**HAWAII PUBLIC HOUSING AUTHORITY**
**NOTICE OF MEETING**
**REGULAR BOARD OF DIRECTORS MEETING**
**May 20, 2010**
**9:00 a.m.**
**1002 North School Street, Building E**
**Honolulu, Hawaii 96817**

**AGENDA**

## I. CALL TO ORDER / ROLL CALL

## II. APPROVAL OF MINUTES

A. Regular Meeting, April 15, 2010
B. Executive Session, April 15, 2010

## III. PUBLIC TESTIMONY

Public testimony on any agenda item shall be taken at this time. Pursuant to section 92-3, Hawaii Revised Statutes, and section 17-2000-18, Hawaii Administrative Rules, the Board may limit public testimony to three minutes.

## IV. DECISION MAKING

A. Motion: To Approve the Hawaii Public Housing Authority's Comments and Recommendation That the Governor Veto Senate Bill 2473, S.D.1, H.D.2, C.D.1, Allowing Grandchildren to Reside in State Elderly Housing

B. Motion: To Accept the SAS 114 Management Advisory Letter from KMH, LLP for the Hawaii Public Housing Authority's Audit for the Fiscal Year Ended June 30, 2009

C. Motion: To Adopt Amendments to the Hawaii Public Housing Authority's By-Laws to Comply with the Reduced Quorum Requirement pursuant to Act 048, Session Laws of Hawaii 2010

D. Motion: To Adopt Amendments to the Hawaii Public Housing Authority's By-Laws to Comply with the Transfer of the Homeless Programs to the Department of Human Services pursuant to Act 89, Session Laws of Hawaii 2010

## V. REPORTS

A. Task Force Reports as Requested by the Board Chair at the April 2010 Meeting

1. Finance Task Force to review the corrective action plan for the HPHA's Single Audit and to assist with an action plan.
2. Human Resources Task Force to continue working with staff on filling priority/critical positions.
3. Board Training Task Force to meet with new ED and establish a training schedule and determine what training shall be included.
4. Goals and Objectives Task Force was formed to discuss facilitator to assist HPHA with operational goals and objectives.
5. Tenant Relations/Operations Task Force to continue to meet with the Executive Director to discuss plans as related to improvement of operations for the HPHA.

B. Executive Director's Report: April/May 2010 Status Report

1. Accomplishments/Highlights for the month of April 2010
2. Planned Activities – Highlights for the months of April/May 2010
   a. Administrative and Operating tasks
   b. HUD / REAC site visits
   c. Operating Budget
   d. Obligation of Federal Capital Fund Grant Program funds
   e. Participation in HUD research study on homeless
3. Trends/Issues
   a. Collapse of Retaining Wall at Kalihi Valley Homes
   b. Computer Equipment
   c. Elevator Modernization Schedule
   d. Evictions for FY 2010
4. Potential Risks
   a. Collapse of Retaining Wall at Kalihi Valley Homes
   b. Elevator Modernization Schedule
   c. Obligation of Federal Capital Funds
5. Program Reports and Follow-Up from Previous Board Meeting
   a. Pilot Program for Designated Elderly Housing
   b. Standardized House Rules for the Public Housing Program
   c. Formation of Resident Associations
   d. Tenant Monitor Program

## VI. FOR INFORMATION/DISCUSSION

A. For Information: Kuhio Park Terrace (KPT) Lawsuits: *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii Public Housing Authority* (Civil No. CV08-00578)

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii Public Housing Authority* (Civil No. CV08-00578).

B. For Information: Update on the Status of the Redevelopment Activities at Kuhio Park Terrace and Kuhio Homes and the Master Development Agreement with The Michaels Development Company

C. For Information: Report on the Status of the Transitional Homeless Program at Puahala Homes by Program Director, Utu Langi

** Meals will be served to the board members and support staff as an integral part of the board meeting. **

If any person required special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Taryn Chikamori, Secretary to the Board at (808) 832-4680 by close of business two days prior to the meeting date.

Approved by the Executive Director
May 20, 2010

**FOR APPROVAL**

**SUBJECT**: To Approve the Hawaii Public Housing Authority's Comments and Recommendation That the Governor Veto Senate Bill 2473, S.D.1, HD2, CD1, Allowing Grandchildren to Reside in State Elderly Housing

## I. FACTS

A. The 2008 Legislature established the Grandparents Raising Grandchildren Task Force to study and make recommendations for resolving the difficulties faced by grandparents who are raising their grandchildren.

B. Among the problems reported by the Task Force was that elderly housing buildings, including but not limited to public housing, do not permit children to reside there with their grandparents and they are evicted if the children do move in with them. The 2010 Legislature passed SB 2473 in response to that concern.

C. SB 2473 requires HPHA to allow minor grandchildren to reside in state elderly housing projects when the child(ren) would otherwise be without appropriate care due to certain "family crisis" situations. It limits of three months on the grandchildren's stay in elderly housing. It also requires HPHA to create a waitlist preference for elderly persons who have been evicted from elderly housing due to having grandchildren in the unit beyond the allowed time limit, once the grandchildren are no longer with the elderly person. This bill does not affect federal elderly housing projects. (Attachment A)

D. The Governor's Policy Office has requested that HPHA provide comments and a recommendation for action on this bill before the end of May.

## II. DISCUSSION

A. The presence of non-elderly persons in elderly housing has been a continuing issue for HPHA, as reflected by the Board's decision to pursue elderly-only designation for 3 federal elderly buildings. The 2009 PHA 5-Year and Annual Plan notified the public and HUD that we would be taking

this action, and it was supported by the Resident Advisory Board and in public comments on the Plan.

B. There are 5 state elderly housing high-rise buildings, all on Oahu. They have 576 total units, of which 341 are studios and 235 are one-bedroom. There are no units larger than one bedroom. Elderly high-rises do not have appropriate facilities for children, such as play areas, and are not built with the safety of children in mind, e.g. railings may not be child-proof.

C. The Office of the Attorney General, in a letter to the Conference Committee considering SB 2473, raised issues regarding the possibility of recurring crises leading to long stays in elderly housing; and potential over-crowding of small apartments, leading to violations of occupancy limits. (Attachment B)

D. The purposes of this bill can be achieved under current law with changes to existing HPHA policy, which allows grandchildren as visitors for short periods of time. Crises that are truly short term can be accommodated under this policy; for those that cannot, HPHA can change the policy to allow more time for the grandparent to find other, more appropriate housing for the family. Through administrative rules, HPHA can also require the grandparent to receive support services such as Child Protective Services, and can create a waitlist preference for state family housing for elder-headed families that need to move out of kupuna housing. The right of return to state elderly housing can also be created through administrative rules.

E. The recommendation of HPHA staff is that the Governor veto this bill because:

- a change in state statute is not necessary to achieve any of the goals of the bill
- the bill does not provide for necessary limitations on occupancy
- the bill does not limit the number of times this exception can be invoked by a resident
- the bill does not require the grandparent to seek and receive support services

## III. STAFF RECOMMENDATION

That the HPHA Board of Directors approves the Hawaii Public Housing Authority's Comments and Recommendation That the Governor Veto Senate Bill 2473, S.D.1, HD2, CD1, Allowing Grandchildren to Reside in State Elderly Housing

Exhibit A: S.B. 2473, SD1, HD2, CD1
Exhibit B: Attorney General's Letter to the Conference Committee

Prepared by: Alan Sarhan, Chief Planner

Approved by the Board of Directors: _____
Chairperson, Travis O. Thompson

THE SENATE
TWENTY-FIFTH LEGISLATURE, 2010
STATE OF HAWAII

S.B. NO. 2473 S.D. 1 H.D. 2 C.D. 1

# A BILL FOR AN ACT

RELATING TO HOUSING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

SECTION 1. The legislature finds that many grandparents in Hawaii raise their grandchildren when the parents of the child are not able to provide for the child due to a family crisis beyond the control of the grandparent. The legislature further finds that elderly housing projects do not allow grandchildren to reside with their grandparents, even during periods of family crisis, and this situation has sometimes forced grandparents to move out of their housing project units, resulting in homelessness for both the grandparent and the grandchild.

The purpose of this Act is to:

(1) Allow grandparents residing in elderly housing projects to temporarily raise their minor grandchildren in their housing project units in certain family crisis situations; and

(2) Afford elderly housing project residents who have been evicted for raising minor grandchildren in their units priority status for acceptance back into elderly

public housing projects after the family crisis has abated.

SECTION 2. Section 356D-71, Hawaii Revised Statutes, is amended to read as follows:

"[~~[~~]§356D-71[~~]~~] **Resident selection; dwelling units; rentals.** In the administration of elder or elderly housing, the authority shall observe the following with regard to resident selection, dwelling units, and rentals:

(1) Except as provided in this section, the authority shall accept elder or elderly households as residents in the housing projects;

(2) It may accept as residents in any dwelling unit one or more persons, related or unrelated by blood or marriage. It may also accept as a resident in any dwelling unit or in any housing project, in the case of illness or other disability of an elder who is a resident in the dwelling unit or in the project, a person designated by the elder as the elder's live-in aide whose qualifications as a live-in aide are verified by the authority, although the person is not an elder; provided that the person shall cease to be a

1 resident therein upon the recovery of, or removal from
2 the project of, the elder;
3 (3) The authority shall, upon verification of a family
4 crisis, allow any minor who is the grandchild of a
5 tenant of an elderly housing project to temporarily
6 live with the tenant for no longer than three months
7 if, due to the family crisis, the minor would
8 otherwise be without appropriate care; provided that
9 the minor is younger than eighteen years of age while
10 residing with the tenant, the tenant is competent, the
11 tenant reports the presence of each minor in the
12 dwelling to the authority within seven days of
13 arrival, and the minor leaves the dwelling as soon as
14 the family crisis has abated.
15 A family crisis includes the following
16 situations:
17 (A) Imprisonment or arrest of the parent of the
18 minor;
19 (B) Criminal forfeiture of the dwelling of the parent
20 of the minor pursuant to chapter 712A that
21 results in the homelessness of the minor;

1 (C) Admission under chapter 334 to a psychiatric
2 facility or civil commitment of the parent of the
3 minor for mental health, mental illness, drug
4 addiction, or alcoholism;
5 (D) The minor is abused or neglected, as defined in
6 section 346-1, and the minor has been removed
7 under authority of law from the care of the
8 parent; or
9 (E) Abandonment of the minor by the parent for any
10 length of time and the absence of other relatives
11 able or willing to care for the minor.
12 The authority may use its discretion to determine if
13 other situations constitute a family crisis for the
14 purposes of this paragraph.
15 [~~(3)~~] (4) It may rent or lease to an elder a dwelling unit
16 consisting of any number of rooms as the authority
17 deems necessary or advisable to provide safe and
18 sanitary accommodations to the proposed resident or
19 residents without overcrowding;
20 [~~(4)~~] (5) Notwithstanding that the elder has no written
21 rental agreement or that the agreement has expired,
22 during hospitalization of the elder due to illness or

other disability so long as the elder continues to tender the usual rent to the authority or proceeds to tender receipts for rent lawfully withheld, no action or proceeding to recover possession of the dwelling unit may be maintained against the elder, nor shall the authority otherwise cause the elder to quit the dwelling unit involuntarily, demand an increase in rent from the elder, or decrease the services to which the elder has been entitled; and

[~~(5)~~] (6) Elder or elderly housing shall be subject to chapter 521."

SECTION 3. The Hawaii public housing authority shall give an elderly tenant who has been evicted solely because the tenant allowed a minor grandchild or grandchildren to reside in the tenant's unit due to a verified family crisis, first priority for housing in elderly housing projects on the same island.

SECTION 4. Nothing in this Act shall be construed to in any way diminish, amend, or abate the intent to retain elderly housing projects and accommodate the elderly with proper housing to the greatest extent possible.

SECTION 5. If any part of this Act is found to be in conflict with federal requirements that are a prescribed

1 condition for the allocation of federal funds to the State, the
2 conflicting part of this Act is inoperative solely to the extent
3 of the conflict and with respect to the agencies directly
4 affected, and this finding does not affect the operation of the
5 remainder of this Act in its application to the agencies
6 concerned. Any rules adopted by the Hawaii public housing
7 authority to implement this Act shall meet the federal
8 requirements that are a necessary condition of the receipt of
9 federal funds by the State.
10 SECTION 6. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.
12 SECTION 7. This Act shall take effect on July 1, 2010.
13

S.B. NO. 2473 S.D. 1 H.D. 2 C.D. 1

**Report Title:**
Elderly Housing; Kupuna; Grandchildren

**Description:**
Allows grandchildren of elderly housing project residents to temporarily reside with the residents in certain family crisis situations. Affords residents evicted for raising grandchildren-in-crisis in their housing project units priority status to return to project housing. Effective July 1, 2010. (CD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

# COMMENTS OF
# THE DEPARTMENT OF THE ATTORNEY GENERAL
# TWENTY-FIFTH LEGISLATURE, 2010

**TO THE CONFERENCE COMMITTEE ON:**
S.B. NO. 2473, S.D. 1, H.D. 2, RELATING TO HOUSING.

**SENATE CONFEREES:**

The Honorable Suzanne Chun Oakland, Chair

The Honorable Norman Sakamoto, Co-Chair

The Honorable Brickwood Galuteria

The Honorable Fred Hemmings

**HOUSE CONFEREES:**

The Honorable Rida Cabanilla, Co-Chair

The Honorable Roland Sagum III, Co-Chair

The Honorable Pono Chong

The Honorable Corinne Ching

**MEETING DATE:** Not yet scheduled. **TIME:**

**LOCATION:** Not yet assigned.

**WRITTEN COMMENTS ONLY.** For more information, call Nalani Wilson-Ku, Deputy Attorney General, at 578-2978.

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The Department of the Attorney General provides the following comments.

This bill allows tenants in state elderly housing projects to have grandchildren temporarily live with them for no more than three months upon verification of a family crisis. Children are otherwise prohibited from living in projects that are specifically designated for elderly persons.

While this bill limits a particular stay by grandchildren to three months, it does not limit the number of qualifying crises. Conceivably, a grandchild or grandchildren could live with an elderly tenant for longer than a three-month period, depending on the number of crises encountered. If this is not what the Legislature intends, language to limit the number of crises and stay should be added, if this bill is to be passed.

Further, the bill does not limit the number of grandchildren who are entitled to stay with a grandparent. The

number of grandchildren living in a unit, depending on the size of the unit and the number of occupants in that unit, could conflict with building codes that are established for reasons of health and safety. To this end, we suggest that whether a grandchild is allowed to stay should be dependent on not exceeding the occupancy limit of a unit as established by building codes or other health and safety laws.

If this bill is to be passed, we also recommend that language be added so that the addition of grandchildren cannot be interpreted to increase a tenant's household, thereby entitling a tenant to a larger unit. Because the ability to accommodate grandchildren is intended as a temporary accommodation, entitlement to a larger unit should not be a consequence. This would otherwise create extraordinary burdens on the housing authority to coordinate larger units, and could expose the housing authority to further liability to provide a larger unit where no such liability is intended.

We note that allowing children to live in elderly housing projects could be perceived to negatively affect the environment of the projects. From time to time, we are called upon to assist the housing authority in legal disputes arising from an elderly or disabled resident's intolerance to live with noise, which children on-site invariably create. These disputes are especially difficult to resolve when disputing tenants claim an entitlement to live in their units and no other units are available to accommodate them. This bill could potentially exacerbate such situations.

Approved by the Executive Director _____
May 20, 2010

## FOR ACTION

**MOTION:** To Accept the SAS 114 Management Advisory Letter from KMH, LLP for the Hawaii Public Housing Authority's Audit for the Fiscal Year Ended June 30, 2009

## I. FACTS

A. KMH LLP conducted an audit of the financial statements of the Hawaii Public Housing Authority (HPHA) and an audit on internal control over compliance in accordance with OMB circular A-133 for the fiscal period ending June 30, 2009

B. The audits findings were presented to the HPHA's Board of Directors in prior month's meetings.

C. The management advisory letter from KMH LLP is intended to inform the Board of Directors about significant matters related to the annual audit that was conducted.

## II. DISCUSSION

A. Areas of concern as identified by KMH LLP are as follows:

1. Repeat compliance findings regarding internal controls ( as presented to the Board during the March 2010 regular meeting);

2. Audit adjustments made to the original trial balances presented to the auditors;

3. Reconciliation of all significant accounts to supporting schedules; and

4. Implementation of project based accounting required by the U.S. Department of Housing and Urban Development to comply with asset management requirements

## III. STAFF RECOMMENDATION

That the HPHA's Board of Directors Accept the SAS 114 Management Advisory Letter from KMH, LLP for the Hawaii Public Housing Authority's Audit for the Fiscal Year Ended June 30, 2009

Exhibit A: Management Advisory Letter from KMH LLP

Prepared by: Barbara E. Arashiro, Executive Assistant _____

Accepted:

_____
Travis O. Thompson, Chair

KMHLLP

A Hawaii Limited Liability Partnership

April 16, 2010

Board of Directors
Hawaii Public Housing Authority
Honolulu, Hawaii

This letter is intended to inform the Board of Directors (the Board) about significant matters related to the conduct of the annual audit so it can appropriately discharge its oversight responsibility and that we comply with our professional responsibilities to the Board.

In addition to our report on your financial statements, we have provided an Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards and an Independent Auditor's Report on Compliance With Requirements Applicable to each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133, both dated March 18, 2010, concerning significant deficiencies and material weaknesses in internal control that we noted during our audit of the Hawaii Public Housing Authority's (the Authority) financial statements for the year ended June 30, 2009.

The following summarizes various matters which must be communicated to you under auditing standards generally accepted in the United States of America.

**The Auditor's Responsibility Under Applicable Auditing Standards**

Our audit of the financial statements of the Authority for the year ended June 30, 2009 was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. We also performed our audit in accordance with the provisions of the Single Audit Act, OMB Circular A-133 and OMB's Compliance Supplement. Those standards, circulars, and the supplement require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplished that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls over internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements that contribute to the evidence supporting our opinion on the



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financial statements. However, they do not provide a basis for opining on the Hawaii Public Housing Authority's internal control over financial reporting or on compliance and other matters.

**Management Judgments and Accounting Estimates**

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. Estimates significant to the financial statements are the allowance for doubtful accounts for accounts receivable and workers compensation liability. Management may wish to monitor throughout the year the process used to compute and record the accounting estimate.

**Audit Adjustments**

There were several audit adjustments made to the original trial balance presented to us to begin our audit. The adjustments are included as Appendix A.

**Uncorrected Misstatements**

Uncorrected misstatements are summarized and included as Appendix B.

**Adoption of, or Change in, Accounting Policies**

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Authority. The Authority did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.

**Significant or Unusual Transactions**

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

**Accounting Policies and Alternative Treatments**

Management and the Board have the ultimate responsibility for the appropriateness of the accounting policies used by the Authority. The Authority did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period which should be brought to your attention for approval.

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

**Other Information in Documents Containing Audited Financial Statements**

We are not aware of any documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the Authority.

**Disagreements with Management**

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

**Consultations with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

**Major Issues Discussed with Management Prior to Retention**

Following is a description of major issues regarding the application of accounting principles and auditing standards discussed with management in connection with our retention.

1. Hawaii Public Housing Authority management must reconcile all significant accounts to supporting schedules (i.e. cash, accounts receivable, accounts payable, capital assets, etc.).

2. Hawaii Public Housing Authority management still needs to establish a plan to implement project-based accounting required by the U.S. Department of Housing and Urban Development for fiscal year 2009. Proper documentation for implementation during fiscal year 2009 was not provided by management.

**Difficulties Encountered in Performing the Audit**

During the course of our audit of the financial statements for the year ended June 30, 2009 we experienced significant delays in closing the books, providing trial balances and reconciliations for significant accounts.

**Certain Written Communications Between Management and Our Firm**

Copies of certain written communication between our firm and the management of the Authority are attached as Exhibits A and B.

**Closing**

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the Hawaii Public Housing Authority.

This report is intended solely for the information and use of the Board and management and is not intended to be and should not be used by anyone other than the specified parties.

KMH LLP

KMH LLP

Copies to: Denise Wise, Executive Director
Barbara Arashiro, Assistant Executive Director
Arvin Fujii, Office of the Auditor

2/25/2010
9:21 AM

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB CIP - Capital Projects*
Workpaper: *0204 - CP AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 13** | To properly state cash/Due from SOH and accounts payable due to reconciling items. | 1010 | | |
| 000-211900-0000-38( | A/P: OTHER | | 170,627.00 | |
| KMH-980-000-11200( | Due from SOH | | | 170,627.00 |
| **Total** | | | 170,627.00 | 170,627.00 |
| **Adjusting Journal Entries JE # 15** | To remove the repairs and maintenance costs out of Capital Outlays. | 0210.08 | | |
| KMH-980-000-47000( | Repairs & Maintenance - KMH Adj | | 675,587.00 | |
| KMH-980-000-46100( | CIP - KMH Adj | | | 675,587.00 |
| **Total** | | | 675,587.00 | 675,587.00 |
| **Adjusting Journal Entries JE # 16** | To remove the overaccrued amount in AP at YE. | 5510 G 4/ | | |
| KMH-980-000-46100( | CIP - KMH Adj | | 2,900.00 | |
| KMH-980-000-46100( | CIP - KMH Adj | | 18,091.00 | |
| 000-211900-0000-38( | A/P: OTHER | | | 18,091.00 |
| 220-345000-0000-00( | OTHER CURRENT L | | | 2,900.00 |
| **Total** | | | 20,991.00 | 20,991.00 |
| **Adjusting Journal Entries JE # 17** | To reclassify grant expenditures out of Capital Outlays. | 0210.08 | | |
| KMH-980-000-48000( | Grant Expenditure - KMH Adj | | 300,000.00 | |
| KMH-980-000-46100( | CIP - KMH Adj | | | 300,000.00 |
| **Total** | | | 300,000.00 | 300,000.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB GEN - General Fund*
Workpaper: *0204 - GEN AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 17** | To reclassify cash balance to comply with SOH presentation requirements. | 1005 | | |
| KMH-000-112000 | Due from SOH | | 6,079,656.00 | |
| KMH-330-112900 | Other AR - KMH | | 71,671.00 | |
| KMH-000-111111 | Cash - KMH YE Reclass | | | 6,151,327.00 |
| **Total** | | | 6,151,327.00 | 6,151,327.00 |
| **Adjusting Journal Entries JE # 18** | AJE 1- To properly state cash at 6/30/09 for o/s checks. | 1010 | | |
| 224-312000-0000-00( | A/P < 90 DAYS | | 140,459.00 | |
| 000-121100-0000-00( | PREPAID; HAP S | | 68,394.00 | |
| 224-111002-0000-50( | SOH - FY09 ENCU | | | 140,459.00 |
| KMH-024-111000 | Cash - RSP | | | 68,394.00 |
| **Total** | | | 208,853.00 | 208,853.00 |
| **Adjusting Journal Entries JE # 19** | AJE 2 - To correct over accrual and properly state AP as of 6/30/09 | 5510 G 5/ | | |
| 220-312000-0000-00( | A/P < 90 DAYS | | 210,782.00 | |
| 220-943000-7100-10 | CONTRACT COSTS | | | 16,080.00 |
| 220-943000-7100-10 | CONTRACT COSTS | | | 55,608.00 |
| 220-943000-7100-10 | CONTRACT COSTS | | | 77,405.00 |
| 220-943000-7100-10 | CONTRACT COSTS | | | 61,689.00 |
| **Total** | | | 210,782.00 | 210,782.00 |
| **Adjusting Journal Entries JE # 20** | AJE 3 - To properly state the revenue account. | 8105 | | |
| 224-924000-7100-00( | HOMELESS PROGRA | | 124,109.00 | |
| 220-919999-7200-00( | LAPSED FUNDS | | | 403.00 |
| 224-919999-7200-00( | LAPSED FUNDS | | | 123,706.00 |
| **Total** | | | 124,109.00 | 124,109.00 |
| **Adjusting Journal Entries JE # 21** | To properly state retention payable as of YE. | 5515 | | |
| 220-345000-0000-00( | OTHER CURRENT L | | 3,567.00 | |
| 224-345000-0000-00( | OTHER CURRENT L | | 10,553.00 | |
| 229-345000-0000-00( | OTHER CURRENT L | | 3,540.00 | |
| 220-942000-3100-00( | MAINTENANCE MAT | | | 3,568.00 |
| 224-924000-7100-00( | HOMELESS PROGRA | | | 14,092.00 |
| **Total** | | | 17,660.00 | 17,660.00 |
| **Adjusting Journal Entries JE # 23** | To properly record security expenditures paid by the general fund for the AMPs. | 8205 GEN | | |
| KMH-000-600000 | KMH - Operating Transfers | | 1,403,318.00 | |
| 220-952000-5800-10( | PROTECTIVE SERV | | | 284,388.00 |
| 220-952000-5800-10( | PROTECTIVE SERV | | | 378,806.00 |
| 220-952000-5800-10( | PROTECTIVE SERV | | | 33,859.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 115,692.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 26,878.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 20,240.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 195,790.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 61,651.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 114,800.00 |
| 220-952000-5800-10 | PROTECTIVE SERV | | | 35,171.00 |
| 220-952000-7100-10 | PROTECTIVE SERV | | | 122,362.00 |
| 220-953000-7200-99( | PROTECTIVE SERV | | | 20,944.00 |
| 224-952000-5800-00( | PROTECTIVE SERV | | | 1,766.00 |
| **Total** | | | | 971.00 |
| | | | 1,403,318.00 | 1,403,318.00 |
| **Adjusting Journal Entries JE # 24** | | 1520 DF 1/ | | |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB GEN - General Fund*
Workpaper: *0204 - GEN AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| To properly accrue DF AP at YE and interfund allocation. | | | | |
| )00-411000-0000-00( ADMINISTRATIVE | | | 1,250.00 | |
| )00-411000-0000-00( ADMINISTRATIVE | | | 2,780.00 | |
| )00-211900-0000-38( A/P: OTHER | | | | 1,250.00 |
| 224-347000-0000-38( A/P - DUE TO DI | | | | 2,780.00 |
| Total | | | 4,030.00 | 4,030.00 |
| **Adjusting Journal Entries JE # 25** | | 8205 GEN | | |
| To correct improper closing entry to other revenue at YE. | | | | |
| 224-931000-5200-00( WATER | | | 185,812.00 | |
| 224-932000-5000-00( ELECTRICITY | | | 320,846.00 | |
| )00-369000-0000-00( OTHER INCOME | | | | 506,658.00 |
| Total | | | 506,658.00 | 506,658.00 |
| **Adjusting Journal Entries JE # 26** | | 6025 G | | |
| To properly record OPEB liability in compliance w/ PBA and true up PY balances | | | | |
| MH-022-110700-OPE Pension Expense | | | 57,339.00 | |
| MH-024-110700-OPE Pension Expense | | | 14,090.00 | |
| I-022-347000-3181-C Interfund Due to - OPEB | | | | 57,339.00 |
| I-024-347000-3181-C Interfund Due to - OPEB | | | | 14,090.00 |
| Total | | | 71,429.00 | 71,429.00 |
| **Adjusting Journal Entries JE # 27** | | 5510 G 5/ | | |
| To properly state the accrued expense and accounts payable as of June 30, 2009. | | | | |
| 224-924000-7100-00( HOMELESS PROGRA | | | 95,758.00 | |
| 224-312000-0000-00( A/P < 90 DAYS | | | | 90,933.00 |
| 224-345000-0000-00( OTHER CURRENT L | | | | 4,825.00 |
| Total | | | 95,758.00 | 95,758.00 |
| **Adjusting Journal Entries JE # 28** | | 5510 G 5/ | | |
| To properly state the accrued expense and AP balances a/o 6/30/09. | | | | |
| 220-943021-5800-10' CONTRACTS-HVAC | | | 19,539.00 | |
| KMH-020-Admin Admin Expense - KMH | | | 5,420.00 | |
| 220-111003-0000-50( SOH CASH-CLAIMS | | | | 24,959.00 |
| Total | | | 24,959.00 | 24,959.00 |
| **Adjusting Journal Entries JE # 29** | | 8250 GEN | | |
| To properly reclass R&M and Utility expenses paid by the GEN fund on behalf of other funds. | | | | |
| KMH-000-600000 KMH - Operating Transfers | | | 1,569,067.00 | |
| KMH-020-943000 Repairs & Maintenance Exp - KMH | | | | 1,346,129.00 |
| KMH-020-943002 Utility Expense (Various) - KMH | | | | 222,938.00 |
| Total | | | 1,569,067.00 | 1,569,067.00 |
| **Adjusting Journal Entries JE # 30** | | 1510 GEN | | |
| To properly state the utility reimbursement receivable balance as of 6/30/09. | | | | |
| KMH-022-120000 Utility Reimbursement Receivable - KMH | | | 196,582.00 | |
| )00-369000-0000-00( OTHER INCOME | | | | 196,582.00 |
| Total | | | 196,582.00 | 196,582.00 |
| **Adjusting Journal Entries JE # 31** | | 6025C | | |
| To true up OPEB liability based on DAGS OPEB allocation schedule. | | | | |
| I-022-347000-3181-C Interfund Due to - OPEB | | | 4,305.00 | |
| I-024-347000-3181-C Interfund Due to - OPEB | | | 1,108.00 | |
| MH-022-110700-OPE Pension Expense | | | | 4,305.00 |
| MH-024-110700-OPE Pension Expense | | | | 1,108.00 |
| Total | | | 5,413.00 | 5,413.00 |
| **Adjusting Journal Entries JE # 32** | | 1510 GEN | | |
| To propery net CY recorded reimbursements for utility expense to respective utility expense for the homeless shelters. | | | | |
| )00-369000-0000-00( OTHER INCOME | | | 276,744.00 | |
| 224-931000-5200-00( WATER | | | | 106,552.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB GEN - General Fund*
Workpaper: *0204 - GEN AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| 224-932000-5000-00( | ELECTRICITY | | | 170,192.00 |
| **Total** | | | 276,744.00 | 276,744.00 |

