

**PIERCE COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS REGULAR MEETING**
Wednesday, February 24, 2021 3:30 p.m.
Via Zoom

AGENDA

1. ROLL CALL
2. PUBLIC COMMENT – FIVE (5) MINUTES PER SPEAKER
3. CONSIDER A MOTION APPROVING TODAY’S AGENDA
4. CONSIDER A MOTION APPROVING THE MINUTES FOR THE REGULAR BOARD MEETING HELD ON January 27, 2021.
5. CONSIDER A MOTION APPROVING THE MINUTES FOR THE ANNUAL GENERAL MEETING HELD ON January 27, 2021.
6. CONSIDER A MOTION RATIFYING THE PAYMENT OF CASH DISBURSEMENTS TOTALING \$3,171,538.38 FOR DECEMBER 2020
7. CONSIDER A MOTION RATIFYING THE PAYMENT OF CASH DISBURSEMENTS TOTALING \$3,572,730.37 FOR JANUARY 2021
8. REPORTS
 - a. INTRODUCTION OF STAFF
 - b. FINANCE
 - c. EXECUTIVE DIRECTOR
 - i. Accounting manual
 - d. SECTION 8
 - e. MAINTENANCE
 - f. CONTRACTS AND PROCUREMENT
 - g. REPORTS OF COMMITTEES
9. COMMISSIONER’S CORNER
10. EXECUTIVE SESSION

The Board may hold an executive session for purposes allowed under the Open Public Meetings Act.

Legal purposes include: to consider acquisition or sale of real estate; to review negotiations of publicly bid contracts; to receive and evaluate complaints or charges brought against a public officer or employee; to evaluate the qualifications of an applicant for public employment; to review the performance of a public employee; and to discuss with legal counsel matters relating to agency enforcement actions, litigation, or potential litigation. Before convening in executive session, the Board Chair will publicly announce the purpose for the executive session and the time when the executive session is expected to conclude.

Under RCW 42.30.110, an executive session may be held for the purpose of receiving and evaluating complaints against or reviewing the qualifications of an applicant for public employment or reviewing the performance of a public employee; consultation with legal counsel regarding agency enforcement actions, or actual or potential agency litigation; considering the sale or acquisition of real estate; and/or reviewing professional negotiations.

11. ADJOURNMENT

The Pierce County Housing Authority Board of Commissioner will hold its meetings to ensure essential Housing Authority functions continue, however due to Governor Inslee’s [Emergency Proclamation 20-25 Stay Home – Stay Healthy](#) issued on March 23, 2020, in-person attendance by members of the public is NOT permitted at this time.

During this public health emergency, we will only accept public comment at Director@pchawa.org. Submit public comments any time before the Board of Commissioner’s meeting adjourns. All written comments will be part of the record. If you make public comments before noon on the day of the Board meeting, Board members will receive them prior to the meeting.

Board Minutes

**PIERCE COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS REGULAR MEETING
Wednesday, January 27, 2021 3:30 p.m.
BUILDING "B", 603 SOUTH POLK STREET
TACOMA WA 98444**

AGENDA

1. ROLL CALL
2. PUBLIC COMMENT – FIVE (5) MINUTES PER SPEAKER
3. CONSIDER A MOTION APPROVING TODAY’S AGENDA
4. EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING LEGAL ISSUES

The Board may hold an executive session for purposes allowed under the Open Public Meetings Act.

Legal purposes include: to consider acquisition or sale of real estate; to review negotiations of publicly bid contracts; to receive and evaluate complaints or charges brought against a public officer or employee; to evaluate the qualifications of an applicant for public employment; to review the performance of a public employee; and to discuss with legal counsel matters relating to agency enforcement actions, litigation, or potential litigation. Before convening in executive session, the Board Chair will publicly announce the purpose for the executive session and the time when the executive session is expected to conclude.

Under RCW 42.30.110, an executive session may be held for the purpose of receiving and evaluating complaints against or reviewing the qualifications of an applicant for public employment or reviewing the performance of a public employee; consultation with legal counsel regarding agency enforcement actions, or actual or potential agency litigation; considering the sale or acquisition of real estate; and/or reviewing professional negotiations.

5. CONSIDER A MOTION APPROVING THE MINUTES FOR THE REGULAR BOARD MEETING HELD ON December 30, 2020.
6. CONSIDER A MOTION RATIFYING THE PAYMENT OF CASH DISBURSEMENTS. CONSIDER A MOTION RATIFYING THE PAYMENT OF CASH DISBURSEMENTS TOTALING \$9,372,244.94 FOR December 2020
7. REPORTS
 - a. INTRODUCTION OF STAFF
 - b. FINANCE
 - c. EXECUTIVE DIRECTOR
 - d. DEPUTY EXECUTIVE DIRECTOR
 - e. SECTION 8
 - f. MAINTENANCE
 - g. CONTRACTS AND PROCUREMENT
 - h. REPORTS OF COMMITTEES

8. COMMISSIONER’S CORNER

9. ADJOURNMENT

The Pierce County Housing Authority Board of Commissioner will hold its meetings to ensure essential Housing Authority functions continue, however due to Governor Inslee’s [Emergency Proclamation 20-25 Stay Home – Stay Healthy](#) issued on March 23, 2020, in-person attendance by members of the public is NOT permitted at this time.

During this public health emergency, we will only accept public comment at Director@pchawa.org. Submit public comments any time before the Board of Commissioner’s meeting adjourns. All written comments will be part of the record. If you make public comments before noon on the day of the Board meeting, Board members will receive them prior to the meeting.

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF COMMISSIONERS OF THE PIERCE
COUNTY HOUSING AUTHORITY

January 27, 2021
603 SOUTH POLK STREET
TACOMA WA 98445

Location: via Zoom

In attendance: Commissioner Brammall
Commissioner Smith
Commissioner Walton
Chairperson Martinez

Also in attendance: Jim Stretz, Executive Director
Ellie Ottey, Deputy Executive Director
Moreen Forde, Interim Financial Officer
Rodd Kowalski, Project Administrator
Tamara Meade, Director of Supported Housing Programs
Victor Lovelace, Maintenance Supervisor

Chairperson Martinez called the meeting to order at 3:32 pm. Roll call was taken.

There was no public comment.

Chairperson Martinez asked to review and approve the agenda. Commissioner Smith so moved.
Commissioner Brammall seconded the motion. A voice vote was taken with the following result:

	In favor	Opposed	Abstain	Absent
Commissioner Brammall	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Walton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chairperson Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Chairperson Martinez asked the Board to consider a motion approving the minutes of the regular board meeting held on December 30, 2021. Commissioner Walton so moved. Commissioner Smith seconded the motion. A voice vote was taken with the following result:

	In favor	Opposed	Abstain	Absent
Commissioner Brammall	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Walton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chairperson Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Chairperson Martinez asked the Board to consider a motion ratifying the payment of cash disbursements for December. The motion was tabled. Commissioner Brammall so moved. Commissioner Walton seconded the motion. A voice vote was taken with the following result:

	In favor	Opposed	Abstain	Absent
Commissioner Brammall	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Commissioner Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Walton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chairperson Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

An Executive Session was called for the purposed of discussing legal issues at 3:35 pm. The Executive Session ended at 4:04 pm.

Chairperson Martinez asked for the introduction of staff. Ellie introduced Marquez Taylor who is at Village Square, Montgrove, and Oakleaf as a resident manager and Jon Ross as the IT manager.

Chairperson Martinez asked for the finance report. Moreen went over the spreadsheet ledger for the fraud investigation. She then went over the spreadsheet for the statement of revenues, expenses, and changes in net position year to date through 11/30/20. Commissioner Smith wanted it notated that we are going to see a change in insurance costs because we increased our coverage per the recommendation of the State Auditor's Office. Moreen then went over her summary report. Commissioner Brammall felt the summary was extremely helpful. Jim gave an update of the finances since the finance report is from November.

Chairperson Martinez asked for the Executive Director report. Ellie Ottey is retiring so there will be a restructuring. The Housing Authority will not be hiring a deputy director at this time. Her duties will be split among existing staff. There will be no restructuring in maintenance. The Housing Authority will have a come and go reception for Ellie. Invites will go out later.

Chairperson Martinez asked for the Deputy Executive Director report. Ellie had Keyla go over the FSS report. Commissioner Smith asked how many people are able to be in program? 124 Are you now recruiting? Yes, the recruiting is going very well. Chairperson Martinez wanted to know if we could get this great news regarding the successes in FSS out to the public? Jim said issuing press releases and cultivating a relationship with the press is way to get the information out. Commissioner Smith would like us to update the web page to include an annual report. Ellie then went over the occupancy and delinquency reports. She also stated there are no new updates regarding the audit.

Chairperson Martinez asked for the Section 8 report. The Housing Authority is getting ready for Orting Village. 15 tenants can be moved in the next 30 days and an additional 15 tenants 30 days after that. Tamara received a funding notice for our HAP expenses. Funding is going to be prorated at 99.5% over last year. Previous years were at 100%. Admin fees are going up to 84.43%. Tamara went over her 2-year tool. The Housing Authority should be able to issue another 500 vouchers in 2021 if things remain the same. Chairperson Martinez asked if the waitlist will need to be opened? There is currently 8000 on the waitlist so the Housing Authority does not have to open the waitlist. The Housing Authority is in no danger of having any recapture from HUD. The current success rate is 67%. Commissioner Smith asked how has COVID-19 changed availability of apartments? People are not moving and apartment leasing offices are closed or restricted. Everything is over the phone or virtual. This makes it difficult for people who do not have the technology. Subsidy has increased due to COVID-19 because of a reduction of hours and layoffs.

Chairperson Martinez asked for the maintenance report. Victor went over his written report. Chairperson Martinez asked if the water leak was plumbing? Yes, it was a plumbing leak. Ellie clarified that the only work orders that are being done is emergency work orders only.

Chairperson Martinez asked for the Contracts and Procurements report. Rodd went over his written report. Chairperson Martinez asked if the water leaks are equipment or tenant related? So far it is mostly a structural related issue, worn out, or outdated equipment. A toilet overflow can have a lot of different causes.

Chairperson Martinez asked for the Reports of Committees. Commissioner Smith made a commitment to establish the anonymous reporting system. Commissioner Smith will be working with Jim and Jeanne on this. Staff will need to have a training on it. The State Auditor recommended creating a hotline policy. Commissioner Smith hopes to have the system up and running by mid-march. Chairperson Martinez will help.

Chairperson Martinez asked for the Commissioner's Corner report. Chairperson Martinez loved the story about the women who did the apprenticeship through Bates.

Meeting adjourned at 5:23 pm.

PIERCE COUNTY HOUSING AUTHORITY
Report of Cash Disbursements
Period Ending December, 2020

Below are the cash disbursements for the month of December, 2020

Account Name	Bank	Check and ACH Disbursements	ACH Direct Pays	Bank Fees	Total	November
Apts General	Key Bank	-	-	-	-	\$ 551.80
Apts General	US Bank	1,657.04	518.60	-	\$2,175.64	\$ -
General Operation	Key Bank	87,644.44	-	1,371.17	\$89,015.61	\$ 506,696.15
General Operation	US Bank	215,187.13	172,743.71	195.80	\$388,126.64	\$ -
Payroll	Key Bank	-	-	-	-	\$ 121,950.42
Payroll	US Bank	-	220,196.03	-	\$220,196.03	\$ -
Section 8 HAP	Key Bank	-	-	-	-	\$ 2,490,323.65
Section 8 HAP	US Bank	2,453,594.62	-	-	\$2,453,594.62	\$ -
S8 FSS	US Bank	14,957.84	-	-	\$14,957.84	\$ 15,272.47
LIPH Management	Key Bank	-	-	-	-	\$ 4,002.00
LIPH Management	US Bank	3,472.00	-	-	\$3,472.00	\$ -
TOTAL		2,776,513.07	393,458.34	1,566.97	\$3,171,538.38	\$ 3,138,796.49

DISBURSEMENTS audited by the Auditing Officer as required by RCW 42-24-090,
have been recorded on a listing which has been made available to the Board of Commissioners
of the Housing Authority of Pierce County.

Dated this day, January 27, the Board of Commissioners
of the Pierce County Housing Authority ratifies the payment of the above disbursements in the grand total of: **\$3,171,538.38**

<http://www.leg.wa.gov/>



<http://www.leg.wa.gov/>

[42.24.080](#) << 42.24.090 >> [42.24.100](#)

RCW 42.24.090

Municipal corporations and political subdivisions -- Reimbursement claims by officers and employees.

No claim for reimbursement of any expenditures by officers or employees of any municipal corporation or political subdivision of the state for transportation, lodging, meals or any other purpose shall be allowed by any officer, employee or board charged with auditing accounts unless the same shall be presented in a detailed account: PROVIDED, That, unless otherwise authorized by law, the legislative body of any municipal corporation or political subdivision of the state may prescribe by ordinance or resolution the amounts to be paid officers or employees thereof as reimbursement for the use of their personal automobiles or other transportation equipment in connection with officially assigned duties and other travel for approved public purposes, or as reimbursement to such officers or employees in lieu of actual expenses incurred for lodging, meals or other purposes. The rates for such reimbursements may be computed on a mileage, hourly, per diem, monthly, or other basis as the respective legislative bodies shall determine to be proper in each instance: PROVIDED, That in lieu of such reimbursements, payments for the use of personal automobiles for official travel may be established if the legislative body determines that these payments would be less costly to the municipal corporation or political subdivision of the state than providing automobiles for official travel.

All claims authorized under this section shall be duly certified by the officer or employee submitting such claims on forms and in the manner prescribed by the state auditor.

[1995 c 301 § 73; 1981 c 56 § 1; 1965 c 116 § 2.]

PIERCE COUNTY HOUSING AUTHORITY
Report of Cash and Investments
Period Ending December, 2020

Account Name	Bank	Balance
General Operating Accounts		
Apartments General	Key Bank	\$ 73,767.19
Apartments General	US Bank	\$ 146,573.98
Payroll	US Bank	36,342.48
General Operation	Key Bank	110,849.47
General Operation	US Bank	1,080,936.47
US Bank Municipal Investment	USBank (TVI)	105,525.03
PCHA Reserve	US Bank	1,415,431.36
 Homeownership	 US Bank	 449,244.30
 Tenant Trust Accounts		
Damage Deposits	US Bank	246,078.14
 Hud Trust Accounts		
Section 8	Key Bank	39,223.05
Section 8	US Bank	3,513,582.64
LIPH Management	Key Bank	5,000.60
LIPH Management	US Bank	975,587.11
LIPH Damage Deposits	US Bank	41,150.00
Section 8 FSS	US Bank	372,836.78
LIPH FSS	US Bank	35,867.69
 Rural Development Funds		
Rural Development (Orting) Reserve	US Bank	78,395.74
 FNMA Loan Reserve Account (Restricted)		
CR Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	59,631.59
DM Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	18,907.59
LV Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	26,282.80
CR Replacement Reserve	Greystone (TTE)	188,762.71

PIERCE COUNTY HOUSING AUTHORITY

Report of Cash and Investments

Period Ending December, 2020

DM Replacement Reserve	Greystone (TTE)	75,280.34
LV Replacement Reserve	Greystone (TTE)	98,859.63
CR FNMA Tax & Insurance Escrow	Greystone (TTE)	106,330.37
DM FNMA Tax & Insurance Escrow	Greystone (TTE)	28,566.83
LV FNMA Tax & Insurance Escrow	Greystone (TTE)	43,231.05
		<hr/>
		\$ 9,372,244.94
		<hr/>
TOTAL PCHA		<hr/> <hr/>
		\$ 9,372,244.94

Apartments General

An account used primarily for receipt of revenues from apartments finance with the 1998 Pooled Housing Refunding Revenue Bond ('98 Bond Projects) and Orting Senior Apartments. Recordkeeping segregates funds for subsequent distribution to designated programs and specific uses in accordance with bond and loan regulatory agreements.

Payroll

General operating account used for payment of employee wages.

General Operation

General operating account used for payment of goods and services and non-compensation payroll related liabilities for all PHA programs.

Homeownership

Account used primarily for receipt of revenues from 5H Homeownership notes. Use of proceeds are regulated by 24 CFR 906.3 and 906.31 which state: § 906.3 Requirements applicable to homeownership programs previously approved by HUD. (a) Any existing section 5(h) or Turnkey III homeownership program continues to be governed by the requirements of part 906 or part 904 of this title, respectively, contained in the April 1, 2002, edition of 24 CFR, parts 700 to 1699. The use of other program income for homeownership activities continues to be governed by agreements executed with HUD. § 906.31 Requirements applicable to net proceeds resulting from sale. (a) PHA use of net proceeds. The PHA must use any net proceeds of any sales under a homeownership program remaining after payment of all costs of the sale for purposes relating to low-income housing and in accordance with its PHA plan.

Damage Deposits and Damage Deposit Investments

Trust account used to retain apartment tenant deposits as security for performance of the tenant's obligations during the lease/rental agreement period. Funds are restricted from general use in accordance with RCW 59.18.270.

Section 8 General Operating

Account used for receipt of revenues for the PHA's Section 8 programs, disbursements for housing assistance related payments to landlords, participants and receiving PHAs, and for distribution to the PHA's General Operating account for payment of administrative costs of the associated programs, predominantly Housing Choice Vouchers (HCV). Since 2004, all HCV housing assistance funding is restricted for use to pay current or future housing assistance and all administrative fee funding may only be used to cover costs incurred to perform PHA HCV administrative responsibilities in accordance with HUD regulations and requirements.

LIPH Management

An account used primarily for receipt of revenues for the PHA's Low-Income Public Housing (LIPH) program, and for distribution to the PHA's General Operating account for specific LIPH program uses in accordance with HUD regulations and requirements. A minor amount is disbursed to program participants for utility assistance payments. This account also retains proceeds from land sales in the LIPH program which are restricted for capital improvement projects.

LIPH Damage Deposits

Trust account used to retain LIPH participant deposits as security for performance of the tenant's obligations during the lease/rental agreement period. Funds are restricted from general use in accordance with RCW 59.18.270.

Section 8 and LIPH FSS

Trust account used to retain S8 and LIPH FSS participant escrow balances.

Rural Development (Orting) Reserve

A reserve account funded through contributions from project operating funds. It is used primarily to pay for large planned expenses for maintenance and improvements of capital items. The project's reserves must be held in a supervised account that requires the Rural Development approval for all withdrawals.

LLC Replacement Reserve and Restabilization Reserve

Reserve accounts individually funded through loan proceeds of the Chateau Rainier, DeMark and Lakewood Village LLCs, for the specific purposes outlined in the FNMA loan agreement. Funds are legally restricted and unavailable for use in daily routine operations. Funds are held by the lender and are expected to remain on account through the life of the loan term.

PIERCE COUNTY HOUSING AUTHORITY
Report of Cash Disbursements
Period Ending January, 2021

Below are the cash disbursements for the month of January, 2021

Account Name	Bank	Check and ACH Disbursements	ACH Direct Pays	Bank Fees	Total	Dec-20
Apts General	US Bank	900.00	545.60	-	\$1,445.60	-
Apt General	Key Bank	-	-	-	-	\$2,175.64
General Operation	Key Bank	-	-	2,219.19	\$2,219.19	\$89,015.61
General Operation	US Bank	757,846.93	159,174.42	1,348.74	\$918,370.09	\$388,126.64
Payroll	US Bank	139,111.43	-	-	\$139,111.43	\$220,196.03
Section 8 HAP	US Bank	2,507,304.74	-	-	\$2,507,304.74	\$2,453,594.62
S8 FSS	US Bank	863.32	-	-	\$863.32	\$14,957.84
LIPH Management	US Bank	3,416.00	-	-	\$3,416.00	\$3,472.00
TOTAL		3,409,442.42	159,720.02	3,567.93	\$3,572,730.37	\$ 3,171,538.38

NOTE: Variance in Disbursements are due to Yardi Software Conversion Invoice, \$268,979.81.
Annual Insurance Invoices, \$57,497.21. Annual HAB Software Maintenance Invoice, \$23,151.44.

DISBURSEMENTS audited by the Auditing Officer as required by RCW 42-24-090,
have been recorded on a listing which has been made available to the Board of Commissioners
of the Housing Authority of Pierce County.

Dated this day, February 24, the Board of Commissioners
of the Pierce County Housing Authority ratifies the payment of the above disbursements in the grand total of: \$3,572,730.37

<http://www.leg.wa.gov/>



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[42.24.080](#) << 42.24.090 >> [42.24.100](#)

RCW 42.24.090

Municipal corporations and political subdivisions -- Reimbursement claims by officers and employees.

No claim for reimbursement of any expenditures by officers or employees of any municipal corporation or political subdivision of the state for transportation, lodging, meals or any other purpose shall be allowed by any officer, employee or board charged with auditing accounts unless the same shall be presented in a detailed account: PROVIDED, That, unless otherwise authorized by law, the legislative body of any municipal corporation or political subdivision of the state may prescribe by ordinance or resolution the amounts to be paid officers or employees thereof as reimbursement for the use of their personal automobiles or other transportation equipment in connection with officially assigned duties and other travel for approved public purposes, or as reimbursement to such officers or employees in lieu of actual expenses incurred for lodging, meals or other purposes. The rates for such reimbursements may be computed on a mileage, hourly, per diem, monthly, or other basis as the respective legislative bodies shall determine to be proper in each instance: PROVIDED, That in lieu of such reimbursements, payments for the use of personal automobiles for official travel may be established if the legislative body determines that these payments would be less costly to the municipal corporation or political subdivision of the state than providing automobiles for official travel.

