



U.S. Department of Housing and Urban Development
Wanamaker Building, Suite 1005
100 Penn Square East
Philadelphia, PA 19107-3380

District Inspector General for Audit

December 27, 1996

**Audit Related Memorandum
No. 97-PH-203-1801**

MEMORANDUM FOR: Paul W. LaMarca, Director, Public Housing
Division, Pittsburgh Area Office, 3EPH

FROM: Edward F. Momorella, District Inspector General
for Audit, Mid-Atlantic, 3AGA

SUBJECT: Citizen Complaint
Pittsburgh Housing Authority
Section 8 Program
Pittsburgh, Pennsylvania

Based on an anonymous citizen complaint we performed a limited review of the Pittsburgh Housing Authority's Section 8 Program.

We interviewed Authority staff, performed Housing Quality Standards (HQS) inspections, reviewed tenant and owner files, and reviewed exception rent processing.

RESULTS OF REVIEW

1. HQS Inspections

Nine of fourteen properties inspected failed HQS. Three property failures could be attributed to inspector oversight. The property addresses and deficiencies were provided to your staff. The Authority took immediate action to affect repairs.

2. Exception Rents

We were unable to confirm comparability data used to qualify units for exception rent. For the five units sampled the Authority prepared a comparability analysis worksheet for all units receiving exception rent. However, the Authority was unable to locate supporting documentation for comparable units listed on the analysis worksheets for four units. Supporting documentation for two units was inconsistent with the data recorded on the analysis worksheet. Independent confirmations with rental agents and owners of comparable units was inconsistent with Authority recorded data.

The Authority maintained data sheets on comparable units for each geographic area. However these data sheets were used for processing both exception rents and annual adjustment factor rent increases. The Authority indicated that when comparability data is used for annual adjustment rent increases the original data sheet is transferred to unit folders and therefore would be difficult to locate. Source documentation for the comparability analysis worksheets is not retained in the exception rent unit folders. As a result the Authority would be unable to locate exception rent comparability data without 100% unit folder review.

The Section 8 coordinator was not aware that original comparability data was not being retained in a control file. Changes are planned to make the process more efficient.

3. Total Tenant Payment Calculations

The Authority did not properly calculate Total Tenant Payment (TTP) for two of 14 tenant files reviewed. As a result, the Authority owes two tenants a total of \$392.

For one tenant, the Authority did not properly verify income for the recertifications effective February 1, 1994 and 1995. The Authority used income verifications from prior years. The Authority also included an income source twice when calculating the TTP for the recertification period effective February 1, 1994. As a result, the tenant is owed \$72.

For another tenant the Authority did not consider an elderly allowance in the recertifications computation effective April 1, 1994 through November 13, 1996. As a result, the tenant is owed \$320 for the period April 1, 1994 through November 13, 1996.

The Authority agreed with the discrepancies and is in the process of processing recertifications and refunds.

No other deficiencies were noted.

RECOMMENDATIONS

We recommend you confirm the:

- 1A Timely repair of the Section 8 units cited for HQS violation s.
- 1B Revision of the Authority's system for processing exception rents.
- 1C Rectification of tenants overpayments.

Based on the results of our review no further audit work is planned at this time.

Should you have any questions please contact Irving I. Guss ,
Assistant District Inspector General for Audit, at (215) 656-3401.

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REPORT NAME: Citizen Complaint
 Section 8 Program
 Pittsburgh, Pennsylvania

REPORT NO: 97-PH-203-1801

ISSUE DATE: December 30, 1996

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