Client: STA002 - Housing and Community Development Corporation of Hawaii
Engagement: 2009 - Hawaii Public Housing Authority
Period Ending: 6/30/2009
Trial Balance: TB HCVP - Housing Choice Voucher Program
Workpaper: 0205 - HCVP AJE Report

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 17** | | 1520 | | |
| To properly state the FSS Management expense as of 6/30/09 | | | | |
| 007-222-943000-7100-4007-00 | FSS MANAGEMENT | | 45,011.00 | |
| Operating Transfer In | Operating Transfer In | | | 45,011.00 |
| Total | | | 45,011.00 | 45,011.00 |
| **Adjusting Journal Entries JE # 18** | | 1520 DF | | |
| To properly accrue DF AP at YE and interfund allocation. | | | | |
| 007-222-919000-7200-0000-00 | ADMINISTRATIVE- | | 607.00 | |
| 007-222-347000-0000-3888-00 | A/P - DUE TO DI | | | 607.00 |
| Total | | | 607.00 | 607.00 |
| **Adjusting Journal Entries JE # 19** | | 1510 G | | |
| To properly state interest income and interfund balances at YE | | | | |
| 007-222-144000-0000-3888-00 | INTERPROGRAM DU | | 25,279.00 | |
| 007-222-711000-0000-0000-00 | INVESTMENT INCO | | | 25,279.00 |
| Total | | | 25,279.00 | 25,279.00 |
| **Adjusting Journal Entries JE # 20** | | 6025 G | | |
| To properly record OPEB liability in compliance with PBA and true up PY balances. | | | | |
| KMH-007-110700-OPEB | Pension Expense | | 324,931.00 | |
| KMH-007-347000-3181-OPEB | Interfund Due to - OPEB | | | 324,931.00 |
| Total | | | 324,931.00 | 324,931.00 |
| **Adjusting Journal Entries JE # 21** | | 6025G | | |
| To true-up OPEB liability based on DAGS FY allocation schedule. | | | | |
| KMH-007-347000-3181-OPEB | Interfund Due to - OPEB | | 17,222.00 | |
| KMH-007-110700-OPEB | Pension Expense | | | 17,222.00 |
| Total | | | 17,222.00 | 17,222.00 |
| **Adjusting Journal Entries JE # 22** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-007-EXP | Other Expense - SOH investment pool write-down | | 78,857.00 | |
| 007-222-144000-0000-3888-00 | INTERPROGRAM DU | | | 78,857.00 |
| Total | | | 78,857.00 | 78,857.00 |

Client: STA002 - Housing and Community Development Corporation of Hawaii
Engagement: 2009 - Hawaii Public Housing Authority
Period Ending: 6/30/2009
Trial Balance: TB SEC8 - Section 8 Adminstration
Workpaper: 0204 S8 - AJE Report

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 13** | | 1505 S8 | | |
| To properly state A/R as of 6/30/09. | | | | |
| 265-220-122000-0000-0000-00 | A/R - HUD OTHER | | 159,506.00 | |
| 265-220-962000-7200-0000-00 | OTHER GENERAL E | | | 159,506.00 |
| Total | | | 159,506.00 | 159,506.00 |
| **Adjusting Journal Entries JE # 14** | | 1505 S8 | | |
| To properly state administrative fees earned as of 6/30/09. | | | | |
| 265-220-962000-7200-0000-00 | OTHER GENERAL E | | 48,906.00 | |
| 265-220-706020-0000-0000-00 | ONGOING ADMINIS | | | 48,906.00 |
| Total | | | 48,906.00 | 48,906.00 |
| **Adjusting Journal Entries JE # 16** | | 1505 S8 | | |
| To write off uncollectable portion of o/s receivable to operating transfer. | | | | |
| 265-Operating Transfer In | Operating Transfer In | | 385,124.00 | |
| 265-220-125000-0000-0653-00 | A/R DUE FROM KE | | | 385,124.00 |
| Total | | | 385,124.00 | 385,124.00 |
| **Adjusting Journal Entries JE # 17** | | 6025 G | | |
| To properly record OPEB liability in compliance w/ PBA and true up PY balances. | | | | |
| KMH-265-110700-OPEB | Pension Expense | | 5,331.00 | |
| KMH-265-347000-3181-OPEB | Interfund Due to - OPEB | | | 5,331.00 |
| Total | | | 5,331.00 | 5,331.00 |

Client: STA002 - Housing and Community Development Corporation of Hawaii
Engagement: 2009 - Hawaii Public Housing Authority
Period Ending: 6/30/2009
Trial Balance: TB COCC - Central Office Cost Center
Workpaper: 0204 - COCC AJE Report

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 1** | | 8110 COC | | |
| To true up the COCC management fee charges incorrectly recorded to the amps. | | | | |
| 181-229-111000-0000-0000-00 | CASH - UNRESTRI | | 60,276.00 | |
| 181-229-707100-0000-0000-00 | MANAGEMENT FEE | | | 60,276.00 |
| Total | | | 60,276.00 | 60,276.00 |
| **Adjusting Journal Entries JE # 2** | | 8110 COC | | |
| To true up COCC charges to the AMPS for incorrectly calculated asset management fees. | | | | |
| 181-229-111000-0000-0000-00 | CASH - UNRESTRI | | 36,550.00 | |
| 181-229-707200-0000-0000-00 | ASSET MANAGEMEN | | | 36,550.00 |
| Total | | | 36,550.00 | 36,550.00 |
| **Adjusting Journal Entries JE # 4** | | 8110 COC | | |
| To properly state the interfund balance at YE between COCC and HERF. | | | | |
| 181-220-919000-0000-0000-00 | ADMINISTRATIVE- | | 2,000.00 | |
| 181-229-144000-0000-3337-00 | INTERPROGRAM DU | | | 2,000.00 |
| Total | | | 2,000.00 | 2,000.00 |
| **Adjusting Journal Entries JE # 5** | | 8110 COC | | |
| Reclass to properly state IT revenue at YE. | | | | |
| 181-229-707400-0000-3130-00 | FRONT LINE SERV | | 726.00 | |
| 181-229-707400-0000-0000-00 | INFORMATION TEC | | | 726.00 |
| Total | | | 726.00 | 726.00 |
| **Adjusting Journal Entries JE # 6** | | 8205 GEN | | |
| To properly record security expenditures paid by the general fund for the AMPS. | | | | |
| 181-229-952000-5800-0000-00 | PROTECTIVE SERV | | 971.00 | |
| 181-229-952000-7200-9905-21 | PROTECTIVE SERV | | 1,766.00 | |
| KMH-000-100200 | OPERATING TRANS | | | 2,737.00 |
| Total | | | 2,737.00 | 2,737.00 |
| **Adjusting Journal Entries JE # 7** | | 0200 COC | | |
| To properly state capital fund management fee as of YE. | | | | |
| 181-229-100200-0000-3716-00 | OPERATING TRANF | | 2,461,500.00 | |
| 181-229-706000-0000-0000-00 | HUD PHA OPERATI | | 1,414,001.00 | |
| KMH-000-100000 | Capital Fund Management Fee | | | 3,875,501.00 |
| Total | | | 3,875,501.00 | 3,875,501.00 |
| **Adjusting Journal Entries JE # 8** | | 1520 DF | | |
| To properly accrue DF AP at YE and interfund allocation. | | | | |
| 181-220-919000-0000-0000-00 | ADMINISTRATIVE- | | 33,352.00 | |
| 181-229-347000-0000-3888-00 | A/P - DISBURSIN | | | 33,352.00 |
| Total | | | 33,352.00 | 33,352.00 |
| **Adjusting Journal Entries JE # 9** | | 1510 G | | |
| To properly state interest income and interfund balances at YE. | | | | |
| 181-229-347000-0000-3888-00 | A/P - DISBURSIN | | 14,458.00 | |
| 181-229-711000-0000-0000-00 | INVESTMENT INCO | | | 14,458.00 |
| Total | | | 14,458.00 | 14,458.00 |
| **Adjusting Journal Entries JE # 10** | | 7500 COC | | |
| To properly record beginning NA's and transfer of account balances for the creation of the COCC. | | | | |
| KMH-000-281000 | Net Assets | | 2,326,308.00 | |
| KMH-000-100200 | OPERATING TRANS | | | 2,326,308.00 |
| Total | | | 2,326,308.00 | 2,326,308.00 |
| **Adjusting Journal Entries JE # 11** | | 6025 G | | |
| To properly record OPEB liability in compliance with Project Based Accounting. | | | | |
| KMH-000-120000 | Other Receivable | | 318.00 | |
| KMH-229-144000-3007-OPEB | Interfund Due From - OPEB | | 324,931.00 | |
| KMH-229-144000-3022-OPEB | Interfund Due From - OPEB | | 57,339.00 | |
| KMH-229-144000-3024-OPEB | Interfund Due From - OPEB | | 14,090.00 | |
| KMH-229-144000-3318-OPEB | Interfund Due From - OPEB | | 153,961.00 | |
| KMH-229-144000-3337-OPEB | Intefund Due From - OPEB | | 32,584.00 | |
| KMH-229-144000-FLRP-OPEB | Interfund Due From - OPEB | | 1,718,700.00 | |
| KMH-299-144000-3265-OPEB | Interfund Due From - OPEB | | 5,331.00 | |
| 181-229-357000-0000-0000-00 | ACCRUED PENSION | | | 2,307,254.00 |
| Total | | | 2,307,254.00 | 2,307,254.00 |



036

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB COCC - Central Office Cost Center*
Workpaper: *0204 - COCC AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 12** | | 1010 FLP | | |
| To properly record cash balances in the COCC as cash balance is held under FLRP bank account. | | | | |
| KMH-229-144000-FLRP-Cash | Due from FLRP - Cash - KMH | | 4,698,037.00 | |
| KMH-229-111000 | Cash - KMH | | | 4,698,037.00 |
| **Total** | | | 4,698,037.00 | 4,698,037.00 |
| **Adjusting Journal Entries JE # 14** | | 6025G | | |
| True Up OBEB liability based on DAGS FY 2009 OPEB allocation schedule. | | | | |
| 181-229-357000-0000-0000-00 | ACCRUED PENSION | | 216,120.00 | |
| KMH-229-110700-0000-9902-00 | OPEB Expense | | | 85,123.00 |
| KMH-229-144000-3007-OPEB | Interfund Due From - OPEB | | | 17,222.00 |
| KMH-229-144000-3022-OPEB | Interfund Due From - OPEB | | | 4,305.00 |
| KMH-229-144000-3024-OPEB | Interfund Due From - OPEB | | | 1,108.00 |
| KMH-229-144000-3318-OPEB | Interfund Due From - OPEB | | | 7,135.00 |
| KMH-229-144000-FLRP-OPEB | Interfund Due From - OPEB | | | 101,227.00 |
| **Total** | | | 216,120.00 | 216,120.00 |
| **Adjusting Journal Entries JE # 15** | | 5515 FLP | | |
| To properly state revenues and interfund receivable for PHCF mgt fee drawdown receivable at YE. | | | | |
| KMH-000-144000 | Interfund Due From | | 500,000.00 | |
| KMH-000-100000 | Capital Fund Management Fee | | | 500,000.00 |
| **Total** | | | 500,000.00 | 500,000.00 |
| **Adjusting Journal Entries JE # 16** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-000-EXP | Other Expense - SOH invest pool write-down | | 45,102.00 | |
| 181-229-144000-0000-3888-00 | INTERPROGRAM DU | | | 45,102.00 |
| **Total** | | | 45,102.00 | 45,102.00 |



037

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB FLRP - Federal Low Rent Program*
Workpaper: *0204 FLP - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 13** | | 8110 COC | | |
| To true up the COCC management fee charges incorrectly recorded to the emps. | | | | |
| 130-220-913000-7100-0000-00 | MANAGEMENT FEES | | 18,434.00 | |
| 131-220-913000-7100-0000-00 | MANAGEMENT FEES | | 43,150.00 | |
| 132-220-913000-7100-0000-00 | MANAGEMENT FEES | | 15,702.00 | |
| 133-220-913000-7100-0000-00 | MANAGEMENT FEES | | 16,372.00 | |
| 134-220-913000-7100-0000-00 | MANAGEMENT FEES | | 26,154.00 | |
| 135-220-913000-7100-0000-00 | MANAGEMENT FEES | | 4,894.00 | |
| 137-220-111000-0000-0000-00 | CASH - UNRESTRI | | 77,109.00 | |
| 138-220-913000-7100-0000-00 | MANAGEMENT FEES | | 319.00 | |
| 138-220-913000-7100-0000-00 | MANAGEMENT FEES | | 11,099.00 | |
| 139-220-111000-0000-0000-00 | CASH - UNRESTRI | | 34,513.00 | |
| 140-220-913000-7100-0000-00 | MANAGEMENT FEES | | 22,336.00 | |
| 143-220-913000-7100-0000-00 | MANAGEMENT FEES | | 17,993.00 | |
| 144-220-111000-0000-0000-00 | CASH - UNRESTRI | | 13,045.00 | |
| 145-220-913000-7100-0000-00 | MANAGEMENT FEES | | 8,821.00 | |
| 149-220-111000-0000-0000-00 | CASH - UNRESTRI | | 1,955.00 | |
| 150-220-913000-7100-0000-00 | MANAGEMENT FEES | | 1,621.00 | |
| 130-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 18,434.00 |
| 131-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 43,150.00 |
| 132-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 15,702.00 |
| 133-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 16,372.00 |
| 134-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 26,154.00 |
| 135-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 4,894.00 |
| 137-220-913000-7100-0000-00 | MANAGEMENT FEES | | | 77,109.00 |
| 138-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 319.00 |
| 138-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 11,099.00 |
| 139-220-913000-7100-0000-00 | MANAGEMENT FEES | | | 34,513.00 |
| 140-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 22,336.00 |
| 143-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 17,993.00 |
| 144-220-913000-7100-0000-00 | MANAGEMENT FEES | | | 13,045.00 |
| 145-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 8,821.00 |
| 149-220-913000-7100-0000-00 | MANAGEMENT FEES | | | 1,955.00 |
| 150-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 1,621.00 |
| **Total** | | | 313,517.00 | 313,517.00 |
| **Adjusting Journal Entries JE # 14** | | 8110 COC | | |
| To true up COCC charges for incorrectly calculated asset management fees. | | | | |
| 130-220-920000-7100-0000-00 | ASSET MGT FEES | | 520.00 | |
| 131-220-111000-0000-0000-00 | CASH - UNRESTRI | | 3,670.00 | |
| 132-220-920000-7100-0000-00 | ASSET MGT FEES | | 870.00 | |
| 133-220-920000-7100-0000-00 | ASSET MGT FEES | | 880.00 | |
| 134-220-920000-7100-0000-00 | ASSET MGT FEES | | 1,210.00 | |
| 135-220-920000-7100-0000-00 | ASSET MGT FEES | | 4,110.00 | |
| 137-220-920000-7100-0000-00 | ASSET MGT FEES | | 14,100.00 | |
| 138-220-920000-7100-0000-00 | ASSET MGT FEES | | 1,110.00 | |
| 139-220-920000-7100-0000-00 | ASSET MGT FEES | | 6,520.00 | |
| 140-220-920000-7100-0000-00 | ASSET MGT FEES | | 3,130.00 | |
| 143-220-111000-0000-0000-00 | CASH - UNRESTRI | | 1,010.00 | |
| 144-220-920000-7100-0000-00 | ASSET MGT FEES | | 4,030.00 | |
| 145-220-920000-7100-0000-00 | ASSET MGT FEES | | 620.00 | |
| 146-220-920000-7100-0000-00 | ASSET MGT FEES | | 1,800.00 | |
| 149-220-920000-7100-0000-00 | ASSET MGT FEES | | 1,550.00 | |
| 150-220-920000-7100-0000-00 | ASSET MGT FEES | | 780.00 | |
| 130-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 520.00 |
| 131-220-920000-7100-0000-00 | ASSET MGT FEES | | | 3,670.00 |
| 132-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 870.00 |
| 133-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 880.00 |
| 134-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 1,210.00 |
| 135-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 4,110.00 |
| 137-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 14,100.00 |
| 138-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 1,110.00 |
| 139-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 6,520.00 |
| 140-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 3,130.00 |
| 143-220-920000-7100-0000-00 | ASSET MGT FEES | | | 1,010.00 |
| 144-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 4,030.00 |
| 145-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 620.00 |
| 146-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 1,800.00 |
| 149-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 1,550.00 |
| 150-220-111000-0000-0000-00 | CASH - UNRESTRI | | | 780.00 |
| **Total** | | | 45,910.00 | 45,910.00 |
| **Adjusting Journal Entries JE # 16** | | 4010 | | |
| To properly state fixed assets as of YE. | | | | |
| 143-220-162001-0000-0000-00 | 20 YEARS PROPER | | 13,210.00 | |
| 143-220-942018-7700-1070-00 | MAINT, APPL & E | | | 13,210.00 |



038

Client: STA002 - Housing and Community Development Corporation of Hawaii
Engagement: 2009 - Hawaii Public Housing Authority
Period Ending: 6/30/2009
Trial Balance: TB FLRP - Federal Low Rent Program
Workpaper: 0204 FLP - AJE Report

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| Total | | | 13,210.00 | 13,210.00 |
| **Adjusting Journal Entries JE # 17** | | 4015 | | |
| To properly state accounts payable as of YE. | | | | |
| 134-220-942000-3100-0000-00 | MAINTENANCE MAT | | 16,335.00 | |
| 716-000-312000-0000-0000-34 | A/P < 90 DAYS | | | 16,335.00 |
| Total | | | 16,335.00 | 16,335.00 |
| **Adjusting Journal Entries JE # 18** | | 8330 | | |
| To properly state AR and nonoperating revenue from HUD as of 6/30/09 | | | | |
| 130-220-122000-0000-0000-00 | A/R - HUD OTHER | | 56,630.00 | |
| 131-220-122000-0000-0000-00 | A/R - HUD OTHER | | 204,856.00 | |
| 132-220-122000-0000-0000-00 | A/R - HUD OTHER | | 22,170.00 | |
| 133-220-122000-0000-0000-00 | A/R - HUD OTHER | | 13,274.00 | |
| 134-220-122000-0000-0000-00 | A/R - HUD OTHER | | 38,905.00 | |
| 135-220-122000-0000-0000-00 | A/R - HUD OTHER | | 67,075.00 | |
| 137-220-122000-0000-0000-00 | A/R - HUD OTHER | | 45,363.00 | |
| 138-220-706000-0000-0000-00 | HUD PHA OPERATI | | 15,024.00 | |
| 139-220-122000-0000-0000-00 | A/R - HUD OTHER | | 1,716.00 | |
| 140-220-122000-0000-0000-00 | A/R - HUD OTHER | | 70,460.00 | |
| 143-220-122000-0000-0000-00 | A/R - HUD OTHER | | 36,953.00 | |
| 144-220-122000-0000-0000-00 | A/R - HUD OTHER | | 31,120.00 | |
| 145-220-122000-0000-0000-00 | A/R - HUD OTHER | | 31,398.00 | |
| 146-220-122000-0000-0000-00 | A/R - HUD OTHER | | 9,342.00 | |
| 149-220-122000-0000-0000-00 | A/R - HUD OTHER | | 15,514.00 | |
| 150-220-706000-0000-0000-00 | HUD PHA OPERATI | | 2,162.00 | |
| 130-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 56,630.00 |
| 131-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 204,856.00 |
| 132-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 22,170.00 |
| 133-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 13,274.00 |
| 134-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 38,905.00 |
| 135-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 67,075.00 |
| 137-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 45,363.00 |
| 138-220-122000-0000-0000-00 | A/R - HUD OTHER | | | 15,024.00 |
| 139-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 1,716.00 |
| 140-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 70,460.00 |
| 143-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 36,953.00 |
| 144-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 31,120.00 |
| 145-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 31,398.00 |
| 146-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 9,342.00 |
| 149-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 15,514.00 |
| 150-220-122000-0000-0000-00 | A/R - HUD OTHER | | | 2,162.00 |
| Total | | | 661,962.00 | 661,962.00 |
| **Adjusting Journal Entries JE # 19** | | 5515 | | |
| To properly state A/R as of YE | | | | |
| 717-000-122000-0000-0000-34 | A/R - HUD OTHER | | 16,335.00 | |
| 717-000-706000-0000-0000-34 | HUD PHA OPERATI | | | 16,335.00 |
| Total | | | 16,335.00 | 16,335.00 |
| **Adjusting Journal Entries JE # 20** | | 8205 GEN | | |
| To properly record security expenditures paid by the general fund for the AMPS. | | | | |
| 130-220-952000-5800-1026-22 | PROTECTIVE SERV | | 195,790.00 | |
| 130-220-952000-7100-1026-22 | PROTECTIVE SERV | | 20,944.00 | |
| 131-220-952000-5800-0000-00 | PROTECTIVE SERV | | 378,806.00 | |
| 132-220-952000-5800-1003-22 | PROTECTIVE SERV | | 284,388.00 | |
| 133-220-952000-5800-1009-22 | PROTECTIVE SERV | | 33,859.00 | |
| 133-220-952000-5800-1099-22 | PROTECTIVE SERV | | 122,362.00 | |
| 134-220-952000-5800-1012-00 | PROTECTIVE SERV | | 26,878.00 | |
| 134-220-952000-5800-1036-22 | PROTECTIVE SERV | | 51,651.00 | |
| 134-220-952000-5800-1062-22 | PROTECTIVE SERV | | 35,171.00 | |
| 135-220-952000-5800-1011-22 | PROTECTIVE SERV | | 115,692.00 | |
| 135-220-952000-5800-1024-22 | PROTECTIVE SERV | | 20,240.00 | |
| 135-220-952000-5800-1046-22 | PROTECTIVE SERV | | 114,800.00 | |
| KMH-000-100100 | OPERATING TRANS | | | 1,400,581.00 |
| Total | | | 1,400,581.00 | 1,400,581.00 |
| **Adjusting Journal Entries JE # 21** | | 1505 | | |
| To properly state FSS Admin Fee as of 6/30/09 | | | | |
| 140-220-347000-0000-4007-00 KMH002 | INTER-PROGRAM - Other A/P | | 1,199.00 | |
| Total | | | 1,199.00 | 1,199.00 |

Client: STA002 - Housing and Community Development Corporation of Hawaii
Engagement: 2009 - Hawaii Public Housing Authority
Period Ending: 6/30/2009
Trial Balance: TB FLRP - Federal Low Rent Program
Workpaper: 0204 FLP - AJE Report