All claims authorized under this section shall be duly certified by the officer or employee submitting such claims on forms and in the manner prescribed by the state auditor.

[1995 c 301 § 73; 1981 c 56 § 1; 1965 c 116 § 2.]

Date: 02/11/2021
Time: 5:18:24 PM
By: dxs

A/P Trade Report

Page: 1
Rpt: G:\HMS\REPORTS\aptrade.qrp

A/Employee				
	Name	Check Date	Check #	Check Amount
	Bobbie Jones	01/07/2021	6845	\$7.99
	Patti Carson	01/12/2021	6854	\$44.28
	Bobbie Jones	01/21/2021	6874	\$124.78
	Jennifer H Sagastume	01/21/2021	6880	\$482.43
Total For : A/Employee				<u>\$659.48</u>

PIERCE COUNTY HOUSING AUTHORITY
Report of Cash and Investments
Period Ending January, 2121

Account Name	Bank	Balance	
		Jan-21	Dec-20
General Operating Accounts			
Apartments General	US Bank	\$ 155,733.08	\$ 146,623.98
Apartments General	Key Bank	\$ -	\$ 73,717.19
Payroll	US Bank	97,045.51	36,342.48
General Operation	US Bank	768,201.06	1,080,936.47
General Operation	Key Bank	-	110,849.47
US Bank Municipal Investment	USBank (TVI)	105,525.92	105,525.03
PCHA Special Item	US Bank	1,415,443.38	1,415,431.36
Homeownership	US Bank	449,949.12	449,244.30
Tenant Trust Accounts			
Damage Deposits	US Bank	246,568.48	246,078.14
Hud Trust Accounts			
Section 8	US Bank	3,697,852.48	3,513,582.64
Section 8	Key Bank	-	39,223.05
LIPH Management	US Bank	1,035,239.16	975,587.11
LIPH Management	Key Bank	-	5,000.60
LIPH Damage Deposits	US Bank	41,150.00	41,150.00
Section 8 FSS	US Bank	386,115.69	372,836.78
LIPH FSS	US Bank	36,480.84	35,867.69
Rural Development Funds			
Rural Development (Orting) Reserve	US Bank	86,256.07	78,395.74

PIERCE COUNTY HOUSING AUTHORITY

Report of Cash and Investments

Period Ending January, 2121

FNMA Loan Reserve Account (Restricted)

CR Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	59,638.16	59,631.59
DM Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	18,909.67	18,907.59
LV Restabilization Reserve (PB S8 HAPC)	Greystone (TTE)	26,285.69	26,282.80
CR Replacement Reserve	Greystone (TTE)	188,783.49	188,762.71
DM Replacement Reserve	Greystone (TTE)	75,288.63	75,280.34
LV Replacement Reserve	Greystone (TTE)	98,870.52	98,859.63
CR FNMA Tax & Insurance Escrow	Greystone (TTE)	113,740.89	106,330.37
DM FNMA Tax & Insurance Escrow	Greystone (TTE)	32,975.12	28,566.83
LV FNMA Tax & Insurance Escrow	Greystone (TTE)	47,455.59	43,231.05
FNMA Reserve Total		<u>\$ 661,947.76</u>	<u>\$ 645,852.91</u>
TOTAL PCHA		<u><u>\$ 9,183,508.55</u></u>	<u><u>\$ 9,372,244.94</u></u>

Apartments General

An account used primarily for receipt of revenues from apartments finance with the 1998 Pooled Housing Refunding Revenue Bond ('98 Bond Projects) and Orting Senior Apartments. Recordkeeping segregates funds for subsequent distribution to designated programs and specific uses in accordance with bond and loan regulatory agreements.

Payroll

General operating account used for payment of employee wages.

General Operation

General operating account used for payment of goods and services and non-compensation payroll related liabilities for all PHA programs.

PCHA Special Item

PCHA net proceeds collected from fraud recovery.

Homeownership

Account used primarily for receipt of revenues from 5H Homeownership notes. Use of proceeds are regulated by 24 CFR 906.3 and 906.31 which state: § 906.3 Requirements applicable to homeownership programs previously approved by HUD. (a) Any existing section 5(h) or Turnkey III homeownership program continues to be governed by the requirements of part 906 or part 904 of this title, respectively, contained in the April 1, 2002, edition of 24 CFR, parts 700 to 1699. The use of other program income for homeownership activities continues to be governed by agreements executed with HUD. § 906.31 Requirements applicable to net proceeds resulting from sale. (a) PHA use of net proceeds. The PHA must use any net proceeds of any sales under a homeownership program remaining after payment of all costs of the sale for purposes relating to low-income housing and in accordance with its PHA plan.

Damage Deposits and Damage Deposit Investments

Trust account used to retain apartment tenant deposits as security for performance of the tenant's obligations during the lease/rental agreement period. Funds are restricted from general use in accordance with RCW 59.18.270.

Section 8 General Operating

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LIPH Damage Deposits

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Section 8 and LIPH FSS

Trust account used to retain S8 and LIPH FSS participant escrow balances.

Rural Development (Orting) Reserve

A reserve account funded through contributions from project operating funds. It is used primarily to pay for large planned expenses for maintenance and improvements of capital items. The project's reserves must be held in a supervised account that requires the Rural Development approval for all withdrawals.

LLC Replacement Reserve and Restabilization Reserve

Reserve accounts individually funded through loan proceeds of the Chateau Rainier, DeMark and Lakewood Village LLCs, for the specific purposes outlined in the FNMA loan agreement. Funds are legally restricted and unavailable for use in daily routine operations. Funds are held by the lender and are expected to remain on account through the life of the loan term.



Affordable Housing Board Report February 2021

The bulk of the month has been spent catching up on the status of the affordable housing portfolio. I am learning the staff needs, visiting the properties to help understand the various issues we have on the properties and working with my team to develop an approach to resolving them consistently across the portfolio.

We have been gathering the needed information related to unpaid rent to prepare for assisting our residents with rental assistance payments when the County announces their program to get rental assistance payments to the affected families and individuals. This requires reviewing each delinquent account to identify charges related to rent balances only separate from any other charges such as fees, deposits, repairs etc. Pierce County Human Services anticipates the program will begin near the end of 2021. The latest information I have is at: <https://www.co.pierce.wa.us/7142/Rental-Assistance>

There are a number of reasonable accommodation requests for alteration to our properties and practices that are taken in each day from all of the sites and addressing them is a careful and sometimes challenging effort. We are building a system to address each one as it arises and taking the steps necessary to make sure they are done in accordance with the law. Training is scheduled for 3/16 to reinforce the requirements to handle these requests effectively.

We have begun the process of bringing Safe Streets Community Mobilization to all of our affordable housing communities. The efforts were very rewarding at DeMark last year and we want to expand on and continue the momentum created. More information on the program is at : <https://safest.org/neighborhood-groups/how-we-help/>

I will do my best to provide the delinquency and occupancy reports you are used to receiving in as much detail as you have come to expect. I will ask for a little patience as I work to understand it as well as I can.

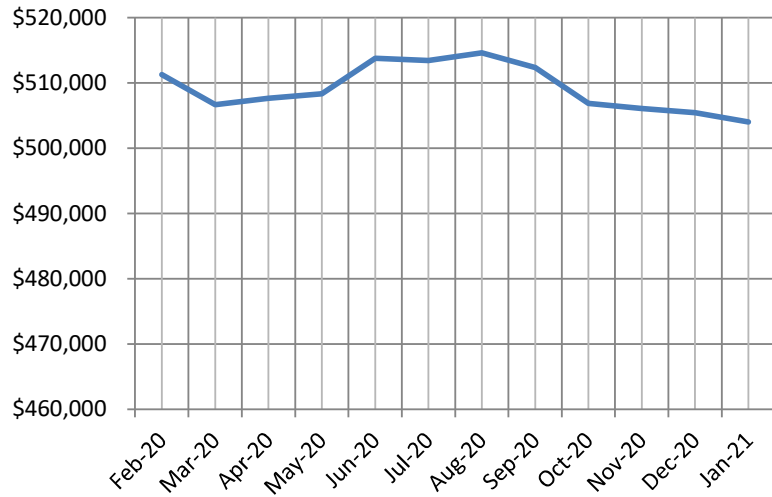
Occupancy and Leasing

Occupancy Statistics Apartments	Resident Manager in Charge	Total Units Available	1/2021 Total # Rented Units	PHA Occupancy %	Total Vacant PB S8 Units	PHA Adjusted Occupancy %	Market Avg Occupancy %	Occupancy March 15, 2021
Brookridge	Jennifer Sagastume	67	65	97%	-	97%	99%	99%
Chateau Rainier	Patti Carson	248	241	97%	1	98%	97%	97%
DeMark	Ebonique Moore	93	88	95%	3	98%	97%	96%
Hidden Village	Ebonique Moore	26	25	96%	-	96%	93%	92%
Lakewood Village	Miguel Wallingford	136	133	98%	-	98%	98%	98%
Oakleaf	Bibiana Asis	26	24	92%	-	92%	92%	92%
Montgrove Manor	Bibiana Asis	30	27	90%	-	90%	97%	90%
Village Square	Bibiana Asis	38	36	95%	-	95%	97%	95%
Totals		664	639	96%	4	97%	97%	96%

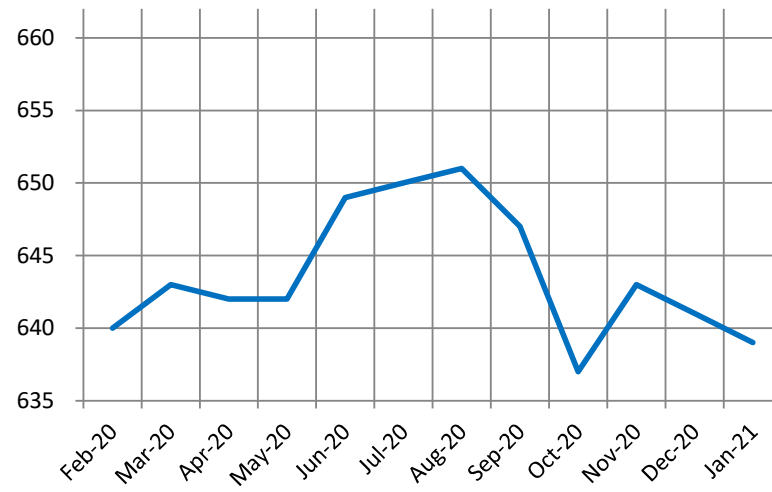
Turn-over Statistics	Trailing 12 Months Move Outs:	84	13%
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Occupancy Statistics Assisted Housing		Total Units Available	1/2021 Total # Rented Units	PHA Occupancy %	Total Units Under Modernization	PHA Adjusted Occupancy %
Orting	Ariel Daniels	20	20	100%	-	100%
LIPH	Ariel Daniels	124	122	98%	-	98%
Totals		144	142	99%	-	99%

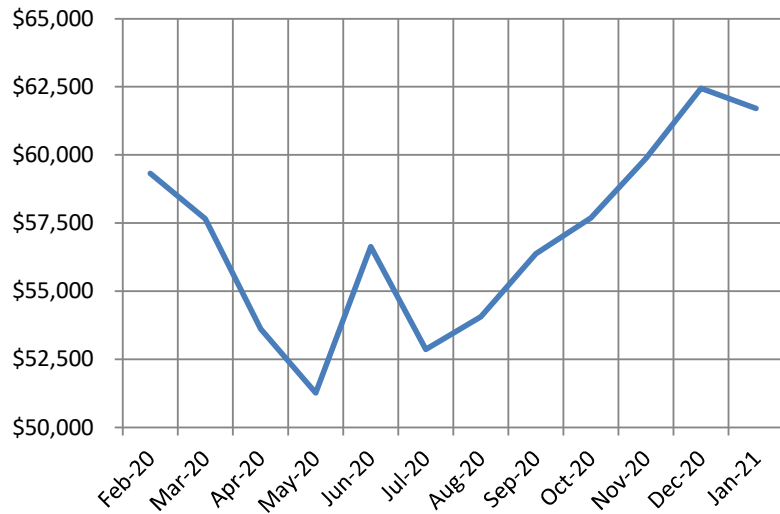
Affordable Housing Rent Income



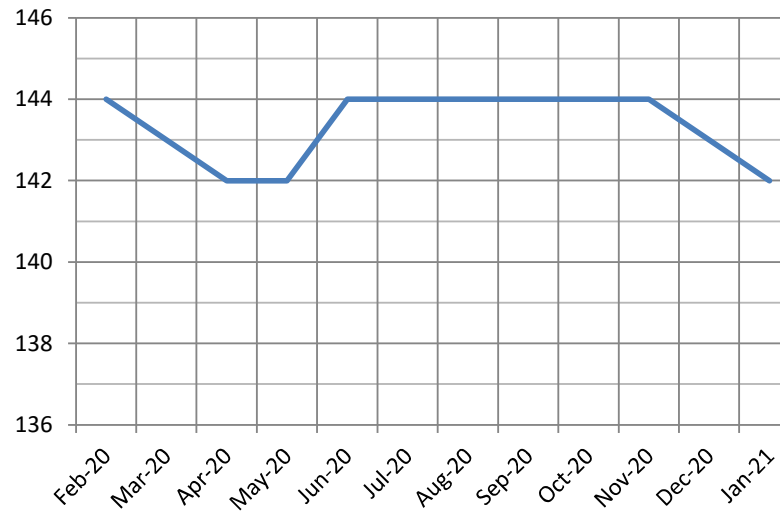
Affordable Housing Occupancy



Assisted Housing Rent Income



Assisted Housing Occupancy



	Sep-20		Oct-20		Nov-20		Dec-20		Jan-21		Average
Rent Roll Apartments Trailing History	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Average Monthly Rent Roll
Brookridge	\$ 42,650	\$ 386,063	\$ 42,450	\$ 428,513	\$ 42,450	\$ 470,963	\$ 41,484	\$ 512,447	\$ 41,620	\$ 41,620	\$ 42,601
Chateau Rainier	208,533	1,878,977	203,579	2,082,556	203,279	2,285,835	205,061	\$ 2,490,896	205,220	\$ 205,220	207,478
DeMark	73,555	661,911	74,450	736,361	73,555	809,916	74,371	\$ 884,287	72,660	\$ 72,660	73,765
Hidden Village	15,840	139,827	14,760	154,587	14,400	168,987	15,000	\$ 183,987	15,000	\$ 15,000	15,282
Lakewood Village	122,284	1,093,142	122,999	1,216,141	123,655	1,339,796	120,910	\$ 1,460,706	121,525	\$ 121,525	121,960
Oakleaf	13,275	118,621	13,275	131,896	13,275	145,171	13,275	\$ 158,446	13,275	\$ 13,275	13,204
Montgrove Manor	11,250	105,359	11,424	116,783	11,550	128,333	12,048	\$ 140,381	12,150	\$ 12,150	11,623
Village Square	24,989	209,129	23,915	233,044	23,915	256,959	23,305	\$ 280,264	22,580	\$ 22,580	23,299
Total Apartments Trailing History	\$ 512,376	\$ 4,593,029	\$ 506,852	\$ 5,099,881	\$ 506,079	\$ 5,605,960	\$ 505,454	\$ 6,111,414	\$ 504,030	\$ 504,030	\$ 509,212

Rent Roll Assisted Housing Trailing History	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Average Monthly Rent Roll Rent Roll
Orting	\$ 12,300	\$ 110,709	\$ 12,300	\$ 123,009	\$ 12,300	\$ 135,309	\$ 12,300	\$ 147,609	\$ 12,045	\$ 12,045	\$ 12,280
LIPH	44,073	391,801	45,393	437,194	47,574	484,768	50,147	\$ 534,915	49,665	\$ 49,665	\$ 44,679
Total Asst Housing Trailing History	\$ 56,373	\$ 502,510	\$ 57,693	\$ 560,203	\$ 59,874	\$ 620,077	\$ 62,447	\$ 682,524	\$ 61,710	\$ 61,710	\$ 56,958

	Feb-20		Mar-20		Apr-20		May-20		Jun-20		Jul-20		Aug-20	
Rent Roll Apartments Trailing History	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll
Brookridge	\$ 43,050	\$ 85,906	\$ 42,496	\$ 128,402	\$ 43,217	\$ 171,619	\$ 43,050	\$ 214,669	\$ 43,050	\$ 257,719	\$ 42,644	\$ 300,363	\$ 43,050	\$ 343,413
Chateau Rainier	208,060	414,445	207,302	621,747	207,807	\$ 829,554	209,584	1,039,138	211,594	1,250,732	210,739	1,461,471	208,973	1,670,444
DeMark	72,660	144,425	72,728	\$ 217,153	73,019	\$ 290,172	73,425	363,597	75,787	439,384	74,365	513,749	74,607	588,356
Hidden Village	15,000	30,600	15,387	\$ 45,987	15,600	\$ 61,587	15,600	77,187	15,600	92,787	15,600	108,387	15,600	123,987
Lakewood Village	125,071	243,778	120,418	\$ 364,196	120,555	\$ 484,751	119,720	604,471	120,335	724,806	122,105	846,911	123,947	970,858
Oakleaf	13,275	26,550	13,275	\$ 39,825	13,275	\$ 53,100	12,730	65,830	12,966	78,796	13,275	92,071	13,275	105,346
Montgrove Manor	11,715	24,765	12,600	\$ 37,365	11,700	\$ 49,065	11,744	60,809	11,250	72,059	10,800	82,859	11,250	94,109
Village Square	22,465	45,725	22,465	\$ 68,190	22,465	\$ 90,655	22,465	113,120	23,190	136,310	23,915	160,225	23,915	184,140
Total Apartments Trailing History	\$ 511,296	\$ 1,016,194	\$ 506,671	\$ 1,522,865	\$ 507,638	\$ 2,030,503	\$ 508,318	\$ 2,538,821	\$ 513,772	\$ 3,052,593	\$ 513,443	\$ 3,566,036	\$ 514,617	\$ 4,080,653

Rent Roll Assisted Housing Trailing History	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll	Rent Roll	YTD Rent Roll
Orting	\$ 12,300	\$ 24,600	\$ 12,300	\$ 36,900	\$ 12,309	\$ 49,209	\$ 12,300	\$ 61,509	\$ 12,300	\$ 73,809	\$ 12,300	\$ 86,109	\$ 12,300	\$ 98,409
LIPH	47,016	95,450	45,353	140,803	41,308	182,111	38,972	221,083	44,327	265,410	40,563	305,973	41,755	347,728
Total Asst Housing Trailing History	\$ 59,316	\$ 120,050	\$ 57,653	\$ 177,703	\$ 53,617	\$ 231,320	\$ 51,272	\$ 282,592	\$ 56,627	\$ 339,219	\$ 52,863	\$ 392,082	\$ 54,055	\$ 446,137

	Sep-20		Oct-20		Nov-20		Dec-20		Jan-21		Average	
Occupancy Apartments Trailing History	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	Average Monthly Occupancy	Average Monthly Occupancy %
Brookridge	67	100%	66	99%	66	99%	65	97%	65	97%	67	99%
Chateau Rainier	245	99%	236	95%	240	97%	241	97%	241	97%	243	98%
DeMark	87	94%	88	95%	88	95%	89	96%	88	95%	88	95%
Hidden Village	26	100%	25	96%	26	100%	25	96%	25	96%	26	99%
Lakewood Village	135	99%	134	99%	135	99%	133	98%	133	98%	133	98%
Oakleaf	24	92%	24	92%	24	92%	24	92%	24	92%	24	92%
Montgrove Manor	25	83%	26	87%	26	87%	27	90%	27	90%	26	88%
Village Square	38	100%	38	100%	38	100%	37	97%	36	95%	37	98%
Total Apartments Trailing History	647	97%	637	96%	643	97%	641	97%	639	96%	644	97%

Occupancy Assisted Housing Trailing History	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	Average Monthly Occupancy	Average Monthly Occupancy %
Orting	20	100%	20	100%	20	100%	20	100%	20	100%	20	100%
LIPH	124	100%	124	100%	124	100%	123	99%	122	98%	123	99%
Total Asst Housing Trailing History	144	100%	144	100%	144	100%	143	99%	142	99%	143	99%

	Feb-20		Mar-20		Apr-20		May-20		Jun-20		Jul-20		Aug-20	
Occupancy Apartments Trailing History	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy
Brookridge	67	100%	67	100%	67	100%	67	100%	67	100%	67	100%	67	100%
Chateau Rainier	245	99%	243	98%	244	98%	244	98%	247	100%	246	99%	246	99%
DeMark	86	92%	87	94%	87	94%	88	95%	89	96%	89	96%	89	96%
Hidden Village	25	96%	26	100%	26	100%	26	100%	26	100%	26	100%	26	100%
Lakewood Village	129	95%	132	97%	131	96%	131	96%	133	98%	134	99%	136	100%
Oakleaf	24	92%	24	92%	24	92%	23	88%	24	92%	24	92%	24	92%
Montgrove Manor	28	93%	28	93%	26	87%	26	87%	25	83%	26	87%	25	83%
Village Square	36	95%	36	95%	36	95%	37	97%	38	100%	38	100%	38	100%
Total Apartments Trailing History	640	96%	643	97%	641	97%	642	97%	649	98%	650	98%	651	98%

