the Authority do not permit the use of these Housing Choice Voucher funds or the Operating Subsidy funds for other programs. No change to the report is needed.
- Comment 2 We agree with the Authority's statement that it exercised caution in leasing units under the Section 8 Voucher Program as a result of changes in overall funding for this program and removed that the program housed fewer families under its federal housing program.
- Comment 3: We evaluated the documentation, statements, and the Authority's use of informal communications with the State through phone conversations and meetings, but we still maintain that a formalized collection process would serve the authority better. Collection efforts need to be documented through written notices containing statements of amounts due, interest due and payment due dates. Discussions regarding collection activities should be documented, and such documentation aids the collection effort. Also, it is especially necessary to show the steps taken to repay the funds back to the Federal programs. Collection efforts during our audit period were not adequately documented. Without this documentation, measuring the effectiveness of collection efforts is impossible. We also do acknowledge that the Authority did document the collection efforts that occurred following the period of our review.
- Comment 4: As discussed in Comment 2, the Authority states that the decrease is due to changes in the Section 8 program and families that would have been required to wait for a determination on whether or not loans had been made. We changed the report and removed that the program housed fewer families under its federal housing program. We also have included the Authority's assertion that its conservative approach to voucher utilization was a necessary adjustment to changes in the voucher program and concerns over program costs.
- Comment 5: The Authority advised that it had received overdue funding from the State and the Authority had prohibited loans between its state and federal programs. As a result of this information, we have changed our recommendations.
- Comment 6: We have changed the recommendations to reflect the actions the Authority has taken to ensure correct information is entered into the Voucher Management System.

Appendix C

FEDERAL FUNDS FOR STATE PROGRAMS

Month and year	Federal general fund account payable	Funds transferred to revolving fund	Funds withdrawn from revolving fund	Funds reimbursed to federal general fund
February 2001	\$275,641	0		
March 2001	(989,128)	(1,264,769)	1,264,769	
April 2001	(989,128)	0		
May 2001	(989,128)	0		
June 2001	(989,128)	0		
July 2001	(989,128)	0		
August 2001	(989,128)	0		
September 2001	(989,128)	0		
October 2001	(989,128)	0		
November 2001	(989,128)	0		
December 2001	(989,128)	0		
January 2002	(989,128)	0		
February 2002	(989,128)	0		
March 2002	(2,426,973)	(1,437,845)	1,437,845	
April 2002	(2,426,973)	0		
May 2002	(2,426,973)	0		
June 2002	(2,426,973)	0		
July 2002	(2,426,973)	0		
August 2002	(2,426,973)	0		
September 2002	(2,426,973)	0		
October 2002	(2,426,973)	0		
November 2002	(2,426,973)	0		
December 2002	(2,426,973)	0		
January 2003	(2,426,973)	0		
February 2003	(2,426,973)	0		
March 2003	(825,633)	1,601,340		1,601,340
April 2003	(1,092,059)	(266,426)	266,426	
May 2003	(1,027,352)	64,707		64,707
June 2003	(1,202,263)	(174,911)	174,911	
July 2003	(1,435,534)	(233,271)	233,271	
August 2003	(1,426,560)	8,974		8,974
September 2003	(1,667,737)	(241,177)	241,177	
October 2003	(1,518,839)	148,898		148,898
November 2003	(1,688,269)	(169,430)	169,430	
December 2003	(1,937,776)	(249,507)	249,507	

Month and year	Federal general fund account payable	Funds transferred to revolving fund	Funds withdrawn from revolving fund	Funds reimbursed to federal general fund
January 2004	(2,080,191)	(142,415)	142,415	
February 2004	(2,373,747)	(293,556)	293,556	
March 2004	(1,752,842)	620,905		620,905
April 2004	(1,677,348)	75,494		75,494
May 2004	(2,028,432)	(351,083)	351,083	
June 2004	(2,205,623)	(177,191)	177,191	
July 2004	(2,422,983)	(217,360)	217,360	
August 2004	(2,750,923)	(327,941)	327,941	
September 2004	(2,965,253)	(214,330)	214,330	
October 2004	(2,851,851)	113,402		113,402
November 2004	(2,674,862)	176,989		176,989
December 2004	(3,116,248)	(441,385)	441,385	
January 2005	(3,254,439)	(138,192)	138,192	
Totals		(\$3,530,080)	\$6,340,789	\$2,810,709

Appendix D

VOUCHER UTILIZATION

Month	Vouchers utilized	Vouchers reported	Difference
April 2002	2327	2308	19
May 2002	2289	2269	20
June 2002	2284	2278	6
July 2002	2293	2254	39
August 2002	2276	2255	21
September 2002	2260	2260	0
October 2002	2252	2238	14
November 2002	2255	2226	29
December 2002	2235	2226	9
January 2003	2257	2236	21
February 2003	2265	2248	17
March 2003	2264	2246	18
April 2003	2265	2245	20
May 2003	2265	2243	22
June 2003	2243	2224	19
July 2003	2250	2238	12
August 2003	2259	2243	16
September 2003	2253	2249	4
October 2003	2327	2262	65
November 2003	2326	2326	0
December 2003	2322	2323	-1
January 2004	2322	2324	-2
February 2004	2326	2329	-3
March 2004	<u>2330</u>	<u>2345</u>	<u>-15</u>
Totals	52,418	52,087	350