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 22** | To properly record management fees drawdown. | 8326 | | |
| 181-420010-0-1150 | MANAGEMENT FEE | | 3,875,501.00 | |
| 716-000-100200-0000-3181-00 | OPERATING TRANF | | | 2,461,500.00 |
| KMH-000-706000 | HUD Subsidy Drawdown | | | 1,414,001.00 |
| Total | | | 3,875,501.00 | 3,875,501.00 |
| **Adjusting Journal Entries JE # 23** | To properly accrue DF AP at YE and interfund allocation | 1520 DF | | |
| 130-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 17,766.00 | |
| 131-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 3,591.00 | |
| 132-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 11,359.00 | |
| 133-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 4,914.00 | |
| 134-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 5,147.00 | |
| 135-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 2,986.00 | |
| 137-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 2,810.00 | |
| 138-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 8,010.00 | |
| 139-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 5,161.00 | |
| 140-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 31,747.00 | |
| 143-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 77.00 | |
| 145-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 501.00 | |
| 146-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 128.00 | |
| 150-220-919000-7200-0000-00 | ADMINISTRATIVE- | | 884.00 | |
| 130-220-347000-0000-3888-00 | A/P - DISBURSIN | | | 17,766.00 |
| 131-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 3,591.00 |
| 132-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 11,359.00 |
| 133-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 4,914.00 |
| 134-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 5,147.00 |
| 135-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 2,986.00 |
| 137-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 2,810.00 |
| 138-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 8,010.00 |
| 139-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 5,161.00 |
| 140-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 31,747.00 |
| 143-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 77.00 |
| 145-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 501.00 |
| 146-220-347000-0000-3888-00 | INTER-PROGRAM - | | | 128.00 |
| 150-220-347000-0000-3888-00 | AP - DUE TO DIB | | | 884.00 |
| Total | | | 95,081.00 | 95,081.00 |
| **Adjusting Journal Entries JE # 24** | To properly state interest income and interfund balances at YE. | 1510 G | | |
| KMH-222-144000-0000-3888-00 | Interfund Due From | | 25,495.00 | |
| KMH-222-711000 | Investment Income | | | 25,495.00 |
| Total | | | 25,495.00 | 25,495.00 |
| **Adjusting Journal Entries JE # 25** | To properly record bad debt expense at YE. | 1520 FLP | | |
| KMH-220-762000-7200 | Other General Expense - FLRP | | 102,536.00 | |
| KMH-220-964000 | Bad Debt Expense - FLRP | | | 102,536.00 |
| Total | | | 102,536.00 | 102,536.00 |
| **Adjusting Journal Entries JE # 27** | To properly zero out interfund accounts at YE. | 1505 DF | | |
| 130-220-347000-0000-4007-00 | A/P - DUE TO FS | | 3.00 | |
| 130-220-312002-0000-0000-00 | A/P OTHER < 90 | | | 3.00 |
| Total | | | 3.00 | 3.00 |
| **Adjusting Journal Entries JE # 28** | To properly state due from HUD as of 6/30/09. | 8325 FLP | | |
| KMH-000-122000 | Receivable from HUD - Retention | | 633,814.00 | |
| KMH-000-706000 | HUD Subsidy Drawdown | | | 554,287.00 |
| KMH-220-762000-7200 | Other General Expense - FLRP | | | 79,527.00 |
| Total | | | 633,814.00 | 633,814.00 |
| **Adjusting Journal Entries JE # 29** | To property state construction in progress as of 6/30/09. | 4015 FLP | | |
| KMH-000-167000 | Construction-In-Progress | | 667,048.00 | |
| 716-000-943007-5800-1036-34 | CONTRACTS-BLDG | | | 667,048.00 |
| Total | | | 667,048.00 | 667,048.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB FLRP - Federal Low Rent Program*
Workpaper: *0204 FLP - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 30** | | 7500 COC | | |
| To properly record beginning NA's and transfer of account balances for the creation of the COCC | | | | |
| KMH-000-100100 | OPERATING TRANS | | 2,326,308.00 | |
| KMH-000-281000 | Net Assets | | | 2,326,308.00 |
| **Total** | | | 2,326,308.00 | 2,326,308.00 |
| **Adjusting Journal Entries JE # 31** | | 5510 G | | |
| To properly accrue CIP AP at YE | | | | |
| 716-000-167000-7900-0000-35 | CONSTRUCTION IN | | 62,612.00 | |
| 716-000-312000-0000-0000-35 | A/P < 90 DAYS | | | 62,612.00 |
| **Total** | | | 62,612.00 | 62,612.00 |
| **Adjusting Journal Entries JE # 32** | | 6025 G | | |
| To properly record OPEB liability in compliance with Project Based Accounting | | | | |
| KMH-222-357000 | Accrued Pension - FLRP | | 1,718,700.00 | |
| KMH-000-347000-3181-OPEB | Interfund Due to - OPEB | | | 1,718,700.00 |
| **Total** | | | 1,718,700.00 | 1,718,700.00 |
| **Adjusting Journal Entries JE # 33** | | 1010 FLP | | |
| To properly record cash balances in the COCC as cash balance is held under FLRP bank account. | | | | |
| KMH-000-111000 | Cash - KMH | | 4,698,037.00 | |
| KMH-000-347000 | Due to COCC - KMH | | | 4,698,037.00 |
| **Total** | | | 4,698,037.00 | 4,698,037.00 |
| **Adjusting Journal Entries JE # 34** | | 5510 G | | |
| To properly state the accrued exp and AP balance a/o 6/30/09. | | | | |
| KMH-000-900000-1 | Electric Exp - KMH | | 30,611.00 | |
| KMH-000-900000-2 | Water/Sewer Exp - KMH | | 132,069.00 | |
| KMH-220-762000-7200 | Other General Expense - FLRP | | 59,891.00 | |
| KMH-000-900000-3 | Gas Exp - KMH | | | 53,090.00 |
| KMH002 | Other A/P | | | 169,481.00 |
| **Total** | | | 222,571.00 | 222,571.00 |
| **Adjusting Journal Entries JE # 35** | | 8250 GEN | | |
| To properly reclass R&M and Utility expenses paid by the GEN fund on behalf of other funds. | | | | |
| KMH-000-942000 | Repair & Maintenance Expense | | 1,346,129.00 | |
| KMH-222-900000-4 | Utility Expense (various) - KMH | | 222,938.00 | |
| KMH-000-100100 | OPERATING TRANS | | | 1,569,067.00 |
| **Total** | | | 1,569,067.00 | 1,569,067.00 |
| **Adjusting Journal Entries JE # 36** | | 6025G | | |
| To true up OPEB based on DAGS OPEB allocation schedule. | | | | |
| KMH-000-347000-3181-OPEB | Interfund Due to - OPEB | | 101,227.00 | |
| KMH-229-110700-0000-9902-00 | OPEB Expense | | | 101,227.00 |
| **Total** | | | 101,227.00 | 101,227.00 |
| **Adjusting Journal Entries JE # 37** | | 0210.07 | | |
| To properly reflect B&I's in the General FA Account Group. | | | | |
| KMH-000-162000 | Buildings & Improvements | | 1,689,114.00 | |
| KMH-000-974000 | Depreciation Expense | | 62,580.00 | |
| KMH-000-100100 | OPERATING TRANS | | | 1,689,114.00 |
| KMH-000-170000 | Accumulated Depreciation | | | 62,580.00 |
| **Total** | | | 1,751,694.00 | 1,751,694.00 |
| **Adjusting Journal Entries JE # 38** | | 0210.07 | | |
| To properly reflect CIP in the General FA Account Group. | | | | |
| KMH-000-162000 | Buildings & Improvements | | 2,651,546.00 | |
| KMH-000-167000 | Construction-In-Progress | | 1,928,288.00 | |
| KMH-000-974000 | Depreciation Expense | | 66,830.00 | |
| KMH-000-100100 | OPERATING TRANS | | | 4,579,834.00 |
| KMH-000-170000 | Accumulated Depreciation | | | 66,830.00 |
| **Total** | | | 4,646,664.00 | 4,646,664.00 |
| **Adjusting Journal Entries JE # 39** | | 5515 FLP | | |
| To properly state expense and interfund payable for PHCF mgt fee drawdown receivable. | | | | |
| KMH-000-913000 | Management Fees - COCC | | 500,000.00 | |
| KMH-000-347000 | Due to COCC - KMH | | | 500,000.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB FLRP - Federal Low Rent Program*
Workpaper: *0204 FLP - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Total** | | | 500,000.00 | 500,000.00 |
| **Adjusting Journal Entries JE # 40** | | 4015 FLP | | |
| To property move completed CIP projects to FA. | | | | |
| KMH-000-162000 | Buildings & Improvements | | 16,626,878.00 | |
| KMH-000-974000 | Depreciation Expense | | 860,948.00 | |
| KMH-000-167000 | Construction-In-Progress | | | 16,626,878.00 |
| KMH-000-170000 | Accumulated Depreciation | | | 860,948.00 |
| **Total** | | | 17,487,826.00 | 17,487,826.00 |
| **Adjusting Journal Entries JE # 41** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-000-EXP | Other Expense - SOH invest pool write-down | | 79,530.00 | |
| KMH-222-144000-0000-3888-00 | Interfund Due From | | | 79,530.00 |
| **Total** | | | 79,530.00 | 79,530.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - Housing for Elders Revolving Fund*
Workpaper: *0204 - HERF AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 16** | | 5510 G | | |
| To properly accrue expenditures that were disbursed subsequent to 6/30/09 but occured during FY2008 | | | | |
| 337-000-432000-0000-0000-00 | ELECTRICITY | | 2,459.00 | |
| 337-000-439000-0000-0000-00 | SEWER | | 4,325.00 | |
| 337-220-942018-7200-2401-00 | MAINT, APPL & E | | 9,571.00 | |
| 337-000-211900-0000-0000-00 | A/P: OTHER | | | 18,355.00 |
| **Total** | | | 16,355.00 | 16,355.00 |
| **Adjusting Journal Entries JE # 19** | | 8105 HEF | | |
| To properly reclass investment pool income. | | | | |
| 337-220-715000-0000-0000-00 | OTHER REVENUE | | 77,642.00 | |
| 337-220-712000-0000-0000-00 | INVESTMENT POOL INCOME | | | 77,642.00 |
| **Total** | | | 77,642.00 | 77,642.00 |
| **Adjusting Journal Entries JE # 20** | | 1505 HERF | | |
| To properly state the HERF interfund balance. | | | | |
| 337-220-347000-0000-3888-00 | INTER-PROGRAM - | | 6,764.00 | |
| 337-000-912000-7100-0000-00 | AUDIT FEE | | | 6,764.00 |
| **Total** | | | 6,764.00 | 6,764.00 |
| **Adjusting Journal Entries JE # 21** | | 1520 DF | | |
| To properly accrue DF AP at YE and interfund allocation. | | | | |
| 337.419000 | Other Expenses | | 218.00 | |
| 337-000-347000-0000-3888-00 | I/F PAYABLE | | | 218.00 |
| **Total** | | | 218.00 | 218.00 |
| **Adjusting Journal Entries JE # 22** | | 1510 G | | |
| To properly state interest income and interfund balances at YE. | | | | |
| 337-220-347000-0000-3888-00 | INTER-PROGRAM - | | 2,666.00 | |
| 337-220-712000-0000-0000-00 | INVESTMENT POOL INCOME | | | 2,666.00 |
| **Total** | | | 2,666.00 | 2,666.00 |
| **Adjusting Journal Entries JE # 23** | | 1510 G | | |
| To properly state interest income and accrual a/o YE. | | | | |
| 337-220-129000-0000-0000-00 | ACCRUED INTERES | | 37,155.00 | |
| 337-220-712000-0000-0000-00 | INVESTMENT POOL INCOME | | | 37,155.00 |
| **Total** | | | 37,155.00 | 37,155.00 |
| **Adjusting Journal Entries JE # 24** | | 6025 G | | |
| To properly record OPEB liability in compliance w/ PBA and true up PY balances. | | | | |
| 337-OPEB Expense | OPEB Expense | | 32,584.00 | |
| KMH-337-347000-3161-OPEB | Interprogram Due to - OPEB | | | 32,584.00 |
| **Total** | | | 32,584.00 | 32,584.00 |
| **Adjusting Journal Entries JE # 25** | | 0210.07 | | |
| To properly reflect B&I's in the General FA Account Group. | | | | |
| 337-000-140405-0000-0000-00 | RENTAL UNIT BUI | | 188,550.00 | |
| 337-220-974000-6000-0000-00 | DEPRECIATION EX | | 8,105.00 | |
| 337-000-152400-0000-0000-00 | ACCUMULATED DEP | | | 8,105.00 |
| 337-Operating Transfer | Operating Transfer | | | 188,550.00 |
| **Total** | | | 196,655.00 | 196,655.00 |
| **Adjusting Journal Entries JE # 26** | | 0210.07 | | |
| To properly reflect CIP in the General FA Account Group. | | | | |
| 337-000-140405-0000-0000-00 | RENTAL UNIT BUI | | 141,473.00 | |
| 337-220-974000-6000-0000-00 | DEPRECIATION EX | | 21,489.00 | |
| KMH-337-160000 | CIP | | 76,343.00 | |
| 337-220-166000-0000-0000-00 | ACCUMULATED DEP | | | 21,489.00 |
| 337-Operating Transfer | Operating Transfer | | | 217,818.00 |
| **Total** | | | 239,305.00 | 239,305.00 |
| **Adjusting Journal Entries JE # 27** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-337-EXP | Other Expense - SOH invest pool writedown | | 78,530.00 | |
| KMH-337-100000 | SOH Cash - Investment pool write-down | | | 78,530.00 |
| **Total** | | | 78,530.00 | 78,530.00 |
| **Adjusting Journal Entries JE # 28** | | 0200.16 | | |



043

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - Housing for Elders Revolving Fund*
Workpaper: *0204 - HERF AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-337-EXP | Other Expense - SOH invest pool writedown | | 8,315.00 | |
| 337-220-144000-0000-3888-00 | INTERPROGRAM DU | | | 8,315.00 |
| Total | | | 8,315.00 | 8,315.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - Housing Revolving Fund*
Workpaper: *0204 - HRF AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 13** | To reverse interest booked in the CY on Note Receivable | 1505 HRF | | |
| 220-715000-0000-00( | OTHER REVENUE | | 20,000.00 | |
| 220-129000-0000-00( | ACCRUED INTERES | | | 20,000.00 |
| Total | | | 20,000.00 | 20,000.00 |
| **Adjusting Journal Entries JE # 18** | To correct benefit accounts as of 6/30/09 | | | |
| 220-321000-0000-00( | ACCRUED PAYROLL | | 155.00 | |
| 220-322000-0000-00( | ACCRUED VAC/COM | | 4,238.00 | |
| 220-353000-0000-00( | NONCURRENT LIAB | | 10,635.00 | |
| 220-915000-2000-00( | EMP BENEFIT CON | | | 15,028.00 |
| Total | | | 15,028.00 | 15,028.00 |
| **Adjusting Journal Entries JE # 20** | To correct accrual for AP posted to incorrect fund at YE. | 5510 HRF | | |
| 220-312000-0000-00( | A/P < 90 DAYS | | 16,714.00 | |
| 220-911000-2000-00( | ADMINISTRATIVE | | | 16,714.00 |
| Total | | | 16,714.00 | 16,714.00 |
| **Adjusting Journal Entries JE # 21** | To properly accrue expenditures that were disbursed subsequent to YE but occurred during the CY. | 5510 G 7/ | | |
| 220-931000-5200-22( | WATER | | 23,532.00 | |
| 220-932000-5000-22( | ELECTRICITY | | 11,306.00 | |
| 220-936000-5300-22( | SEWER | | 1,275.00 | |
| 220-943028-5800-22( | PVT MGMT CONTRA | | 3,231.00 | |
| 220-312000-0000-00( | A/P < 90 DAYS | | | 39,344.00 |
| Total | | | 39,344.00 | 39,344.00 |
| **Adjusting Journal Entries JE # 24** | To properly accrue DF AP at YE and interfund allocation. | 1520 DF | | |
| 308.459 | Other Expenses | | 1,020.00 | |
| 220-347000-0000-38( | INTER-PROGRAM - | | | 1,020.00 |
| Total | | | 1,020.00 | 1,020.00 |
| **Adjusting Journal Entries JE # 25** | To properly state interest income and interfund balances at YE. | 1510 G | | |
| 220-347000-0000-38( | INTER-PROGRAM - | | 13,259.00 | |
| 220-712000-0000-00( | INTEREST INCOME | | | 13,259.00 |
| Total | | | 13,259.00 | 13,259.00 |
| **Adjusting Journal Entries JE # 26** | To properly zero out interfund accounts at YE. | 1505 DF | | |
| 220-347000-0000-31: | INTER-PROGRAM - | | 466.00 | |
| 220-347000-0000-31( | INTER-PROGRAM - | | 1,693.00 | |
| KMH-220-312000 | Other Payables | | | 2,159.00 |
| Total | | | 2,159.00 | 2,159.00 |
| **Adjusting Journal Entries JE # 27** | To properly true up the OPEB expense recorded at YE. | 6005 HRF | | |
| 220-945000-2000-00( | EMP BENEFIT-ORD | | 82,420.00 | |
| 220-354000-0000-00( | ACCRUED COMPENS | | | 82,420.00 |
| Total | | | 82,420.00 | 82,420.00 |
| **Adjusting Journal Entries JE # 28** | To properly record OPEB liability in compliance with Project Based Accounting. | 6025 G | | |
| 220-354000-0000-00( | ACCRUED COMPENS | | 153,961.00 | |
| I-220-347000-3181-O | Interfund Due to - OPEB | | | 153,961.00 |
| Total | | | 153,961.00 | 153,961.00 |
| **Adjusting Journal Entries JE # 29** | | 6025G | | |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - Housing Revolving Fund*
Workpaper: *0204 - HRF AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| To true up OPEB liability based on DAGS OPEB allocation schedule | | | | |
| I-220-347000-3181-O | Interfund Due to - OPEB | | 7,135.00 | |
| 308.4600.OPEB | OPEB Expense | | | 7,135.00 |
| Total | | | 7,135.00 | 7,135.00 |
| **Adjusting Journal Entries JE # 30** | | 0210.07 | | |
| To properly reflect B&I's in the Gen FA Account Group. | | | | |
| 220-162000-0000-00( | BUILDINGS | | 2,167,039.00 | |
| 220-974000-6000-00( | DEPRECIATION EX | | 101,983.00 | |
| 220-168000-0000-00( | ACCUMULATED DEP | | | 101,983.00 |
| KMH-318-8000 | Operating Transfer-In | | | 2,167,039.00 |
| Total | | | 2,269,022.00 | 2,269,022.00 |
| **Adjusting Journal Entries JE # 31** | | 0210.07 | | |
| To properly reflect CIP in the General FA Account Group. | | | | |
| 220-162000-0000-00( | BUILDINGS | | 1,410,735.00 | |
| 220-974000-6000-00( | DEPRECIATION EX | | 103,868.00 | |
| KMH-318-165000 | CIP | | 288,541.00 | |
| 220-168000-0000-00( | ACCUMULATED DEP | | | 103,868.00 |
| KMH-318-8000 | Operating Transfer-In | | | 1,699,276.00 |
| Total | | | 1,803,144.00 | 1,803,144.00 |
| **Adjusting Journal Entries JE # 32** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-318-EXP | Other Expense - SOH Invest Pool Write-down | | 10,736.00 | |
| KMH-318-100000 | SOH Cash - Investment pool write-down | | | 10,736.00 |
| Total | | | 10,736.00 | 10,736.00 |
| **Adjusting Journal Entries JE # 33** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-318-EXP | Other Expense - SOH Invest Pool Write-down | | 41,360.00 | |
| 220-144001-0000-38( | DUE FROM FUND 0 | | | 41,360.00 |
| Total | | | 41,360.00 | 41,360.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - EDI - Boys and Girls T/B*
Workpaper: *0206 - EDI AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 1** | | | | |
| CJE 1 - To record audit fee (FY2008) paid in Fy2009 | | | | |
| 756-000-912000-7100-0000-00 | AUDIT FEE | | 220.00 | |
| 756-000-347000-0000-3888-00 | I/F PAYABLE | | | 220.00 |
| **Total** | | | 220.00 | 220.00 |
| **Adjusting Journal Entries JE # 2** | | | | |
| CJE 1 - To properly state revenue/ar as of 6/30/09 | | | | |
| 756-220-122000-0000-0000-00 | A/R - HUD OTHER | | 220.00 | |
| 756-220-706000-0000-0000-00 | HUD PHA OPERATI | | | 220.00 |
| **Total** | | | 220.00 | 220.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance- ROSS*
Workpaper: *0204 - ROSS AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 16** | | **1520 HVP** | | |
| To properly state operating expense as of 6/30/09. | | | | |
| KMH001 | Operating Transfer Out | | 45,011.00 | |
| )00-423000-0000-00( | ADMINISTRATIVE | | | 45,011.00 |
| **Total** | | | **45,011.00** | **45,011.00** |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Workpaper: *0204 KPT - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 15** | RJE to properly state payables at YE. | 6010 KPT | | |
| 220-346000-0000-00( | ACCRUED LIABILI | | 32,344.00 | |
| 755-Accounts Payabl( | Accounts Payable | | | 32,344.00 |
| **Total** | | | 32,344.00 | 32,344.00 |
| **Adjusting Journal Entries JE # 16** | To properly state Net Assets at YE | 0200 KPT | | |
| )00-281000-0000-37! | UNRESERVED SURP 1 | | 44.00 | |
| 220-703000-0000-00( | NET TENANT RENT | | | 44.00 |
| **Total** | | | 44.00 | 44.00 |

Client: STA002 - Housing and Community Development Corporation of Hawaii
Engagement: 2009 - Hawaii Public Housing Authority
Period Ending: 6/30/2009
Trial Balance: TB - Trial Balance - DF
Workpaper: 0205 DF - AJE Report

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 27** | | 0200 DF | | |
| To properly state the Vehicle Rental interfund balances at YE. | | | | |
| 888-000-347000-0000-3335-00 | INTER-PROGRAM - | | 111,411.00 | |
| 888-000-144000-0000-3335-00 | INTERPROGRAM DU | | | 111,411.00 |
| **Total** | | | 111,411.00 | 111,411.00 |
| **Adjusting Journal Entries JE # 28** | | 1515 DF | | |
| To properly state AP - TANIF and cash balances for o/s checks at YE. | | | | |
| 888-000-312000-0000-3654-00 | ACCOUNTS PAYABLE - TANIF | | 31,670.00 | |
| 888-000-111110-0000-0000-00 | CASH - SOH: ALL | | | 31,670.00 |
| **Total** | | | 31,670.00 | 31,670.00 |
| **Adjusting Journal Entries JE # 29** | | 5510 G 10/ | | |
| To properly accrue AP for DHS TANIF payments made subsequent to YE. | | | | |
| 888-000-124001-0000-3654-00 | ACCOUNTS RECEIVABLE - TANIF | | 394,265.00 | |
| 888-000-312000-0000-3654-00 | ACCOUNTS PAYABLE - TANIF | | | 394,265.00 |
| **Total** | | | 394,265.00 | 394,265.00 |
| **Adjusting Journal Entries JE # 30** | | 1520 DF | | |
| To properly accrue additional AP identified in the search for unrecorded liab. | | | | |
| 888-000-125000-0000-3652-00 | ACCOUNTS RECEIV | | 7,828.00 | |
| 888-000-144000-0000-3007-00 | A/P DUE FROM HC | | 607.00 | |
| 888-000-144000-0000-3020-00 | A/P DUE FROM G- | | 1,250.00 | |
| 888-000-144000-0000-3022-00 | INTERPROGRAM DU | | 2,780.00 | |
| 888-000-144000-0000-3130-00 | A/R - DUE FROM | | 17,766.00 | |
| 888-000-144000-0000-3131-00 | A/R - DUE FROM | | 3,591.00 | |
| 888-000-144000-0000-3132-00 | A/R - DUE FROM | | 11,359.00 | |
| 888-000-144000-0000-3133-00 | A/R - DUE FROM | | 4,914.00 | |
| 888-000-144000-0000-3134-00 | A/R - DUE FROM | | 5,147.00 | |
| 888-000-144000-0000-3135-00 | A/R - DUE FROM | | 2,986.00 | |
| 888-000-144000-0000-3137-00 | A/R - DUE FROM | | 2,610.00 | |
| 888-000-144000-0000-3138-00 | A/R - DUE FROM | | 8,010.00 | |
| 888-000-144000-0000-3139-00 | A/R - DUE FROM | | 5,161.00 | |
| 888-000-144000-0000-3140-00 | A/R - DUE FROM | | 31,747.00 | |
| 888-000-144000-0000-3143-00 | A/R - DUE FROM | | 77.00 | |
| 888-000-144000-0000-3145-00 | A/R - DUE FROM | | 501.00 | |
| 888-000-144000-0000-3146-00 | A/R - DUE FROM | | 128.00 | |
| 888-000-144000-0000-3150-00 | A/R - DUE FROM | | 884.00 | |
| 888-000-144000-0000-3181-00 | A/R - DUE FROM | | 33,352.00 | |
| 888-000-144000-0000-3318-00 | A/R - DUE FROM | | 1,020.00 | |
| 888-000-144000-0000-3337-00 | A/R - DUE FROM | | 218.00 | |
| 888-000-144000-0000-3651-00 | INTERPROGRAM DU | | 230.00 | |
| 888-000-312001-0000-0000-00 | A/P VENDORS AND | | | 142,366.00 |
| **Total** | | | 142,366.00 | 142,366.00 |
| **Adjusting Journal Entries JE # 31** | | 1510 DF | | |
| To properly record '09 insurance allocation. | | | | |
| 888-000-144000-0000-3012-00 | AR - Due From KeKumu | | 9,965.00 | |
| 888-000-125000-0000-3653-00 | ACCOUNTS RECEIV | | | 9,965.00 |
| **Total** | | | 9,965.00 | 9,965.00 |
| **Adjusting Journal Entries JE # 32** | | 1505 DF | | |
| To properly record FLRP and DF interfund balances. | | | | |
| 888-000-144000-0000-3715-00 | INTERPROGRAM DU | | 134,958.00 | |
| 888-000-144000-0000-3716-00 | INTERPROGRAM DU | | 922,982.00 | |
| 888-000-144000-0000-3130-00 | A/R - DUE FROM | | | 72,438.00 |
| 888-000-144000-0000-3131-00 | A/R - DUE FROM | | | 72,020.00 |
| 888-000-144000-0000-3132-00 | A/R - DUE FROM | | | 72,638.00 |
| 888-000-144000-0000-3133-00 | A/R - DUE FROM | | | 74,434.00 |
| 888-000-144000-0000-3134-00 | A/R - DUE FROM | | | 116,340.00 |
| 888-000-144000-0000-3135-00 | A/R - DUE FROM | | | 117,138.00 |
| 888-000-144000-0000-3137-00 | A/R - DUE FROM | | | 69,568.00 |
| 888-000-144000-0000-3138-00 | A/R - DUE FROM | | | 64,057.00 |
| 888-000-144000-0000-3139-00 | A/R - DUE FROM | | | 39,113.00 |
| 888-000-144000-0000-3140-00 | A/R - DUE FROM | | | 148,864.00 |
| 888-000-144000-0000-3143-00 | A/R - DUE FROM | | | 40,310.00 |
| 888-000-144000-0000-3144-00 | A/R - DUE FROM | | | 51,884.00 |
| 888-000-144000-0000-3145-00 | A/R - DUE FROM | | | 45,100.00 |
| 888-000-144000-0000-3146-00 | A/R - DUE FROM | | | 20,554.00 |
| 888-000-144000-0000-3149-00 | A/R - DUE FROM | | | 29,934.00 |
| 888-000-144000-0000-3150-00 | A/R - DUE FROM | | | 23,548.00 |
| **Total** | | | 1,057,940.00 | 1,057,940.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - DF*
Workpaper: *0205 DF - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 33** | | 1510 G | | |
| To properly state interest income and interfund balances at YE. | | | | |
| KMH-888-220-129000 | Accrued Interest | | 82,672.00 | |
| 888-000-144000-0000-3007-00 | A/P DUE FROM HC | | | 25,279.00 |
| 888-000-144000-0000-3181-00 | A/R - DUE FROM | | | 14,458.00 |
| 888-000-144000-0000-3318-00 | A/R - DUE FROM | | | 13,259.00 |
| 888-000-144000-0000-3335-00 | INTERPROGRAM DU | | | 1,515.00 |
| 888-000-144000-0000-3337-00 | A/R - DUE FROM | | | 2,866.00 |
| KMH-888-000-144000-FLRP | Interfund Due From | | | 25,495.00 |
| Total | | | 82,672.00 | 82,672.00 |
| **Adjusting Journal Entries JE # 34** | | 1010 DF | | |
| To properly record payroll appropriation cash balance at YE. | | | | |
| KMH-888-000-111110 | Cash - Payroll | | 36,007.00 | |
| 888-000-124001-0000-0000-00 | ACCOUNTS RECEIV | | | 36,007.00 |
| Total | | | 36,007.00 | 36,007.00 |
| **Adjusting Journal Entries JE # 35** | | 1505 DF | | |
| To properly remove interfund balances for THRF | | | | |
| 888-000-347001-0000-3311-00 | INTERPROGRAM (P | | 20,000.00 | |
| 888-000-144000-0000-3311-00 | INTERPROGRAM DU | | | 14,154.00 |
| KMH-888-000-333000 | Due to Other State Agency - THRF | | | 5,846.00 |
| Total | | | 20,000.00 | 20,000.00 |
| **Adjusting Journal Entries JE # 36** | | 1505 DF | | |
| To properly zero out intefund balances in the DF at YE. | | | | |
| 888-000-144000-0000-3012-00 | AR - Due From KeKumu | | 1.00 | |
| 888-000-144000-0000-3020-00 | A/P DUE FROM G- | | 1.00 | |
| 888-000-144000-0000-3130-00 | A/R - DUE FROM | | 283.00 | |
| 888-000-144000-0000-3137-00 | A/R - DUE FROM | | 1.00 | |
| 888-000-144000-0000-3140-00 | A/R - DUE FROM | | 5,556.00 | |
| 888-000-144000-0000-3145-00 | A/R - DUE FROM | | 1.00 | |
| 888-000-144000-0000-3181-00 | A/R - DUE FROM | | 9,607.00 | |
| 888-000-144000-0000-3318-00 | A/R - DUE FROM | | 1,935.00 | |
| 888-000-144000-0000-3715-00 | INTERPROGRAM DU | | 216,905.00 | |
| 888-000-144000-0000-3755-00 | INTERPROGRAM DU | | 2.00 | |
| 888-000-124001-0000-0000-00 | ACCOUNTS RECEIV | | | 234,272.00 |
| 888-000-144000-0000-3007-00 | A/P DUE FROM HC | | | 1.00 |
| 888-000-144000-0000-3133-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3134-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3135-00 | A/R - DUE FROM | | | 2.00 |
| 888-000-144000-0000-3138-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3139-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3143-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3144-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3146-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3149-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3150-00 | A/R - DUE FROM | | | 1.00 |
| 888-000-144000-0000-3335-00 | INTERPROGRAM DU | | | 1.00 |
| 888-000-144000-0000-3336-00 | INTERPROGRAM DU | | | 1.00 |
| 888-000-144000-0000-3716-00 | INTERPROGRAM DU | | | 5.00 |
| 888-000-144000-0000-3756-00 | INTERPROGRAM DU | | | 1.00 |
| Total | | | 234,292.00 | 234,292.00 |
| **Adjusting Journal Entries JE # 37** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| 888-000-144000-0000-3007-00 | A/P DUE FROM HC | | 78,857.00 | |
| 888-000-144000-0000-3181-00 | A/R - DUE FROM | | 45,102.00 | |
| 888-000-144000-0000-3318-00 | A/R - DUE FROM | | 41,360.00 | |
| 888-000-144000-0000-3335-00 | INTERPROGRAM DU | | 4,728.00 | |
| 888-000-144000-0000-3337-00 | A/R - DUE FROM | | 8,315.00 | |
| KMH-888-000-144000-FLRP | Interfund Due From | | 79,530.00 | |
| KMH-888-000-100000 | SOH Cash - investment pool write-down | | | 257,892.00 |
| Total | | | 257,892.00 | 257,892.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - Ke Kumu Waikoloa Project*
Workpaper: *0204 - KEK AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 13** | | **0200 KEK** | | |
| To separate out interfund due to disbursing fund. | | | | |
| 347000 | INTER-PROGRAM - DUE TO | | 2,566.00 | |
| 000-347000-0000-38E | I/F PAYABLE | | | 2,566.00 |
| Total | | | 2,566.00 | 2,566.00 |