Occupancy Assisted Housing Trailing History	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy	# Occupancy	% Occupancy
Orting	20	100%	20	100%	20	100%	20	100%	20	100%	20	100%	20	100%
LIPH	124	99%	123	98%	122	98%	122	98%	124	100%	124	100%	124	100%
Total Asst Housing Trailing History	144	99%	143	99%	142	98%	142	98%	144	100%	144	100%	144	100%

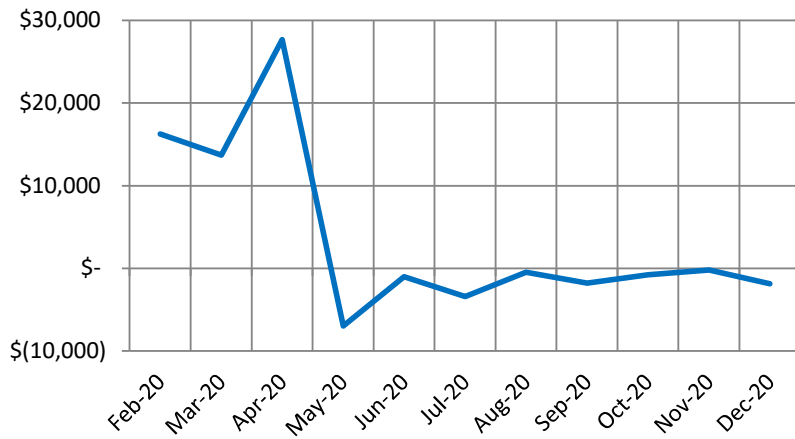
Delinquency and Debt

Delinquency Statistics Apartments	Resident Manager in Charge	1/2021 Rent Roll	Total Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives in Evictions	Delinquent Active HAP Section 8/Agency	Delinquent Active PB S8 Tenant Portion	Stipulation & Program Repayments	Adjusted Delinquent Actives	Adjusted % of Active Rents Delinquent
Brookridge	Jennifer Sagastume	\$ 41,620	\$ 5,496	13%	\$ -	\$ -	\$ -	\$ -	\$ 5,496	13%
Chateau Rainier	Patti Carson	\$ 205,220	\$ 21,653	11%	-	-	-	-	21,653	11%
DeMark	Eric Torres	\$ 72,660	\$ 19,371	27%	-	-	-	-	19,371	27%
Hidden Village	Jennifer Sagastume	\$ 15,000	\$ 3,876	26%	-	-	-	-	3,876	26%
Lakewood Village	Ebonique Moore	\$ 121,525	\$ 42,113	35%	-	1,694	-	-	40,419	33%
Oakleaf	Marquez Taylor	\$ 13,275	\$ 6,625	50%	-	-	-	-	6,625	50%
Montgrove Manor	Marquez Taylor	\$ 12,150	\$ 3,850	32%	-	-	-	-	3,850	32%
Village Square	Marquez Taylor	\$ 22,580	\$ 11,751	52%	-	-	-	-	11,751	52%
Totals		\$ 504,030	\$ 114,735	23%	\$ -	\$ 1,694	\$ -	\$ -	\$ 113,041	22%

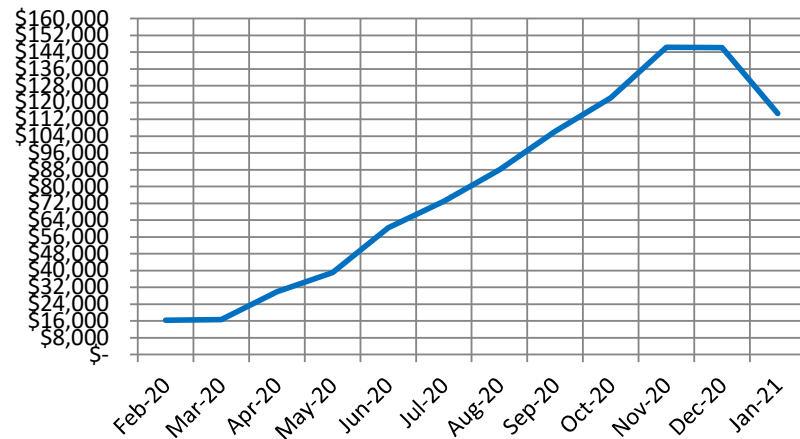
Delinquency Statistics Asst Housing	Resident Manager in Charge	1/2021 Rent Roll	Total Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives in Evictions	Delinquent Active Rural Devel	Delinquent Active On Debt Repay	Adjusted Delinquent Actives	Adjusted % of Active Rents Delinquent
Orting	Bobbie Jones	\$ 12,045	\$ 710	6%	\$ -	\$ -	\$ -	\$ 710	6%
LIPH	Bobbie Jones	\$ 49,665	\$ 52,279	105%	-	-	-	\$ 52,279	105%
Totals		\$ 61,710	\$ 52,989	86%	\$ -	\$ -	\$ -	\$ 52,989	86%

Evictions	# Active Eviction Proceedings	-
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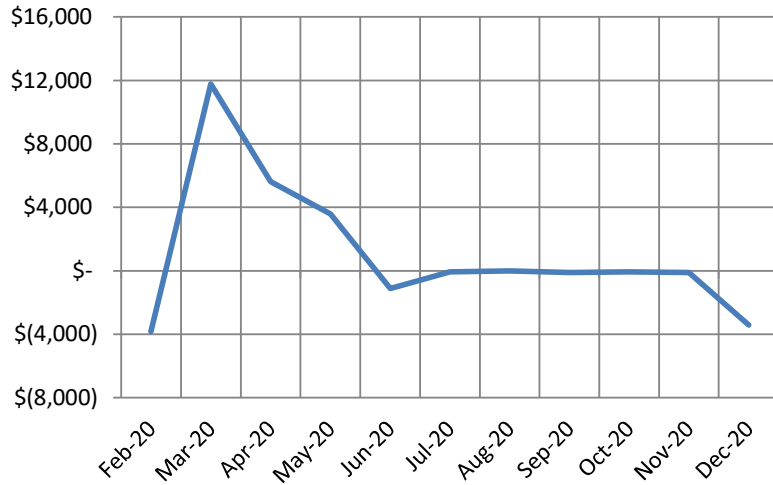
Affordable Housing Uncollected Debt



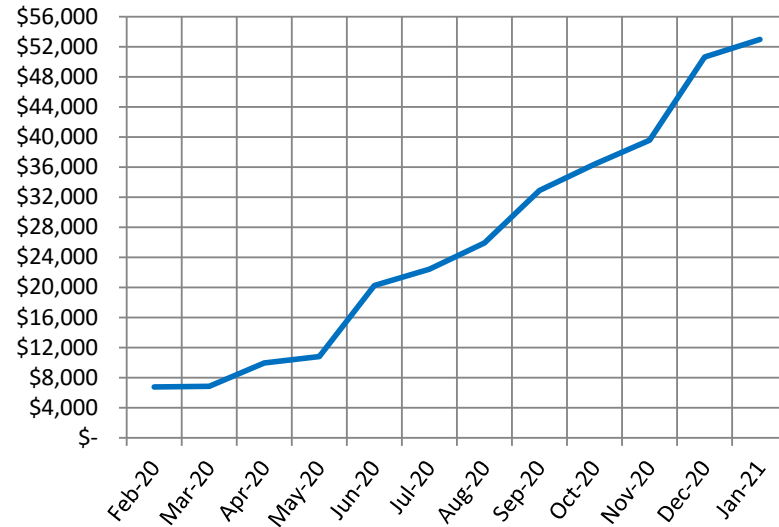
Affordable Housing Delinquent Debt



Assisted Housing Uncollected Debt



Assisted Housing Delinquent Debt



	Sep-20		Oct-20		Nov-20		Dec-20		Jan-21		Average	
Delinquency Statistics Apartments Trailing History	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Average Delinquent Actives	Average % of Active Rents Delinquent
Brookridge	\$ 7,030	16%	\$ 6,995	16%	\$ 9,140	22%	\$ 9,250	22%	\$ 5,496	13%	\$ 4,830	12%
Chateau Rainier	23,296	11%	24,615	12%	31,193	15%	35,557	17%	21,653	11%	16,502	9%
DeMark	23,293	32%	26,705	36%	33,004	45%	27,998	38%	19,371	27%	15,456	22%
Hidden Village	7,182	45%	8,892	60%	5,276	37%	6,222	41%	3,876	26%	4,071	28%
Lakewood Village	35,592	29%	45,086	37%	52,975	43%	47,636	39%	42,113	35%	30,020	26%
Oakleaf	4,002	30%	3,825	29%	4,941	37%	6,159	46%	6,625	50%	3,062	24%
Montgrove Manor	2,983	27%	2,320	20%	2,577	22%	3,837	32%	3,850	32%	2,640	24%
Village Square	2,870	11%	3,833	16%	7,119	30%	9,461	41%	11,751	52%	3,294	15%
Total Apartments Trailing History	\$ 106,248	21%	\$ 122,271	24%	\$ 146,225	29%	\$ 146,120	29%	\$ 114,735	23%	\$ 79,875	16%
S8 Delinquency	657		673		-		-		1,694		1,988	
Net Of S8 Variances	\$ 105,591	21%	\$ 121,598	24%	\$ 146,225	29%	\$ 146,120	29%	\$ 113,041	22%	\$ 77,887	15%

Delinquency Statistics Asst Housing Trailing History	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Average Delinquent Actives	Average % of Active Rents Delinquent
Orting	\$ 1,402	11%	\$ 1,670	14%	\$ 1,963	16%	\$ 2,460	20%	\$ 710	6%	\$ 1,062	9%
LIPH	31,492	71%	34,706	76%	37,613	79%	48,179	96%	52,279	105%	25,232	56%
Total Asst Housing Trailing History	\$ 32,894	58%	\$ 36,376	63%	\$ 39,576	66%	\$ 50,639	81%	\$ 52,989	86%	26,294	46%

	Feb-20		Mar-20		Apr-20		May-20		Jun-20		Jul-20		Aug-20	
Delinquency Statistics Apartments Trailing History	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent
Brookridge	\$ 790	2%	\$ 110	0%	\$ 1,765	4%	\$ 3,330	8%	\$ 3,915	9%	\$ 5,180	12%	\$ 4,960	12%
Chateau Rainier	2,325	1%	2,908	1%	5,729	3%	6,785	3%	12,687	6%	16,790	8%	14,489	7%
DeMark	261	0%	444	1%	3,029	4%	5,184	7%	12,322	16%	12,301	17%	21,555	29%
Hidden Village	40	0%	415	3%	1,430	9%	1,350	9%	3,644	23%	4,990	32%	5,536	35%
Lakewood Village	9,828	8%	10,571	9%	14,913	12%	18,225	15%	22,064	18%	27,657	23%	33,584	27%
Oakleaf	157	1%	373	3%	918	7%	1,503	12%	2,124	16%	2,728	21%	3,385	25%
Montgrove Manor	2,036	17%	1,441	11%	1,863	16%	2,345	20%	2,834	25%	1,649	0	3,945	35%
Village Square	876	4%	343	2%	198	1%	228	1%	713	3%	1,675	7%	460	2%
Total Apartments Trailing History	\$ 16,313	3%	\$ 16,605	3%	\$ 29,845	6%	\$ 38,950	8%	\$ 60,303	12%	\$ 72,970	14%	\$ 87,914	17%
S8 Delinquency	-		4,398		-		4,688		4,281		2,595		4,868	
Net Of S8 Variances	\$ 16,313	3%	\$ 12,207	2%	\$ 29,845	6%	\$ 34,262	7%	\$ 56,022	11%	\$ 70,375	14%	\$ 83,046	16%

Delinquency Statistics Asst Housing Trailing History	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent	Delinquent Actives	% of Active Rents Delinquent
Orting	\$ 368	3%	\$ 413	3%	\$ 457	4%	\$ 503	4%	\$ 790	6%	\$ 874	7%	\$ 1,134	9%
LIPH	6,421	14%	6,451	14%	9,521	23%	10,316	26%	19,470	44%	21,574	53%	24,766	59%
Total Asst Housing Trailing History	\$ 6,789	11%	\$ 6,864	12%	\$ 9,978	19%	\$ 10,819	21%	\$ 20,260	36%	\$ 22,448	42%	\$ 25,900	48%

Sep-20

Oct-20

Nov-20

Dec-20

Jan-21

Bad Debt Write Off (Net of Collections GL) Apartments Trailing History	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Average Monthly Bad Debt Write Off (Net of Collections)	Average Monthly % Bad Debt (Net of Collections)
Brookridge	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ (11)	0%
Chateau Rainier	-	0%	(749)	0%	-	0%	(1,394)	-1%	-	0%	1,001	0%
deMark	(30)	0%	(20)	0%	(20)	0%	(40)	0%	-	0%	(54)	0%
Hidden Village	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Lakewood Village	(1,773)	-1%	-	0%	(200)	0%	(450)	0%	-	0%	867	1%
Oakleaf	-	0%	-	0%	-	0%	-	0%	-	0%	(18)	0%
Montgrove Manor	-	0%	-	0%	-	0%	-	0%	-	0%	921	8%
Village Square	-	0%	-	0%	-	0%	-	0%	-	0%	715	3%
Total Apartments Trailing History	\$ (1,803)	0%	\$ (769)	0%	\$ (220)	0%	\$ (1,884)	0%	\$ -	0%	\$ 3,422	1%

Bad Debt Write Off (Net of Collections GL) Asst Housing Trailing History	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Average Monthly Bad Debt Write Off (Net of Collections)	Average Monthly % Bad Debt (Net of Collections)
Orting	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ 28	0%
LIPH	(100)	0%	(75)	0%	(100)	0%	(3,410)	-7%	-	0%	831	2%
Total Asst Housing Trailing History	\$ (100)	0%	\$ (75)	0%	\$ (100)	0%	\$ (3,410)	0%	\$ -	0%	\$ 859	2%

	Feb-20		Mar-20		Apr-20		May-20		Jun-20		Jul-20		Aug-20	
Bad Debt Write Off (Net of Collections GL) Apartments Trailing History	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)
Brookridge	\$ (1,620)	-4%	\$ 1,192	3%	\$ 1,222	3%	\$ (922)	-2%	\$ -	0%	\$ -	0%	\$ -	0%
Chateau Rainier	8,404	4%	2,578	1%	9,935	5%	(5,114)	-2%	(863)	0%	(315)	0%	(467)	0%
deMark	(297)	0%	577	1%	(717)	-1%	-	0%	(100)	0%	-	0%	-	0%
Hidden Village	1,885	13%	(1,885)	-12%	-	0%	-	0%	-	0%	-	0%	-	0%
Lakewood Village	1,765	1%	8,347	7%	5,665	5%	(825)	-1%	(52)	0%	(2,073)	-2%	-	0%
Oakleaf	(77)	-1%	3	0%	-	0%	(123)	-1%	-	0%	(20)	0%	-	0%
Montgrove Manor	2,805	24%	2,887	23%	6,367	54%	-	0%	-	0%	(1,010)	-9%	-	0%
Village Square	3,383	15%	(2)	0%	5,202	23%	-	0%	-	0%	-	0%	-	0%
Total Apartments Trailing History	\$ 16,248	3%	\$ 13,697	1%	\$ 27,674	89%	\$ (6,984)	-1%	\$ (1,015)	0%	\$ (3,418)	-1%	\$ (467)	0%

Bad Debt Write Off (Net of Collections GL) Asst Housing Trailing History	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)	Bad Debt Write Off (Net of Collections)	% Bad Debt (Net of Collections)
Orting	\$ 216	2%	\$ 90	1%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%
LIPH	(4,032)	-9%	11,691	26%	5,629	14%	3,580	9%	(1,114)	-3%	(75)	0%	(2,855)	-7%
Total Asst Housing Trailing History	\$ (3,816)	-6%	\$ 11,781	20%	\$ 5,629	10%	\$ 3,580	7%	\$ (1,114)	-2%	\$ (75)	0%	\$ (2,855)	-5%

Contracting/Procurement

February 2021

Banking Services RFP

Set up of the additional system, relia – card for payments by us to our Utility allowance customers and a very few landlords is underway. This system is a subsidiary of the US Bank systems and we will process payments in the meantime to the existing accounts we have on file with no difference to the recipients. Waiting for approval of the marketing letters from US Bank to proceed. No change second review of letter is underway.

The key bank accounts are closed.

Real – Estate Services RFP

The RFP was posted on the PCHA Web Page 7-9-20, questions were due by 7-20-20 and an addendum will be posted (if necessary) on 7-22. One offer was received for the RFP and I am beginning the initial review for compliance. Award will be made to Kidder Mathews 1st week of February. Postponed until week of 2-22.

Public Housing - Repositioning

I have been working on the relocation plan and relocation budget estimates that will help us prepare for the relocation costs and options the families may need.

The real estate services proposal includes appraisal services. Once the contract is awarded, I can begin setting up the appraisal process for all of the homes. No Change.

Lakewood Village – Dry Head sample testing 2020

Johnson Controls Fire Protection LP – State Contract # 03115

Award 9/23/2020 \$19,750.00

The replacement of the dry heads has been completed in the week of 12/7. John Messer on the maint team marshalled the effort on our behalf and is now scheduling the drywall repairs in the units where we had to make a small opening to gain access. Ongoing. Some water leaks related to washers and shower pans has put this effort on hold. The results of the tests are still not available.

LIPH 005 Septic Replacement 2020

The septic system at this home has failed and will require replacement. Vic has the service company on relief pumping until the design and installation can be completed. I have been working with Pierce County to complete the Environmental Review in order to allow the design phase to continue by digging a perk test hole. The designer and installer are standing by to move ahead as soon as the Environmental Clearance is obtained. Advance word is the Environmental Review is completed and the project will convert to exempt under the Environmental Rules. I should be receiving the signed decision letter and once filed with HUD Seattle we will be able to do the required digging.

I got a little ahead of myself in my zeal to get this one done, the ER is complete to the extent that Pierce County can sign off and send it to the section 106 review by Department of Archeology and Historic Preservation and the Tribes for their review and comment. This comment period is 60 days minimum. No digging can occur until the approvals are received and or the time for comment expires. This is compounded by a system failure at DAHP which is requiring the County staff to do the section 106

letters and notifications manually as opposed to the electronic method we would prefer. We are still on hold and still providing weekly pumping to maintain the system. Latest word is the letters to the tribes had to be re- delivered causing a delay. I have a tentative approval date of the 27th from Pierce County staff. No Change No updated info available.

Greystone Lender inspections DeMark Lakewood Village and Chateau Rainier

The lender inspector notified us on Oct 12th of their intent to inspect the 3 sites on the 20th, 26th and 29th. I provided the property information and rent rolls etc and scheduled the site visits. Vic handled the site walks and the site staff teamed up to help each other prepare and deliver notices of entry and covid related precautions for the inspections. Awaiting the delivery of the reports from the inspections.

We received the first report from the inspection. Some of the work will be vendor support required. (asphalt replacement) We will prepare a plan to address the needs as soon as it can be accomplished. The reports for DeMark and Lakewood Village have been received as well. All of the work items will need to be coordinated for bidding and completion, hopefully as 1 package. Funds have been requested for the sizable repairs at CR and DM. Process for bidding will begin when funds are allocated.



To: Honorable Chair and Members of the Board of Commissioners

From: Moreen Forde, Acting Chief Financial Officer

Date: February 22, 2021

Re: Budget Variance Report for December 31, 2020

BACKGROUND

This high-level, Budget Variance Report covers preliminary unaudited financial operating results for the period of January 1, 2020 through December 31, 2020. These numbers are draft and subject to change.

It is important to note that the financial report includes three limited liability corporations (LLC) properties that make up the Greystone properties. During 2014, the Authority established three separate Limited Liability Companies: Chateau Rainier Apartments LLC, DeMark Apartments LLC and Lakewood Village Apartments LLC, for the purpose of debt refunding. The refunding occurred in 2015 and the Authority transferred all assets and liabilities to these three separate legal entities.

The format of the Statement of Revenues, Expenses and Changes in Net Position, was changes in April 2020, where a new column was added to the report. The new column represents the current month's financial information and is positioned next to the Year-To-Date (YTD) column. The YTD amount represents activity for the period of January 1, 2020 through December 31, 2020.

DISCUSSION

Overview

Year-to-date variances are as follows:

- Operating Revenues are over budget by \$70,704 (less than 1%) – This is a positive variance
 - Rental Income is over budget while Other Income is under budget by nearly the same amounts
- Operating Expenses are under budget by \$2,675,486 (7%) – This is a positive variance
 - Central Administration expenses are under budget
 - Utilities are slightly over budget
 - Maintenance Costs are under budget
 - Wages and Benefits on Site are under budget
 - General Taxes, Insurance is under budget (original budget estimates utilized expense amounts that it was subsequently determined were inflated due to the previous fraudulent activity)
 - HAP/FSS Payments are on budget

- Independent Audit Costs are under budget
- Vendor, Lender, Professional & Other Fees are under budget
- Profit before non-Operating Revenues/Expenses is over budget by \$2,746,190 (139%) – This is also a positive variance (performing better than expected).
- Net Operating Income After Operating Costs is over budget by \$2,615,139 – Another positive variance (performing better than expected).

Operations - Revenue

Rental income (Total Tenant Revenue) of \$7,049,458 is over budget by \$473,242 (7%); and other income is under budget \$402,538 (60%). The budget for Housing Assistance Payments (HAP) and Low-Income Public Housing (LIPH) Operating Grants are reported as the actual amounts received from HUD since the amounts received from HUD are based on appropriations. Other income includes such items as fraud recovery from unreported income from families, fees from administering vouchers for other housing authorities (Portability) and forfeitures from the Family Self Sufficiency (FSS) program.

HCV administrative fee income is reported at the amount received from HUD. The factors that affect how much administrative fee PCHA receives are (1) the percentage of proration HUD announces (79% for the period of January – May; 81% for the period of June – October and 80% for November and December. (2) The number of units leased as of the first of each month. For the past several years, administrative fees from HUD have not been fully funded for the Housing Programs Department, this practice by HUD has pushed the Section 8 program into a deficit position. This deficit position has created an inter-program balance that, in time, will need to be reimbursed.

Operations - Expenses

Total Operating expenses are lower than the year-to-date budget by \$2,675,486 (7%). A contributing factor to this reduction in expenses is the salary and benefit expense line as well as maintenance costs being under budget significantly due to deferred maintenance related to fraud and Covid-19 restrictions.

To date, the Housing Authority has recovered \$3,221,547 from the fraud loss and paid out \$539,104 in expenses.

The operating transfer in (out) amount of \$209,050 is funding received from the Capital Fund Program (CFP) program and is an eligible transfer. This funding is an eligible transfer that HUD authorizes a housing authority that has less than 250 public housing units to complete. This transfer is the movement of CFP grant funding directly to the Low-Income Public Housing program to cover day-to-day expenses.

Statement of Net Position

Currently PCHA has sufficient cash flow to timely pay vendors as their invoices come due and meet the salary and benefit liability of the current staff, basically maintain day-to-day operations. As the fraud

settlements continue to resolve themselves these funds, depending on any restrictions placed on them, will continue to help the financial condition of the PCHA.

OTHER ISSUES IMPACTING FINANCE DEPARTMENT

Nan McKay and Associates (NMA) has taken on the role of Acting Finance Director and continues to provide consulting services. They also prepare and submit the HUD's monthly Voucher Management System (VMS) to REAC.

Pierce County Housing Authority has now transferred all funds from Key Bank accounts to US Bank.

The new Executive Director is now on Board and is working with the finance department.

The audited submission for calendar year 2018 financial statements were resubmitted and approved by the Real Estate Assessment Center (REAC). This approval finalizes all calendar year 2018 reporting requirements to HUD. NMA has successfully uploaded the 2019 financial data to the Washington State Auditor's Office (SAO) web site in preparation for the 2019 audit.

PCCHA's 2019 financial audit is in progress. NMA and SAO are working together to accomplish a successful audit. Due to COVID-19, HUD issued PIH Notice 2020-05 which authorizes an extension of the audit submission due date for the December 31, 2019 FDS until March 31, 2021 (prior to this extension the due date was September 30, 2020).

Respectfully submitted,

Moreen Forde
Acting Chief Financial Officer

Attachment:

- Year to date financials budget to actual

Pierce County Housing Authority

Statement of Revenues, Expenses and
Changes in Net Position Year To Date
Through December 30, 2020

	2020					2019				
	TOTAL PHA-WIDE CURRENT YEAR				Variance %	TOTAL PHA-WIDE PRIOR YEAR				Variance %
	December-20	Y-T-D	BUDGET	VARIANCE		December-19	Y-T-D	BUDGET	VARIANCE	
Operating Revenues:										
Rent Income	\$ 589,635	\$ 7,049,458	\$ 6,576,216	\$ (473,242)	-7%	\$ 600,006	\$ 7,118,560	\$ 7,161,069	\$ 42,509	1%
Other Income	25,058	265,440	667,978	402,538	60%	331,905	566,175	216,662	(349,513)	-161%
Housing Assistance Grants	2,721,782	28,655,077	28,655,077	-	0%	2,384,738	25,681,552	24,910,812	(770,740)	-3%
Admin Operating Grant	183,862	3,261,247	3,261,247	-	0%	287,902	2,053,444	2,087,913	34,469	2%
LIPH Operating Grant	33,569	322,706	322,706	-	0%	25,710	285,314	251,690	(33,624)	-13%
TOTAL OPERATING REVENUES	\$ 3,553,907	\$ 39,553,928	\$ 39,483,224	\$ (70,704)	0%	\$ 3,630,261	\$ 35,705,045	\$ 34,628,146	\$ (1,076,899)	-3%
Operating Expenses:										
Central Administration	\$ 153,748	\$ 1,493,239	\$ 1,928,355	\$ 435,116	23%	\$ 87,098	\$ 1,498,125	\$ 1,446,344	\$ (51,781)	-4%
Utilities	110,004	904,362	889,076	(15,286)	-2%	74,922	938,892	965,967	27,075	3%
Maintenance Costs	82,827	1,042,282	2,681,667	1,639,385	61%	94,578	1,628,310	2,549,864	921,554	36%
Wages & Benefits On Site	216,901	2,392,930	2,465,495	72,565	3%	35,593	2,473,149	3,236,882	763,733	24%
General-Taxes, Insurance	14,765	475,490	987,446	511,956	52%	(526,250)	302,648	1,074,571	771,923	72%
Housing Assistance/FSS Payments	2,354,663	28,423,986	28,423,986	0	0%	2,336,856	25,967,605	25,852,566	(115,039)	0%
Independent Audit Costs	-	70,583	93,891	23,308	25%	108,453	197,828	96,266	(101,562)	-106%
Vendor, Lender, Professional & Other Fees	(27)	35,304	43,746	8,442	19%	25,700	220,686	37,870	(182,816)	-483%
TOTAL OPERATING EXPENSES	\$ 2,932,882	\$ 34,838,176	\$ 37,513,662	\$ 2,675,486	7%	\$ 2,236,949	\$ 33,227,243	\$ 35,260,330	\$ 2,033,087	6%
PROFIT (LOSS) AFTER OPERATING COSTS	\$ 621,025	\$ 4,715,752	\$ 1,969,562	\$ (2,746,190)	-139%	\$ 1,393,312	\$ 2,477,802	\$ (632,185)	\$ (3,109,987)	492%
Non Operating Revenues (Expenses):										
Special Items	\$ (8,332)	\$ (2,931,350)	\$ (2,931,350)	\$ (0)		\$ 3,586,794	\$ 3,586,794	\$ -	\$ -	0%
Gain (Loss) on Disposition of Assets	-	2,606	2,606	0	0%	3,071	(125,885)	28,854	154,740	536%
Investment/Interest Earnings	(117)	(2,392)	(168,288)	(165,896)	99%	(407)	(5,252)	(53,276)	(48,024)	90%
Depreciation	-	1,288,030	1,288,030	(0)	0%	139,578	1,562,451	1,555,188	(7,263)	0%
Interest Expense	81,076	981,001	1,015,847	34,846	3%	82,681	998,459	1,019,814	21,354	2%
NET OPERATING INCOME (NOI)	\$ (548,398)	\$ (5,377,856)	\$ (2,762,717)	\$ 2,615,139	-95%	\$ 2,418,406	\$ 3,538,766	\$ 3,182,765	\$ 3,230,793	102%
Capital Contributions	\$ -	\$ (209,050)	\$ (209,050)	\$ -		\$ -	\$ (114,937)	\$ (152,615)	\$ (37,678)	
Operating Transfers In (out)	-	-	-	-		-	-	-	-	
Prior Period Adjustment	-	-	-	-		-	-	-	-	
YTD CHANGE TO NET ASSETS	(548,398)	(5,586,906)	(2,971,767)	2,615,139	-88%	2,418,406	3,423,829	3,030,150	3,193,115	105%



Pierce County Housing Authority

ACCOUNTING MANUAL

Updated November 2020

Draft Adopted by Pierce County Housing Authority Board of Commissioners January 2021

Submitted by: Executive Team Date: _____

Reviewed and Approved by: Finance Team ,Leadership Team and Board

Date: _____

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Defined Terms:

Accounting Management System – The Accounting Manual, Desk Manuals, and established procedures used by the Authority for the purpose of effective management and control of the Authority's accounting operations.

Accounting Manual – The document controlling the principals and policies governing Pierce County Housing Authority accounting practices.

Accounting Policy – The Management Accounting Policy as described in the Accounting Manual.

Assisted Housing Department – The division of the Authority charged with conducting the business on behalf of Authority. The Assisted Housing Programs include but not limited to: Family Self Sufficiency, Homeownership, Low-Income Public Housing, Section 8 and Rural Development.

Supportive Housing – The staff person holding the title; and charged with the authority and responsibility for the general function of the Supportive Housing Department.

Audit – Internal Audits and audits conducted by regulatory or oversight agencies for any regulatory or statutory purpose.

Authority – Pierce County Housing Authority

Check Register – The subsidiary ledger tracking the deposits to and payments from the Authority's bank accounts.

Check Request – Approved document used for the purpose of obtaining a check for prepayment or payment of goods or services.

Department Manager(s) – The individual: assigned to the position of Executive Director, Deputy Executive Director, Director of Supportive Housing Programs, Controller, Maintenance Director or Director of Operations; ; and charged with authority and responsibility for the general function of a department or functional area of the Authority.

Deputy Executive Director – The staff person holding that title; and charged with the authority and responsibility as assigned by the Executive Director. Controller.

Desk Manual(s) – Approved procedures and guidelines established for execution of tasks, responsibilities and duties conducted by employees of the Authority.

Executive Director – The staff person holding that title; and charged with authority and responsibility for all operations, programs, and projects of the Authority.

Executive Team – Convened by Executive Director with Leadership Team and a member of the Finance Team **Controller** In addition to other responsibilities, this team is charged with the collective review of monthly, quarterly and annual financial statements and documents as well as reviewing financial documents with Commissioner Committees.

FASB – Financial Accounting Standards Board.

Finance Department – The division of the Authority charged with recording and reporting the financial transactions of the Authority.

Controller – The staff person holding the title; and charged with the authority and responsibility for the

Revised 1-xx-2021

general function of the Finance Department.

GAAP – Generally Accepted Accounting Principles.

GASB-Governmental Accounting Standards Board.

General Ledger – The database collecting financial transaction data for the purpose of preparing the Authority’s financial statements.

Information System(s) – The computer system and software used by the Authority for the purpose of collecting, tracking, reporting, and transacting business.

Internal Auditing – The function of reviewing, editing, and or reviewing the transactions or functions completed by the Authority or its personnel.

Job Description – The duties, tasks, and responsibilities set forth for a position; and the skills, abilities, educational and technical required for the position.

Leadership Team: **primarily operational in focus, provides strategic input and assists in creating annual budget including development of departmental budgets, one year and five year plans. Membership includes department managers and Executive Team members.**

Management Accounting Policy – An accounting policy established for the Authority as set forth in the Accounting Manual. “The Pierce County Housing Authority Accounting Policy – It is the policy of the Authority to design and produce financial statements in keeping with Generally Accepted Accounting Principles (GAAP), GASB Statements, Financial Accounting Standards Board (FASB) Statements of Financial Accounting Concepts and comply with all statutory and regulatory requirements.

Management Reports – Any reports developed or established and in use for the purpose of assisting with evaluating or managing operations, planning, scheduling, reviewing any program or general function of the Authority.

Management Review Meetings – Meetings conducted by the authority of the Leadership Team, for the purpose of reviewing, planning, discussing, and managing the programs and operations of the Authority. Presentations may be made by individual members of the Authority as appropriate.

Managers – See Department Manager(s)

Pierce County Housing Authority Accounting Policy – See Management Accounting Policy

State Auditor’s Office – Office of the Washington State Auditor and its designated staff.

Treasury – U.S. Department of the Treasury

Unit Turns – The execution of tasks making units rent ready.

Accounting Manual

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1.0 PURPOSE

The purpose of this Accounting Manual (Manual) is to document the principles and policies governing Pierce County Housing Authority (Authority) accounting practices.

The principles and policies provide:

- A foundation for a system of internal controls
- Guidance in financial activities
- Criteria for decisions on appropriate accounting treatment.
- Finance personnel with direction and guidance in connection with those accounting transactions, procedures, and reports uniform throughout the Authority.

When consistently applied throughout the Authority, these principles and policies assure that the various financial statements issued by the Authority accurately reflect the Authority's financial position, results of the Authority's operations and its cash flows.

Internal control is a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

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

Internal control provides a system of checks and balances intended to identify irregularities, prevent waste, fraud, and abuse and assist in resolving discrepancies that are inadvertently introduced in the operations of the business.

All additional departmental or functional policies and procedures written must conform to the policies in this manual. All changes to policies and procedures are required to be reviewed and approved to ensure that there are no conflicts with the policies stated in this Accounting Manual.

2.0 SCOPE

The Accounting Manual is an official directive of the Executive Director. It is published and maintained Controller as part of the general responsibility for Authority accounting policy. Controller

2.1 RESPONSIBILITY

The policies stated in this manual apply to all financial operations and activities at the Authority. It is the responsibility of all Department Managers to implement and maintain the procedures required by this manual and to ensure all processes conform to these requirements.

It is the responsibility of all employees to follow procedures that implement these policies and to help strive for continuous improvement in all activities and processes of the Authority.

The goal is to make the Manual as clear and useful as possible. All users are encouraged to contact the Leadership Team Controller with any suggestions for revising or improving the Manual.

2.2 EXCLUSIONS

2.2.1 Internal Auditing

Internal Auditing is not covered in this accounting manual.

2.2.2 Information Systems

Information Systems functions are not covered in this accounting manual.

3.0 MANAGEMENT RESPONSIBILITY

The Finance Department is headed by the individual designated by the Executive Director/Controller

3.1 FINANCE DEPARTMENT ORGANIZATION

The Finance Department is organized to ensure adequate segregation of duties for the efficient prevention of waste, fraud, and abuse.

3.1.1 Finance Department Organization Chart

The Finance Department organizational chart is included in the Authority's organizational chart.

3.1.2 Finance Responsibilities

The Controller is responsible to the Executive Director for all long-range financial matters and to establish Authority-wide financial and accounting objectives, policies, programs, and practices, which ensures timely and accurate information providing the Authority a continuous sound financial structure.

The Controller controls a sufficient flow of cash through the organization to meet the need of the Authority and maintains the integrity of funds, securities and other valuable documents.

The Executive Director focuses on raising capital and other management activities and assumes the duties of Controller in that position is vacant.

The Controller serves as a member of the Executive Team as established by the Executive Director. It is the collective responsibility of this team to review and approve monthly, quarterly and annual financial statements and documents

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regarding the Authority's financial position and status. This team is responsible for reviewing the financial statements with the Board Commissioner's Finance Committee and subsequent Board approval on a monthly basis.

3.1.3 Controller Responsibilities

The Controller directs the accounting and control functions, reporting the results of operations and provides oversight of the Accounting systems. The Controller is supervised and accountable to the Executive Director and supervises the Finance Department staff.

Major Duties and Responsibilities:

- Develops and implements accounting policies, coordinates systems and procedures, and oversees the preparation of operating data and special reports as required, including interim and year-end financial statements. Maintains the Authority's system of accounts and keeps books and records on all Authority financial transactions.
- Establishes, coordinates and administers, as an integral part of management, an adequate budget plan for the control of operations including, profit planning, programs for capital investing and financing, revenue forecasts, expense budgets and cost standards, together with necessary controls and procedures to effectuate the plan.
- In conjunction with the Leadership Team and all department managers, coordinates, reviews and endorses budget proposals, discusses proposed and significant changes.
- Compares performance with operating plans and standards, and reports and interprets the results of operations to all levels of management.
- Supervises and coordinates the preparation of reports to government agencies.
- Coordinates all matters of business between the Authority and its agents, and registrars as it relates to financial or accounting matters.
- Provides other managers and departments with information required by them to efficiently and effectively carry out their assigned responsibilities.
- Assures protection for the assets of the Authority through internal controls and internal auditing.
- Serves as a liaison between the Authority and the State Auditor's Office and other outside accountant support. Assists with the procurement of independent public accountants overseeing their audit work, banking services and information systems.
- Provides advice on all matters to the Leadership Team .

3.1.4 Finance Staff Responsibilities

Finance staff responsibilities are focused on accurately documenting the Authority's financial transactions, execute cash receipting for all funds collected by the Authority, responsibly disbursing funds owed, and

preparation of financial reports in accordance with applicable laws and regulations, GAAP with proper controls in place and followed.

The Finance Department staff , operating cooperatively consists of the following positions:

- Lead Accountant. Prepares accounting and financial reports and ensures accurate accounting systems and record Controller Assists with supervision of Accounting Clerks.
- Accounting Specialist -Responsible for processing accounts receivable and accounts payable transactions, bank reconciliations, grant administration, program required transactions and certifications, and all other general accounting functions as assigned. Reports directly to the Controller. Coordinates activities with the Accountant.
- Accounting Assistant. Responsible for cash receipting activities, operational reports, filing, distribution of office supplies and other general accounting functions as assigned. Reports to the Controller.

3.2 MANAGEMENT COMMITMENT

The Executive Director of the Authority shows the commitment to the accounting management system through the development and implementation of this accounting manual. Additionally, management commitment is demonstrated through the Pierce County Housing Authority Accounting Policy, the specific objectives that are set and reviewed during Management Review Meetings and by providing the resources required to meet our objectives for continually improving the effectiveness of our operations and accounting system.

The Board of Commissioners through the review and adoption of the Accounting Manual demonstrates the commitment to the accounting management system. Through the Board Finance Committee reviews financial statements and periodically may verify specific procedures are in place and policies adhered to.

The Leadership Team with the all department managers is chartered with ensuring our accounting management system meets client as well as statutory and regulatory requirements.

Committed to the use of an anonymous hotline currently in development by the Board of Commissioners
MANAGEMENT ACCOUNTING POLICY

The Authority has established an Accounting Policy determined to be appropriate to our organization and meets the practices set forth in GAAP.

This policy is communicated throughout the organization. Department managers and supervisors are responsible for ensuring all employees understand the policy. To ensure our policy remains appropriate, it is reviewed and approved at least annually..

The Pierce County Housing Authority Accounting Policy:

- It is the policy of the Authority to design and produce financial statements in keeping with Generally Accepted Accounting Principles (GAAP), Government Accounting Standards Board (GASB), and Financial Accounting Standards Board (FASB) Statements unless those pronouncements conflict with or contradicts GASB pronouncements and comply with all statutory and regulatory requirements. We accomplish this by adhering to our Accounting Management System and use operational methods as documented in the Accounting Manual and Desk Manuals.
- We strive to continually improve the effectiveness of our Accounting Management System by monitoring our performance against our established objectives and through leadership that promotes employee involvement. This concept represents the Authority's commitment to quality accounting and the increasing need to better serve our clients, agents, and employees.

3.3 PLANNING

3.3.1 Accounting Objectives

The Authority shall establish financial objectives and budget on an annual basis. These objectives shall be measurable and consistent with the Accounting Policy and reviewed and approved at least annually at Management Review meetings.

3.3.2 Accounting System Planning

As part of annual strategic planning meetings, the Authority establishes strategic budget objectives and goals for revenue, profit, and expenses. These objectives shall be supported by specific measures that track performance against those objectives using the budgeting process. Department managers in turn set departmental objectives with specific performance measures and targets that support the company objectives.

As situations arise that demand changes to the accounting management system, either to meet objectives or because of changing business conditions, all changes will be reviewed and approved by the management team to ensure the integrity of the accounting system is maintained.

3.4 RESPONSIBILITY, AUTHORITY, AND COMMUNICATION

3.4.1 Responsibility and Authority

Responsibilities and authorities at our Authority are defined in each Job Description. Job Descriptions are posted on the company shared drives and are also used during annual performance reviews.

3.5.2 Management Representative

The Executive Director can appoint the Controller as the representative with the responsibility and authority to:

- Ensure that processes needed for the Accounting Management System are established, implemented, and maintained.
- Report to the Executive Team and/or, if appropriate the Commissioner's Finance Committee on the performance of the Accounting Management System and any need for improvement.
- Ensure the promotion of awareness of accounting requirements throughout the organization.
- Serve as the liaison with external parties on matters relating to the Accounting Management System.

3.5.3 Internal communication

In line with the Authority's policy of leadership through employee involvement, our company's policies have established open communication throughout the organization.

The effectiveness of our Accounting Management System is evident through Audit results, Management Reports, and the departmental performance measures. Other than confidential information, company and departmental performance measures and results are shared at departmental meetings as appropriate.

3.6 MANAGEMENT REPORTING

3.6.1 General

The Executive Director and management team shall review the Authority's Accounting Management System, on an annual basis and more frequently if needed, to ensure its continuing suitability, adequacy, and effectiveness. This review shall include assessing opportunities for improvement and the need for changes to the Accounting Management System, including the accounting policy and objectives.

The Controller is responsible for maintaining records from Management Reviews.

3.6.2 Review Input

The Controller and department managers provide the following information for Management Review meetings:

- Results of audits
- Financial results and comparison to budget
- Employee feedback
- Process performance
- Follow-up actions from previous management reviews
- Changes that could affect the Accounting Management System

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- Recommendations for improvement

3.6.3 Review Output

Records shall include the output from the management review and shall include any decisions and actions related to:

- Improvement of the effectiveness of the Accounting Management System and its processes
- Improvement of processes related to accounting requirements
- Resource needs

3.7 BUSINESS CONDUCT

Unethical business conduct, actions or even the appearance of unethical behavior is unacceptable and will not be tolerated. We are in the business of serving the public. The reputation of the Authority depends on each employee applying common sense in situations where specific rules of conduct are insufficient to provide clear direction. A strong sense of personal ethics, which should extend beyond compliance with applicable laws, is necessary to guide the behavior of all employees. The Authorities Code of Conduct is made a part of this Manual when completed.