**Adjusting Journal Entries JE # 14**
True up entry.

| | | | |
|---|---|---|---|
| 111000 | CASH - UNRESTRICTED | 500.00 | |
| 346000 | ACCRUED LIABILITIES-OTHER | 338,779.00 | |
| 703000 | NET TENANT RENTAL REVENUE | 271,878.00 | |
| 703010 | RENT REPAYMENT AGREEMENT | 22,760.00 | |
| 704000 | TENANT REVENUE - OTHER | 16,037.00 | |
| 704005 | LATE FEES | 3,450.00 | |
| 715000 | OTHER REVENUE | 4,892.00 | |
| KMH.411 | Administrative Services | 1,573.00 | |
| KMH.442.4 | Supplies-Janitorial | 373.00 | |
| KMH.443.1 | Maint/Repair-Building | 207.00 | |
| KMH.443.2 | Maint/Repair-Equipment | 20,761.00 | |
| KMH.461.2 | Insurance/Taxes Payroll | 18,950.00 | |
| KMH-5004 | Maint/repair - appliance | 116.00 | |
| KMH-5024 | Maint/repair - plumbing | 624.00 | |
| 911000 | ADMINISTRATIVE SALARIES | | 27,581.00 |
| 911500 | TECHNICAL SALARIES - 143002 | | 106,561.00 |
| 912000 | ACCOUNTING AND AUDITING FEES | | 2,566.00 |
| 913000 | MANAGEMENT FEES | | 71,936.00 |
| 913100 | BOOKKEEPING FEES | | 9,874.00 |
| 914000 | ADVERTISING AND MARKETING | | 448.00 |
| 915000 | EMP BENEFIT CONTRIBUTIONS-ADMIN | | 66,662.00 |
| 916001 | TELEPHONE | | 388.00 |
| 916002 | POSTAGE | | 1,076.00 |
| 916009 | LEASE RENT | | 152,899.00 |
| 916013 | OFFICE SUPPLIES | | 1,364.00 |
| 917000 | LEGAL EXPENSE | | 3,797.00 |
| 919002 | CAR MILEAGE/VEHICLE GASOLINE | | 1,129.00 |
| 931000 | WATER | | 30,044.00 |
| 932000 | ELECTRICITY | | 31,177.00 |
| 936000 | SEWER | | 34,854.00 |
| 942001 | BLD SUPPLIES | | 3,137.00 |
| 942004 | GROUNDS SUPPLIES | | 1,213.00 |
| 942005 | ELECTRICAL/LIGHTING SUPPLIES | | 790.00 |
| 943002 | CONTRACTS-REFUSE COLLECTION | | 25,578.00 |
| 943004 | CONTRACTS-EQUIPMENT RENTAL | | 946.00 |
| 943007 | CONTRACTS-BLDG REPAIR & MAINTENANCE | | 7,794.00 |
| 943010 | CONTRACTS-JANITORIAL SERVICES | | 2,344.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - Ke Kumu Waikoloa Project*
Workpaper: *0204 - KEK AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| 943017 | CONTRACTS-PLUMBING REPAIRS | | | 1,201.00 |
| 943019 | CONTRACTS-APPLIANCE REPAIRS | | | 30,237.00 |
| 943026 | CONTRACTS-YARD MAINTENANCE | | | 4,211.00 |
| 961100 | PROPERTY INSURANCE | | | 60,905.00 |
| 962000 | OTHER GENERAL EXPENSE | | | 20,188.00 |
| **Total** | | | **700,900.00** | **700,900.00** |
| **Adjusting Journal Entries JE # 15** | | **8215** | | |
| CY lease adjustment | | | | |
| 916009 | LEASE RENT | | 45,437.00 | |
| 346000 | ACCRUED LIABILITIES-OTHER | | | 45,437.00 |
| **Total** | | | **45,437.00** | **45,437.00** |
| **Adjusting Journal Entries JE # 16** | | | | |
| Disbursing Fund insurance Allocation. | | | | |
| 961100 | PROPERTY INSURANCE | | 9,965.00 | |
| )00-347000-0000-38ε | I/F PAYABLE | | | 9,965.00 |
| **Total** | | | **9,965.00** | **9,965.00** |
| **Adjusting Journal Entries JE # 17** | | **1505 S8** | | |
| To write off uncollectable portion of o/s payable to operating transfer. | | | | |
| 347000 | INTER-PROGRAM - DUE TO | | 385,124.00 | |
| KMH.transfers | Other Financing uses - transfer in | | | 385,124.00 |
| **Total** | | | **385,124.00** | **385,124.00** |
| **Adjusting Journal Entries JE # 18** | | **8205 KEK** | | |
| To properly state operating expenses and AP at YE. | | | | |
| 913000 | MANAGEMENT FEES | | 3,800.00 | |
| 931000 | WATER | | 8,000.00 | |
| 932000 | ELECTRICITY | | 4,000.00 | |
| 936000 | SEWER | | 6,000.00 | |
| 962000 | OTHER GENERAL EXPENSE | | 630.00 | |
| KMH.2119 | Accounts Payable | | | 22,430.00 |
| **Total** | | | **22,430.00** | **22,430.00** |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - ER*
Workpaper: *0204 ER - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 14** | | 1510 G | | |
| To properly state interest income and accrual a/o YE. | | | | |
| 000-129000-0000-00( | ACCRUED INTERES | | 16,688.00 | |
| 000-711000-0000-00( | INVESTMENT INCO | | | 16,688.00 |
| **Total** | | | 16,688.00 | 16,688.00 |
| **Adjusting Journal Entries JE # 15** | | 0200 ER | | |
| To properly state rental income as of 6/30/09 | | | | |
| 000-711000-0000-00( | INVESTMENT INCO | | 13,539.00 | |
| KMH001 | Rental Revenue | | | 13,539.00 |
| **Total** | | | 13,539.00 | 13,539.00 |
| **Adjusting Journal Entries JE # 16** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-336-EXP | Other Expense - SOH Invest Pool Write-down | | 34,869.00 | |
| KMH-336-100000 | SOH Cash - investment pool write-down | | | 34,869.00 |
| **Total** | | | 34,869.00 | 34,869.00 |

Client: *STA002 - Housing and Community Development Corporation of Hawaii*
Engagement: *2009 - Hawaii Public Housing Authority*
Period Ending: *6/30/2009*
Trial Balance: *TB - Trial Balance - VR*
Workpaper: *0204 VR - AJE Report*

| Account | Description | W/P Ref | Debit | Credit |
|---|---|---|---|---|
| **Adjusting Journal Entries JE # 16** | | 1510 G | | |
| To properly state interest income and accrual a/o YE. | | | | |
| )00-129000-0000-00( | ACCRUED INTERES | | 9,456.00 | |
| )00-711000-0000-00( | INVESTMENT INCO | | | 9,456.00 |
| **Total** | | | 9,456.00 | 9,456.00 |
| **Adjusting Journal Entries JE # 17** | | 1510 G | | |
| To properly state interest income and interfund balances at YE. | | | | |
| )00-144000-0000-38( | INTERPROGRAM DU | | 1,515.00 | |
| )00-711000-0000-00( | INVESTMENT INCO | | | 1,515.00 |
| **Total** | | | 1,515.00 | 1,515.00 |
| **Adjusting Journal Entries JE # 18** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-335-EXP | Other Expense - SOH Investment Pool Write-down | | 4,728.00 | |
| )00-144000-0000-38( | INTERPROGRAM DU | | | 4,728.00 |
| **Total** | | | 4,728.00 | 4,728.00 |
| **Adjusting Journal Entries JE # 19** | | 0200.16 | | |
| To write-down SOH investment pool balance at 6/30/09. | | | | |
| KMH-335-EXP | Other Expense - SOH Investment Pool Write-down | | 19,758.00 | |
| KMH-335-100000 | SOH Cash - Investment Pool Write-down | | | 19,758.00 |
| **Total** | | | 19,758.00 | 19,758.00 |

Hawaii Public Housing Authority
Passed Adjusting Journal Entries
June 30, 2009

**Federal Low Rent Program**

**PAJE #1**

| | | |
|---|---|---|
| Dr: Depreciation Expense | 96,052 | |
| Cr: Accumulated Depreciation | | 96,052 |

*To true depreciation expense as of year-end*

**PAJE #2**

| | | |
|---|---|---|
| DR: Fixed Assets 20 year | 4,375,059 | |
| CR: CIP | | 4,375,059 |
| DR: Beginning Unrestricted Net Assets | 565,745 | |
| CR: Accumulated Depreciation | | 565,745 |

*To properly state beginning balance of construction-in-progress and fixed assets*

**Various Funds**

*Adjustments to properly state the beginning balance of building and improvements and construction-in-progress that were recorded under the governemental capital assets prior to July 1, 2008*

**Building and improvements -**

**PAJE #3** *Housing Revolving Fund*

| | | |
|---|---|---|
| DR: Building & Improvements | 2,167,039 | |
| CR: Beginning Unrestricted Net Assets | | 2,167,039 |
| DR: Beginning Unrestricted Net Assets | 101,983 | |
| CR: Accumulated Depreciation | | 101,983 |

**PAJE #4** *Housing for Elders Revolving Fund*

| | | |
|---|---|---|
| DR: Building & Improvements | 188,550 | |
| CR: Operating Transfer - Govt Wide B&I | | 188,550 |
| DR: Beginning Unrestricted Net Assets | 8,105 | |
| CR: Accumulated Depreciation | | 8,105 |

**PAJE #5** *Federal Low Rent Program*

| | | |
|---|---|---|
| DR: Building & Improvements | 1,689,114 | |
| CR: Operating Transfer - Govt Wide B&I | | 1,689,114 |
| DR: Beginning Unrestricted Net Assets | 62,580 | |
| CR: Accumulated Depreciation | | 62,580 |

**CIP**

**PAJE #6** *Federal Low Rent Program*

| | | |
|---|---|---|
| DR: Building & Improvements | 952,232 | |
| CR: Beginning Unrestricted Net Assets | | 952,232 |
| DR: Beginning Unrestricted Net Assets | 50,549 | |
| CR: Accumulated Depreciation | | 50,549 |

**PAJE #7** *Housing Revolving Fund*

| | | |
|---|---|---|
| DR: Building & Improvements | 1,410,735 | |
| CR: Beginning Unrestricted Net Assets | | 1,410,735 |
| DR: Beginning Unrestricted Net Assets | 103,868 | |
| CR: Accumulated Depreciation | | 103,868 |

Hawaii Public Housing Authority
Passed Adjusting Journal Entries
June 30, 2009

| | | | |
|---|---|---|---|
| **PAJE #8** | *Housing for Elders Revolving Fund* | | |
| | DR: Building & Improvements | 141,473 | |
| | CR: Beginning Unrestricted Net Assets | | 141,473 |
| | DR: Beginning Unrestricted Net Assets | 21,489 | |
| | CR: Accumulated Depreciation | | 21,489 |
| **PAJE #9** | *Banyan Street Manor* | | |
| | DR: Building & Improvements | 21,333 | |
| | CR: Beginning Unrestricted Net Assets | | 21,333 |
| | DR: Beginning Unrestricted Net Assets | 3,909 | |
| | CR: Accumulated Depreciation | | 3,909 |
| **PAJE #10** | *Wilikina Apartments* | | |
| | DR: Building & Improvements | 70,394 | |
| | CR: Beginning Unrestricted Net Assets | | 70,394 |
| | DR: Beginning Unrestricted Net Assets | 9,604 | |
| | CR: Accumulated Depreciation | | 9,604 |
| **PAJE #11** | *Teacher Housing Revolving Fund* | | |
| | DR: Building & Improvements | 157,892 | |
| | CR: Beginning Unrestricted Net Assets | | 157,892 |
| | DR: Beginning Unrestricted Net Assets | 2,813 | |
| | CR: Accumulated Depreciation | | 2,813 |

**Exhibit A**

LINDA LINGLE
GOVERNOR

DENISE M. WISE
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

**STATE OF HAWAII**
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
Honolulu, Hawaii 96817
FAX: (808) 832-4679

IN REPLY PLEASE REFER TO:
10:OED/11

March 18, 2010

KMH LLP
Attn: Mr. Wils Choy
1003 Bishop Street, Suite 2400
Honolulu, Hawaii 96183

In connection with your audit of the basic financial statements of the Hawaii Public Housing Authority (the Authority) of the State of Hawaii as of and for the year ended June 30, 2009, we confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in financial position, and cash flows in conformity with accounting principles generally accepted in the United States of America.

We confirm to the best of our knowledge and belief, as of March 18, 2010 the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America.
2. We have identified for you all organizations that are a part of this reporting entity or with which we have a relationship, as these organizations are defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards that are Component units.
3. We are a component unit of the State of Hawaii as this term is defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards.
4. We have identified for you all of our funds, governmental functions, and identifiable business-type activities, including all appropriations and allotments of the Authority.
5. We have properly classified all funds and activities.
6. We have properly determined and reported the major governmental and enterprise funds based on the required quantitative criteria. We have determined the following funds to be major for public interest reasons: General Fund, Capital Projects Fund, Housing Choice Voucher Program Fund, Section 8 Contract Administration Fund,

Federal Low Rent Program Fund, Central Office Cost Center, Housing Revolving Fund and Housing for Elders Revolving Fund. We believe that all judgmentally determined major funds are particularly important to the financial statement users.

7. We are responsible for compliance with laws and regulations applicable to the Authority including adopting, approving, and amending budgets.
8. We have identified and disclosed to you all laws and regulations that have a direct and material effect on the determination of financial statement amounts including legal and contractual provisions for reporting specific activities in separate funds.
9. We have made available to you:
   a. All financial records and related data of all funds and activities, including those of all special funds, programs, departments, projects, activities, etc., in existence at any time during the period covered by your audit.
   b. All minutes of the meetings of the governing board and committees of board members or summaries of actions of recent meetings for which minutes have not yet been prepared.
   c. All communications from grantors, lenders, other funding sources, or regulatory agencies concerning noncompliance with:
      (1) Statutory, regulatory, or contractual provisions or requirements.
      (2) Financial reporting practices that could have a material effect on the financial statements.
10. We have no knowledge of fraud or suspected fraud affecting the entity involving:
    a. Management or employees who have significant roles in the internal control.
    b. Others where the fraud could have a material effect on the financial statements.
11. We acknowledge our responsibility for the design and implementation of programs and controls to provide reasonable assurance that fraud is prevented and detected.
12. We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority received in communications from employees, former employees, analysts, regulators, short sellers, or others.
13. We have informed you of all significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the entity's ability to record, process, summarize, and report financial data.
14. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
15. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

16. The following have been properly recorded and/or disclosed in the financial statements:

   a. Related-party transactions, including those with the primary government having accountability for the Authority as defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards, and interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements, and guarantees, all of which have been recorded in accordance with the economic substance of the transaction and appropriately classified and reported.

   b. Guarantees, whether written or oral, under which the Government is contingently liable.

   c. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.

   d. Any other liens or encumbrances on assets or revenues or any assets or revenues which were pledged as collateral for any liability or which were subordinated in any way.

   e. Amounts of contractual obligations for construction and purchase of real property or equipment not included in the liabilities or encumbrances recorded on the books.

   f. Any liabilities which are subordinated in any way to any other actual or possible liabilities.

   g. All leases and material amounts of rental obligations under long-term leases.

   h. All significant estimates and material concentrations known to management which are required to be disclosed in accordance with the AICPA's Statement of Position No. 94-6, *Disclosure of Certain Significant Risks and Uncertainties*. Significant estimates are estimates at the balance sheet date which could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur which would significantly disrupt normal finances within the next year.

   i. All of our depository banks have pledge as collateral, government securities held in the name of the State of Hawaii for deposits not covered by federal deposit insurance.

   l. The current status of our litigations, whose outcome is not currently determinable. As such, no estimate of loss had been made to the financial statements.

17. We are responsible for making the accounting estimates included in the financial statements.

    Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made.

    a. To reduce receivables to their estimated net collectable amounts.

    b. For pension obligations, post-retirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through June 30, 2009.

18. There are no:

    a. Material transactions that have not been properly recorded in the accounting records underlying the financial statements.

    b. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Federal Environmental Protection Agency or any equivalent state agencies in connection with any environmental contamination.

    c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by Statement of Financial Accounting Standards No. 5 and/or GASB Statement No. 10.

19. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No.5 and/or GASB Statement No.10.

20. We have no direct or indirect, legal or moral, obligation for any debt of any organization, public or private that is not disclosed in the financial statement.

21. We have satisfactory title to all owned assets.

22. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

23. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved.

24. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

25. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.

26. Capital assets are properly capitalized, reported, and depreciated.

27. Required supplementary information is properly measured and presented.

28. Fair values of investments are determined by third party trustees and financial institutions.

29. We are responsible for and have reviewed and approved the proposed adjustments to the trial balances identified during the audit, which are included in the summarized schedule of posted adjustments and will post all adjustments accordingly. These adjustments are attached as Appendix A. We have reviewed, approved, and are responsible for overseeing the preparation and completion of the basic financial statements and related notes.

In connection with your audit conducted in accordance with Government Auditing Standards, we confirm:

30. We are responsible for:

    a. Compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Authority.

    b. Establishing and maintaining effective internal control over financial reporting.

31. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determinations of financial statement amounts or other financial data significant to audit objectives.

32. We have a process to track the status of audit findings and recommendations.

33. We have provided you with our views on your reported findings, conclusions, and recommendations, as well as our planned corrective actions for the report.

34. We have reviewed, approved, and take full responsibility for the financial statements and related notes and acknowledge the auditor's role in the preparation of this information.

35. We have reviewed, approved, and take full responsibility for the accrual adjustments and an acknowledgement of the auditor's role in the preparation of the adjustments.

In connection with your audit of federal awards conducted in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* we confirm:

36. We are responsible for complying, and have complied, with the requirements of Circular A-133.

37. We have prepared the schedule of expenditures of federal awards in accordance with Circular A-133 and have included expenditures made during the period being audited for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.

38. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that the Authority is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on our federal programs.

39. We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of the Authority's federal programs and have complied, in all material respects, with those requirements.

40. We have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.

41. We have provided you with our interpretations of any compliance requirements that have varying interpretations.

42. We have made available all contracts and grant agreements (including amendments, if any) and any other correspondence that has taken place with federal agencies or pass-through entities related to federal programs.

43. We have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including those resulting from other audits or program reviews.

44. We have charged costs to federal awards in accordance with applicable cost principles.

45. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

46. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.

47. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.

48. We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of Circular A-133.
49. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by Circular A-133.
50. We have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
51. We have accurately completed the appropriate sections of the data collection form.
52. We have disclosed all contracts or other agreements with service organizations.
53. We have disclosed any known noncompliance occurring subsequent to the period for which compliance is audited.
54. We have disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies (including material weaknesses), have occurred subsequent of the date as of which compliance is audited.

No events or transactions have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial statements.

During the course of your audit, you may have accumulated records containing data which should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

As of and for the Year Ended June 30, 2009, we believe that the effects of the uncorrected misstatements aggregated by you and summarized in Appendix B are immaterial, both individually and in the aggregate to the basic financial statements. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Sincerely,

Barbara E. Arashiro
Interim Executive Director

# Hawaii Public Housing Authority

Recommendations Designed to Improve
Internal Accounting Controls and
Administrative Efficiency
For The Year Ended June 30, 2009

A Hawaii Limited Liability Partnership

March 18, 2010

Board of Directors
Hawaii Public Housing Authority:

Under auditing standards generally accepted in the United States, auditors are encouraged to report various matters concerning internal control noted during an audit, and are required to report certain of those matters. Matters that are required to be reported are "significant deficiencies in the design or operation of internal control, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements."

As part of our audit of the basic financial statements of the Hawaii Public Housing Authority (the Authority), for the year ended June 30, 2009, we considered the Authority's internal control, but only to the extent we felt necessary for the purpose of providing a basis for reliance thereon in determining the nature, timing and extent of the audit tests applied in connection with our audit.

Our consideration of internal control did not entail a detailed study and evaluation of any of its elements and was not made for the purpose of making detailed recommendations or evaluating the adequacy of internal control to prevent or detect errors and fraud. In this regard, it should be recognized that, because of inherent limitations in any internal control, errors or fraud may occur and not be detected. Furthermore, projection of any evaluation of internal control to future periods is subject to the risk it may become inadequate because of changes in conditions or deterioration in its operating effectiveness.

While the purpose of our consideration of internal control was not to provide assurances thereon, certain matters came to our attention that we want to report to you. These matters, which were considered by us during our audit and do not modify the opinion expressed in our auditors' report dated TBD along with our recommendations, are described in the accompanying memorandum.

We wish to express our appreciation for the courtesies and cooperation extended to our representatives. We would be pleased to discuss these recommendations in greater detail or otherwise assist in their implementation.

Very truly yours,

KMH LLP

KMH LLP

Honolulu, Hawaii

1003 Bishop Street ■ Suite 2400 ■ Honolulu, HI 96813 ■ Telephone: 808-526-2256 ■ Fax: 808-536-5817 ■ www.kmhllp.com

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# Hawaii Public Housing Authority

Recommendations Designed to Improve Internal Accounting Controls
and Administrative Efficiency
June 30, 2009

## CURRENT YEAR RECOMMENDATIONS

**Fiscal Management Office:**

### 1. Procurement File

During the audit, we noted one procurement file related to a property management contract for the state Housing for Elders Revolving Fund that did not have a "Procurement File Checklist" maintained in the file. The procurement file included all required documentation, however the checklist which functions as a control over proper completion of the compliance requirements could not be located to indicate that the control was in place.

**Recommendation:** We recommend that the procurement office adheres to the current practice of completing the "Procurement File Checklist." This will ensure procurement compliance with State and Federal guidelines.

### 2. Project Based Accounting

During the audit, we noted several discrepancies and the lack of consistent application of the new project based accounting requirements by the Authority. As a result, the following uncorrected misstatements were noted:

- AMPS: Incorrect number of units used to calculate the management fee and asset management fee.
- AMPS: Incorrect Safe Harbor Phase-in rate used to calculate management fee.
- AMPS: Safe Harbor Phase-in rate was not properly included in the Board Approved Operating Budget for the current fiscal year as required by HUD.
- Housing for Elders Revolving Fund and Housing Revolving Fund: Incorrect per unit management fee applied, this was inconsistent with management fee rate applied to AMPS.
- Housing for Elders Revolving Fund and Housing Revolving Fund: Number of units used to calculate the management fee was based on an approximate number of occupied units during the current year (Units at June 2009 multiplied by 12 months). This is not consistent with the guidance provided for the federal projects, in which the total number of occupied units should be calculated based on the actual occupied units on the 1st day of each month during the year.
- Homeless Services (General Fund): A charge of $200,000 was charged to the General Fund for the overhead costs to run the homeless programs. However, this amount did not agree

to the calculated amount of the required fee performed by management of $194,565. In addition, as a result of testing it was noted that the calculation performed by management of this fee was incorrect due to calculation error. The total recalculated fee for the homeless programs under the General Fund should have been $185,300, based on an inflation rate of 5% on the prior year's payroll allocation.

- COCC: Cash balances allocated to the COCC were incorrectly classified as cash rather than amounts due from FLRP at year end. As a separate bank account was not utilized during the year for the COCC, a due from FLRP receivable should have been recorded to reflect the monies held in the FLRP checking account on behalf of the COCC.

**Recommendations:** We recommend that the Fiscal Management personnel and supervisors assigned to complete and review these areas obtain proper training and knowledge of the requirements in order to properly calculate the fee for service charges as required by HUD. We also recommend that the Authority open and utilize a separate bank account for the COCC to aid in proper tracking of expenditures to comply with asset management.

### 3. Payment to Incorrect Vendor and from Incorrect Fund

During the audit we noted a payment was disbursed to an incorrect vendor. The error was due to the incorrect preparation of the request for payment. The check should have been prepared to Koga Engineering and Construction instead of Willocks Construction. Additionally, the amount should have been disbursed from the Public Housing Capital Fund instead of the Capital Projects Fund. All documentation was signed by supervisors indicating review and approval, however the errors in vendor, contract, and fund were not identified during this review process. The error was identified when the vendor returned the check as they did not know what payment was related to.

**Recommendation:** We recommend that the fiscal management office, including the supervisor's review, be more diligent in performing their responsibilities.

### 4. Housing Assistance Payment (HAP) Register Approval Documentation and Communication

During the audit we noted that there was no documented evidence that the Housing Choice Voucher Program (HCVP) HAP registers were properly approved and reviewed for payment. According to HCVP accountant, he occasionally receives emails from the HCVP indicating that the HAP registers are ready to be processed for payment.

**Recommendation:** We recommend that the Authority document the review process and approval of the HAP registers prior to processing the HAP registers for payment. For example, all final HAP registers should be signed by the HCVP supervisor and forwarded to the fiscal management office for payment. The signed HAP registers should be kept on file as documented evidence the that final HAP register was properly reviewed by management.