All employees will comply with the ethical standards of the company as set forth in this manual. If a situation feels awkward, then the employees should ask themselves:

- Is my action legal and ethical?
- Does my action comply with the Authority's policies?
- Is my action appropriate in the situation?
- Would my action be an embarrassment to the Authority, if known?
- Does my action agree with my personal ethics or behavior?

An employee should be able to answer "yes" to all these questions before taking action or compromising themselves in the situation.

All Managers are responsible for the ethical business conduct and behavior of their employees. Managers will consider the appropriate courses of action in terms of both ethical and economic factors. Each decision will be based on the guidelines provided in this Accounting Manual as well as their own personal beliefs of what is right and wrong. Staff can also consult other PCHA policies regarding Whistleblowing and Employee Rights.

If an employee is not comfortable with a situation or actions of an Authority employee, they are to communicate their opinion directly with that employee. If the results are not acceptable, staff is encouraged to go to their direct supervisor, if unsatisfied, to the Deputy and/or Executive or utilize the Anonymous Process if concerned about anonymity

. The Authority supports staff in speaking up and out if unethical behavior is suspected and will establish an Anonymous Reporting System.

4.0 ACCOUNTING MANAGEMENT SYSTEM

4.1 OBJECTIVES

Through this manual and associated procedures, documents and desk manuals, the Authority has established, documented, and implemented an Accounting Management System. The system is designed to result in

improving the effectiveness and accuracy of our accounting operations and in our ability to satisfy statutory, regulatory and audit requirements.

4.2 REQUIREMENTS

Maintenance of the Accounting Management System is the responsibility of the Controller in conjunction with the Finance Department.

4.2.1 Overview

The Controller maintains all documents related to accounting processes. Accounting processes include:

Accounts Payable and Cash Disbursements

Accounts Receivable and Cash Receipts

Payroll

General Ledger Posting and Maintenance

Debt Management

Cash Management and Investing

The Executive Director with the assistance of the Leadership Team will ensure the availability of resources to support the operation and monitoring of processes through regular interaction with department managers and through review activities at Management Review meetings.

Department Managers and the Controller will monitor, measure, and analyze processes and implement any actions necessary to achieve intended results and continual improvement of the processes. These results will also be monitored at Management Review meetings.

Any processes that are outsourced and may affect the Authority's conformity to requirements shall be controlled by the PCHA. The Controller and appropriate Department Manager(s) are responsible for defining the methods to control outsourced processes and procedures.

4.2.2 Internal Controls

Internal controls, procedures, and practices are utilized to ensure that:

- Obligations and costs comply with applicable laws and regulations.
- All assets are safeguarded against waste, fraud, loss, unauthorized use, and misappropriation.
- Revenues and expenditures applicable to Authority operations are recorded and accounted for properly so that accounts and reliable financial and statistical reports may be prepared, and accountability of the assets may be maintained.
- Programs are efficiently and effectively carried out in accordance with applicable laws and regulations and management policy.

4.2.3 Audit Findings

The Controller and other Department Managers are to promptly evaluate findings and recommendations reported by auditors or reviewers and then determine proper actions in response to audit findings and recommendations (e.g., develop corrective actions). Managers will complete, within established time frames, all actions that correct or otherwise resolve the matters brought to management's attention.

The audit resolution process begins when the results of an audit are reported to management, and is completed only after actions have been taken that correct identified deficiencies, produce improvements, or demonstrate the audit findings and recommendations are either invalid or do not warrant management actions.

4.3 TRANSACTIONS

All transactions recorded or posted into the Accounting Management System must be properly authorized and accurately represent the activity being documented. Both the timing and amount of the transaction must be in accordance with Authority accounting policies defined in this manual.

4.3.1 Authorization

Transactions and other significant events must be authorized and executed only by persons acting within the scope of their authority. It is the principal means of assuring that only valid transactions and other events are entered into. Modification or adjustment to previously recorded transactions requires authorization by a supervisor.

4.3.2 Timing

All transaction dates recorded in the Authority accounting system will accurately reflect the date the transaction occurred. Revenues will be recognized when earned and expenses when incurred. Processing, cutoff and period-end closing schedules and procedures should be documented. Cash receipts will be recorded at the time of receipt by the Finance Department staff and deposited on the same day.

4.3.3 Amounts

Prior or related transactions are to be checked for conformity with the transaction being recorded (e.g., match invoice to receiving document). Amount of posted transactions must be checked against source documents. Balances with third parties must be verified as appropriate (i.e. debtors, creditors, or custodians of investments). Transactions must be recorded in conformity with documented policies in this manual or any desk manual, the more restrictive shall apply.

4.3.4 Accuracy

Transactions should be recorded in the accounting system accurately. An approved set of general ledger and subsidiary accounts are maintained for assets, liabilities, revenues, expenses, and other accounts.

All transactions will be supported by documentary evidence, which becomes part of the accounting records. Error transactions are to be reviewed, resolved, and cleared in a timely fashion. Manually determined control totals will be reconciled with recorded results.

The Accounting Management System utilizes standard forms and provides control and accountability over these forms. Supervisors will review posted accounting transactions with source documents and processing documents.

4.4 DOCUMENTATION

This Accounting Manual and the associated procedures and Desk Manuals are intended to satisfy the documentation requirements for the Accounting Management System.

Documents may be any medium including software programs, electronic text files, or hardcopy documents.

4.4.1 Accounting Manual

This Accounting Manual is the top-level organizational document for the Accounting Management System. The Accounting Manual defines the scope, policies, and processes of the Authority's Accounting Management system as well as Management's responsibility for the system.

4.4.2 Desk Manual

The Desk Manuals referenced are those instructions and guidelines set forth as procedures to be followed in task-oriented work by Authority Employees.

4.4.2 Control of Documents

All Documents required by the Accounting Management System shall be controlled. The Document Control Procedure defines the controls needed to:

- a) Approve documents for adequacy prior to issue.
- b) Review and update as necessary and re-approve documents.
- c) Ensure that changes and the current revision status of documents are identified.
- d) Ensure that relevant versions of applicable documents are available at points of use.
- e) Ensure that documents remain legible and readily identifiable.

- f) Ensure that documents of external origin are identified, and their distribution controlled.
- g) Prevent the unintended use of obsolete documents and apply suitable identification to them if they are retained for any purpose.

4.4.3 Control of Records

Procedures define appropriate records to be maintained for the effective operation of the Accounting Management System, including evidence of conformity to requirements. Records shall remain legible, readily identifiable, and retrievable. The Files and Records Management Guideline defines the controls needed for the identification, storage, protection, retrieval, retention time and disposition of records.

4.4.4 Accounting Transactions

All transactions and other significant events will be clearly documented, properly classified and readily available for examination.

This standard applies to:

- o The entire process or life cycle of a transaction or event and includes the initiation and authorization
- o All aspects of the transaction while in process
- o Its final classification in summary records.

4.7 BASIS OF ACCOUNTING

The Authority requires the use of a reasonable accrual basis of accounting for financial transactions. Accrual basis accounting records revenues when earned and expenses and costs when incurred.

4.8 ACCOUNTING POLICIES

4.8.1 Cash, Cash Equivalents, and Investments

The Authority's cash and cash equivalents are cash on hand, demand deposits, balances held by the bond trustee and short-term investments with original maturities of 12 months or less from the date of acquisition. The Authority also holds investments that are not considered cash and cash equivalents.

Investments with maturity dates beyond one year are reported as non-current investments.

Investments are reported at the lesser of market or cost..

4.8.2 Accounts Receivable

The Allowance Method for uncollectable account receivable (tenant rental and tenant charges) is utilized. All rents and other charges due from vacated tenants and all rents and other charges due from active tenants that are more than 90 days past due are deemed to be uncollectable and written off to Reserve for Bad Debts. Once written off the Authority will continue to try and collect. Amounts written off reduce t Accounts Receivable and increase General Operational Costs reflected in the financial statements. Vacated Tenant Receivables willbe written consistent with this rule.

4.8.3 Restricted Cash Equivalents and Investments

These accounts contain resources restricted by external parties for debt service, capital improvements and reasons set forth by HUD in the various funds. Specific debt service reserve requirements are described in the related Bond Indentures and Loan Agreements. The bond trustee holds certain investment agreements in bond reserve funds that yield a rate of return for the life of the bonds. The trustee values these agreements at cost, as they are not considered marketable. Cash held for the operation of the assisted housing programs are not considered restricted, as they are available for operating expenses of those programs.

4.8.4 Due From and Due to other funds

During the course of the Authority's operations, numerous transactions occur between funds and/or between specific rental buildings to finance operations and provide services. Some of this activity results in other resources of the Authority paying expenses on behalf of the Assisted Housing Programs Fund. These expenses are then charged, or allocated, using interfund accounts. All general and administrative costs are allocated based reasonable estimates provided by third party experts Maintenance and grounds keeping costs can be allocated on this same basis, except that these costs are not allocated to certain programs that would treat these costs as ineligible. To the extent that certain transactions between funds have not been received or paid as of year-end, balances of interfund receivables and payables arerecorded in the major fund financial statements. Internal activity within a fund and between funds is eliminated except for residual balances remaining at year-end in the preparation of the financial statements. These residual balances are eliminated in the entity-wide financial statements.

4.8.5 Notes Receivable

Notes held by the Authority under its Homeownership Program are stated at the face value of unpaid second mortgages. Because the ultimate timing of receipt of these funds is uncertain, no discounting of amounts to reflect the time value of money is reflected in the financial statements.

4.8.6 Compensated Absences

Vested and accumulated vacation and sick leave are reported as expenses and as a current liability in the applicable fund.

4.8.7 Debt Issue Costs and Bond Discounts

Debt issue costs are expensed and original issue discounts on bonds are amortized over the period for which the related debt is outstanding. Deferred charges include some of the original debt issue costs and discounts on bonds as well as deferred charges, related to gains or losses on bond refunding programs.

4.8.8 Revenue Recognition

Tenant rent revenue is recognized on the first day of the month for which the rent is due. Rental payments received in advance of the month for which the payment is made is deferred as prepaid rent and is included in current liabilities. HUD contributions for continuing contracts are recognized as costs are incurred. For non-recurring or new HUD contribution contracts, revenue is not recognized until the Authority receives a signed contract. Revenue from local grants are recognized as costs are incurred.

5.0 PROCESSES AND CONTROLS

The Authority has planned and developed the processes needed to properly document, track and control transactions for revenues, expenses, assets, liabilities, and net asset accounts. The results of this planning are the processes and procedures defined in our Accounting Management System and Desk Manual documentation.

These processes and procedures include the accounting objectives and requirements for the Authority, the required verification, validation, and inspection activities specific to the Authority. The records needed to provide evidence that these processes meet Generally Accepted Accounting Practices (GAAP) defined in the procedures.

Commented [JS1]: Do we need a section on Retirement Liabilities?

5.1 GENERAL & ADMINISTRATIVE

The following General and Administrative Procedures will be utilized to control the Authority's miscellaneous accounting activities.

5.1.1 Chart of Accounts

To facilitate the record keeping process for accounting, all ledger accounts will be assigned a descriptive account title and account number, also known as a Chart of Accounts. The Chart of Accounts provides the organization or method for assignment and maintenance of the Authority's ledger accounts, to produce meaningful financial data f

5.1.2 Files and Records Management

The company will retain records in an orderly fashion for time periods that comply with legal and governmental requirements and as needed for general business requirements.

5.1.3 Travel

The Authority establishes guidelines for business related travel expenses and the procedures for out-of-pocket expense reimbursement claims. This applies to all departments and individuals that travel or purchase for the Authority.

The Authority recognizes that employees and commissioners who travel far from home to represent the Authority's business interests must forego their living accommodations and may forfeit personal time. Accordingly, the Authority will make efforts to provide comfortable and secure accommodations for lodging, meals, and travel for employees. However, these items are not intended to be prerequisites and the Authority reserves the right to deny reimbursement of expenses that are considered lavish, extravagant, or unnecessary.

When possible, reservations required for business travel and training should be made through the designated Travel Coordinator when possible. Expenses are to be within established company guidelines and will be reimbursed with proper documentation. Employees and commissioners are expected to spend the Authority's money as carefully and judiciously as they would their own.

5.1.4 Management Reports

The Executive Director with input from the Leadership Team shall determine the type and frequency of financial or accounting reports the Finance Department should provide for effective management of the operation. The Commissioner's Finance Committee, through work with the Executive Team may request on behalf of the Board, financial or accounting reports necessary to make Board decisions.

5.1.5 Period-End Review & Closing

An orderly, timely and comprehensive review of all general ledger accounts can be performed or directed periodically by the Controller

to ensure an accurate representation of the company's financial statements. These practices are aimed at proving that the financial accounts are accurate, and if not, are properly adjusted to make them accurate, prior to closing.

All financial accounts are reviewed and then closed out as of the Authority's fiscal year-end.

5.1.6 Reserved

5.1.7 Taxes and Insurance

The Executive Director and Controller shall ensure compliance with all Federal, state, and local laws, and other regulatory taxation requirements, including cooperative agreements.

5.1.8 Confidential Information Release

The release of financial, statistical, or other information may be of a confidential nature to the Authority and should be controlled. Individual requests should be referred to the Executive Director, Deputy Executive Director or Controller for disposition.

5.1.9 Document Control

All documents used to provide work direction or set policy regarding finance and accounting matters should be reviewed, approved, distributed, and controlled by the office of the Controller. The Authority's policy, guidance and procedure documents regarding finance and accounting shall be in a central library, which may be electronic.

5.2 CASH

Adequate control over all cash receipts and disbursement are a vital element of the Authority's internal accounting controls. The following cash handling policies should be utilized to control the flow of Cash Receipts through the Authority.

5.2.1 Cash Receipts-Depositories

All multifamily rental properties managed by the Authority and the main office location shall provide for a secure location for collection of rental and other payments. Access to retrieve payments deposited at those sites shall be controlled by the Property Manager (or Director of Assisted Housing or Director of Operations as appropriate) in a manner that provides for adequate segregation of duties. Access provided shall be monitored or controlled in a manner that prevents fraud, theft, and misappropriation of assets. All payments shall be collected once daily on each day the Authority's main office location is open for regular business. All payments collected shall be transported in a secure fashion directly to the Authority's Finance Department Assigned Receiver. All payments shall be delivered to the Finance Department by noon when possible to ensure adequate processing time for deposits mentioned later in this section.

5.2.2 Cash Receipts-Mail

Cash Receipts received through the mail shall be directed to the Finance Department Assigned Receiver. Every effort shall be made to avoid opening or unsealing payments received until received by the Finance Department. Procedures established for distribution of mail shall consider that every effort shall be made to ensure payments received in the mail are delivered to the Finance Department Assigned Receiver by noon each day when possible when the Authority's main office location is open for regular business.

5.2.3 Cash Receipts and Deposits

All Cash Receipts received by the Finance Department shall be deposited to the assigned financial institution by 4:00 p.m. each day the Authority's main office location is open for regular business. Every effort shall be made to ensure all deposits received by the Finance Department, regardless of time, are deposited to the assigned financial institution daily. The Controller shall be responsible to ensure deposits are made in accordance with applicable laws and regulations and in compliance with established procedures or Desk Manuals.

5.2.4 Accounts Payable and Cash Disbursements

The Authority shall establish internal controls to ensure that only valid and authorized payables are recorded and paid. Payables shall be documented with approval to purchase and verification of receipt of goods or services. Accounting procedures shall be implemented to ensure the accuracy of amounts, coding of General Ledger accounts and appropriate timing of payments. All invoices are to be approved by two employees; one, verifying the service or purchase was satisfactorily delivered/operable and one, from a member of the Executive Team approving payment.

5.2.5 ACH / Wire Transfers

The Authority shall provide for the opportunity for payments and disbursement to be executed by ACH only, Wire Transfer of funds is not authorized. The Authority may collect applicable fees to cover costs incurred in the executions of such transactions. All ACH disbursements shall be pre-approved by the Controller and another member of the Executive Team.

5.2.6 Check Signing Authority

The Chairman of the Board of Commissioners and the Executive Director and Controller shall be the Authority's authorized signatory on all Authority maintained bank accounts. All checks require two signatures.

5.2.7 Check Requests

Periodically the Authority will be required to provide payment for procurement of goods or services without an invoice or bill. In such cases, the requestor shall submit an authorized and approved Check Request for payment of such goods or services. Whenever possible, the requestor shall provide a written quote or estimate for the purchase. When provided, the purchaser shall return the receipt for such purchase to the Finance

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Department within 1 business day of that purchase.

5.2.8 Bank Account Reconciliations

All bank accounts managed by the Authority shall be reconciled to the Authority's Check Register and General Ledger monthly before the official closing of the accounting period. Reconciliations shall be performed in accordance with applicable laws and regulations and established procedures or Desk Manuals.

5.2.9 Petty Cash

The Executive Team shall determine the petty cash funds to be established or acquitted based on recommendation from the Controller. Petty cash funds established shall not exceed \$50 per property, department, or program. All petty cash funds shall be managed in compliance with established procedures and desk manuals.

5.3 INVENTORY & ASSETS

Accurate reporting, classification and valuation of inventory are critical elements of internal controls because any changes in inventory and assets can have a dramatic and material impact on the Authority's financial statements. The following inventory and asset policies shall be utilized to account for and control all the Authority's various assets.

5.3.1 Inventory Control

The investment in physical inventory will be maintained at the lowest effective level and supervised consistent with established Maintenance Department procedures or Desk Manuals. The established Maintenance Department procedures or Desk Manuals shall outline the actions taken for proper safekeeping, handling, disposition and accounting of all inventory to ensure it is usable, traceable for quick selection and delivery and accounted for in accordance with established procedures or Desk Manuals. This applies to all inventory items including back room, central and warehouse storage.

5.3.2 Inventory Counts – Supplies and Materials

All physical inventory will be periodically counted and reviewed in accordance with applicable laws and regulations and established procedures or Desk Manuals. All inventory counts shall be forwarded to the Finance Department for comparison to the General Ledger. The Finance Department or other designee as appointed by the Executive Director may conduct a physical inspection review of the physical inventory annually. Maintenance supplies maintained in the Authority's maintenance warehouse are valued at cost using the last-in, first-out method.

5.3.3 Inventory Counts – Fixed Assets, Appliances and Equipment

The Controller or other designee as appointed by the Executive Director may coordinate a physical inspection of assets, appliances and equipment as follows below. Coordination of the physical inspections shall ensure adequate segregation of duties and responsibilities to assist with the prevention of loss, theft, abuse or misappropriation of the Authority's fixed assets and other equipment.

Dwelling Unit Appliances. All dwelling unit appliances assigned to occupied units are likely in place and shall not be required to be physically inspected. A physical inspection of appliances assigned to vacant dwelling units shall be conducted at least once annually to ensure assets assigned to units according to the inventory log are in place.

Non-dwelling Equipment. A physical inspection of non-dwelling equipment shall be conducted at least once bi-annually to ensure assets listed in the inventory log are in place.

Additionally, all Unit Turns shall include a physical inspection and comparison to inventory logs.

5.3.4 Fixed Asset Capitalization & Depreciation

Equipment Acquisitions. Equipment acquisitions with a useful life expectancy of greater than one year and costing more than \$2,500 shall be capitalized by the Authority and depreciated. Capitalization under this guideline requires that the Authority write off the book value of the asset or any portion of the asset being replaced.

Appliance Acquisitions. All appliance replacements to include dishwashers, washers, dryers, stoves, ovens, ranges, and refrigerators, with a useful life expectancy of greater than one year shall be accounted for then capitalized by the Authority and depreciated according to these guidelines. Capitalization under this guideline requires that the Authority write off the book value of the asset being replaced.

Building and Property Improvements, Betterments or Additions. Building and property improvements or additions with a useful life expectancy of greater than one year and if costing more than \$2500, and either increase the rental revenue productivity or increase the useful life of the major asset, shall be capitalized by the Authority and depreciated. Building or property betterments, improvements, or addition types (i.e. roof replacements, painting, fencing) generally approved by HUD as capital work items shall also be capitalized. Capitalization under this guideline requires the Authority to write off the book value of the asset or any portion of the asset being replaced. This may require estimating the original cost of a portion of a building using a deflated current replacement cost methodology or other reasonable method.

Floor Covering Replacement. All floor-covering replacements shall be capitalized by the Authority and depreciated according to guidelines above. Capitalization under this

guideline requires the Authority to write off the book value of the asset or any portion of the asset being replaced.

Valuation of Fixed Assets. Capital assets shall be reported at historical cost. The cost of a capital asset should include ancillary charges necessary to place the asset into its intended location and condition for use. Donated capital assets should be reported at their estimated fair value at the time of acquisition plus ancillary charges.

Depreciation of Fixed Assets. Capital assets shall be depreciated over their estimated useful lives unless they are inexhaustible. Inexhaustible assets such as land and land improvements shall not be depreciated. The Authority shall use the straight-line method of depreciation.