**5. Disbursing Fund Deferred Revenue Allocation**

During the audit we noted that the deferred revenue allocated in the Disbursing Fund was calculated incorrectly. The allocation during the year was based on those funds with monies held in the State of Hawaii Treasury. However, as the deferred revenue was related to interest due on prior year over-withdrawal of State of Hawaii Treasury funds, these expenses should have been allocated to those funds with interfund payable balances to the Disbursing Fund.

**Recommendation:** We recommend that the fiscal management office obtain an understanding of the transactions in order to properly record the substance of the transaction.

**6. Homeless Shelter Utility Reimbursements**

In accordance the Authority's contract with certain homeless shelters, the Authority pays utility expenditures on behalf of certain homeless shelters and is subsequently reimbursed by the shelters. During the audit, we noted that utility reimbursements from prior years were recorded during the current year due to the fact that the fiscal management office was unaware of such arrangement between the Authority and the homeless shelters. The amounts received in the current year for prior year expenditures should have been recorded as revenue during the respective prior years. We also noted that not all of the reimbursements related to the current year were properly accrued.

**Recommendation:** We recommend that the fiscal management office maintain open communication channels with the other branches in the Authority in order to identify events that occur that may have an impact on accounting.

**7. Tracking and Recording of Capital Projects**

During the audit we noted that the capital projects administered by the Authority under the Capital Projects Fund, General Fund, and the Federal Low Rent Program were not properly transferred out of construction-in-progress when completed and transferred to the respective fund that the asset belonged to. Upon further inquiry with management, it was noted that the internal policy for

recognizing asset completion is not compliance with generally accepted accounting principles as the asset was only accounted for as completed when the final paperwork was received by the accountant instead of when the asset was placed in service. Capital assets transferred to the fixed asset accounts are depreciated. In addition, only one property management personnel was aware of the status of these capital projects and whether the projects were placed in service.

**Recommendation:** We recommend that the fiscal management office review their procedures for accounting and tracking capital projects to ensure proper recording and communication between the property management personnel and the fiscal office.

**8. Misplaced Supporting Documents**

During the audit we noted the following supporting documents could not be located by management.

- General Fund: four Summary Warrant Vouchers for cash disbursements during the fiscal year could not be located.
- Disbursing Fund: one Treasury Deposit Receipt for cash reimbursements from other funds could not be located.

**Recommendation:** We recommend that the fiscal management office create, implement, and maintain a log of all files (Journal Vouchers, Summary Warrant Vouchers, etc.) to keep track of all important supporting documents. The misplacement and or lack of supporting documents could lead to significant unsupported transactions and hinder the ability for management to ascertain the reason for such transactions.

**Federal Grant Programs:**

***Housing Choice Voucher Program***

**9. Eligibility**

Per 24 CFR sections 5.230, 5.609, and 982.516, requires tenants and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility. Also, for both family income examinations and reexaminations, the PHA must obtain and document in the family file third party verification of: (1) reported family annual income; (2) the value of assets; (3) expenses related to deductions from annual income; and (4) other factors

that affect the determination of adjusted income or income-based rent. During the OMB A-133 Single Audit, we noted 1 out of 181 tenant files test was missing Information Release Authorization Form HUD 9886 and background check, and 1 out of 181 tenant files tested was missing applicable third party verification forms.

**Recommendation:** We recommend that the Authority continue to enforce the implementation of its eligibility certification process and continue to enforce the quality control review of participant files by program management. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

**10. Special Tests and Provisions – Housing Assistance Payments**

Per 24 CFR section 982.158 and 982 subpart K, the PHA must pay a monthly HAP on behalf of the family that corresponds with the amount on line 12u of the HUD-50058. During the OMB A-133 Single Audit, we noted that 3 out of 181 tenant files tested where the HAP was miscalculated due to the utility allowance miscalculation and error in recording the amount on the HUD 50058, and 1 out of 181 tenant files tested did not have a HAP contract amendment on file.

**Recommendation:** We recommend that the Authority continue to enforce the quality control review of participant files by the program management. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

***Section 8 Project Based Contract Administration***

**11. Tenant Files**

During our review of the tenant files for the financial statement audit, we noted the following:

- 2 out of 60 tenant files tested, we noted the housing assistance payment amount was miscalculated.
- 1 out of 60 tenant files was missing current 3rd party verification
- 1 out of 60 tenant files did not perform an annual recertification

**Recommendation:** We recommend that the Authority continue to enforce the quality control review of participant files by its 3rd party vendor, Bremerton Housing Authority – Contract Management Services Branch. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

## Hawaii Public Housing Authority

Recommendations Designed to Improve Internal Accounting Controls
and Administrative Efficiency
June 30, 2009

*Shelter Plus Care*

**12. Participant Files**

Per 24 CFR section 582.310 subpart (b)(2), the PHA must examine a participant's income initially, and at lease annually thereafter, to determine the amount of rent payable by the participant. During our review of the participant files for the OMB A-133 Single Audit, we noted that one of the 37 participant files tested did not have an annual re-evaluation performed.

**Recommendation:** We recommend that the Authority continue to enforce the quality control review of participant files by its 3rd party subrecipients. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

# Hawaii Public Housing Authority

Recommendations Designed to Improve Internal Accounting Controls
and Administrative Efficiency
June 30, 2009

## PRIOR YEAR RECOMMENDATIONS – 2008

**Fiscal Management Office:**

### 1. Lack of Management's Responsibility and Oversight

During the year, independent consultants were hired to assist the Authority in addressing the numerous accounting and financial reporting deficiencies, including but not limited to, account reconciliations, preparations of trial balances and general ledger, and supporting audit schedules. In performing our audit we noted the following exceptions:

- Account reconciliations were incorrect and without adequate support.
- Couple of the initial trail balances did not balance.
- Accounting entries were improperly recorded.
- The initial construction in progress detail schedules were prepared incorrectly.
- Numerous journal entries recorded by the consultants did not have adequate supporting documentation or proper approval.
- Several of the funds initial trial balances needed to be reconstructed.

A major cause for the above items was due to management not being initially involved in the review or approval process. The consultants essentially processed, prepared and recorded transactions without management's review or approval. Such exceptions were brought to consideration during the audit process. This lack of management oversight resulted in numerous correcting entries and significant delays in completing the audit.

**Recommendation:** The ultimate responsibility for the accounting and reporting of financial transactions of the Authority resides with management. As such, we would recommend that in any and all future use of consultants, management needs to take a more active role in providing the proper oversights and responsibilities for its financial transactions.

**Status:** Comment is still applicable.

### 2. Inadequate Review and Approval of Transactions

During our audit, we noted numerous transactions were recorded to the incorrect "object" or cost code for State of Hawaii reporting purpose and to the general ledger accounts. The review and approval process is a key control activity to ensure that transactions are recorded and reported properly. The presumption is that the "reviewer" should have the appropriate level of knowledge and understanding to determine whether such transactions are being recorded properly.

**Recommendation:** We recommend that management perform an assessment and evaluation to determine who should be authorized to perform this review and approval function. Should a transaction arise where the "reviewer" is uncertain of its disposition, the Authority should seek assistance to ensure a proper analysis is performed prior to approval.

**Status:** Comment is still applicable.

### 3. Disbursing Fund Expense Allocations

The "Disbursing Fund" is a fund in which the Authority uses to pay for certain general expenses, including salaries and wages. Such expenditures are allocated and charged to the other funds, which results in amounts owed between the funds. During the audit, we noted that the allocation of these expenditures to the appropriate funds was incorrectly charged. Initially, the Authority established certain parameters of allocation within its "emPHAsys" general ledger system to systematically perform the allocation. However, as there was no monthly reconciliation or review of these allocations, numerous correcting entries were required to correct these balances, including the interfunds balances.

**Recommendation:** We recommend that the Authority revisits the "emPHAsys" allocation parameters to ensure it is consistent with the Authority's requirements. Additionally, a monthly review and reconciliation of the Disbursing Fund's transactions should be performed to ensure that the interfund balances are recorded correctly.

**Status:** No such instances noted. Comment is no longer applicable.

### 4. Unrecorded State Allotted Appropriations

During our audit, we noted that approximately $556,000 of 2007 allotted appropriations were not recorded by the Authority which resulted in a restatement of its net asset balances. We believe a major determinant of this unrecorded allotted appropriations was due to the lack of knowledge and understanding of the various State of Hawaii generated reports from the Department of Accounting and General Services (DAGS). The failure to identify these appropriations resulted in amounts not being utilized during 2007 and 2008.

**Recommendations:** We recommend that personnel familiarize themselves with the various reports provided by DAGS. This will assist in ensuring that transactions are properly identified and recorded by the Authority.

**Status:** No such instances noted. Comment is no longer applicable.

**5. Misplaced Journal Vouchers**

During the audit, we noted the following Journal Vouchers could not be located by management.

- Section 8 Project Based Contract Administration: ACH files from Bremerton detail the requested payments by project and support the disbursement out of the housing assistance payment bank account. We noted that proper support for housing assistance payments to the contracted projects, ACH files and Journal Vouchers, could not be located.

- Federal Low Rent Program: one Journal Voucher for a cash disbursement during June 2008 could not be located.

**Recommendation:** We recommend that the fiscal management office create, implement, and maintain a log of all files (Journal Vouchers, Summary Warrant Vouchers, etc.) to keep track of all important supporting documents. We also recommend that ACH files be attached to Journal Vouchers as it is the sole supporting document for housing assistance payments for the Section 8 Project Based Contract Administration. The misplacement and or lack of supporting documents could lead to significant unsupported transactions and hinder the ability for management to ascertain the reason for such transactions.

**Status:** No such instances noted. Comment is no longer applicable.

**6. Contract File Maintenance**

During the audit, we noted one contract folder related to a completed capital project that could not be located by management. The contract was completed in 2004 and filed in storage at the Authority; however, the file could not be located by accounting personnel.

**Recommendation:** We recommend that the fiscal management office create, implement, and maintain a log of all contract files, including those in storage, in addition to a filing system to help locate prior period files if necessary and to ensure compliance with the State's record retention policies.

**Status:** No such instances noted. Comment is no longer applicable.

**7. Vacation Balances**

During the audit, we noted the following discrepancies in accounting records and forms that could not be located by management.

- Vacation hours taken per the Form 7 did not agree to the respective G-1's for two employees.

- Management could not locate the Form 7 and G-1's for two employees.

**Recommendation:** We recommend that the Authority's personnel department facilitate the collection and maintenance of all employee vacation files. Without proper oversight and accountability, missing documents and poor retention policies may result.

**Status:** Similar instances noted. Comment is still applicable.

**8. Review of Third-Party Contractor's Information: Banyan Street Manor, Kekumu at Waikaloa, Wilikina Apartments Project**

During the audit, we noted that the Authority's trial balances for those funds administered by a third party contractor were not properly reviewed and reconciled. In our discussion with fiscal office personnel, the balances recorded were taken directly from the financial statements provided by the respective property manager. As a result, the following uncorrected misstatements were noted:

- Beginning Fund Balance did not rollforward from the prior year.
- Loans from Section 8 Contract Administration to Kekumu at Waikaloa and Banyan Street Manor were incorrectly recorded as operating transfers.
- Missing current year accrual for unpaid lease rent.

**Recommendation:** We recommend that the fiscal management office designate accounting personnel to review and reconcile the information provided by third party contractor's to properly record account balances and activity to the GL.

**Status:** Comment is still applicable.

### 9. FSS Escrow Account Reconciliation

The Family Self Sufficiency (FSS) Program is part of the Housing Choice Voucher Program (HCVP) fund and combines stable, affordable housing (provided through a housing voucher or public housing), with case management to help families increase their earnings and to achieve other goals and escrow accounts that grow as families' earnings rise. The escrow accounts serve as both a work incentive and an asset-building tool. During the audit, we noted that the FSS Escrow Account Schedule maintained by the third party service provider (the City and County of Honolulu) was not reconciled to the FSS Escrow bank account (maintained by the Authority) and that the current year beginning balances did not agree to the fiscal year 2007 ending balances.

**Recommendation:** We recommend that fiscal management personnel responsible for the HCVP fund work with the Authority's project managers and third party service provider to reconcile the bank account balance with FSS Escrow Account Schedule on a monthly basis. The schedule should also be reviewed by fiscal management to ensure balances roll forward and agree to prior period ending balances.

**Status:** No such instances noted. Comment is no longer applicable.

### 10. Unrecorded Litigation Settlement Receivable and Revenue

During the audit, we noted that cash of approximately $530,000 was received in the current year from the State of Hawaii related to the "utility allowance" lawsuit. In our discussions with fiscal office personnel, the amount received was related to the $2.3 million settlement; however amounts were not accrued properly in the prior year as a receivable. Consequently, the financial balances were restated in the current year.

This adjustment may be an indication that fiscal office personnel are not aware of significant operational issues or events.

**Recommendation:** To ensure that the Authority's financial transactions are properly reported, we recommend that fiscal office personnel should be informed of major operational events or issues. This will allow for the proper accounting and reporting of such events.

**Status:** No such instances noted. Comment is no longer applicable.

### 11. Physical Inventory – Federal Low Rent Program

During the audit, we noted that physical inventory counts were not being performed by project managers to update the balances for the Federal Low Rent Program (FLRP) as there were no changes recorded to several inventory groups.

**Recommendations:** We recommend that Authority personnel enforce policies in place to perform physical inventory counts on an annual basis to ensure that accurate information is provided to the fiscal management office to record in the Authority's financial records.

**Status:** Similar instances noted. Comment is still applicable.

### 12. Internal Service Funds – Revenue and Depreciation Allocation

During the audit, we noted that the allocation of the depreciation expense and charges to the other funds was not performed for the Equipment Rental (ER) and Vehicle Rental (VR) funds in the 2008 fiscal year. Depreciation expense for the ER and VR funds in the 2008 fiscal year totaled approximately $4,700 and $37,800, respectively. As a result, the funds did not record any revenue during the current year and understated the inter-fund activity.

**Recommendation:** We recommend that the fiscal management office supervisory personnel monitor and review the policies, procedures and reconciliations for these standard allocations to ensure execution and proper recording at fiscal year end.

**Status:** No such instances noted. Comment is no longer applicable.

### 13. Housing Revolving Fund and Teacher Housing Revolving Fund

During the audit, we noted that supporting documents were not maintained for several of the Housing Revolving Fund and Teacher Housing Revolving Fund account balances. The following balance sheet accounts were initially unsupported and/or not reconciled to supporting details:

- Cash, with the State of Hawaii Treasury
- Accounts Receivable
- Security Deposits
- Accounts Payable

In addition, fund balances did not roll forward from the prior year. In our discussions with fiscal office personnel, the Teacher Housing Revolving Fund's files were not maintained for the fund as the responsible accountant transferred out of the agency during the current fiscal year. As a result, there may be additional support that will need to be compiled and reconciled by management as the Teacher Housing Revolving Fund will be transferred to the Department of Education effective July 1, 2008.

**Recommendation:** We recommend that fiscal management personnel work with the project manager, respective resident managers of the properties, and the State of Hawaii DAGS to reconstruct the additional supporting documents and reconcile the information to the June 30, 2008 account balances.

**Status:** No such instances noted. Comment is no longer applicable.

**14. Fraud Policy**

Management is responsible for the detection and prevention of fraud. For fraud to be minimized, sound personnel policies and procedures should be established and top management should set the proper tone. Unless management sets an example and advises employees of what is acceptable and unacceptable, fraud will be more likely to occur. The Authority should establish and communicate a mechanism whereby employees' complaints are properly investigated.

During the audit, we noted that management was unaware of whether or not it had a Fraud Policy and whether or not all employees were properly informed and or required to read and adhere to such a policy.

**Recommendation:** We recommend the Authority establish a Fraud Policy and formally communicate it to all employees, board members, and resident management corporation by having them sign a notification that they have received and read the Authority's Fraud Policy. We also recommend a notification letter should be signed upon hire and upon any significant changes to the Fraud Policy. Also, we recommend the Fraud Policy should contain detailed information for at least the following sections:

- Policy Statement
- Scope of Policy
- Actions Constituting Fraud and Related Criminal Activities
- Reporting Suspected Fraud

- Other Irregularities
- Confidentiality
- Authorization for Investigation
- Reporting Procedures
- Termination

**Status:** Comment is still applicable.

**15. Valuation Allowance for Bad Debt**

Accounts and notes receivables generally should be presented at outstanding face value adjusted for any charge-off and valuation allowances. Valuation allowances adjust the carrying amount of the receivables for amounts estimated to be uncollectible. One popular estimating technique is utilizing the "aging of accounts receivable" method. Based on the Authority's past experience or on other available statistics, historical bad debt percentages are applied to each of these aggregate amounts, with the larger percentages being applied to the older accounts.

During our audit, we noted that several fund year-end accounts receivable aged trial balances reflected a large percentage of receivables over 120 days old and several accounts greater than two years old. Management provides a reserve balances as of year-end for all accounts outstanding more than 90 days old. However, there is no documented analysis being performed relative to any notes receivable outstanding. Additionally, no analysis was performed to determine if accounts should be written-off accordingly, and minimal collection efforts have been made during the past year.

**Recommendation:** We recommend the following items:

- Continuous review of accounts receivable for old and slow-paying accounts
- A formal periodic review of the account receivable aged trial balance and outstanding notes receivable balances, which should consider assessing all amounts outstanding, including accounts that are not 90 days old
- The implementation of formalized procedures for contacting delinquent accounts for payment, such as sending letters to slow-paying tenants
- The increased use of collection agencies to aid in collecting delinquent accounts

For those items deemed not collectible, management should charge-off these accounts in accordance with State of Hawaii procedures.

**Status:** No such instances noted. Comment is no longer applicable.

**16. Accounts Payable/Accrued Expenses Cutoff**

During the past year, within the Disbursing Fund, several invoices relating to goods received or services performed prior to the year-end date were not recorded within the proper period and allocated to the appropriate Funds. Accrual basis of accounting requires expenditures to be recorded in the period the expenditures were incurred.

**Recommendation:** We suggest that during the year-end closing, management should identify any subsequent invoices and disbursements that should be accrued for as of year-end on a timely basis. We would also recommend that training be held to present to the Fund Accountants the basic concepts of accrual basis of accounting and the modified accrual basis of accounting.

**Status:** No such instances noted. Comment is no longer applicable.

**Federal Grant Programs:**

***Housing Choice Voucher Program***

**17. Special Tests and Provisions – Rent Reasonableness**

Per 24 CFR sections 982.4, 982.54(d)(15), 982.158(f)(7), and 982.507, the PHA must determine that the rent to the owner is reasonable at the time of the initial leasing. The PHA must maintain records to document the basis for the determination that the rent paid to the owner is a reasonable rent initially and during the term of the HAP contract. During the OMB A-133 Single Audit, we noted that 1 out of 165 tenant files tested did not have a rent reasonableness completed.

**Recommendation:** We recommend that the Authority continue to enforce the implementation of its rent reasonableness certification process and continue to enforce the quality control review of participant files by program management. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

**Status:** No such instances noted. Comment is no longer applicable.

**18. Special Tests and Provisions – Housing Assistance Payments**

Per 24 CFR section 982.158 and 982 subpart K, the PHA must pay a monthly HAP on behalf of the family that corresponds with the amount on line 12u of the HUD-50058. During the OMB A-133 Single Audit, we noted 1 out of 165 tenant files where the HAP was calculated incorrectly due to the use of an outdated utility allowance schedule.

**Recommendation:** We recommend that the Authority continue to enforce the quality control review of participant files by the program management. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

**Status:** Similar instances noted. Comment is still applicable. See current year comment 6.

***Section 8 Project Based Contract Administration***

**19. Tenant Unit Files**

During our review of the tenant files, we noted one file that had an outdated (prior fiscal year) Social Security Administration's Supplemental Security Income-Notice in Change of Payment form that was used to verify social security income as of the February 1, 2008 annual recertification. Although, the current annualized income amounts listed on Form 50059 calculated the HAP payments correctly, without current income verification the amount of HAP may be misstated due to the lack of current Social Security income verification at the annual recertification.

**Recommendation:** We recommend that the Authority secure all current information required for its annual recertification.

**Status:** Similar instances noted. Comment is still applicable. See current year comment 7.

***Public and Indian Housing***

**20. Eligibility – Tenant Files**

During our tenant file testing, we noted that the tenant files across 60 projects are not being processed and maintained in a consistent manner. In addition we noted that quality reviews are done by the project managers and respective reports are submitted to the program management for review. However, in our discussion with management, there are some reservations about relying on

the reports provided by the project managers. This is due to the fact that the majority of the reports from the projects are being submitted with no findings although findings have been noted in the past.

**Recommendation:** We recommend that the Authority consider standardizing the processing and maintaining of the tenant files. Training should be provided to all project housing specialists, specifying what needs to be completed for all tenant files and how tenant files should be organized. We also recommend that the program management perform a quality review of the tenant file reviews performed by the project management to reassure that the project management reviews are properly documented, accurate and effective.

**Status:** Comment is still applicable.

**21. Cash Management and Period of Availability of Federal Funds**

The signed Journal Vouchers serve as a control mechanism to indicate that management has reviewed and approved the cash transaction of the operating subsidy receipts from HUD. We noted that 1 out of 12 Journal Vouchers was not signed by the reviewer/approver, indicating that it was not reviewed and approved.

**Recommendation:** We recommend that the Authority continue to implement its control procedure of review and documentation of approval as described above.

**Status:** No such instances noted. Comment is no longer applicable.

Approved by the Executive Director _____
May 20, 2010

## FOR ACTION

**MOTION:** To Adopt Amendments to the Hawaii Public Housing Authority's By-Laws to Comply with the Reduced Quorum Requirement pursuant to Act 048, Session Laws of Hawaii 2010

## I. FACTS

A. The Governor's Bill Action Report indicated that ACT 048 (10) HB2568 SD1 was signed on April 23, 2010 - RELATING TO THE BOARD OF DIRECTORS OF THE HAWAI'I PUBLIC HOUSING AUTHORITY (HPHA). The Act reduces the number of members of the Board of Directors of the Hawai'i Public Housing Authority needed for a quorum and to approve actions from seven to six.

## II. DISCUSSION

A. Staff is proposing revisions to the HPHA's By-laws to reflect the change in quorum requirements.

B. The following areas will be revised as follows:

**ORIGINAL:**
**Article V, Section 2. Quorum; compensation of directors.**
Seven members to which the Board is entitled under law shall constitute a quorum, whose affirmative vote shall be necessary for all actions by the Authority.

**REVISED**
**Article V, Section 2. Quorum; compensation of directors.**
<u>An affirmative vote by the number of Board members constituting a quorum under the Hawaii Revised Statutes shall be necessary for all action taken by the Authority.</u>

**ORIGINAL**
**Article VII, Section 8. Quorum; approval of actions.**
A quorum shall consist of seven of the directors, or their designees where appropriate, and the affirmative vote of at least seven of the directors shall be required to make any action of the Authority valid.

**REVISED**
**Article VII, Section 8. Quorum; approval of actions.**
An affirmative vote by the number of Board members constituting a quorum under the Hawaii Revised Statutes shall be necessary for all action taken by the Authority.

## III. STAFF RECOMMENDATION

That the HPHA's Board of Directors Adopt Amendments to the Hawaii Public Housing Authority's By-Laws to Comply with the Reduced Quorum Requirement pursuant to Act 048, Session Laws of Hawaii 2010

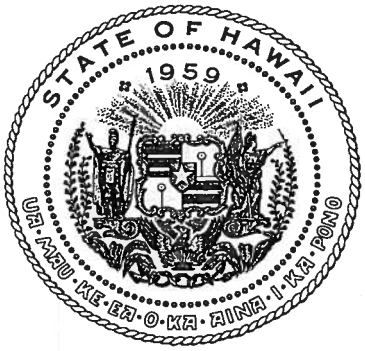
Exhibit A: By-Laws of the Hawaii Public Housing Authority

Prepared by: Barbara E. Arashiro, Executive Assistant

Adopted:

Travis O. Thompson, Chair

Exhibit A




# BY-LAWS OF THE

# HAWAII PUBLIC HOUSING AUTHORITY

Adopted July 1, 2006
Revised May 20, 2010

# BY-LAWS OF THE
# HAWAII PUBLIC HOUSING AUTHORITY

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## ARTICLE I. PREAMBLE

Act 196, Session Laws of Hawaii, 2005 (Act), as amended by Act 180, Session Laws of Hawaii, 2006, established the Hawaii Public Housing Authority ("Authority") to perform the function of developing and maintaining public housing.

These By-Laws are hereby promulgated to effectuate and implement the purposes of the Act.

## ARTICLE II. STATEMENT OF MISSION AND PURPOSE

The Legislature has declared that Hawaii's greatest housing need is housing for those earning below fifty per cent and from fifty to eighty per cent of the median family income. The Legislature has found that it is a public purpose to help the unsheltered homeless population or those who have a primary nighttime residence that is a public or private place not ordinarily used as a regular sleeping accommodation.

The Legislature has mandated that the Authority shall perform the function of developing and maintaining public housing, and ensuring that more homeless persons and families are being served and transitioned into permanent housing.

## ARTICLE III. DEFINITIONS

**Section 1. Definitions.**

The following terms, whenever used herein, shall have the following respective meaning, unless a different meaning clearly appears from the context.

"Authority" means the Hawaii Public Housing Authority.

"Board" means the Board of Directors of the Hawaii Public Housing Authority.

"Board Secretary" means a director of the Authority who has been elected by the board to perform the duties described in Article V of these By-Laws.

"Bonds" means any bonds, interim certificates, notes, debentures, participation certificates, pass-through certificates, mortgage-backed obligations or other evidences of indebtedness of the Corporation issued pursuant to Act 196, Session Laws of Hawaii 2005, as amended by Act 180, Session Laws of Hawaii 2006.

"Chair" or "Chairperson" means a director of the Authority who has been elected by the Board to perform the duties described in Article V of these By-Laws.

"Designated representative" means the duly authorized designee of the Director of Human Services.

"Executive Assistant" means the Executive Assistant of the Authority who is employed by the Board, pursuant to Act 196, Session Laws of Hawaii, 2005 (Act), as amended by Act 180, Session Laws of Hawaii, 2006.

"Executive Director" means the Executive Director of the Authority who is employed by the Board, pursuant to Act 196, Session Laws of Hawaii, 2005 (Act), as amended by Act 180, Session Laws of Hawaii, 2006.

"Officers" means the duly selected officers of the Authority, which may include a Secretary and Treasurer, with such duties and responsibilities as may be determined by the Authority.

"Secretary to the Board" means any staff member of the Authority whose duties and responsibilities include providing the Board with the necessary secretarial and record-keeping support in order for the Authority to conduct its business.

## ARTICLE IV. GENERAL PROVISIONS

**Section 1. Name of the Authority.**

The name of the Authority shall be the "Hawaii Public Housing Authority".

**Section 2. Seal of the Authority.**

The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the date of establishment.

**Section 3. Principal place of business.**

The principal place of business and official mailing address of the Authority shall be 1002 North School Street, Honolulu, Hawaii 96817. The Authority may establish, by duly authorized resolution at its annual meeting, any other location in the City and County of Honolulu as its principal place of business. The Authority may designate such auxiliary or satellite offices where business may be transacted with the general public or on behalf of the Authority.

**Section 4. Service of process; official notices.**

All official notices to the Authority, including service of process where the Authority is either suing or is being sued, shall comply with applicable law and shall be served upon the Authority at its principal place of business.

**Section 5. Business hours.**

The Authority shall establish the business hours of the Authority in compliance with applicable State law.

## ARTICLE V. BOARD OF DIRECTORS

**Section 1. Official action by Board.**

All official action of the Authority shall be established through the Board of Directors as established by law. The Board may delegate, in its discretion, any duties and responsibilities to the Executive Director as it deems necessary and proper to carry out the mission and purposes of the Authority.

**Section 2. Quorum; compensation of directors.**

An affirmative vote by the number of Board members constituting a quorum under the Hawaii Revised Statutes shall be necessary for all action taken by the Authority.

The directors shall receive no compensation for their services on the Board, but shall be entitled to reimbursement of necessary expenses, including but not limited to travel expenses, incurred by them in the performance of their duties.

**Section 3. Officers of the Authority; term; vacancy.**

The officers of the Authority shall be the Chairperson, Vice-Chairperson, Secretary and Treasurer. All officers of the Authority shall be directors of the Authority, except as authorized by these By-Laws, and shall be elected by the Board at the Board's inaugural or annual meeting. The officers shall hold office for one year or until their successors are elected.

If any vacancy occurs for any reason, the vacancy shall be filled by the election of a successor officer from among the directors at any regular or special meeting of the Board to fill

out the remainder of the vacant term until the election of officers at the Board's next annual meeting.

The ex-officio member of the Board shall be ineligible to serve as Chairperson.

**Section 4. Chairperson; duties.**

The Chairperson shall be a director of the Authority and shall be elected by the Board at the Board's annual meeting. The Chairperson shall preside at all meetings of the Board and shall maintain order and proper procedures of the Board at all times.

Except as authorized by these By-Laws or by duly adopted resolution of the Board, the Authority together with the Secretary shall sign and execute all bonds and notes to which the Authority is a signatory.

For each meeting and upon proper notice as may be required by law, the Chairperson may submit such recommendations or items for information or for Board action as the Chairperson considers necessary and proper concerning the policies and procedures of the Authority.

The Chairperson from time to time and at any duly noticed meeting, may appoint from the directors of the Board two or more members of the Board to obtain facts and information on any specific matter or issue which is necessary and proper concerning the policies and procedures of the Authority, provided that the number of members of such a committee appointed by the Chairperson shall be in compliance with applicable law and shall be less than the number of directors required for a quorum.

**Section 5. Vice-Chairperson; duties.**

The Vice-Chairperson shall be a director of the Authority and shall be elected at the Board's annual meeting. The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In case of the resignation, removal or death of the Chairperson, the Vice-Chairperson shall perform all the duties imposed on the Chairperson until such time as the Board elects a successor Chairperson.

**Section 6. Secretary; duties.**

The Secretary shall be a director of the Authority and shall be elected at the Board's annual meeting. The Secretary shall perform the duties of the Chairperson in the absence of the Chairperson and the Vice-Chairperson.

The Secretary, together with the Chairperson, shall sign and execute all bonds and notes to which the Authority is a signatory.

The Secretary shall be responsible for maintaining all records of the Authority, including maintaining a record of the Board proceedings in a journal to be kept specifically for that purpose. The Secretary shall be responsible for keeping in safe custody the seal of the Authority and shall affix or cause to be affixed the corporate seal to all contracts or instruments which have been authorized by the Authority and which require the corporate seal.

The Secretary may delegate any of the duties described in this section to the Executive Director.

In the absence, incapacity or death of the Secretary, the Board may appoint the Executive Director or any qualified employee of the Authority to serve as Secretary "pro tem" in order to

fulfill the duties imposed upon the Secretary. The Secretary pro tem, together with the Chairperson, shall sign and execute all bonds and notes to which the Authority is a signatory.

**Section 7. Treasurer; duties.**

The Executive Director shall be the ex-officio Treasurer of the Authority and shall not be a director of the Authority. The Treasurer shall be responsible for the care, custody and safeguarding of all funds of the Authority, including depositing the funds in such banks or financial institutions as the Authority selects.

The Treasurer shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson, Vice-Chairperson, and Secretary.

**Section 8. Non-attendance of board members; expiration of term.**

Notwithstanding the term of office, the term of a board member shall expire upon the failure of the member, without valid excuse, to attend three consecutive meetings duly noticed to all members of the board and where the board failed to constitute quorum necessary to transact business. The chair or acting chair of the board shall determine if the absence of the member is excusable. The expiration of the member's term shall be effective immediately after the third consecutive unattended meeting and unexcused absence. This provision shall not apply to the ex officio member of the board.

## ARTICLE VI. EXECUTIVE DIRECTOR

**Section 1. Executive Director; duties, generally.**

The Executive Director shall be employed by the Board and shall be responsible for the daily management of the Authority. The Executive Director shall have general supervision over the administration and business affairs of the Authority, pursuant to the direction of the Board.

Except for the inaugural meeting, at each annual meeting the Executive Director shall submit an annual report to the Board which shall include an account of the financial condition of the Authority and the status of any other matter which was brought to the Authority. The Executive Director may submit such status reports to the Board at any other time or when so requested by the Board.

The Executive Director, together with the Secretary, shall sign and execute all notes to which the Authority is a signatory. The Executive Director is empowered to execute any and all documents to which the Authority is a signatory, except as specifically limited by the Board.

**Section 2. Delegation of duties; disability of Executive Director.**

The Executive Director may delegate any of the duties described herein, to any qualified employee of the Authority for the efficient administration of the Authority's business; provided that, the Executive Director shall nevertheless be responsible for the proper performance of all such duties and responsibilities so delegated.

In the absence, incapacity or vacancy in the position of the Executive Director, the Executive Assistant of the Authority shall perform the duties of the Executive Director.

**Section 3. Executive Assistant; duties, generally.**

The Board shall employ an Executive Assistant who shall assist the Executive Director with the daily management of the Authority. The Executive Assistant shall perform such duties and responsibilities as determined by the Executive Director or the Board.

In the absence, incapacity or vacancy in the position of the Executive Director, the Executive Assistant shall assume the position and perform the duties of the Executive Director until the Board employs or appoints a successor Executive Director.

**Section 4. Disbursement of funds.**

Instruments or checks for the payment of money shall require the signature of 1) the Executive Director and 2) any qualified employee of the Authority who has been appointed by the Executive Director to countersign such instruments or checks.

**Section 5. Employment of personnel.**

The Executive Director, on behalf of the Authority, may employ such personnel as are necessary to carry out the business of the Authority, without ratification or approval of the Board. The employment and compensation of such personnel shall be pursuant to all applicable laws.

## ARTICLE VII. MEETINGS

**Section 1. Annual Meeting.**

The annual meeting of the Authority shall be held on the third Thursday of July, at the regular scheduled meeting place of the Authority or at any designated meeting place. In the event such date shall fall on a legal holiday, the annual meeting shall be held on the next Thursday. Any and all business may be transacted at the annual meeting with adequate notice being given.

**Section 2. Regular meeting of the Authority.**

The regular meetings of the Authority shall be held on the third Thursday of each month, beginning at 9:00 a.m., except if such date is a legal holiday, then the regular meeting for such month shall be held on the next Thursday. The Board may change the date and time of any regularly scheduled meeting, provided however, that proper notice as prescribed by law, be given of such rescheduled meeting.

**Section 3. Special and emergency meetings; notice.**

The Chairperson may, when determined to be necessary, call a special meeting of the Authority. The notice of the special meeting shall conform with the notice requirements as provided by law, and the Authority shall discuss only the item or items for which the special meeting has been called.

The Chairperson may call an emergency meeting, pursuant to the requirements and procedures as required by law, upon a finding that an imminent peril to the health, safety or welfare of the public exists.

**Section 4. Notice of meetings.**

All notices of meetings shall adhere to the notice requirements as prescribed by law.

**Section 5. Agenda; order of business.**

The Board shall determine the conduct and order of business prior to any meeting, which may include the call to order, roll call, reading and approval of minutes, items for information, items for action, and the Executive Director's report.

**Section 6. Executive session.**

The Board may meet in executive session, closed to the public, only in accordance with applicable law. Minutes of the executive session shall be prepared and approved separately from the minutes of the board meeting.

**Section 7. Minutes; resolutions.**

Minutes of the board meetings, including the minutes of any executive session, shall be prepared and adopted by the Board by the next board meeting, or as soon as practicable. The minutes should provide a concise summary of the business which was conducted at the meeting, including the vote on any item and an accurate description of the substantive testimony on any item.

All corporate resolutions shall be recorded in a separate journal under the care and custody of the Secretary.

**Section 8. Quorum; approval of actions.**

A quorum shall consist of a minimum number of the directors, or their designees where appropriate, as prescribed by law. The affirmative vote of quorum of the directors shall be required to make any action of the Authority valid.

**Section 9. Conduct of meetings.**

The Chairperson shall conduct the meetings consistent with the procedure contained in the most recent edition of Robert's Rules of Order.

## ARTICLE VIII. OTHER PROVISIONS

**Section 1. Amendments to by-laws.**

The By-Laws may be amended by the Board at any regular, special or annual meeting of the Authority.

**Section 2. Severability.**

If any provision in the By-Laws is deemed to be illegal or in violation of any statute, rule or regulation, then that provision shall be deemed to be null and void without affecting any other provision in these By-Laws.

Approved by the Executive Director _____
May 20, 2010

## FOR ACTION

**MOTION:** To Adopt Amendments to the Hawaii Public Housing Authority's By-Laws to Comply with the Transfer of the Homeless Programs to the Department of Human Services pursuant to Act 89, Session Laws of Hawaii 2010

## I. FACTS

The Governor's Bill Action Report indicated that ACT 089 (10) SB910 SD1 HD2 CD1 was signed on May 10, 2010 - RELATING TO THE TRANSFER OF HOMELESS PROGRAMS WITHIN THE DEPARTMENT OF HUMAN SERVICES. The Act transfers oversight of the State's homeless programs from the Hawai'i Public Housing Authority to the Department of Human Services' Benefits, Employment, and Support Services Division to ensure that the State remains eligible to receive federal funding.

## II. DISCUSSION

Staff is proposing revisions to the HPHA's By-laws to support the transfer of the homeless programs as follows:

**Article II, Statement of Mission and Purpose**
The Legislature has mandated that the Authority shall perform the function of developing and maintaining public housing, and ensuring that more [~~homeless persons~~ ] individuals and families are being served and transitioned into permanent housing. .

## III. STAFF RECOMMENDATION

That the HPHA's Board of Directors Adopt the Amendments to the Hawaii Public Housing Authority's By-Laws to Comply with the Transfer of the Homeless Programs to the Department of Human Services pursuant to Act 89, Session Laws of Hawaii 2010

Exhibit A: By-Laws of the Hawaii Public Housing Authority

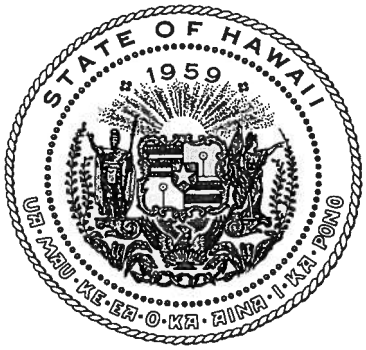
Prepared by: Barbara E. Arashiro, Executive Assistant _____

Adopted:

_____

Travis O. Thompson, Chair

Exhibit A




# BY-LAWS OF THE

# HAWAII PUBLIC HOUSING AUTHORITY

Adopted July 1, 2006
Revised May 20, 2010

# BY-LAWS OF THE
# HAWAII PUBLIC HOUSING AUTHORITY

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Article I. Preamble

Article II. Statement of Mission and Purpose

Article III. Definitions

Article IV. General Provisions

Article V. Board of Directors

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Article VII. Meetings

Article VIII. Other Provisions

## ARTICLE I. PREAMBLE

Act 196, Session Laws of Hawaii, 2005 (Act), as amended by Act 180, Session Laws of Hawaii, 2006, established the Hawaii Public Housing Authority ("Authority") to perform the function of developing and maintaining public housing.

These By-Laws are hereby promulgated to effectuate and implement the purposes of the Act.

## ARTICLE II. STATEMENT OF MISSION AND PURPOSE

The Legislature has declared that Hawaii's greatest housing need is housing for those earning below fifty per cent and from fifty to eighty per cent of the median family income. The Legislature has found that it is a public purpose to help the unsheltered homeless population or those who have a primary nighttime residence that is a public or private place not ordinarily used as a regular sleeping accommodation.

The Legislature has mandated that the Authority shall perform the function of developing and maintaining public housing, and ensuring that more individuals and families are being served and transitioned into permanent housing.

## ARTICLE III. DEFINITIONS

**Section 1. Definitions.**

The following terms, whenever used herein, shall have the following respective meaning, unless a different meaning clearly appears from the context.

"Authority" means the Hawaii Public Housing Authority.

"Board" means the Board of Directors of the Hawaii Public Housing Authority.

"Board Secretary" means a director of the Authority who has been elected by the board to perform the duties described in Article V of these By-Laws.

"Bonds" means any bonds, interim certificates, notes, debentures, participation certificates, pass-through certificates, mortgage-backed obligations or other evidences of indebtedness of the Corporation issued pursuant to Act 196, Session Laws of Hawaii 2005, as amended by Act 180, Session Laws of Hawaii 2006.

"Chair" or "Chairperson" means a director of the Authority who has been elected by the Board to perform the duties described in Article V of these By-Laws.

"Designated representative" means the duly authorized designee of the Director of Human Services.

"Executive Assistant" means the Executive Assistant of the Authority who is employed by the Board, pursuant to Act 196, Session Laws of Hawaii, 2005 (Act), as amended by Act 180, Session Laws of Hawaii, 2006.

"Executive Director" means the Executive Director of the Authority who is employed by the Board, pursuant to Act 196, Session Laws of Hawaii, 2005 (Act), as amended by Act 180, Session Laws of Hawaii, 2006.

"Officers" means the duly selected officers of the Authority, which may include a Secretary and Treasurer, with such duties and responsibilities as may be determined by the Authority.

"Secretary to the Board" means any staff member of the Authority whose duties and responsibilities include providing the Board with the necessary secretarial and record-keeping support in order for the Authority to conduct its business.

## ARTICLE IV. GENERAL PROVISIONS

**Section 1. Name of the Authority.**

The name of the Authority shall be the "Hawaii Public Housing Authority".

**Section 2. Seal of the Authority.**

The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the date of establishment.

**Section 3. Principal place of business.**

The principal place of business and official mailing address of the Authority shall be 1002 North School Street, Honolulu, Hawaii 96817. The Authority may establish, by duly authorized resolution at its annual meeting, any other location in the City and County of Honolulu as its principal place of business. The Authority may designate such auxiliary or satellite offices where business may be transacted with the general public or on behalf of the Authority.

**Section 4. Service of process; official notices.**

All official notices to the Authority, including service of process where the Authority is either suing or is being sued, shall comply with applicable law and shall be served upon the Authority at its principal place of business.

**Section 5. Business hours.**

The Authority shall establish the business hours of the Authority in compliance with applicable State law.

## ARTICLE V. BOARD OF DIRECTORS

**Section 1. Official action by Board.**

All official action of the Authority shall be established through the Board of Directors as established by law. The Board may delegate, in its discretion, any duties and responsibilities to the Executive Director as it deems necessary and proper to carry out the mission and purposes of the Authority.

**Section 2. Quorum; compensation of directors.**

An affirmative vote by the number of Board members constituting a quorum under the Hawaii Revised Statutes shall be necessary for all action taken by the Authority.

The directors shall receive no compensation for their services on the Board, but shall be entitled to reimbursement of necessary expenses, including but not limited to travel expenses, incurred by them in the performance of their duties.

**Section 3. Officers of the Authority; term; vacancy.**

The officers of the Authority shall be the Chairperson, Vice-Chairperson, Secretary and Treasurer. All officers of the Authority shall be directors of the Authority, except as authorized by these By-Laws, and shall be elected by the Board at the Board's inaugural or annual meeting. The officers shall hold office for one year or until their successors are elected.

If any vacancy occurs for any reason, the vacancy shall be filled by the election of a successor officer from among the directors at any regular or special meeting of the Board to fill

out the remainder of the vacant term until the election of officers at the Board's next annual meeting.

The ex-officio member of the Board shall be ineligible to serve as Chairperson.

**Section 4. Chairperson; duties.**

The Chairperson shall be a director of the Authority and shall be elected by the Board at the Board's annual meeting. The Chairperson shall preside at all meetings of the Board and shall maintain order and proper procedures of the Board at all times.

Except as authorized by these By-Laws or by duly adopted resolution of the Board, the Authority together with the Secretary shall sign and execute all bonds and notes to which the Authority is a signatory.

For each meeting and upon proper notice as may be required by law, the Chairperson may submit such recommendations or items for information or for Board action as the Chairperson considers necessary and proper concerning the policies and procedures of the Authority.

The Chairperson from time to time and at any duly noticed meeting, may appoint from the directors of the Board two or more members of the Board to obtain facts and information on any specific matter or issue which is necessary and proper concerning the policies and procedures of the Authority, provided that the number of members of such a committee appointed by the Chairperson shall be in compliance with applicable law and shall be less than the number of directors required for a quorum.

**Section 5. Vice-Chairperson; duties.**

The Vice-Chairperson shall be a director of the Authority and shall be elected at the Board's annual meeting. The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In case of the resignation, removal or death of the Chairperson, the Vice-Chairperson shall perform all the duties imposed on the Chairperson until such time as the Board elects a successor Chairperson.

**Section 6. Secretary; duties.**

The Secretary shall be a director of the Authority and shall be elected at the Board's annual meeting. The Secretary shall perform the duties of the Chairperson in the absence of the Chairperson and the Vice-Chairperson.

The Secretary, together with the Chairperson, shall sign and execute all bonds and notes to which the Authority is a signatory.

The Secretary shall be responsible for maintaining all records of the Authority, including maintaining a record of the Board proceedings in a journal to be kept specifically for that purpose. The Secretary shall be responsible for keeping in safe custody the seal of the Authority and shall affix or cause to be affixed the corporate seal to all contracts or instruments which have been authorized by the Authority and which require the corporate seal.

The Secretary may delegate any of the duties described in this section to the Executive Director.

In the absence, incapacity or death of the Secretary, the Board may appoint the Executive Director or any qualified employee of the Authority to serve as Secretary "pro tem" in order to

fulfill the duties imposed upon the Secretary. The Secretary pro tem, together with the Chairperson, shall sign and execute all bonds and notes to which the Authority is a signatory.

**Section 7. Treasurer; duties.**

The Executive Director shall be the ex-officio Treasurer of the Authority and shall not be a director of the Authority. The Treasurer shall be responsible for the care, custody and safeguarding of all funds of the Authority, including depositing the funds in such banks or financial institutions as the Authority selects.

The Treasurer shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson, Vice-Chairperson, and Secretary.

**Section 8. Non-attendance of board members; expiration of term.**

Notwithstanding the term of office, the term of a board member shall expire upon the failure of the member, without valid excuse, to attend three consecutive meetings duly noticed to all members of the board and where the board failed to constitute quorum necessary to transact business. The chair or acting chair of the board shall determine if the absence of the member is excusable. The expiration of the member's term shall be effective immediately after the third consecutive unattended meeting and unexcused absence. This provision shall not apply to the ex officio member of the board.

## ARTICLE VI. EXECUTIVE DIRECTOR

**Section 1. Executive Director; duties, generally.**

The Executive Director shall be employed by the Board and shall be responsible for the daily management of the Authority. The Executive Director shall have general supervision over the administration and business affairs of the Authority, pursuant to the direction of the Board.

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The Executive Director, together with the Secretary, shall sign and execute all notes to which the Authority is a signatory. The Executive Director is empowered to execute any and all documents to which the Authority is a signatory, except as specifically limited by the Board.

**Section 2. Delegation of duties; disability of Executive Director.**

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**Section 2. Regular meeting of the Authority.**

The regular meetings of the Authority shall be held on the third Thursday of each month, beginning at 9:00 a.m., except if such date is a legal holiday, then the regular meeting for such month shall be held on the next Thursday. The Board may change the date and time of any regularly scheduled meeting, provided however, that proper notice as prescribed by law, be given of such rescheduled meeting.

**Section 3. Special and emergency meetings; notice.**

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Minutes of the board meetings, including the minutes of any executive session, shall be prepared and adopted by the Board by the next board meeting, or as soon as practicable. The minutes should provide a concise summary of the business which was conducted at the meeting, including the vote on any item and an accurate description of the substantive testimony on any item.

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The Chairperson shall conduct the meetings consistent with the procedure contained in the most recent edition of Robert's Rules of Order.

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**Section 1. Amendments to by-laws.**

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**Section 2. Severability.**

If any provision in the By-Laws is deemed to be illegal or in violation of any statute, rule or regulation, then that provision shall be deemed to be null and void without affecting any other provision in these By-Laws.

# Executive Director's April/May 2010 Board Status Report

**Accomplishments:**

- Finalized PHA Plan per Board approval and the documents package to meet 4/16 submission deadline; some modifications made per HUD request.
- Conducted abbreviated budget planning session with staff. Included development of agreed upon mission statement with associated goals so that budget is a cohesive document.
- Construction contracts have been executed for all 8 ARRA projects and permits have been obtained for 6 of the 8 projects.
- ITO created a "drop box" account for use for internet distribution of documents for the Board of Directors. This streamlines the distribution of information to the Board.
- ITO redesigned the HPHA website to include the following feature:
    - Created a "Login" button in the left column of the Board of Director's page to allow access to information specific to the Board. This feature, when operational, is anticipated to provide the Board with more streamlined information and reports.
- Compiled document to begin monitoring Corrective Action Order and Audit. Accountabilities have been assigned and will be reviewed by staff monthly for implementation and progress. Please see attached chart for detail.
- HPHA executed the final construction contract on May 3, 2010 for the elevator modernization project.

**Planned Activities for May/June:**

- Hearings office will Assist Deputy Attorney Generals with Circuit Court Appeals
- The draft of the uniform House Rules has been reviewed by Public Housing and Private Managers and the Executive Director. The draft was forwarded to the Attorney General's office for review on April 7, 2010. Representatives from PMMSB, the AG's office, Office of the Executive Director, Planning and Compliance met on May 6, 2010 to discuss implementation of the uniform House Rules. PMMSB will solicit comments from the Resident Association Board (RAB) and AMP Resident Association Representatives. Board will be presented with comments for review and public hearings held to receive further comments.
- ITO will review revised draft calendar for Elite implementation. Discuss implementation dates with PMMSB "Go To" people who will be assisting with Elite LIPH.
- HUD will be conducting site visits at five (5) AMPs from May 17 - 21, 2010
- HPHA discovered that REAC will be making inspections of 15 properties. The properties were put to bid in 3 lots and inspections to be completed by July 23, 2010. Some of the properties are Punchbowl, KPT, KVH, MWH, and Lanikilla Homes.
- Complete and submit budget and financials for Board approval.
- To fully obligate the approximately $12.5mm Capital Fund Program (CFP) funds awarded though HUD's 718 CFP by June 12, 2010.
- HPHA was approached by HUD to be a participant in a research study that will assess the impact of various services and housing interventions in ending homelessness for families. 12

communities were identified and Hawaii was chosen as one of the sites to conduct the study. HPHA met with a representative of the research team. The study needs at least 50 families to participate. The City and County of Honolulu has identified that they may be able to use up 21 HCV vouchers for the study. HPHA would then make up the difference of 34. If HPHA does not participate then the study cannot be conducted in Hawaii. Staff is looking into HPHA participating. Please see HUD letter dated March 29, 2010 for details.

**Trends/Issues:**

- Rain Forest Construction, General Contractor, is currently under contract with the HPHA to perform construction services at Kalihi Valley Homes and on April 15, 2010, a 60-foot portion of the retaining wall near the southwestern end of Building 24 collapsed. It was reported that a large excavator/backhoe was traversing along the area between the top of the wall and the building at the time of the failure. At approximately 8:30 a.m. a HPHA inspector observed the GC and Subcontractor assessing the damage. He also observed the large excavator along the site dangerously positioned. Traffic controllers were placed by the GC and the Subcontractor worked on moving their heavy equipment away from the wall. As soon as the Inspector completed his initial assessment, he notified the Project Engineer and upper management.

  CMS and Property Management staff meet with a structural engineer from GYA Architects, a soil engineer from Geo Technical Engineering and a representative from Rain Forest Construction. Both the structural and soil engineer advised that all work near the damaged wall be suspended until a full site assessment was conducted. They recommended that the exposed soil around the damaged wall be covered with plastic in an attempt to avoid further soil loss.

  Since the date of the retaining wall failure, CMS organized a meeting with the owner of Rain Forest Construction to notify him of the impending demand by HPHA to seek compensation for the damaged wall. The GC indicated they had already notified the Subcontractors insurance company and the insurance adjuster would be conducting the necessary inspections in the near future. CMS is preparing a demand letter for OED approval and execution.

- Computers (187) that were purchased in December 2006, as part of a mass roll out to all AMPs and COCC staff that use Emphasys, are now out of warranty. Some have begun to show up in ITO for repairs to power supply, motherboard, etc. Need to continuously replace computer inventory to prevent major failures and loss of data.

- In an attempt to expedite the elevator maintenance contract, to minimize the schedule slip reported at the last Board meeting, CMS met with the elevator consultant, Gordon Ernst. His initial assessment is that Okada Trucking may not have the personnel needed to expedite the schedule. Additional discussions are underway to determine possibility with the contractor.

- With 1 month remaining in fiscal year 2010, 99 families have been evicted as compared to 94 families evicted for fiscal year 2009.

**Potential Risks:**

- At the KVH site, staff is cognizant that due to the proximity of Building 24 to the failed wall, there is a real potential for building settlement if the wall is not repaired expeditiously. Further loss of support of the soils in front of the building will make the situation worse. Although the failed slope has been covered with plastic to prevent saturation, heavy rain could cause surface runoff from other regions to enter the failed area which could cause the soils to erode further. Staffs is pursuing this with the contractor so that repairs can be made quickly and not cause delays to the project. Worst case is project may be delayed by 4-6 weeks.

- Okada Trucking, the contractor awarded the elevator modernization project, may not have the capacity to expedite the project. Therefore the revised project schedule showing certain project delays of up to 24 months may be the schedule of present. This does not preclude any schedule gains that may occur during the project.

- 718 Capital Funds Program (CFP) is a grant that was awarded to HPHA for approximately $12.5mm from HUD in 2006. Several projects were identified for use of the funds and they must be obligated by June 12, 2010. To date HPHA has obligated approximately 50% of the funds and there are two projects which may be problematic. The two projects are Kaahumanu Homes and KPT Tower B, both are re-roofing projects. Both these contracts are approximately $2.2mm. Should these projects not be awarded and obligated by June 12, 2010 HPHA may be facing not only a de-obligation but also a penalty. The penalty is 1/12 the total grant amount per month until the issue is resolved. The monthly cost to HPHA is approximately $1,039,767.50. Staff has confidence that HPHA can meet the date. Staff has already worked with the AGs office in coordinating contract reviews. The only delay may come from the awarded bidder if their documents are not turned around quickly.

'10 APR 26 A10:57

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410

RECEIVED
HAWAII PUBLIC
HOUSING AUTHORITY

March 29, 2010

Ms. Barbara Arashiro
Hawaii Public Housing Authority
PO Box 17907
Honolulu, HI 96817

Dear Ms. Arashiro:

The U.S. Congress has directed HUD to undertake research to ascertain the impact of various service and housing interventions in ending homelessness for families. Your community has been selected for participation in a new study supported by the U.S. Department of Housing and Urban Development in response to this congressional request. The goal of the study is to conduct a rigorous evaluation of the effectiveness of various housing and services interventions for homeless families in order to give policy makers, community planners, and local practitioners empirical evidence about the best way to address homelessness among families. This type of research evidence has not been available in the past and will be used to make sound decisions about how to prioritize the use of resources and structure local homeless assistance systems for families. HUD intends to provide participating Public Housing Agencies (PHA) an incentive fee of $1,000 for each voucher that the PHA issues to a family enrolled in this study.