Useful Life. The depreciation life of the asset shall be determined at the time the item is placed in service to ensure consistent financial reporting. The following depreciation useful lives guidelines shall be considered in making such decisions:

5-Year Life. Examples include vehicles, trailers, office machinery, landscape renovations, parking lot renovations, fences, irrigation.

40-Year Life. Residential rental property, office buildings and other real estate.

When reporting and depreciating assets that are a component part of an asset, the useful life of the component shall not extend past the remaining useful life of the entire asset.

5.3.5 Disposition of Personal Property.

Assets replaced or retired from service shall be reported in the Authority's financial statements in accordance with GAAP, applicable laws and regulations and established procedures or Desk Manuals.

The Authority through the Director of Operations shall determine the fair value of excess personal property and use the following guidelines for disposition:

No Reasonable Fair Value. If the estimated fair value of excess personal property is less than cost of a reasonable effort to market it, the excess personal property may be destroyed and discarded. Upon execution of such action, certification of the destruction and appropriate disposition of the excess personal property must be forwarded to the Finance Department with a completed PERSONAL PROPERTY DISPOSITION FORM.

Fair Value of \$10,000 or less. If the estimated fair value of the excess personal property is \$10,000 or less, the personal property shall be offered for sale in an informal manner that the Director of Operations deems will ensure a fair return and consistent to laws and regulations. A bill of sale will be issued to document the sale and forwarded to the Finance Department with sale proceeds and a completed PERSONAL PROPERTY DISPOSITION FORM.

Fair Value of more than \$10,000. If the estimated fair value of the excess personal property is more than \$10,000, the Director of Operations shall advertise for formal bids. An invitation bid and acceptance shall be prepared. Bids will be opened publicly at the time and place specified in the advertisement and the excess personal property sold to the highest bidder. A record of all bids received will be prepared and forwarded to the Finance Department with the bill of sale, sale proceeds, and a completed PERSONAL PROPERTY DISPOSITION FORM, and approved by the Director of Operations with another member of the Executive Team. Other documentation to describe the disposal of the item is accepted if it includes a log of items grouped by DES disposal number. When selling real property the Authority will use standard means in the marketplace to assure maximizing the value of the property

Federal or State Surplus Property Program. The Authority may choose to utilize the a Federal or State Surplus Property Program for disposition of excess personal property in lieu of options listed above with proper .

In addition to any program specific regulations, disposition of assets acquired under a grant or sub-grant shall also be subject to the following:

Real Property – 24 CFR 85.31 – *Disposition*. When real property is no longer needed for the originally authorized purpose, the Authority will request disposition instructions from the awarding agency. The instructions will provide for one of the following alternatives:

(1) *Retention of title*. Retain title after compensating the awarding agency. The amount paid to the awarding agency will be computed by applying the awarding agency's percentage of participation in the cost of the original purchase to the fair market value of the property. However, in those situations where the Authority is disposing of real property acquired with grant funds and acquiring replacement real property under the same program, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.

(2) *Sale of property*. Sell the property and compensate the awarding agency. The amount due to the awarding agency will be calculated by applying the awarding agency's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When the Authority is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.

(3) *Transfer of title*. Transfer title to the awarding agency or to a third-party designated/approved by the awarding agency. The Authority shall be paid an amount calculated by applying the Authority's percentage of participation in the purchase of the real property to the current fair value of the property.

(4) *Other Authorized Use*. Disposition of real property may include use in other authorized awarding agency programs. Other authorized use may

not require the Authority to compensate the awarding agency from proceeds of the sale of the property.

Equipment – 24 CFR 85.32 - *Disposition*. When original or replacement equipment acquired under a grant or sub-grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

- (1) Items of equipment with a current per-unit fair value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.
- (2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

Supplies – 24 CFR 85.33 - *Disposition*. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair value upon termination or completion of the award, and if the supplies are not needed for any other federally sponsored programs or projects, the Authority shall compensate the awarding agency for its share.

6.0 RESOURCE MANAGEMENT

6.1 PROVISION OF RESOURCES

During planning and budgeting processes, and as needed throughout the year, the Executive Director and department managers shall review and determine that the appropriate resources are available to implement and maintain the Accounting Management System and continually improve its effectiveness.

6.2 HUMAN RESOURCES

6.2.1 Finance Department Staff

All Managers and employees of the Authority are to have personal and professional integrity and are to maintain a level of competence that allows them to accomplish their assigned duties, as well as understand the importance of developing and implementing good internal controls.

This requires managers and their staff to maintain and demonstrate at all times:

- Personal and professional integrity
- A level of skill necessary to help ensure effective performance
- An understanding of internal controls sufficient to effectively discharge their responsibilities

6.2.2 Competence, Awareness, and Training

Finance personnel shall be competent based on appropriate education, training, skills, and experience. The minimum competencies required for each Finance Department position at the Authority are defined in each position's Job Description. Executive Director, Deputy Director and Department Managers are responsible for ensuring job descriptions are current and adequate.

Where otherwise qualified personnel require additional training or other action to meet the minimum competency requirements, these needs are identified. The department provides task-specific training. General training or education is provided or coordinated by Executive Director. The department should evaluate the effectiveness of training or other actions taken as appropriate.

All Authority Department Managers are responsible for ensuring their employees are aware of the relevance and importance of their activities and how they contribute to the achievement of the accounting objectives.

6.2.3 Segregation and Supervision of Duties

Key duties and responsibilities should be separated among individuals. Duties and responsibilities shall be assigned systematically to several individuals to ensure that effective checks and balances exist. Key duties include authorizing, approving, and recording transactions; issuing and receiving assets; making payments; and reviewing or auditing transactions. Duties involving access to assets, such as cash receipting, disbursements or inventory must be segregated from Duties involving access to the accounting records.

Qualified and continuous supervision is to be provided to ensure that internal control objectives are achieved. This standard requires supervisors to continuously review and approve the assigned work of their staffs as well as provide the necessary guidance and training to ensure that errors, waste, and wrongful acts are minimized and that specific management directives are followed.

Accounting Manual - Revision History

Revision	Date	Description of changes	Requested By
1	November, 2020	Update terminology and requirements	NMA

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Pierce County Housing Authority ACCOUNTING POLICY AND PROCEDURE DOCUMENTS AND OTHER GUIDELINES

Updated June 2020

Submitted by: Vacant Date: _____
Controller

Approved by: _____ Date: _____
Executive Director

The following procedure documents and guidelines are intended for the sole use of Pierce County Housing Authority and is provided to approved requestors for informational purposes only.
These documents and guidelines may not be reproduced or reprinted in whole or in part without the express written permission of Pierce County Housing Authority.

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Revision: 1
Effective Date: June 2020 Revised February 23

Prepared by: NMA
Approved by:

Title: 5.1.1 CHART OF ACCOUNTS

Guidelines: To facilitate the record keeping process for accounting, all ledger accounts should be assigned a descriptive account title and account number.

Purpose: To provide the method for assignment and maintenance of the Authority's chart of accounts to produce meaningful financial data for the Authority.

Scope: This procedure applies to all general ledger accounts.

Responsibilities: The Controller is responsible for monitoring and approving changes to the Authority's Chart of Accounts.

Definition: Chart of Accounts – A categorized listing of all account titles and numbers being used by an organization to track income, expenses, assets, equity, and liabilities is called a Chart of Accounts.

Procedure:

1.0 DESIGN OF ACCOUNTS

1.1 Accounts should have titles and numbers that indicate specific ledger accounts such as Cash in Checking, Furniture and Fixtures, Accounts Payable, etc.

1.2 New accounts shall be assigned in the same manner and form as the existing Chart of Accounts. Asset accounts should be numbered first, followed by liability accounts, owner's equity accounts, revenue accounts and expense accounts.

1.3 Accounts will be numbered to provide ease in separating program or project activity.
Accounts shall be numbered using a system required by our software structure to assure control and accurate information.

Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.1.3 TRAVEL

Guidelines: The Authority recognizes that employees who travel far from home to represent the Authority business interests must forego their living accommodations. Accordingly, the Authority will make efforts to provide comfortable and secure accommodations for lodging, meals, and travel for employees. However, these items are not intended to be prerequisites and the Authority reserves the right to deny reimbursement or payment of expenses that are considered lavish, extravagant, or unnecessary. The Authority shall reimburse claimants for meals and incidentals on a pre-established per-diem basis after the claimant provides authentication of completion of travel. The pre-established per-diem rate shall be established and derived by location and travel time, using the U.S. General Services Administration published per-diem rates.

Purpose: To provide guidelines for travel expenses and to communicate the requirements for reimbursement of meals and incidentals.

Scope: This procedure applies to all employees and commissioners who travel in the interest of the Authority.

Responsibilities:

The Executive Director shall pre-approve all travel expense requests for Authority employees and the Chair of the Board of Commissioners. Preapproval will be transmitted by a signed Travel Arrangements and Expense Request & Claim form.

The Chairman of the Board of Commissioners shall pre-approve all travel expense requests for the Executive Director and any commissioner. Preapproval will be transmitted by a signed Travel Arrangements and Expense Request & Claim form.

The Travel Coordinator staff designated by the Executive Director may make travel arrangements for employees and commissioners.

The Controller will receive and review the documentation authenticating the completion of travel and direct any necessary reimbursement and other payments.

Procedure:

1.0 TRAVEL ARRANGEMENTS

1.1 The Executive Director will designate staff to serve in the role of Travel Coordinator. The Travel Coordinator will coordinate directly with the traveler upon receipt of the approved Travel Arrangements and Expense Request & Claim Form.

-
- 1.2 TRAVEL ARRANGEMENTS AND EXPENSE REQUEST & CLAIM FORM must include all pertinent information and be approved by the Executive Director or Chair as appropriate. The form should then be forwarded to the Travel Coordinator. For maximum savings on airfares and to ensure transportation availability, this form should when possible be submitted to the Travel Coordinator at least 15 days in advance unless an emergency trip is required.
- 1.3 The Travel Coordinator may plan for the trip as required and provide a travel itinerary and any tickets or reservation forms to the employee. Employees with PCHA purchasing cards may use the purchasing card to make the following reservations directly: air travel, rental car, hotel accommodations, and conference registrations. Receipts for purchasing card related travel are required to be submitted within 30 days of travel.
- 1.4 **Cash Advances** – The Authority generally does not permit cash advances
- 1.5 **Direct Billings** - Direct billings to the Authority from motels, restaurants, etc. are not permitted unless previously authorized by the Executive Director and scheduled by the Travel Coordinator.

2.0 EXPENSE GUIDELINES

- 2.1 Air Travel - The Travel Coordinator or employee/commissioner with a PCHA purchasing card will make airline reservations based on the following criteria:
- Cost: Employees will fly coach class unless extenuating circumstances apply. An explanation from the employee and approval of the Executive Director will be required prior to authorizing travel beyond coach.
 - Air Carrier: An employee's preferred airline may be utilized if cost factors are equal. The Travel Coordinator and employee/Commissioner shall ensure decisions are made in the best interest of the Authority. Evidence (screenshots) of the two different airline fees should be provided with a written explanation provided if the lowest comparable airfare was not selected. Times of travel, layovers, baggage fee calculations, and increased prices for upgraded seats may be examples of required narrative.
- 2.2 Lodging - The travel coordinator or employee with a PCHA purchasing card will make lodging arrangements based on value and convenience for the traveler. When a conference / training business travel is for one day or less, an employee may stay in a hotel only when approved travel occurs more than 60 miles from the Pierce County Housing Authority administrative offices. Advanced travel approval is required.
- Conferences / training of more than one day in duration and that are more than 30 miles from Pierce County Housing Authority's administrative offices may include hotel if requested by the employee or commissioner. Advanced travel approval is required by the Executive Director or Board Chair. When business travel is affiliated with a conference or training at a specific location the traveler may stay in the hotel at which the conference or training is being held. Whenever possible the traveler should utilize any discounted room rates associated with the conference. Room rates not at a conference hotel that exceed 20% of the GSA approved rate for location should include a narrative describing reasonableness.

If an employee or commissioner is accompanied by a non-employee such as family or a friend, the employee or commissioner will be responsible for payment of any excess fees or charges.

Meals and Incidentals - PCHA uses the per diem rates from the General Services Administration to determine eligible meal and incidental costs. The amount received for the first and last day of travel will be 75% of total meals and incidentals for one day. When applying for reimbursement employees do not need to provide itemized receipts. They do however need to provide proof of travel, this can include certificates of attendance, airfare, hotel receipts.

When using PCHA purchasing cards for meals and incidentals, a fully itemized expense report and receipt is necessary within 30 days of completing travel. Any expense in excess of the GSA amount for meals and incidentals or which is ineligible for reimbursement must be paid by the employee or commissioner and not charged to the PCHA card. Employees and commissioners must repay the housing authority, in full, within 30 days of travel if ineligible expenses are inadvertently charged to the PCHA card. Payment will be in the form of a personal check. GSA per diem daily rates are distributed in the following manner: 20% for Breakfast, 30% for Lunch and 50% for Dinner.

When traveling more than 30 miles from PCHA administrative offices **for the day only** employees and commissioners may use PCHA purchasing cards or apply for reimbursement up to the GSA amounts for the location. Gratuities will not be reimbursed or allowed in excess of 18% of the bill. Breakfast will only be eligible for payment/reimbursement if travel begins before 6:30 AM. Dinner will only be reimbursed if travel ends after 6:00 PM..

Under no circumstance will a PCHA purchasing card be used to purchase alcohol or marijuana.

2.3 Car Rentals - Advance arrangements should be made by the Travel Coordinator or employee with PCHA purchasing card if a car is required at the destination. Vehicle selection will be based upon the most cost-effective class. Insurance should be included.

2.4 Personal Vehicles - An employee required to use their own automobile for business will be reimbursed at the prevailing rate per tax guidelines for per-mile deductions. The employee must provide on the mileage reimbursement expense report, documentation including dates, miles traveled and purpose of each trip. Pre-authorized travel approval is only required when travel is for purposes other than ordinary operations (ordinary operations include driving to locations within Pierce County, and between PCHA offices).

The Authority assumes no responsibility for personal automobiles used for business. Further, any parking or speeding violation is the sole responsibility of the employee.

Mileage reimbursement shall be allowed for that incurred after the assigned first place of duty and up to the final place of duty as determined by the employee's supervisor.

Parking fees may be reimbursed through use of the CLAIM FOR REIMBURSEMENT FOR OUT OF POCKET EXPENSES.

2.5 Telephone – PCHA will not reimburse for telephone.

2.9 Non-Reimbursable Expenses - Some expenses are not considered valid business expenses by the Authority yet may be incurred for the convenience of the traveling individual. Since these are not expenses for the Authority, then they are not reimbursable. (The following can be used as a guide of expenses, which are not reimbursable)

Examples include:

- Airline or travel lounge clubs
- Shoeshine or Dry-cleaning (except for extended travel beyond 5 days)
- Movies or personal entertainment
- Books, magazines, or newspapers
- Theft or loss of personal property
- Doctor bills, prescriptions, or other medical services
- Parking tickets, traffic tickets or car towing if illegally parked
- Health club memberships / gym access
- Babysitter or Pet care fees
- Barbers and Hairdressers
- Alcohol or marijuana
- In room honor refreshment bars

3.0 EXPENSE REPORT PREPARATION AND REIMBURSEMENT

3.1 All business travel expenditures incurred by employees or commissioners of the Authority are reimbursed using the TRAVEL ARRANGEMENTS AND EXPENSE REQUEST & CLAIM FORM. Reimbursement forms should be completed and turned in within fifteen (15) business days of return from travel or incurrence of expenses whichever is later. Expense reports for mileage reimbursement incurred during normal duty shall be submitted monthly within 5 business days of the end of the month for which the expense is incurred. Claimants shall use the MILEAGE REIMBURSEMENT FORM.

Expense claim forms for reimbursement of meals and incidentals incurred during business related travel shall be substantiated with documentation that authenticates completion of travel. Examples of documentation that authenticates completion of travel include dated lodging receipts or a copy of dated class completion certificates.

3.2 Authorized expense reimbursements for meals and incidental expenses incurred during business related travel, and mileage reimbursements, are typically completed within 10 business days after receipt of authentication of travel by the Finance Department.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

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Travel Arrangements and Expense Request & Claim Form

Name		Reason For Travel (Attach Documentation)	
Destination(s)			
Need to Arrive At Destination By (Date)		Need to Arrive At Destination By (Time)	
Need to Return By (Date)		Need to Return By (Time)	
Seating Preference	Window	Aisle	ADA/Special:
Other:			
Car Rental Required	Yes	No	Number of Days Needed
Lodging Required	Yes	No	Number of Days Needed
Total Expected Costs Including Registrations, Flight, Hotel, Car Rental, M&IE \$			
Signature of Authorized Official		Date	
Class Registration Confirmation		Cost:	
Flight Departure Date:	Flight Departure Time:	Airline	Flight #
Flight Return Date:	Flight Return Time:	Airline	Flight #
Destination Airport Name and City:		Cost:	
Ticket To Passenger Via	Mail	Electronic	Inter- office
Payment Method	PCHA VISA	Invoice	Reimbursement
Lodging Arrival Date		Lodging Departure Date	
Hotel Name		Hotel Phone	
Hotel Address			
Payment Method	PCHA VISA	Invoice	Reimbursement
Reservation or Confirmation #:			Cost:
Car Rental Pick Up Date:		Car Rental Return Date:	
Car Rental Agency Name:		Reservation or Confirmation #:	
Car Rental Agency Address:		Cost:	
Payment Method	PCHA VISA	Invoice	Reimbursement
Meals & Incidental Expenses (M&IE) Primary Maximum Daily Reimbursement Rate Per GSA:		Click at right to see GSA Per Diem Table	
# M&IE Full Days	x	=	
# M&IE Travel Days	x	=	
(Note – First and last day of travel is reimbursed at 75%)		Cost:	

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Pierce County
Housing Authority

CLAIM FOR REIMBURSEMENT OF OUT OF POCKET EXPENSES

Name	
------	--

Itemization of Claim

Date	Description	Program/ ostC Center/Dept	Amount
Total Out of Pocket Expenses Claimed For Reimbursement			0.00

Attach receipt for all claims.

The claimant's signature below certifies that all reimbursement claims listed herein were for purchases executed on behalf of Pierce County Housing Authority, in accordance with all procurement and purchasing policies and guidelines. The claimant further certifies that expenses have not yet been reimbursed or billed to other parties including Pierce County Housing Authority.

Claimant Signature		Date
Department Head Authorization		Date
Audited For Processing By		Date

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Title: 5.1.5 PERIOD-END REVIEW & CLOSING

Guideline: An orderly, timely and comprehensive review of all general ledger accounts should be performed or directed by the Controller to ensure an accurate representation of the Authority's financial statements. These practices are aimed at proving that the financial accounts are accurate, and if not, are properly adjusted to make them accurate, prior to closing.

Purpose: To provide a general overview of the process to be completed for reviewing the accounting records at year-end or any particular month-end prior to closing.

Scope: These practices apply to all accounts.

Responsibilities:

The Controller is responsible for creating and reviewing all period-end activities to ensure the period-end financial statements accurately reflect the results of the Company's activities. The Controller should be familiar with the specific software procedures for keeping the prior year open until all final closing adjustments have been made and approved by the Controller.

The Finance Department is responsible for gathering all documentation required to complete the period-end closing and completing all ledger adjustments.

Definition: "Review" refers to the procedures involved in examining the financial statement balances at any given period to ascertain their accuracy.

"Closing" is the process of advancing from one month or period to the next or from one year to the next.

Procedure:

1.0 CLOSING CONSIDERATIONS

1.1 The steps to the actual period-end are not all performed on the exact end of the period. Some accounts cannot be "settled", proved, or reconciled until all third-party information is received.

Bank statements are now available online for expedited use with many final payroll tax payments and yearly reconciliation forms unavailable until the end of the following month. Also needed are final bills from vendors, credit card statements, month end statements from vendors and year-end loan statements from banks and other financial institutions. All this information is needed before the Authority can truly "close its books".

It would not be unusual for the Authority to continue processing transactions for a number of months in the next year before closing the prior year.

1.2 The Finance Department will compile all year-end documents in preparation for closing the accounting period. These documents include:

- o Bank statements to all accounts

- Final payroll and tax amounts
- All final bills and month-end statements from vendors
- All credit card statements
- All year-end loan or debt statements
- All asset acquisition and disposition transactions

1.3 Fewer procedures are performed at month-end dates. At a minimum the following procedures would be expected for monthly closings:

- Reconcile all bank accounts
- Print and compare the aged receivables and payables to the general ledger. Make appropriate adjustments to balance the accounts.
- Review all balance sheet and income statement accounts for completeness.
- Retain all above reports in a monthly summary file.

2.0 BALANCE SHEET: ASSETS

2.1 Prepare a year-end closing file to store all reconciliation documents and printed reports as described below.

2.2 Cash accounts - prepare the bank reconciliations for year-end balances per the bank statement to the balance per books for each account. The year-end reconciliation is critically important for preparing the final year-end financial statements to ensure that it is completely accurate.

Show origination dates and description of each reconciling item. Prepare the necessary journal entries to adjust to the reconciliations. Prepare a summary of all petty cash funds. Totals must agree with the general ledger. File all reconciliation reports in the year-end closing file.

2.3 Accounts Receivable – Print a detailed aged accounts receivable report and ensure it reconciles to the General Ledger. This can be completed as soon as all cash accounts are reconciled, and all DSO entries have been posted. Retain a complete copy of the detailed accounts receivable, along with any reconciling adjustments in the year-end closing file.

2.4 Inventory – If the results of a physical inventory is available and compiled verify the amounts against the General Ledger.

Prepare a schedule of any possibly un-returnable, damaged, spoiled, or obsolete inventory items and adjust them out of inventory. File the sorted inventory reports, of detailed inventory items, and any related adjustment sheets along with the original physical count sheets in the year-end closing file.

2.5 Capital Assets - Update the detailed schedule of fixed assets with any additions and deletions and reconcile to the general ledger balances.

2.6 Other Assets - Other assets include utility or real estate deposits, and prepaid insurance. These should all be identified and documented. For example, a copy of the initial deposit or

lease with the property owner or landlord, or a schedule showing the prepaid insurance amounts. File copies of these documents in the year-end closing file.

3.0 BALANCE SHEET: LIABILITIES AND EQUITY

3.1 Liabilities are shown as the amount to be paid in the subsequent period. If in doubt, record the liability.

3.2 Accounts Payable - Print a detailed aged accounts payable report and reconcile it to the general ledger.

Compare all month-end vendor statements to balances per accounts payable and investigate any differences. Consider adjusting for any significant unrecorded liabilities such as work started prior to year-end, but not yet billed by the supplier. Retain a complete copy of the accounts payable detail, along with any reconciling adjustments, in the year-end closing file.

3.3 Accrued Expenses - Review accruals for taxes, payroll, payroll tax, payroll deductions payable, interest expense on short-term borrowings and long-term debt. Determine the cost of services through year-end and record.

3.4 Debt - Verify recorded accuracy of debt by ensuring the general ledger balances agree to year-end statements from lending or other institutions. Save all year-end statements in year-end closing file.

3.5 Contingent Liabilities and Commitments - Prepare a schedule of any outstanding litigation and possible losses. Prepare a schedule of all long-term debt with amounts due by year for the next five years, and every five-year increment thereafter. Retain these schedules in the year-end closing file

3.6 Equity - Record any changes in the capital and operating reserve accounts, including distributions and additions to equity.

4.0 INCOME STATEMENT: REVENUES

4.1 Revenues – Review revenue transactions to ensure they are consistent with management and operational reports detailing occupancy, delinquency, and general contributions.

4.2 Additionally, the Controller should periodically review occupancy trends, costs, variable and fixed expenses.

4.3 Department Managers should analytically review the reports and explain all variances.

5.0 INCOME STATEMENT: EXPENSES

5.1 Each expense total should be compared to expense total from the year before (and budgets if applicable). Department Managers should analytically review the reports and explain all variances.

5.2 Cost and Expenses - A detailed report should be produced of costs and expenses and analyzed in relation to rental revenue and unit turn-over. Also analyze the ratios of inventory levels (i.e. inventory turnover). Investigate any unusual variances.

5.3 Payroll - At year-end, the various payroll expense accounts should agree to total gross payroll per payroll reports and per reports provided to the Department of Retirement

Systems. Account for all deductions for W-3 reported to the Social Security Administration, as well as FICA and other taxes reported accordingly.

- 5.4 Bad Debt Expense** - Prepare a schedule of accounts anticipated to be written off during the coming year. Note specifically any addition to the allowance for uncollectible accounts.

- 5.5 Interest Expense** - Prepare a schedule of interest expense by project debt. Reconcile amounts to short-term borrowings and long-term debt.

6.0 FINANCIAL RATIO ANALYSIS & KEY FINANCIAL INDICATORS

- 6.1 Inventory Turnover Ratio.** Identify inventory productivity. The Authority strives to turn all inventory at least monthly.

= Cost of Goods Sold / Average Inventories

- 6.2 Accounts Receivable (AR) Turnover Ratio.** Identifies one element of cash flow productivity. Higher AR turns means more cash is available to meet expenses as a function of rental revenue.

= Rental Revenue / Average Accounts Receivable.

Where Average Accounts Receivable =

(Beginning Accounts Receivable + Ending Accounts Receivable) / 2

- 6.3 Current Ratio.** Current ratio is a measure of liquidity that identifies the Authority's ability to meet its short-term financial obligations. Creditors will use this ratio to understand the Authority's ability to pay off debt quickly, under the worst possible conditions. It is also a key financial measure rated under FASS. This ratio should equal 1.0 or greater. A higher current ratio can translate into a better credit rating. Ratios below 1.0 indicate the Authority is in poor economic health.

= (Total Current Assets - Inventory) / Total Current Liabilities

- 6.4 Number of Months Expendable Fund Balance (Adequacy of Reserves).** The number of months expendable fund balance is a measure of viability. It measures the Authority's ability to operate using its fund balance without relying on additional funding. It is a key financial measure rated under FASS. The number of months expendable funds balance should be equal to 1.0 or greater.

= Expendable Fund Balance / Average Monthly Operating and Other Expenses

Where Expendable Fund Balance = Current Assets – Current Liabilities – LTD, net of current-operating borrowings and

Where Average Monthly Operating and Other Expenses = Total Operating Expenses + Non-capitalized Casualty Losses + Debt Principal Payments / Number of Months in the Period

- 6.5 Tenants Accounts Receivable Outstanding.** A scoring component under FASS, the tenant accounts receivables outstanding measures the Authority's ability to collect its tenant receivables in a timely manner. The Authority's

performance is rated in a group of relatively equal peers. Presently the Authority is required to maintain a value of 7.0 or less to achieve the maximum score.

= Tenant Accounts Receivable / Average Daily Rental Income

- 6.6 Occupancy Loss.** A scoring component under FASS, this measures the Authority's ability to maximize rental revenue. This component compares unit months available to the unit months leased. The Authority's performance is rated in a group of relatively equal peers. Presently the Authority is required to maintain a value of 6.0 or less to achieve the maximum score.

= Unit Months Leased / Unit Months Available (except units under demolition, conversion, modernization or approved for non-dwelling use)

- 6.7 Expense Management.** This scoring component rated under FASS is applicable to the Authority's Low-Income Public Housing program. This is a measure of the Authority's ability to maintain its weighted expense ratios at a reasonable level relative to its peers adjusted for size and location. Presently the Authority must not exceed a threshold of \$99.45

= 34% Administrative Expenses + 33% General Expenses + 10% Tenant Services Expenses + 10% Protective Services Expenses + 10% Maintenance Expenses + 3% Utility Expenses / Units Months Leased.

- 6.8 Net Income or Loss.** This is a measure of the Authority's net income (loss) impact against viability, and measures how the year's operation has affected viability. It indicates whether the Authority is adequately managing its income and expenses to maintain a balanced budget. The Authority must achieve net income and positive reserves, or net income and negative reserves, or a net loss less than or equal to 20% of reserves in order to obtain a passing score in this component.

= Net Income or Loss / Expendable Fund Balance

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.1.7 TAXES AND INSURANCE

Guideline: To ensure compliance with all Federal, state, local, and other regulatory taxation requirements

Purpose: To outline the general areas of taxation. To be used as a checklist or guide in complying with tax requirements related to each specific location and organizational structure.

Scope: This statement applies to the business activities of the Authority.

Responsibilities:

The Executive Director is responsible for ensuring compliance with all tax liabilities, fees and assessments, and cooperative agreements, and for adequate insurance coverage to safeguard the Authority's assets and business interests.

The Controller is responsible to ensure timely recording and payment of tax and insurance liabilities identified by the Executive Director through this procedure guidance or in any other substantiating form.

Procedure:

TAXES, FEES AND COOPERATIVE AGREEMENTS

- 1.1 **Sales Tax.** The Authority was established under provisions of Washington housing authorities law, RCW 35.82. As such, the Authority is exempt from paying retail sales tax. However, prime contractors and subcontractors for the Authority should refer to WAC 458-20-17001 Government contracting—Construction, installation, or improvements to government real property) to determine their tax liability.
- 1.2 **Fees, Licenses and Permits.** The Authority is subject to pay fees for licenses and permits to conduct regular enterprise type activities to include health permits for the operation of swimming pools in the rental properties, fire and security alarm and use permits, pesticide application permits, building permits and other general operating activity permits and licenses. Payment of fees for such licenses and permits that are of a statutory or regulatory nature will be observed by the Authority.
- 1.3 **Cooperative Agreements.** The Authority has entered into a Cooperative Agreement with Pierce County regulating a payment in lieu of taxes for properties included in the Low-Income Public Housing Program. The Cooperative Agreement was adopted by the Board of Pierce County Commissioners as Exhibit A of Resolution Number 22706 filed with the Office of the Pierce County Executive.
- 1.4 **Surface Water Management Fees and Fire District Benefit Protection Fees.** While RCW 84.36.010 exempts property owned by the Authority from traditional property tax assessments, the Authority is obligated to pay Surface Water Management Fees and Fire District Benefit Protection Fees for properties operated for the purpose of providing affordable housing under RCW 35.82.070 as they are assessed by the governing taxing authority.

-
- 1.5 **Payroll Taxes.** The Authority is required to participate as a regular employer in the payment of State Unemployment Taxes and Medicare Taxes. The Authority is not required to participate in the payment of Social Security Taxes for employees participating in the Washington State Public Employees Retirement System. The Authority is not required to participate in the payment of Federal Unemployment Taxes.

2.0 INSURANCE

- 2.1 The Authority shall maintain insurance coverage to be used for safeguarding Authority's assets including property, business interruption general liability and professional liability and employment practices liability insurance, as well as auto insurance. The levels and terms of these policies should be determined based upon the value of the assets at risk and creditor, federal, state, and local requirements
- 2.2 The Executive Director shall strive to mitigate liability claims to minimize future insurance costs and maximize the ability of the Authority to obtain desired insurance coverage.
- 2.3 At the Executive Directors option, the Authority may include additional insurance coverages it deems necessary for the Authority.
- 2.4 Annually the Executive Director shall oversee the procurement of renewal policies, and shall review and evaluate coverages, limits, deductibles, and terms of the insurance to ensure adequate coverage for on-going and changing operations.
- 2.5 Certificates of insurance are required to be maintained for ready access.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

TAX, FEE & INSURANCE CALENDAR

The due dates for filing US tax and other returns and reporting tax information are shown below as a guide. However, the dates are not inclusive of every tax or fee that is required for all businesses. The dates or taxes required may vary based on the specific company situation, the day (based on the year, weekends, or holidays), or certain tax circumstances.

Generally, if the due date falls on a Saturday, Sunday or legal holiday, the due date should be the next business day. For **excise taxes**, there are two exceptions to this rule. (1) For deposits of regular method taxes, if the due date is a Saturday, Sunday, or legal holiday, the due date is the immediately preceding business day. (2) Under the special September deposit rules, if the due date falls on a Saturday, the deposit is due on the preceding Friday. If the due date falls on a Sunday, the deposit is due on the following Monday.

JAN

- | | |
|------------------------|---|
| 31st | <ul style="list-style-type: none"> Send all "last year" employees Form W-2. Provide recipients with their copy of Form 1099 if you have paid interest, dividends, or reportable miscellaneous income. Report employee income tax withholding and FICA taxes for the last quarter of "last year" (use Form 941; Employers of agricultural workers must file Form 943) and file annual return of federal unemployment taxes (use Form 940). If taxes are fully deposited on time, filings can be deferred to February 10. Report Payment-in-Lieu-Taxes and provide payment for the liability incurred under the Cooperative Agreement between Pierce County and Pierce County Housing Authority dated _____. |
|------------------------|---|

FEB

- | | |
|------------------------|--|
| 28th | <ul style="list-style-type: none"> File any required Forms 1099 for interest, dividends and miscellaneous payments described under January 31 (electronic filers can defer filing W-2s to March 31). File Forms W-2 and transmittal Form W-3 with the Social Security Administration (electronic filers can defer filing to March 31). |
|------------------------|--|

MAR

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|------------------------|--|
| 31st | <ul style="list-style-type: none"> Electronic filers file Forms W-2 and 1099. |
|------------------------|--|

APR

- | | |
|------------------------|---|
| 30th | <ul style="list-style-type: none"> Report employee income tax withholding and FICA taxes for the first quarter of "current year" (use Form 941). If taxes are fully deposited on time, filing Form 941 can be deferred to May 10. Payment for Surface Water Management Fees and Fire District Benefit Fees should be mailed and postmarked by this date to avoid penalty and interest assessments. |
|------------------------|---|

MAY	
	•
JUN	
	•
JUL	
31st	<ul style="list-style-type: none"> Report employee income tax withholding and FICA taxes for the second quarter of "current year" (use Form 941). If taxes are fully deposited on time, filing Form 941 can be deferred to August 10.
AUG	
	•
SEP	
	•
OCT	
31st	<ul style="list-style-type: none"> Report employee income tax withholding and FICA taxes for the third quarter of "current year" (use Form 941). If taxes are fully deposited on time, filing Form 941 can be deferred to November 10. Payment for Surface Water Management Fees and Fire District Benefit Fees should be mailed and postmarked by this date to avoid penalty and interest assessments.
NOV	
1st	<ul style="list-style-type: none"> Standard Insurance Policy Expiration
DEC	
	•

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.1.8 CONFIDENTIAL INFORMATION RELEASE

Guideline: The release of financial, statistical, or other information that may be of a confidential nature to the Authority should be controlled. Individual requests should be referred to the Controller or appropriate department manager for disposition.

Purpose: To provide a means for the control of information to banks, investors, investment houses, media, credit bureaus, or other agencies and organizations.

Scope: All requests by an outsider to an employee regarding financial, occupancy, marketing, client, personnel, vendors, or other Authority confidential information. If in doubt, verify with the Controller or Executive Director.

Responsibilities:

Executive Director is responsible for safeguarding all Authority financial information and determining the appropriate level of detail for release.

Controller is responsible for assuring effective control of informative requests. The Controller shall also oversee all responses to credit inquiries.

Executive Director shall oversee all responses to all personnel, staffing, and payroll requests.

Procedure:

1.0 FINANCIAL INFORMATION REQUESTS

- 1.1 Written requests for additional information concerning details of the published financial statements shall be directed to the Controller. The Controller should determine the appropriate response for each request. Formal Financial Statement presentations to the Board of Commissioners, bondholders, banks, and agents should be accompanied by the Authority's statutory audit report.
- 1.2 Written requests for information regarding litigation and insurance should be directed to the Executive Director.
- 1.3 Written requests for information regarding bondholders should be directed to the bond project trustee.
- 1.4 Some types of confidential information may require the signing of NON-DISCLOSURE AGREEMENT, prior to release. This may include requests for development plans, client lists, property, financial information, legal proceedings, or time sensitive information.

2.0 PERSONNEL INFORMATION REQUESTS

- 2.1 The Executive Director shall oversee all responses to all reference requests. No other employee, including a former employee's immediate supervisor, shall be authorized to respond independently without first obtaining approval from the Executive Director. See also the guidelines for PERSONNEL BACKGROUND CHECKS.

-
- 2.2 All requests should be in writing, using company letterhead, indicating in that letter that the subject of the reference request has applied for a job. Information is not to be provided over the phone.
- 2.3 Each response shall be obtained only from the Executive Director.
- 2.4 The Executive Director shall review all responses to ensure that:
Only factual information about the employee's compensation, dates of employment and job title may be confirmed. At no time should a response include emotions, personal feelings, rumors, non-work-related comments, or exaggerations.
If at all possible, it is important that some form of documentation or solid evidence supports all information provided in the response.
- 2.5 Retain a copy of all responses, including the contents of any oral response, in the former employee's personnel file.

3.0 CREDIT REFERENCE INQUIRIES

- 3.1 All credit reference requests should be in writing, using a credit inquiry which provided written permission from the employee to release the information being requested. Information requests should be directed to the Executive Director and are not to be provided over the phone.
- 3.2 Retain a copy of all responses in the employee's file.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

NONDISCLOSURE AGREEMENT

This NONDISCLOSURE AGREEMENT is made and entered into as of (DATE) _____
between **PIERCE COUNTY HOUSING AUTHORITY, 603 SOUTH POLK STREET, TACOMA, WA 98444** and
(OTHER PARTY NAME, STATE OF INCORPORATION AND ADDRESS)

1. **Purpose.** The parties wish to explore and/or implement a business opportunity of mutual interest, and in connection with this opportunity, each party may disclose to the other certain confidential technical and business information that the disclosing party desires the receiving party to treat as confidential.

2. **"Confidential Information"** means any information disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects (including, without limitation, documents, prototypes, samples, plant and equipment) that is designated as "Trade Secret", "Confidential", "Proprietary" or some similar designation, or is of such a nature or has been disclosed in such a manner that it should be obvious to the receiving party that such is claimed as confidential. Information communicated orally shall be considered Confidential Information within a reasonable time after the initial disclosure. Confidential Information may also include information disclosed to a disclosing third party by third parties. Confidential Information includes, without limitation, a disclosing party's trade secrets, know-how, intellectual property and proprietary information as well as business plans, financial data and the status and terms of any discussions between the parties regarding a potential business transaction. Confidential Information shall not, however, include any information that (i) was publicly known and made generally available in the public domain prior to the time of disclosure by the disclosing party; (ii) becomes publicly known and made generally available after disclosure by the disclosing party to the receiving party through no action or inaction of the receiving party; (iii) is already in the possession of the receiving party at the time of disclosure by the disclosing party as shown by the receiving party's files and records immediately prior to the time of disclosure; (iv) is obtained by the receiving party from a third party without a breach of such third party's obligations of confidentiality; (v) is independently developed by the receiving party without use of or reference to the disclosing party's Confidential Information, as shown by documents and other competent evidence in the receiving party's possession; or (vi) is required by law to be disclosed by the receiving party, provided that the receiving party gives the disclosing party prompt written notice of such requirement prior to such disclosure and assistance in obtaining an order protecting the information from public disclosure.

3. **Non-use and Non-disclosure.** Each party agrees not to use any Confidential Information of the other party for any purpose except to evaluate and engage in discussions concerning a potential business relationship between the parties. Each party agrees not to disclose any Confidential Information of the other party to third parties or to such party's employees or agents, except to those employees or agents of the receiving party who are required to have the information in order to evaluate or engage in discussions concerning the contemplated business relationship. A receiving party shall be responsible and liable for the action of its employees and agents with respect to a disclosing party's Confidential Information and shall fully cooperate with the disclosing party in enforcing any rights of the disclosing party against any such person in connection with a breach of this Agreement. Neither party shall reverse engineer, disassemble or de-compile any prototypes, software, or other tangible objects that embody the other party's Confidential Information and that are provided to the party hereunder. Neither party shall hire any employees of the other during the term of this Agreement and for a period of two years thereafter.

4. **Maintenance of Confidentiality.** Each party agrees that it shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information of the other party. Without limiting the foregoing, each party shall take at least those measures that it takes to protect its own highly confidential information and shall ensure that its employees and agents who have access to Confidential Information of the other party have signed a Non-use and Non-disclosure agreement in content similar to the provisions hereof, prior to any disclosure of Confidential Information to such employees and agents. Neither party shall make any copies of the Confidential Information of the other party unless the other party previously approves the same in writing. Each party shall reproduce the other party's proprietary rights notices on any such approved copies, in the same manner in which such notices were set forth in or on the original.

5. **Ongoing Development.** Nothing in this Agreement shall prohibit or restrict either party's right to develop, use or market products or services similar to or competitive with those of the other party disclosed in the Confidential Information as long as such shall not otherwise be a breach of this Agreement. Each party acknowledges that the other may already possess or have developed products or services similar to or competitive with those of the other party disclosed in the Confidential Information. Each party shall remain free to use in the course of its business its general knowledge skills and experience incurred before, during or after the date of this Agreement and the activities hereunder.

6. **No Obligation.** Nothing herein shall obligate either party to proceed with any transaction between them and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement concerning the business opportunity. Upon termination of such discussions the parties shall return all Confidential Information as provided in paragraph 8 and shall have no further rights to evaluate or use the Confidential Information of each other for any purpose whatsoever.

7. **No Warranty.** ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS." THE PARTIES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, REGARDING THE ACCURACY, COMPLETENESS OR PERFORMANCE OF ANY OF ITS RESPECTIVE CONFIDENTIAL INFORMATION.

8. **Return of Materials.** All documents and other tangible objects (except for any tangible objects purchased by a party) containing or representing Confidential Information that have been disclosed by either party to the other party, and all copies thereof which are in the possession of the other party, shall be and remain the property of the disclosing party and shall be promptly returned to the disclosing party upon the disclosing party's written request.

9. **No License.** Nothing in this Agreement is intended to grant any rights to either party under any patent, mask work right, trademark, trade secret or copyright of the other party, nor shall this Agreement grant any party any rights in or to the Confidential Information of the other party except as expressly set forth herein.

10. **Term.** The obligations of each receiving party hereunder shall survive until such times as all Confidential Information of the other party disclosed hereunder becomes publicly known and made generally available through no action or inaction of the receiving party. Notwithstanding the surviving obligations of a receiving party to maintain the confidentiality of a disclosing party's Confidential Information either party may at any time given written notice to the other party that it does not desire to receive any additional Confidential Information from the other party. After receipt of such notice, such party shall no longer furnish its Confidential Information to the notifying party.

11. **Remedies.** Each party agrees that any violation or threatened violation of this Agreement may cause irreparable injury to the other party, entitling the other party to seek injunctive relief in addition to all other legal and equitable remedies.