The study will compare four types of housing assistance and services in an experiment in 12 communities across the country to determine which interventions work best to promote housing stability, family preservation, child well-being, adult well-being, and self-sufficiency. HUD has contracted with a team of researchers led by Abt Associates Inc. to design and carry out this evaluation. To provide the strongest possible evidence of the effects of the housing and services interventions, the evaluation will use an experimental research design, with eligible families assigned at random to one of the four designated housing and services interventions.

One of the study interventions, the *subsidy only* intervention, will provide a permanent housing subsidy in the form of a Housing Choice Voucher or other permanent housing subsidy to homeless families who volunteer to participate. Other interventions include transitional housing, rapid re-housing, and usual care. Each site will need to make an average of 65 permanent housing subsidies available for study participants.

The Abt Associates research team has been in contact with local homeless system (Continuum of Care) leaders in your community to discuss this evaluation, and they have expressed a high degree of interest in participating in the study if the permanent housing subsidies for the study can be secured. Participation in this study will not require any data collection, participant tracking, or special effort on your part. The research team will be responsible for all aspects of the evaluation including participant enrollment, random assignment, data collection, participant tracking, and analysis of outcomes, and they will work closely with local Continuum of Care leaders to conduct the study.

HUD's Office of Public and Indian Housing strongly endorses this study and encourages the Hawaii Public Housing Authority to participate in this study by committing the housing subsidies needed to test the effects of the *subsidy only* interventions. To comply with statutory and regulatory requirements, the participating Public Housing Agency (PHA) will need to amend its Administrative Plan in order to establish a preference for homeless families who are enrolled in this particular study and who have been randomly assigned to the *subsidy only* intervention. If this change is considered a significant amendment to the PHA's Annual Plan (as defined by the PHA) and the PHA is subject to Annual Plan submissions, the PHA's Annual Plan will also have to be amended in accordance with 24 CFR 903.21. If the PHA is a Moving To Work (MTW) agency, the PHA's Annual MTW Plan will need to be amended in accordance with its MTW agreement. Further, if the PHA waitlist is currently closed, the PHA would need to open the waitlist for this particular preference group. Questions regarding the administrative process of amending the PHA Administrative Plan should be directed to your HUD Field Office representative.

HUD is committed to working with housing agencies to address any concerns or issues that may arise from participation in this important study. A representative of the research team will be in contact with you shortly to discuss the study further. In the meantime, if you have any questions about this evaluation, you may also contact Anne Fletcher, the Government Technical Representative for this study at **anne.l.fletcher@hud.gov**.

Sincerely,

Sandra B. Henriquez
Assistant Secretary for
Public and Indian Housing

Raphael W. Bostic
Assistant Secretary for
Policy Development and Research

cc: HUD Field Offices

**Hawaii Public Housing Authority**
**Corrective Action Plan**
**Reporting Period:**

| Action | Due Date | Responsible Parties | Status |
|---|---|---|---|
| **1.0 Demonstrate that HPHA is capable of timely obligation and expenditure of Capital Funds** | | | |
| 1.1 Obligate all ARRA funds by 3/1/10 | 3/15/10 | Camacho/Sogawa/Buflo | CMS: All identified ARRA projects are in the final stages of approval. CMS is confident funds will be 100% obligated by the March 17, 2010 deadline<br>CPO: ARRA funds obligated on 3/11/10 |
| 1.2 Obligate all CFP 718 by 9/1/10 | 9/1/10 | Camacho/Sogawa | CMS: CMS and FMO are working closely to identify the construction projects likely to comply with the obligation deadline<br>CPO: On target - obligation due date is 6/12/10 |
| 1.3 Obligated at least 50% of CFP 719 by 9/1/10 | 9/1/10 | Camacho/Sogawa | CMS: CMS and FMO are working closely to identify the construction projects likely to comply with the obligation deadline |
| 1.4 Timely completion and submittal of P&E reports to HUD on a monthly basis | By 5th of each month | FMO | FMO: Done |
| 1.5 Completion of environmental review requirements by the time the PHA Plan for FY 2010-2011 is approved by HUD | 7/1/10 for next FY's PHA Plan | Camacho | CMS: CMS has entered into negotiations with Helber Hastert & Fee Planners to generate environmental reviews for all Federally Subsidized Public Housing projects for said fiscal year |
| 1.6 Establishment of a system to track and repair type "C" units | | Camacho/.Fo | CMS: CMS retains a log for Type C unit identification, however, a formal tracking system with a construction respond element has not been established<br>PMMSB: PMMSB is tracking requests sent to CMS since 8/2009. PMMSB checks that the unit is properly coded in the ECS? Discussed with CMS the creation of a system that will include monitoring unit to completion, which funds are set aside for the unit and the projected completion date |
| 1.7 Hiring of program manager to assist with capital projects | Dependent on RIFs | CMS, CPO, FMO | CMS: No progress |
| **2.0 Demonstrate that HPHA is planning for the effective use of Capital Fund Program activities** | | | |

| | | | |
|---|---|---|---|
| 2.1 Completion and submittal of a well thought out 5-year plan for the use of CFP for next fiscal year. (HPHA will meet with HUD staff in late October to discuss the specifics on the PHA Plan.) | 3/1/10 | CMS, CPO, FMO, PMMSB, PEO | CPO: Capital planning meetings conducted on a monthly basis; facilitated by CMS<br>FMO: Done |
| 2.2 Submission of all required documents to HUD, including ER, P&E, PHA Plan tables, etc. on time | | PMMSB, CMS, CPO, FMO | |
| **3.0 Demonstrate that HPHA is effectively managing its procurement activities** | | | |
| 3.1 Establishment of a 3 year rolling annual procurement plan which tracks routine maintenance and service contracts | | ALL | |
| 3.2 Submission of contracts to HUD early enough to allow no less than 10 business days review. (This applies in particular to PMMSB contracts.) | Ongoing | CPO, PMMSB, CMS | |
| 3.3 Implementation of training plan for HPHA staff | | CPO, PERS | PERS: CPO/PERS continues to identify procurement training for staff |
| 3.4 Submission of complete packets when requesting HUD approval to contract (e.g., cost estimate, fee proposal, cost analysis, documentation of budget authority, etc.) | Ongoing | CMS, PMMSB, CPO | CMS: CMS staff is utilizing a HUD supplied checklist to identify and track required documentation<br>CPO: Being done |
| **4.0 Demonstrate that HPHA is responsibly administering its contracts and ensuring compliance with the terms of the contract** | | | |
| 4.1 Establishment of a monitoring plan for all AMPs and implementation of site visit monitoring | | PMMSB | PMMSB: Monitoring established October 2008. Monitoring reports are being completed on a monthly basis for all privately managed AMPs. It was determined that the AMPs who needed the most improvement would be monitored on a monthly basis |
| 4.2 Resolution of findings in the REAC inspections, including implementation of corrective action plan from previous REAC inspections | | PMMSB, CMS | PMMSB: PMMSB is still implementing CAP from 2009. Monitoring needs to be done to determine that AMPs are complying with 2009 CAP |
| 4.3 Resolution of monitoring findings from PMMSB monitors conducting site | Monthly | PMMSB | |

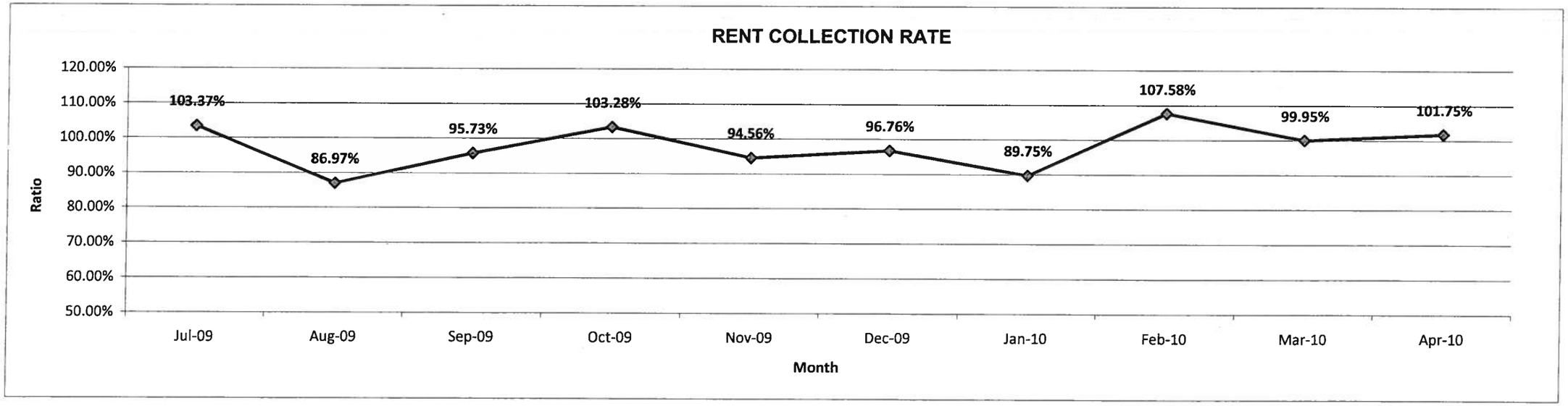
| | | | |
|---|---|---|---|
| visits | | | |
| 4.4 Improvement in occupancy and rent collections | | PMMSB | PMMSB: Ongoing. PMMSB continues to tweak the procedures and refine the process. The referral procedure from Applications to the AMPs has changed. The waiting period for verifications was also changed to speed up the process |
| 4.5 Revision of property management contract to include terms which require the contractor to forfeit its management fees for failure to perform | Before next RFP process | PMMSB, CPO | |
| 4.6 Completion of the procedures manual, which includes procedures for monitoring AMP staff /contractors. | | PMMSB | PMMSB: Manual material is complete. The manual has to be compiled and formatted. Once staff is brought on board, the manual will be completed |
| **5.0 Demonstrate that HPHA has appropriate internal fiscal controls in place and the ability to manage its financial functions** | | | |
| 5.1 Hire a CFMA and/ or Fiscal Officer (audit recommendations) | Dependent on RIFs | D. Wise/S. Befitel | |
| 5.2 Perform internal assessment of missing controls and develop checklists to ensure monthly routines are completed timely. (audit recommendation) | 6/1/2010 | C.Itliong | |
| 5.3 Full functioning general ledger and production of monthly reconciliations this will enable:<br>-reliable monthly financial statements<br>-Assets properly capitalized<br>Budget to Actual Comparisons | 6/1/2010 | C. Itliong | |
| 5.4 Production of monthly closing schedules with assigned accountabilities | 6/1/2010 | C. Itliong | |
| 5.5 FDS submitted timely and correctly | Ongoing | C. Itliong | |
| 5.6 Convert all excel worksheets maintaining fixed assets to a properly classified and automated register utilizing the EmPHASys system. | 6/1/2010 | C. Itliong | |
| 5.7 Issue monthly financial reports which are timely and accurate | Ongoing | C. Itliong | |
| 5.8 Ensure Project Based Accounting is implemented with proper fee-for service-schedules | 6/1/2010 | C. Itliong | |
| 5.9 Project based accounting be utilized for financial performance for all AMPs. This includes the allocation of costs from the COCC and proper | 6/1/2010 | C. Itliong | |

| | | | |
|---|---|---|---|
| classification of all expenses | | | |
| 6.0 Monthly production of accurate financial statements for all AMPS | 6/15/2010 | C. Itliong | |
| 6.1 Improve management controls over the financial audits | As audits are completed | D. Wise | FMO: No Progress |
| 6.2 Complete the FY 2010 - 2011 budget process no later than 6 /1/2010 | 6/15/2010 | | FMO: Progressing |
| 6.3 Manage activity in the PIC so that HPHA can upload information for calculation of the operating subsidy on a timely basis | | PMMSB, FMO | PMMSB: Reports are run on a week-to-week basis for recertification reporting |
| 6.4 Produce timely financial statements | | C. Itliong | |
| **7.0 Demonstrate that HPHA has the hardware and network infrastructure in place to meet the needs of the staff** | | | |
| 7.1 Continue to implement the upgrade of Emphasys Elite on a timely basis | Per contract dates | ITO, S8, PMMSB | ITO: Still resolving minor issues with S8 & WL. Missing some automated letters, and WL data needs to be cleaned up. Phase two will not begin until after the large balance owed to Emphasys gets paid. Received training and attended meetings on the set up of the new Elite system |
| 7.2 Maintain the computer network according to the ITO replacement plan | Ongoing replacement | ITO | ITO: Still need to set up 11 of the new computers |
| 7.3 Ensure that staff are adequately trained on the computer upgrades | Per contract terms | ITO, PERS | ITO: For some reason, training for automated letters was not done in phase one. Emphasys has offered to do this training (remotely) for free in early April, but we need S8 staff to review each of the letters installed in the system first. Letters for the Applications staff still needs to be created before they can be trained |

# FEDERAL PUBLIC HOUSING
## Rent Collection from July 2009 to April 2010

| | Jul-09 | | | Aug-09 | | | Sep-09 | | | Oct-09 | | | Nov-09 | | | Dec-09 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | $ 112,436.50 | $ 124,829.51 | 111.02% | $ 119,391.36 | $ 108,916.51 | 91.23% | $ 119,402.26 | $ 122,538.77 | 102.63% | $ 120,399.00 | $ 132,027.26 | 109.66% | $ 116,820.00 | $ 112,301.32 | 96.13% | $114,069.72 | $119,412.98 | 104.68% |
| Kauai | $ 72,695.00 | $ 83,795.34 | 115.27% | $ 73,072.00 | $ 64,423.31 | 88.16% | $ 73,104.00 | $ 74,848.55 | 102.39% | $ 73,842.00 | $ 76,756.23 | 103.95% | $ 75,024.00 | $ 69,266.58 | 92.33% | $76,423.00 | $75,161.64 | 98.35% |
| Maui | $ 46,854.00 | $ 46,508.59 | 99.26% | $ 45,267.00 | $ 37,689.39 | 83.26% | $ 44,707.00 | $ 39,587.84 | 88.55% | $ 42,396.00 | $ 42,742.85 | 100.82% | $ 41,421.00 | $ 41,035.33 | 99.07% | $41,265.00 | $42,481.46 | 102.95% |
| Oahu | $ 1,159,986.53 | $ 1,183,747.09 | 102.05% | $ 1,144,388.66 | $ 990,982.65 | 86.59% | $ 1,123,584.93 | $ 1,065,700.18 | 94.85% | $ 1,119,356.06 | $ 1,148,918.60 | 102.64% | $ 1,118,029.91 | $ 1,055,189.15 | 94.38% | $1,120,641.22 | $1,071,584.35 | 95.62% |
| Total | $ 1,391,972.03 | $ 1,438,880.53 | 103.37% | $ 1,382,119.02 | $ 1,202,011.86 | 86.97% | $ 1,360,798.19 | $ 1,302,675.34 | 95.73% | $ 1,355,993.06 | $ 1,400,444.94 | 103.28% | $ 1,351,294.91 | $ 1,277,792.38 | 94.56% | $ 1,352,398.94 | $ 1,308,640.43 | 96.76% |

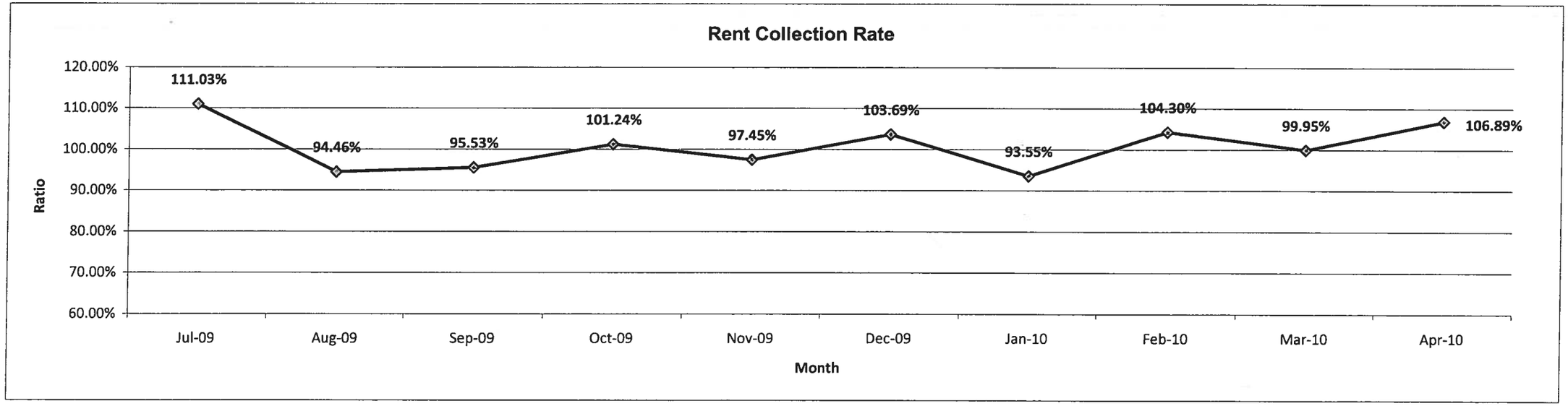
| | Jan-10 | | | Feb-10 | | | Mar-10 | | | Apr-10 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | $116,704.72 | $100,450.20 | 86.07% | $ 114,112.72 | $ 123,818.28 | 108.51% | $ 111,742.56 | $ 116,961.95 | 104.67% | $ 114,516.69 | $ 122,029.78 | 106.56% |
| Kauai | $76,185.00 | $65,796.55 | 86.36% | $ 79,317.00 | $ 78,818.84 | 99.37% | $ 78,569.00 | $ 73,688.81 | 93.79% | $ 75,812.00 | $ 74,505.00 | 98.28% |
| Maui | $41,683.00 | $37,016.56 | 88.80% | $ 39,286.00 | $ 40,224.33 | 102.39% | $ 39,522.00 | $ 41,955.64 | 106.16% | $ 42,734.00 | $ 43,717.38 | 102.30% |
| Oahu | $1,121,888.75 | $1,014,179.21 | 90.40% | $ 1,123,281.42 | $ 1,215,939.13 | 108.25% | $ 1,120,869.72 | $ 1,117,474.18 | 99.70% | $ 1,128,670.65 | $ 1,145,247.82 | 101.47% |
| Total | $ 1,356,461.47 | $ 1,217,442.52 | 89.75% | $ 1,355,997.14 | $ 1,458,800.58 | 107.58% | $ 1,350,703.28 | $ 1,350,080.58 | 99.95% | $ 1,361,733.34 | $ 1,385,499.98 | 101.75% |



# STATE PUBLIC HOUSING
## Rent Collection from July 2009 to April 2010

| | Jul-09 | | | Aug-09 | | | Sep-09 | | | Oct-09 | | | Nov-09 | | | Dec-09 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | $ 8,735.00 | $ 10,126.00 | 115.92% | $ 8,258.00 | $ 8,068.00 | 97.70% | $ 8,393.00 | $ 8,211.00 | 97.83% | $ 8,335.00 | $ 7,322.50 | 87.85% | $ 8,421.00 | $ 8,585.00 | 101.95% | $ 8,209.00 | $ 8,815.49 | 107.39% |
| Kauai | $ 6,755.00 | $ 5,955.63 | 88.17% | $ 6,442.00 | $ 6,505.00 | 100.98% | $ 5,330.00 | $ 4,510.00 | 84.62% | $ 5,335.00 | $ 3,896.00 | 73.03% | $ 5,269.00 | $ 7,091.00 | 134.58% | $ 5,380.00 | $ 4,518.00 | 83.98% |
| Maui | $ 4,806.00 | $ 5,626.00 | 117.06% | $ 5,669.00 | $ 4,471.00 | 78.87% | $ 5,669.00 | $ 4,302.00 | 75.89% | $ 5,897.00 | $ 4,221.00 | 71.58% | $ 5,352.00 | $ 5,320.00 | 99.40% | $ 5,235.00 | $ 5,065.00 | 96.75% |
| Oahu | $ 226,464.00 | $ 252,266.11 | 111.39% | $ 227,378.00 | $ 214,966.10 | 94.54% | $ 226,964.00 | $ 218,326.72 | 96.19% | $ 227,844.00 | $ 235,042.29 | 103.16% | $ 227,911.00 | $ 219,664.64 | 96.38% | $ 228,223.00 | $ 237,762.94 | 104.18% |
| Total | $ 246,760.00 | $ 273,973.74 | 111.03% | $ 247,747.00 | $ 234,010.10 | 94.46% | $ 246,356.00 | $ 235,349.72 | 95.53% | $ 247,411.00 | $ 250,481.79 | 101.24% | $ 246,953.00 | $ 240,660.64 | 97.45% | $ 247,047.00 | $ 256,161.43 | 103.69% |

| | Jan-10 | | | Feb-10 | | | Mar-10 | | | Apr-10 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | $ 8,716.00 | $ 8,408.62 | 96.47% | $ 8,882.00 | $ 7,628.00 | 85.88% | $ 8,153.00 | $ 7,563.00 | 92.76% | $ 8,103.00 | $ 8,259.00 | 101.93% |
| Kauai | $ 5,639.00 | $ 4,493.00 | 79.68% | $ 5,297.00 | $ 4,164.11 | 78.61% | $ 5,297.00 | $ 5,077.00 | 95.85% | $ 5,198.00 | $ 4,418.00 | 84.99% |
| Maui | $ 5,195.00 | $ 4,667.00 | 89.84% | $ 5,379.00 | $ 7,157.00 | 133.05% | $ 5,851.00 | $ 6,231.00 | 106.49% | $ 5,777.00 | $ 5,390.00 | 93.30% |
| Oahu | $ 229,851.00 | $ 215,748.79 | 93.86% | $ 227,881.00 | $ 239,141.25 | 104.94% | $ 227,169.00 | $ 227,468.38 | 100.13% | $ 225,833.00 | $ 243,720.60 | 107.92% |
| Total | $ 249,401.00 | $ 233,317.41 | 93.55% | $ 247,439.00 | $ 258,090.36 | 104.30% | $ 246,470.00 | $ 246,339.38 | 99.95% | $ 244,911.00 | $ 261,787.60 | 106.89% |



# Federal LIPH
# ISLAND OVERVIEW REPORT
# April 2010

| | OCCUPANCY * | | | | | | | | | FEDERAL WAIT LIST** | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Island | Total Available Units | Total Occupied Units | Occupancy Ratio | Vacant Units Rent Ready | Vacant Units Unable to Rent**** | | | | | Families | Elderly | Transf. to LIPH Family | Transf. to LIPH Elderly |
| Hawaii | 601 | 549 | 91.35% | 3 | 49 | | | | | 1,289 | 58 | 8 | 2 |
| Kauai | 319 | 300 | 94.04% | 0 | 19 | | | | | 220 | 74 | 0 | 0 |
| Maui | 196 | 143 | 72.96% | 0 | 53 | | | | | 236 | 38 | 5 | 1 |
| Oahu | 4,119 | 3,903 | 94.76% | 19 | 197 | | | | | 6,695 | 1,554 | 12 | 10 |
| **Total** | **5,235** | **4,895** | **93.51%** | **22** | **318** | | | | | **8,270** | **1,702** | **25** | **13** |

| | NON VACATED DELINQUENCIES*** | | | | COLLECTION RATE | | |
|---|---|---|---|---|---|---|---|
| Island | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| Hawaii | 22 | $ 10,178.29 | 13 | $ 15,369.57 | $ 114,516.69 | $ 122,029.78 | **106.56%** |
| Kauai | 17 | $ 12,306.00 | 15 | $ 23,845.20 | $ 75,812.00 | $ 74,505.00 | **98.28%** |
| Maui | 10 | $ 2,792.00 | 6 | $ 2,074.57 | $ 42,734.00 | $ 43,717.38 | **102.30%** |
| Oahu | 151 | $ 68,989.48 | 79 | $ 146,572.76 | $ 1,128,670.65 | $ 1,145,247.82 | **101.47%** |
| **Total** | **200** | **$ 94,265.77** | **113** | **$ 187,862.10** | **$ 1,361,733.34** | **$ 1,385,499.98** | **101.75%** |

* Occupancy also counts Scheduled for Modernization Units.
** Please notice WL count does not sum up as applicants may apply on more than 1 listing.
*** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).
**** Includes Type C, Deprogrammed, Units under Mod

**Federal LIPH**
**HPHA Project Overview Report**
**April 2010**

| AMP | Non Vacated Delinquencies* | | | | Collection Rate | | |
|---|---|---|---|---|---|---|---|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| 30P-Aiea | 14 | 8,043.81 | 3 | 703.98 | $ 144,597.00 | 142,858.51 | 98.80% |
| 31P-KVH | 19 | 8,901.05 | 7 | 11,099.25 | $ 83,118.00 | 74,350.59 | 89.45% |
| 32P-MWH | 14 | 7,393.55 | 8 | 16,381.79 | $ 106,371.13 | 106,702.55 | 100.31% |
| 33P-Kam/Kaamanu | 12 | 4,141.60 | 4 | 25,999.36 | $ 93,026.50 | 93,107.97 | 100.09% |
| 34P-Kalakaua | 1 | 90.66 | 0 | 0.00 | $ 130,527.00 | 143,170.22 | 109.69% |
| 35P-Kalanihuia | 8 | 3,707.23 | 5 | 4,564.27 | $ 141,169.02 | 153,010.23 | 108.39% |
| 37P-Hilo | 9 | 2,951.94 | 6 | 3,498.45 | $ 62,856.69 | 70,994.23 | 112.95% |
| 38P-Kauai | 17 | 12,306.00 | 15 | 23,845.20 | $ 75,812.00 | 74,505.00 | 98.28% |
| 39P-Maui | 10 | 2,792.00 | 6 | 2,074.57 | $ 42,734.00 | 43,717.38 | 102.30% |
| 40P-KPT | 39 | 14,296.11 | 15 | 31,444.61 | $ 256,799.00 | 251,145.52 | 97.80% |
| 43P-Kona | 7 | 3,800.35 | 3 | 4,388.07 | $ 37,121.00 | 38,088.00 | 102.60% |
| 44P-Leeward Oahu | 24 | 8,937.34 | 20 | 28,606.17 | $ 38,466.00 | 42,979.01 | 111.73% |
| 45P-Windward Oahu | 8 | 7,920.83 | 6 | 13,590.00 | $ 71,138.00 | 69,442.08 | 97.62% |
| 46P-Kamuela | 6 | 3,426.00 | 4 | 7,483.05 | $ 14,539.00 | 12,947.55 | 89.05% |
| 49P-Central Oahu | 3 | 654.30 | 3 | 2,743.00 | $ 40,176.00 | 40,643.90 | 101.16% |
| 50P-Palolo | 9 | 4,903.00 | 8 | 11,440.33 | $ 23,283.00 | 27,837.24 | 119.56% |
| **Total** | **200** | **$ 94,265.77** | **113** | **$ 187,862.10** | **$ 1,361,733.34** | **$ 1,385,499.98** | **101.75%** |

* Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

# State Low Income Public Housing
## ISLAND OVERVIEW REPORT
## April 2010

| | OCCUPANCY* | | | | | STATE WAITING LIST** | | | |
|---|---|---|---|---|---|---|---|---|---|
| Island | Total Available Units | Total Occupied Units | Occupancy Ratio | Vacant Units Rent Ready | Vacant Units Unable to Rent**** | Family | Elderly | Transfer to LIPH Family | Transfer to LIPH Elderly |
| Hawaii | 56 | 25 | 44.64% | 2 | 29 | 1,263 | 0 | 0 | 0 |
| Kauai | 26 | 24 | 92.31% | 0 | 2 | 109 | 0 | 0 | 0 |
| Maui | 32 | 28 | 87.50% | 0 | 4 | 31 | 0 | 0 | 0 |
| Oahu | 750 | 715 | 95.33% | 13 | 22 | 5,690 | 489 | 0 | 5 |
| | | | | | | | | | |
| **Total** | **864** | **792** | **91.67%** | **15** | **57** | **7,011** | **489** | **0** | **5** |

| | NON VACATED DELINQUENCIES*** | | | | COLLECTION RATE | | |
|---|---|---|---|---|---|---|---|
| Island | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| Hawaii | 2 | $ 870.00 | 8 | $ 15,585.17 | $ 8,103.00 | $ 8,259.00 | 101.93% |
| Kauai | 2 | $ 1,764.00 | 2 | $ 3,453.46 | $ 5,198.00 | $ 4,418.00 | 84.99% |
| Maui | 2 | $ 544.00 | 17 | $ 10,782.37 | $ 5,777.00 | $ 5,390.00 | 93.30% |
| Oahu | 17 | $ 13,402.71 | 53 | $ 278,388.02 | $ 225,833.00 | $ 243,720.60 | 107.92% |
| | | | | | | | |
| **Total** | **23** | **$ 16,580.71** | **80** | **$ 308,209.02** | **$ 244,911.00** | **$ 261,787.60** | **106.89%** |

* Occupancy also counts Scheduled for Modernization Units.
** Please notice WL count does not sum up as applicants may apply on more than 1 listing.
*** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).
****Includes Deprogrammed, Type C and units under MOD

# State LIPH
# PROJECT OVERVIEW REPORT
# April 2010

| | Non Vacated Delinquencies*** | | | | Collection Rate | | |
|---|---|---|---|---|---|---|---|
| Island | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| 2201-Hauiki | 5 | $ 4,324.70 | 14 | $ 136,728.14 | $ 19,367.00 | 19,415.65 | 100.25% |
| 2202-Puahala Homes | 10 | $ 8,042.01 | 24 | $ 136,234.96 | $ 41,559.00 | 39,763.45 | 95.68% |
| 2204-Kawailehua | 2 | $ 1,764.00 | 2 | $ 3,453.46 | $ 5,198.00 | 4,418.00 | 84.99% |
| 2205-Kahale Mua | 2 | $ 544.00 | 17 | $ 10,782.37 | $ 5,777.00 | 5,390.00 | 93.30% |
| 2206-Lokahi | 0 | $ - | 2 | $ 12,591.50 | $ 5,396.00 | 5,386.00 | 99.81% |
| 2207-Ke Kumu Elua | 2 | $ 870.00 | 6 | $ 2,993.67 | $ 2,707.00 | 2,873.00 | 106.13% |
| 2401-Hale Po'ai | 0 | $ - | 5 | $ 2,284.00 | $ 57,546.00 | 63,794.00 | 110.86% |
| 2402-La'iola | 1 | $ 632.00 | 8 | $ 2,934.52 | $ 32,941.00 | 36,262.00 | 110.08% |
| 2403-Kamalu-Ho'olulu | 1 | $ 404.00 | 2 | $ 206.40 | $ 63,298.00 | 71,948.50 | 113.67% |
| 2404-Halia Hale | 0 | $ - | 0 | $ - | $ 11,122.00 | 12,537.00 | 112.72% |
| Total | 23 | $ 16,580.71 | 80 | $ 308,209.02 | $ 244,911.00 | $ 261,787.60 | 106.89% |

* Occupancy also counts Scheduled for Modernization Units.
** Please notice WL count does not sum up as applicants may apply on more than 1 listing.
*** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

# HEARINGS OFFICE- STATEWIDE FEDERAL EVICTION REFERRALS

| | REFERRALS | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | REASON FOR REFERRAL | | RESULT OF EVICTION REFERRAL | | | | | |
| | | Rent | Other | Evict | Evict with Cond | 10-day Cure | Dismiss | Continued | Completed |
| FY 2008 | 145 | 108 | 37 | 56 | 39 | 18 | 5 | 37 | 108 |
| FY 2009 | 232 | 194 | 38 | 94 | 63 | 5 | 11 | 59 | 173 |

## Fiscal Year 2010

| | REFERRALS | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | REASON FOR REFERRAL | | RESULT OF EVICTION REFERRAL | | | | | |
| MONTH | | Rent | Other | Evict | Evict with Cond | 10-day Cure | Dismiss | Continued | Completed |
| July 09 | 27 | 24 | 3 | 8 | 7 | 0 | 0 | 12 | 15 |
| Aug 09 | 22 | 18 | 4 | 8 | 11 | 0 | 1 | 2 | 20 |
| Sept 09 | 37 | 35 | 2 | 19 | 11 | 1 | 0 | 6 | 31 |
| Oct 09 | 32 | 26 | 6 | 15 | 8 | 1 | 2 | 6 | 26 |
| Nov 09 | 40 | 29 | 11 | 23 | 6 | 1 | 1 | 9 | 31 |
| Dec09 | 9 | 8 | 1 | 4 | 3 | 0 | 0 | 2 | 7 |
| Jan10 | 8 | 5 | 3 | 3 | 4 | 1 | 0 | 0 | 8 |
| Feb10 | 20 | 20 | 0 | 7 | 8 | 0 | 0 | 5 | 15 |
| Mar10 | 23 | 19 | 4 | 5 | 11 | 0 | 1 | 6 | 17 |
| Apr10 | 14 | 11 | 3 | 7 | 3 | 0 | 1 | 3 | 11 |
| TOTALS | 232 | 195 | 37 | 99 | 72 | 4 | 6 | 51 | 181 |

**Total # of Cases Heard for the Month of April 2010: 14**
**(Oahu & Neighbor Island)**

| Decisions Rendered: | Rent Violations | Other Violations |
|---|---|---|
| Eviction | 6 | 1 |
| Evict w/cond | 2 | 1 |
| 10-day cure | 0 | 0 |
| Dismissal | 0 | 1 |
| Continued | 3 | |
| TOTAL | 11 | 3 |

Delinquent balances for rent cases ordered evicted for month of April 2010:

| | |
|---|---|
| AMP 32 Mayor Wright | $7,800.44 |
| AMP 40 Kuhio Park Terrace | $6,081.25 |
| AMP 45 Koolau Village | $18,068.45, |
| Total: | $31,950.14 |

**Contract & Procurement Office**
**Monthly Status Report for April 2010**

Solicitations Issued in April 2010:

| Solicitation No. | Title | Due Date |
|---|---|---|
| RFP-PMB-2010-10 | Furnish Property Management, Maintenance and Resident Services for Asset Management Project 44 (Leeward Coast) on the Island of Oahu | June 1, 2010 |

Contracts Executed in April 2010:

| Contract No. | Contractor & Project | Supp. Amount | Total Amount |
|---|---|---|---|
| CMS 10-13 | Okada Trucking Co., Ltd.<br>Modernization and Maintenance of 17 Elevators at Various Public Housing Site on the Island of Oahu<br>180 days from Notice to Proceed | | $3,475,202.80 |
| PMB 07-03-SA02 | Hawaii Affordable Properties, Inc<br>Property Management, Maintenance and Resident Services for Asset Management Project 43 (Kona) – 12 month extension<br>May 1, 2010 to April 30, 2011 | $587,496.00 | $2,415,072.00 |

**Hawaii Public Housing Authority (HPHA)**
**Personnel Office**
**Aggregated Staffing Report as of May 3, 2010**

Total **Civil Service** vacant positions - 42

Total **Exempt** vacant positions – 22

Total **Vacant** positions – 64

| | | |
|---|---|---|
| Positions in recruitment: | Civil Service - | 6 |
| | Exempt - | 1 |
| Total positions in recruitment: | | 7 |

Number of positions **Abolished** = August 31, 2009 to April 30, 2010 - 31

Total **full-time positions** hiring deferred due to cost savings – 48

Total **Tenant Aide** vacant positions - 14

# DEPARTMENT OF HUMAN SERVICES
# HAWAII PUBLIC HOUSING AUTHORITY
## May 3, 2010

| Branch | Section | Total Full Time Positions Civil Svc | Exempt | Total | Occupied | Vacant | % Vacant | Active Recruitment Yes | No |
|---|---|---|---|---|---|---|---|---|---|
| Office of the Executive Director | | 5 | 3 | 8 | 7 | 1 | 12.50% | 0 | 1 |
| | | 5 | 3 | 8 | 7 | 1 | 12.50% | 0 | 1 |
| Planning and Evaluation Office | | 1 | 2 | 3 | 1 | 2 | 66.67% | 1 | 1 |
| | | 1 | 2 | 3 | 1 | 2 | 66.67% | 1 | 1 |
| Compliance Office | | 0 | 3 | 3 | 2 | 1 | 33.33% | 0 | 1 |
| | | 0 | 3 | 3 | 2 | 1 | 33.33% | 0 | 1 |
| Housing Information Office | | 0 | 2 | 2 | 1 | 1 | 50.00% | 0 | 1 |
| | | 0 | 2 | 2 | 1 | 1 | 50.00% | 0 | 1 |
| Hearings Office | | 1 | 2 | 3 | 3 | 0 | 0.00% | 0 | 0 |
| | | 1 | 2 | 3 | 3 | 0 | 0.00% | 0 | 0 |
| Fiscal Management Office | FM Office | 4 | 0 | 4 | 2 | 2 | 50.00% | 1 | 1 |
| | Acctg Sec | 8 | 0 | 8 | 8 | 0 | 0.00% | 0 | 0 |
| | Pay & Disb | 4 | 0 | 4 | 3 | 1 | 25.00% | 0 | 1 |
| | Budget | 1 | 1 | 2 | 1 | 1 | 50.00% | 0 | 1 |
| | Asset Mgt | 1 | 0 | 1 | 0 | 1 | 100.00% | 0 | 1 |
| | | 18 | 1 | 19 | 14 | 5 | 26.32% | 1 | 4 |
| Information Technology | | 1 | 3 | 4 | 3 | 1 | 25.00% | 0 | 1 |
| | | 1 | 3 | 4 | 3 | 1 | 25.00% | 0 | 1 |
| Personnel Office | | 3 | 1 | 4 | 4 | 0 | 0.00% | 0 | 0 |
| | | 3 | 1 | 4 | 4 | 0 | 0.00% | 0 | 0 |
| Procurement Office | | 4 | 3 | 7 | 6 | 1 | 14.29% | 0 | 1 |
| | | 4 | 3 | 7 | 6 | 1 | 14.29% | 0 | 1 |
| Construction Mgt. Branch | | 2 | 0 | 2 | 2 | 0 | 0.00% | 0 | 0 |
| | CMS | 3 | 0 | 3 | 2 | 1 | 33.33% | 0 | 1 |
| | CMS I | 2 | 7 | 9 | 4 | 5 | 55.56% | 0 | 5 |
| | CMS 2 | 5 | 2 | 7 | 5 | 2 | 28.57% | 1 | 1 |
| | DSS | 1 | 2 | 3 | 2 | 1 | 33.33% | 0 | 1 |
| | | 13 | 11 | 24 | 15 | 9 | 37.50% | 1 | 8 |
| Homeless Branch | Homeless | 1 | 2 | 3 | 3 | 0 | 0.00% | 0 | 0 |
| | | 1 | 2 | 3 | 3 | 0 | 0.00% | 0 | 0 |
| Section 8 Branch | Sec 8 Office | 2 | 0 | 2 | 1 | 1 | 50.00% | 1 | 0 |
| | Insp Unit | 5 | 2 | 7 | 5 | 2 | 28.57% | 0 | 2 |
| | Rent Sub Sec 1 | 10 | 0 | 10 | 8 | 2 | 20.00% | 0 | 2 |
| | Rent Sub Sec 2 | 8 | 0 | 8 | 6 | 2 | 25.00% | 0 | 2 |
| | | 25 | 2 | 27 | 20 | 7 | 25.93% | 1 | 6 |

## DEPARTMENT OF HUMAN SERVICES
## HAWAII PUBLIC HOUSING AUTHORITY
## May 3, 2010

| Branch | Section | Total Full Time Positions Civil Svc | Exempt | Total | Occupied | Vacant | % Vacant | Active Recruitment Yes | No |
|---|---|---|---|---|---|---|---|---|---|
| **Property Management & Maint. Services Branch** | PMMSB | 1 | 2 | 3 | 1 | 2 | 66.67% | 0 | 2 |
| | MGT SEC | 2 | 0 | 2 | 1 | 1 | 50.00% | 0 | 1 |
| | APP | 7 | 0 | 7 | 5 | 2 | 28.57% | 0 | 2 |
| | RSS | 2 | 8 | 10 | 5 | 5 | 50.00% | 0 | 5 |
| | PMCS | 0 | 5 | 5 | 1 | 4 | 80.00% | 0 | 4 |
| | CMSS | 19 | 0 | 19 | 19 | 0 | 0.00% | 0 | 0 |
| | Puuwai Momi - AMP 30 | 23 | 0 | 23 | 22 | 2 | 8.70% | 0 | 2 |
| | Kalihi Valley - AMP 31 | 25 | 0 | 25 | 23 | 2 | 8.00% | 0 | 2 |
| | Mayor Wright - AMP 32/33 | 32 | 0 | 32 | 29 | 3 | 9.38% | 0 | 3 |
| | Kalakaua - AMP 34 | 27 | 0 | 27 | 26 | 2 | 7.41% | 0 | 2 |
| | Kalanihuia - AMP 35 | 26 | 0 | 26 | 23 | 4 | 15.38% | 0 | 4 |
| | Hilo - AMP 37 | 14 | 0 | 14 | 13 | 1 | 7.14% | 0 | 1 |
| | Kauai - AMP 38 | 16 | 0 | 16 | 8 | 7 | 43.75% | 3 | 4 |
| | Maui - AMP 39 | 12 | 0 | 12 | 11 | 1 | 8.33% | 0 | 1 |
| | | 206 | 15 | 221 | 187 | 36 | 16.29% | 3 | 33 |
| **TOTAL** | | **278** | **50** | **328** | **266** | **64** | **19.51%** | **7** | **57** |

## HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
**As of May 3, 2010**

| Pos. No. | CS EX TA | Funding Source | Type of Pos. P/T | *CURRENT* Position Title | SR | Status |
|---|---|---|---|---|---|---|
| | | | | | | |
| **OFFICE OF THE EXECUTIVE DIRECTOR** | | | | | | |
| 118550 | EX | N | T | Chief Financial Management Advisor | SRNA | No action; cost savings. |
| **COMPLIANCE OFFICE** | | | | | | |
| | | | | | | |
| **COMPLIANCE OFFICE** | | | | | | |
| 100917 | EX | N | T | Housing Compliance & Evaluation Spclt | SRNA | Employee retired COB: 04/30/10. |
| | | | | | | |
| **FISCAL MANAGEMENT OFFICE** | | | | | | |
| 41041 | CS | N | P | Fiscal Officer I | SR26 | Pending DHRD Recruitment Announcement. |
| 98903K | CS | N | P | Office Assistant III | SR08 | No action; cost savings. |
| 100923 | EX | N | P | Budget Resources Specialist | SRNA | Request to fill in review by manager. |
| 96908K | CS | N | P | Office Assistant III | SR08 | No action; cost savings. |
| 7994 | CS | N | P | Account Clerk V | SR15 | No action; cost savings. |
| | | | | | | |
| **HOUSING INFORMATION OFFICE** | | | | | | |
| 102041 | EX | W | T | Housing Information Officer | SRNA | No action; cost savings. |
| | | | | | | |
| **PROCUREMENT OFFICE** | | | | | | |
| 100882 | EX | N | T | Contracts & Procurement Officer | SRNA | No action; cost savings. |
| | | | | | | |
| **CONSTRUCTION MANAGEMENT SECTION** | | | | | | |
| 8774 | CS | N | P | Engineer VI | SR28 | No action; cost savings. |
| 103024 | EX | N | T | Contract Administrator | SRNA | Pending Gov's approval. |
| 105633 | EX | W | T | Housing Warranty & Inspection Supr. | SRNA | State funded unable to fill. |
| 100439 | EX | W | T | Housing Warranty & Inspection Asst. | SRNA | State funded unable to fill. |
| 100202 | EX | W | T | Project Engineer | SRNA | No action; cost savings. |
| 102676 | CS | W | T | Engineer (Building) IV | SR24 | No action; cost savings. |
| 100886 | EX | W | T | Housing Development Specialist I | SRNA | State funded unable to fill. |
| 8421 | CS | N | P | Building Construction Inspector II | SR19 | No action; cost savings. |
| 10887 | CS | N | P | Engineer V | SR26 | Internal Vacancy Announcement; closing date of 5/13/10. |
| | | | | | | |
| **INFORMATION TECHNOLOGY OFFICE** | | | | | | |
| 106429 | CS | N | T | Information Technology Specialist IV | SR22 | No action; cost savings. |
| | | | | | | |
| **PLANNING AND EVALUATION OFFICE** | | | | | | |

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## HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
As of May 3, 2010

| Pos. No. | CS EX TA | Funding Source | Type of Pos. P/T | *CURRENT* Position Title | SR | Status |
|---|---|---|---|---|---|---|
| 107934 | EX | N | T | Housing Planner | SRNA | Interviews scheduled the week of 5/10/10. |
| 98902K | CS | N | P | Office Assistant III | SR08 | No action; cost savings. |
| | | | | | | |
| **PROPERTY MANAGEMENT AND MAINTENANCE SERVICES BRANCH** | | | | | | |
| 8751 | CS | N | P | Public Hsg Supervisor VI | SR26 | No action; cost savings. |
| 96904K | EX | N | T | Hsg Maintenance Manager | SRNA | No action; cost savings. |
| 6182 | CS | N | P | Secretary III | SR16 | No action; cost savings. |
| | | | | | | |
| **PMMSB-APPLICATION SERVICES UNIT** | | | | | | |
| 117850 | CS | N | T | Public Hsg Spclt II | SR18 | No action; cost savings. |
| 41255 | CS | N | P | Public Hsg Spclt II | SR18 | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 30 (MU 1)** | | | | | | |
| 6307 | CS | N | P | Public Housing Supervisor IV | SR22 | No action; cost savings. |
| 43507 | CS | N | P | Office Assistant III | SR08 | No action; cost savings. |
| 105749 | TA | N | T | Social Service Aide I | SRNA | No action; cost savings. |
| 105756 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| 105746 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 31 (MU 2)** | | | | | | |
| 4939 | CS | N | P | General Laborer II | BC03 | No action; cost savings. |
| 111470 | CS | N | T | Public Hsg Spclt I | SR16 | No action; cost savings. |
| 101137 | TA | N | T | Janitor II | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 32/33 (MU 3)** | | | | | | |
| 5035 | CS | N | P | Public Housing Supvr IV | SR22 | No action; cost savings. |
| 6788 | CS | N | P | Truck Driver | BC06 | No action; cost savings. |
| 6681 | CS | N | P | General Laborer II | BC03 | No action; cost savings. |
| 101126 | TA | N | T | Social Service Aide I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 34 (MU 4)** | | | | | | |
| 6693 | CS | N | P | Public Hsg Spvr IV | SR22 | No action; cost savings. |
| 8832 | CS | N | P | Gen Constr & Maint Supvr I | F110 | No action; cost savings. |
| 101127 | TA | N | T | Social Service Aide I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 35 (MU 5)** | | | | | | |

## HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
### As of May 3, 2010

| Pos. No. | CS EX TA | Funding Source | Type of Pos. P/T | *CURRENT* Position Title | SR | Status |
|---|---|---|---|---|---|---|
| 41258 | CS | N | P | Bldg. Maint. Wkr II | WS09 | No action; cost savings. |
| 23698 | CS | W | P | Public Hsg Spclt I | SR16 | No action; cost savings. |
| 41073 | CS | N | P | Social Services Assistant IV | SR11 | No action; cost savings. |
| 41539 | CS | N | P | Social Services Assistant IV | SR11 | No action; cost savings. |
| 101115 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| 101114 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 37 (MU 7)** | | | | | | |
| 15721 | CS | N | P | Building Maint Worker I | BC09 | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 38 (MU 8)** | | | | | | |
| 41349 | CS | N | P | Public Housing Supervisor IV | SR22 | Pending DHS RIF. |
| 119285 | CS | N | T | Public Housing Supervisor III | SR20 | No action; cost savings. |
| 119260 | CS | N | P | Public Housing Specialist II | SR18 | No action; cost savings. |
| 8756 | CS | N | P | Bldg Maint Wkr I | BC09 | Internal Vacancy Announcement; closing date of 5/20/10. |
| 17576 | CS | N | P | Bldg Maint Wkr I | BC09 | No action; cost savings. |
| 10541 | CS | N | P | Bldg Maint Helper | BC05 | Internal Vacancy Announcement; closing date of 5/20/10. |
| 43948 | CS | N | P | General Laborer I | BC02 | Internal Vacancy Announcement; closing date of 5/20/10. |
| 102242 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - ASSET MANAGEMENT PROJECT 39 (MU 9)** | | | | | | |
| 4938 | CS | N | P | Bldg. Maint. Wkr I | BC09 | No action; cost savings. |
| 101121 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| 101122 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| 105750 | TA | N | T | General Laborer I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - PRIVATE MANAGEMENT CONTRACTS SECTION (PMCS)** | | | | | | |
| 100986 | EX | N | T | Property Management Coordinator II | SRNA | Request to fill in review by manager. |
| 102048 | EX | W | P | Property Management Specialist | SRNA | No action; cost savings. |
| 117841 | EX | N | T | Property Management Specialist | SRNA | Request to fill in review by manager. |
| 107932 | EX | N | T | Property Management Coordinator I | SRNA | No action; cost savings. |
| | | | | | | |
| **PMMSB - RESIDENT SERVICES SECTION** | | | | | | |

## HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
**As of May 3, 2010**

| Pos. No. | CS EX TA | Funding Source | Type of Pos. P/T | *CURRENT* Position Title | SR | Status |
|---|---|---|---|---|---|---|
| 100892 | EX | N | T | Tenant Services Manager | SRNA | No action; cost savings. |
| 103036 | EX | N | T | Resident Services Pgm Specialist | SRNA | No action; cost savings. |
| 105632 | EX | N | T | Resident Services Pgm Specialist | SRNA | No action; cost savings. |
| 103030 | EX | N | T | Program Speclist & Tenant Services | SRNA | No action; cost savings. |
| 111874 | EX | N | T | Resident Services Pgm Specialist | SRNA | No action; cost savings. |
| 103043 | TA | N | T | Office Assistant I | SRNA | No action; cost savings. |
| | | | | | | |
| **S8SPB - INSPECTION SECTION** | | | | | | |
| 101214 | EX | N | T | Lead Housing Inspector | SRNA | No action; cost savings. |
| 119190 | CS | N | T | Housing Quality Standards Inspector II | SR15 | No action; cost savings. |
| | | | | | | |
| **S8SPB - RENT SUBSIDY SECTION** | | | | | | |
| 41280 | CS | N | P | Public Hsg Supervisor V | SR24 | Internal Vacancy Announcement; closing date of 5/20/10. |
| | | | | | | |
| **S8SPB - RENT SUBSIDY SECTION 1** | | | | | | |
| 9647 | CS | N | P | Public Hsg Spclt II | SR18 | No action; cost savings. |
| 42526 | CS | N | T | Public Hsg Spclt II | SR18 | No action; cost savings. |
| | | | | | | |
| **S8SPB - RENT SUBSIDY SECTION 2** | | | | | | |
| 111419 | CS | N | P | Office Assistant IV | SR10 | No action; cost savings. |
| 35416 | CS | N | T | Public Hsg Spclt II | SR18 | No action; cost savings. |
| 101132 | TA | N | T | Office Assistant I | SRNA | No action; cost savings. |
| | | | | | | |

**COMPLIANCE BRANCH**
April, 2010, Report

I. Accomplishments

A. Resolved approximately 15 tenant RARs;

B. Improved turnaround time of RARs;

C. Larsen v. HPHA: Continuing conformance with settlement agreement and resolution of disputes with Civil Rights Commission;

D. Obtained and assisted in two (2) day Department of Human Services fair housing, § 504 reasonable accommodation, and discrimination training;

E. Reviewed § 8 Renewal & rent comparability study requirements;

F. Assisted with office's due diligence obligations for Wilikina and Banyan Street property sales;

G. Improved training opportunities;

H. Obtained Small Purchases and Overview of Procurement Practices training;;

I. Registered for Request for Proposals training for May;

J. Obtained better understanding of asset management obligations;

K. Completed due diligence requirements for Banyan Street property; and

L. Obtained better understanding of property management requirements.

II. Goals

A. Search for procurement training from SPO every week;

B. Become fluent in ARRA reporting obligations;

C. Obtain better understanding of property & asset management obligations;

D. Improve communication & training of property managers;

E. Comply with all Larsen v. HPHA settlement obligations; and

F. Completely satisfy due diligence requirements and requests for Wilikina.

LINDA LINGLE
GOVERNOR

'10 APR 21 P12:45

LILLIAN B. KOLLER, ESQ
DIRECTOR

HENRY OLIVA
Deputy Director

STATE OF HAWAII
**DEPARTMENT OF HUMAN SERVICES**
1390 Miller Street
Honolulu, Hawaii 96813

April 19, 2010

Denise Wise
Executive Director
1002 N. School Street
Honolulu, HI 96817

Re: Status of Fourteen Units at Puahala Homes Utilized as Transitional Shelter for Homeless Families

Dear Denise:

Utu Langi of Hawaii Helping the Hungry Have Hope (H5) met with me today to discuss the transition plan for the transitional families at Puahala Homes. Fourteen units at Puahala Homes were temporarily allocated for transitional housing on July 1, 2008, wherein one unit was used by a resident manager and as the base of operations for the case managers. We plan to have all of the families transitioned from Puahala Homes by June 1, 2010, after which the remaining units will be cleaned for return to HPHA.

Nineteen homeless families have called Puahala home since July 1, 2008. Seven of the families have transitioned to permanent housing and two families were asked to leave for noncompliance with their program agreement. At this 21.5 month juncture, ten families remain, since no additional families have been placed at Puahala since January 2010, in anticipation of returning the units to public housing. All of the remaining families participate in programs to enhance their self sufficiency, responsibly pay their program fees, and work toward transitioning by July 1, 2010. The HPHA Board of Directors will be provided with an actual destination for each of the remaining families at the May board meeting.

Most of the families have been at Puahala transitional for less than a year, so they are not near the top of HPHA's wait list. One larger family needs a three-bedroom unit that takes longer in gaining placement due to the high demand and scarcity of larger units. Several are still trying to increase their income in a depressed economy. Three families are prevented from increasing their earning power in the near term due to severe disability of the head of household. Most will transition to other emergency and transitional housing slots where they will continue to develop life skills that enhance their ability to attain and sustain permanent housing. All residents have been preparing for the transition by applying

to permanent and transitional housing slots. No family will be left without a housing or shelter destination.

The Homeless Programs Branch is extremely grateful for the support of the HPHA Board in providing this opportunity to assist homeless families. The families gained a great deal from the programs and the community integration achieved through the neighborhood watch programs and community clean-up days. The service-rich environment within the Puahala community restored self esteem, taught responsibility, and imbued in the families hope for the future.

Sincerely,

Sandra J. Miyoshi

Sandra J. Miyoshi

Copy: Travis Thompson
Henry Oliva