12. **General Provisions.** This Agreement shall bind and inure to the benefit of the parties hereto and their successors and assigns. This Agreement shall be governed by the laws of the State of Missouri, without reference to conflict of laws principles. This document contains the entire Agreement between the parties with respect to the subject matter hereof. Any failure to enforce any provision of the Agreement shall not constitute a waiver thereof or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties hereto.

PIERCE COUNTY HOUSING AUTHORITY

(THE OTHER PARTY)

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.2.1 CASH RECEIPTS-DEPOSITORIES

Guideline: Proper internal control should be maintained over funds received from tenants. Cash is not an acceptable method of payment the Authority utilizes a lockbox system with the bank and requires tenants to use this method for payment of rent. The Authority realizes that there are occasions that minimal cash must be accepted. These procedures outline the process associated with the unlikely receipt of cash.

Purpose: To identify the practices for initial receipt of cash receipts at the Authority's rental properties and main office.

Scope: All personnel that deal with the cash and payment transactions.

Responsibilities:

Property Manager is responsible for safeguarding / verifying and controlling any cash assets at initial point of receipt.

Payment Retriever is responsible for ensuring the secure and timely delivery of cash receipts to the Finance Department.

Controller is responsible for controlling and making available an assigned receiver to accept cash receipts delivered to the Finance Department.

Assigned Receiver is the Finance Staff person(s) with the assigned responsibility to accept cash receipts upon delivery to the Finance Department.

Definitions: Depositories. Is the assigned secured location used for initial collection of cash receipts.

Procedure:

1.0 ACCEPTANCE AND INITIAL COLLECTION OF PAYMENTS

1.1 PCHA has implemented lockbox for tenant deposits with this method of payment by residents the preferred method. Payments will be accepted at the various offices, but the staff will request those tenants that lockbox is the required method. No Cash will be accepted as payment for rent.

1.2 Any payments received at the properties is required to be securely transported to the Authority's main office location daily and delivered to the Finance Departments' Assigned Receiver no later than 12:00 noon.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.2.2 CASH RECEIPTS-MAIL

Guideline: Proper internal control should be maintained over funds received from tenants.

Purpose: To identify the practices for initial receipt of cash receipts through the mail.

Scope: All personnel that deal with the cash and payment transactions.

Responsibilities:

Department Managers & all staff are responsible for safeguarding and controlling all cash assets received through the mail.

Controller is responsible for controlling and making available an assigned receiver to accept cash receipts delivered to the Finance Department.

Assigned Receiver is the Finance Staff person(s) with the assigned responsibility to accept cash receipts upon delivery to the Finance Department.

Procedure:

1.0 ACCEPTANCE AND INITIAL COLLECTION OF PAYMENTS

- 1.1** All cash receipts delivered through the mail should be immediately directed to the Finance Departments Assigned Receiver no later than 12:00 noon each day.
- 1.2** Any payments received through the mail should be date stamped by the initial receiver (the person that first opens the envelope). Every effort should be made to direct cash receipts, unopened, to the Assigned Receiver.
- 1.3** Correspondence directing future payments to the Authority should include specially marked envelopes to be used for remittance to assist with streamlined directing of payments.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.2.3 CASH RECEIPTS AND DEPOSITS

Guideline: Accurate internal control of cash receipts and deposits will always be maintained. Cash deposits will be made on the same day as receipt. Cash is not the preferred method of payment and is always to be avoided. Tenants should be directed to our lock box with the Authority's bank.

Purpose: To establish the procedures to be followed for receiving, applying, and depositing cash receipts on the occasion they happen.

Scope: This procedure applies to all cash receipts received by the Authority.

Responsibilities:

Finance Department Assigned Receiver is responsible for processing all cash receipts transactions and depositing the money in the bank.

Procedure:

1.0 RECEIVING CASH RECEIPTS

- 1.1** All cash receipts received by the Finance Department by noon each day the Authority's main office location is open for regular business, shall be deposited in the bank no later than 4:00 p.m. that same day.
- 1.2** Every effort shall be made to ensure ALL deposits received are deposited on the same banking day.
- 1.3** All deposits shall be made in accordance with applicable laws and regulations and in compliance with established desk manual procedures.
- 1.4** The Assigned Receiver shall immediately report non-compliant delivery of cash receipts to the Controller.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

Title: 5.2.4 ACCOUNTS PAYABLE AND CASH DISBURSEMENTS

Guideline: Internal controls established shall ensure that only valid and authorized payables are recorded and paid. Payables shall be documented with approval to purchase and verification of receipt of goods or services. Accounting procedures shall be implemented to ensure the accuracy of amounts, coding of General Ledger accounts and appropriate timing of payments.

Purpose: To explain the practices for documenting, recording, and issuing payments for accounts payable transactions.

Scope: This procedure applies to all purchases of goods and services.

Responsibilities:

The Controller is responsible for reviewing Accounts Payable material and adding his signature.

All purchasers are responsible for forwarding all paperwork to the Finance Department for payment.

Finance Department is responsible for payment of invoices, but only after satisfactory completion of documentation of purchase approval and receipt of goods or services.

Procedure:

1.0 DOCUMENTING ACCOUNTS PAYABLE

1.1 The following documents will be forwarded to the Finance Department for temporary filing and subsequent matching to form an accounts payable voucher package:

- Purchase Order or other purchase approval document (see threshold requirement in Procurement Policy)
- Packing Slip or other receiving documents
- Vendor invoice

1.2 Once the Finance Department has received all the above documents, the following steps will be performed to ensure proper authorization, validity of purchase, receipt of purchased items or services and accuracy of amounts.

- The vendor invoice will be stapled on top of the packing slip or other receiving document, followed by the purchase order (see threshold requirement).
- The purchase order should be evaluated for proper authorization and the nature of the purchase and pricing as shown on the invoice reviewed for validity.
- The quantities shown shipped or delivered on the invoice will be compared to the packing slip and/or receiving reports. Any discrepancies must be followed-up and resolved prior to commencing with the voucher process.

-
- 1.3** Payment for statutory or regulatory services, fees or licenses do not require a purchase approval document. Examples of this type of liability may include swimming pool operational permits, backflow inspection services, fire inspection fees, utilities to include gas, water, electric and sewer, trustee fees, and bank fees.

2.0 PAYMENT OF ACCOUNTS PAYABLE

- 2.1** A copy of all checks produced for payment of accounts payable shall be copied and matched to the invoice.
- 2.2** Each check copy should be audited to ensure the amounts recorded for payment match the invoice. Each audit should also include checking for the correct vendor name. This audit must be completed before checks are released for payment.
- 2.3** All checks issued shall be recorded in the Control Register.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.2.6 CHECK SIGNING AUTHORITY

Guideline: The Chairman of the Board of Commissioners and the Executive Director shall be the authorized signatory on all Authority maintained bank accounts.

Purpose: To outline check signing authority.

Scope: This procedure applies to all regular bank checking accounts of the Authority.

Responsibilities:

Executive Director is responsible for adding and removing check signing authority.

Procedure:

1.0 AUTHORIZED CHECK SIGNERS

- 1.1** The Chairman of the Board of Commissioners and the Executive Director shall be the authorized signatory on all Authority maintained bank accounts. All approval documents should be forwarded to Executive Director for processing.
- 1.2** For back-up purposes in the manual production of authorized checks, the Authority shall maintain one back-up signatory who shall be authorized to sign manually produced checks only when automated production is not available and either the Chairman of the Board of Commissioners or Executive Director is not available to execute an authorizing signature.

2.0 CHANGING CHECK SIGNERS

- 2.1** Notify the bank that administers the checking account for details on adding, changing, or removing check signers from a checking account, and
- 2.2** Notify the appropriate vendor of the changes with the appropriate signature forms to execute the required procedures for signature changes in automated check production.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.2.8 BANK ACCOUNT RECONCILIATIONS

Policy: To ensure the accuracy of the Authority's bank account records by proving the monthly balance shown in the bank's Account Register.

Purpose: To outline the practices for preparation of a Monthly Bank Reconciliation

Scope: This applies to all bank accounts maintained by the Authority.

Responsibilities:

Controller is responsible for review and approval of all reconciliations. Accountant is responsible for coordinating the reconciling all checking accounts.

Procedure:

1.0 BANK STATEMENT RECONCILIATION ASSIGNMENT

- 1.1 After receipt of the monthly bank statements, including cleared checks, deposit slips and any other transactions; the Accountant should coordinate preparation of the monthly bank reconciliation and have them carefully reviewed by the Controller. To preserve proper segregation of duties, no single employee should perform both cash receipting or disbursement transaction functions and bank account reconciliations for the subject account.

2.0 RECONCILIATION VIA QUICKBOOKS

- 2.0 The monthly reconciliation of bank account statements should be performed in accordance with procedures outlined in Desk Manuals. In the future, QuickBooks will not be used.

3.0 MANUAL PREPARATION AND RECONCILING ITEMS

- 3.3 A monthly bank reconciliation starts with the ending bank statement balance. List any deposits in transit, (those deposits that were made but were not yet recorded by the bank) and add to the bank balance. Then, list any outstanding checks (those checks that were written on the account prior to month-end, but which have not yet cleared the bank) and deduct from the bank balance. The ending balance should agree with the balance recorded in the checking account register.
- 3.4 Now perform the same process with the monthly reconciliation of the ending balance per the Authority's books.

Total deposits and total disbursements should be reconciled to the bank statement, then adjustments such as any interest or any other bank credit items should be listed and added to the balance. Then, any bank charges, transfer fees, etc. should be listed and deducted from the balance.

From these steps, the "corrected" ending "book" balance is derived and should equal the "corrected" bank balance from the previous step.

4.0 OUTSTANDING CHECKS & DEPOSITS IN TRANSIT

- 4.1** Any outstanding checks over six months old should be reviewed and considered for reclassification to Unclaimed Property. Every effort should be made to locate and notify the owner of the outstanding instrument for replacement.
- 4.2** Deposits in transit which do not clear by the next bank statement ending period shall be researched and reviewed for disposition.

5.0 COMPLETION OF RECONCILIATIONS

- 5.1** All bank account reconciliations should be completed no later than 5 business days after receipt or 15 days after the statement ending date.
- 5.2** All reconciliations tying the bank reconciliation to the General Ledger should be completed no later than the 25 days after the statement ending date.

6.0 REPORT OF ERRORS

- 6.1** All transaction errors of the bank or the Authority shall be reported to the Controller immediately upon discovery. All reports shall be written, and shall include information to include the bank account name, the nature of the error, the amount of the error, the impact to the Authority's cash position, the required correction, and the date the correction shall be executed.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.3.1 INVENTORY CONTROL

Policy: The investment in supplies and materials inventory will be maintained at the lowest effective level and supervised consistent with established Maintenance Department procedures and controls.

Purpose: To outline the actions taken for proper safekeeping, handling, disposition, and accounting of all inventory to ensure it is usable, traceable for quick selection and delivery and accounted for in accordance with established procedures or Desk Manuals.

Scope: This procedure applies to all inventory items including back room, central and warehouse storage.

Responsibilities:

Maintenance Manager is responsible for maintaining the investment in inventory at the lowest level, consistent with operating requirements, economy of procurement, financial plan requirements and sound business practices.

Warehouse Personnel are responsible for the custody and safekeeping of inventory. This includes ensuring that all items in inventory are properly accounted for, that proper procedures are followed for the movement of all inventory, and that all paperwork is forwarded to Finance in a timely manner for the proper recording of all inventory transactions.

Finance is responsible for processing all paperwork received in a timely manner in order to maintain an accurate General Ledger record.

The Controller or other designee as appointed by the Executive Director is responsible for revaluing certain inventory items to their Net Realizable Value and for monitoring proper inventory control.

Definitions: FIFO: First-In-First-Out or FIFO refers to the practice of using the oldest item in inventory first to ensure that the inventory is rotated on a regular basis and the accounting method for evaluating the inventory.

Net Realizable Value The amount that can be reasonably expected or forecasted to be used is considered the Net Realizable Value.

Procedure:

1.0 INVENTORY STOCKING AND STORAGE

1.1 Immediately unpack and store items upon receipt.

1.2 Rotate inventory on a first-in, first-out (FIFO) basis when stocking shelves.

2.0 INVENTORY USAGE

- 2.1 Review inventory requests to ensure completeness, validity and that the request has the proper approvals. Inventory requests consist of a completed INVENTORY CHARGE FORM with a work order substantiating the materials request. Alternatively, some staff may be issued an individual “inventory” of materials which are acquitted to Warehouse Personnel using Inventory Usage Forms and work orders at a later date.
- 2.2 Retrieve and deliver the goods or materials per the guidelines established in the Maintenance Department Desk Manuals.
- 2.3 Submit the INVENTORY CHARGE FORM to the Finance Department.

3.0 INVENTORY PROTECTION

- 3.1 Access to warehouse inventory shall only be permitted to the assigned Warehouse Personnel. The Maintenance Manager is responsible for control of access to the warehouse inventory areas.
- 3.2 The warehouse storage area shall be kept locked and secure.
- 3.3 Insurance on the inventory of materials and supplies should be kept at a value substantially equal to the replacement value of the inventory, currently valued at \$50,000.

4.0 INVENTORY OBSOLESCENCE

- 4.1 If the on-hand inventory exceeds the historical demand, then the excess portion of the inventory should be reduced to its Net Realizable Value or expected future demand.
- 4.2 Review the transaction history of all items in inventory on an annual basis. If there is no usage in over 12 months (make sure the part is not a new inventory item) and there are no current open orders for the item, then consider disposing of half (50%) of the inventory on-hand (see Inventory Disposal below). If there is no usage in over 24 months and no planned usage soon, then consider disposing of the balance of unused inventory.

5.0 INVENTORY DISPOSAL

- 5.1 The Maintenance Manager shall be held responsible for reclamation and salvage disposal of the Authority’s maintenance supplies and materials based on the knowledge of materials and how the Authority uses them. The Maintenance Manager is familiar with the companies that manufacture or distribute various materials and is knowledgeable about the items the Authority buys and at what cost.

The three main destinations for such material for disposal are:

- return to original supplier for restocking,
- disposition of materials in accordance with Authority Personal Property Disposition guidelines,
- storage of material for usage at a substantially later date.

-
- 5.2** Dispose of unusable supplies and materials an appropriate trash receptacle or process. For unusable goods that retain some market value, the Maintenance Manager should determine which disposal methods will be utilized in accordance with established Authority personal property disposition guidelines.
- Return the goods to the original supplier; a restocking charge may apply.
 - Place the goods in long-term storage, to be used on another project later. Discuss the issue with Contract Administrator and Deputy Executive Director to determine if a future need may exist.
 - Auction the materials or otherwise dispose of the items in the open market. The value should be determined by the Maintenance Manager from prices available on the present day in the open market.
 - Salvage the materials and use the parts for service.
- 5.3** Forward all disposal requests to the Controller for approval. Upon approval, complete the disposal process. Upon disposal completion the Finance Department will update the accounting system with a record of the inventory adjustment and file all paperwork as back-up for the period-end inventory count.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

WAREHOUSE INVENTORY CHARGE FORM

Requested by: _____ Date: _____

Project: ☐ BR ☐ CR ☐ DM ☐ EL ☐ EV ☐ EW ☐ GC ☐ HV ☐ LV
☐ MG ☐ OL ☐ Orting ☐ Main Office Bldg A, B, C ☐ Warehouse ☐ LIPH
☐ Other (Describe) _____

Work Order Number (or Purpose or Use): _____ Unit Number: _____

Date Needed: _____ Ship Via: ☐ Will Call ☐ Inner-Office Delivery

Stock Number	Product / Service Description	Qty.	Unit Price	Extended Cost	Supply Type (See Key)
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
				0.00	
TOTAL:				0.00	

Received By: _____

Warehouse: _____

Key: A=Appliance Repair Parts C =Cleaning Supplies

SW =Swimming Pool Supplies M=Maintenance

PN=Paint B=Blinds F=Fire Extinguisher

SWR=Pool Repair Supplies PL=Plumbing

E=Electrical Supplies

Warehouse Electronic Signature	Warehouse Electronic Date
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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.3.2 INVENTORY COUNTS - SUPPLIES & MATERIALS

Guideline: All physical inventory will be periodically counted and reviewed in accordance with applicable laws and regulations and established procedures or Desk Manuals. All inventory counts shall be forwarded to the Finance Department for comparison to the General Ledger. The Finance Department shall conduct a physical inspection review of the physical inventory annually.

Purpose: To outline the actions to be taken to conduct an accurate physical count of all inventory items to verify the accuracy of the General Ledger.

Scope: This procedure applies to all inventory items including back room, warehouse, and central storage.

Responsibilities:

All staff conducting purchasing activities are responsible for forwarding all paperwork to the Finance Department to ensure that inventory is documented and accounted for properly.

Warehouse Personnel are responsible for the custody and safekeeping of inventory. This includes ensuring that all items in inventory are properly accounted for, that proper procedures are followed for the movement of all inventory, and that all paperwork is forwarded to the Finance Department in a timely manner for the proper recording of all inventory transactions.

Finance Department is responsible for accounting for and processing all paperwork received in a timely manner to maintain an accurate General Ledger status.

The Controller is responsible for recording procedures and cut-off procedures.

The Maintenance Manager is responsible for inventory control and the actual count. The Maintenance Manager may appoint designated staff to conduct the actual counts. The appointed staff person should be knowledgeable about the inventory items to be counted, the counting procedures used, and the location of all inventories.

Procedure:

1.0 INVENTORY FREQUENCY

- 1.1 A complete physical inventory of supplies and materials shall be conducted at least quarterly to include the fiscal year end. The ultimate objective is to arrive at a correct inventory value (correct quantity and correct cost) to compare to the General Ledger and adjust the General Ledger accordingly.
- 1.2 The inventory count dates shall be coordinated between the Maintenance Manager and the Controller to facilitate appropriate record-keeping adjustments.

2.0 PREPARATION FOR INVENTORY COUNTING

- 2.1 All areas containing inventory should be organized to their optimal standard. All back room, warehouse, mobile and central storage items should be organized with like items and clearly labeled for easy identification and accurate counting.

-
- 2.2 Identical parts that are used in multiple locations should (if practical) be combined into one storage area to facilitate ease of record keeping.
- After grouping and organizing identical parts (i.e., on shelves or bins), all inventory items should be reasonably separated and identified/labeled to avoid any confusion between similar looking or types of parts.
- 2.4 All non-inventory, defective or obsolete parts should be clearly segregated from inventory items to be counted. These items should also be visibly marked or indicated to their nature (i.e., "Non-Inventory - Do Not Count", "Defective", etc.).

3.0 PERIOD END CUT-OFF

- 3.1 The inventory counting procedures should be coordinated to adequately control cut-off of inventory transactions.
- 3.2 Any goods received at the end of the period, but prior to completion of physical inventory, should be kept in the receiving area and should not be unpacked, received, or entered the computer.
- 3.3 To document period-end cut-off, the last five (5) sequential shipping documents and receiving reports should be copied and filed with the inventory count.

4.0 COMPLETE PHYSICAL COUNT

- 4.1 The actual physical counting may be performed by employees or contracted out to an inventory service. Either way, proper procedures must be performed to ensure that all inventory items are correctly counted once and only once.
- 4.2 Counting should be performed in teams of two. One should do the actual counting and the other should record the counts. At least one individual from each team should be knowledgeable about the inventory items to be counted.
- 4.3 If possible, the Maintenance Manager should not be included in the count teams, but rather, observe the counting procedures and assist in controlling the count sheets. Each sheet should have a start time and the initials of the count team.
- 4.4 Teams should count items in their assigned area in a logical, sequential (non-random) fashion to avoid any chance of missing or duplicating counting of items. General rules of procession should be followed (i.e., Left to Right, Top to Bottom and Front to Back)

Inventory comprised of small, numerous components that would involve tedious counting and also have a very low dollar value (i.e., screws, nuts, fasteners, etc.) will be reviewed with the Inventory Control Manager and if deemed appropriate will be estimated as to volume in round numbers (i.e., 250, 500, etc.).

The estimated # will be recorded on the Count Sheet but must be notated by the symbol "Est." before the number to indicate that the value was not obtained by a true physical count. As an alternate, these items can be weighed using a scale and counting a representative sample (i.e., 25 screws) to determine a weight/count ratio for this item and using this ratio against the total weight of the items to determine a

count. If this method is utilized a “W” symbol should be noted before the number on the Count Sheet to indicate that the value was obtained through a weighed estimate and not by a true physical count.

- 4.4 A final review walk-through by the Maintenance Manager is a critical control element to ensure the accuracy and completeness of the physical count. After all counting is finished, and after all count sheets have been turned in, the Maintenance Manager should walk through the entire area with all team members and review the area for completeness.
- 4.6 After all necessary corrections have been made, based on the results of the physical count and inventory valuation reviews; produce and save a final detailed inventory valuation report.
- 4.7 Adjust the inventory balance in the General Ledger, if necessary, to agree with the final inventory valuation report.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.3.3 INVENTORY COUNTS – FIXED ASSETS, APPLIANCES, EQUIPMENT

Guideline: The Controller or other designee as appointed by the Executive Director shall coordinate a physical inspection of assets, appliances, and equipment. Coordination of the physical inspections shall ensure adequate segregation of duties and responsibilities to assist with the prevention of loss, theft, abuse or misappropriation of the Authority's fixed assets and other equipment.

Purpose: To outline the actions to be taken to conduct an accurate physical count of all fixed asset inventory items to verify the accuracy of the General Ledger.

Scope: This procedure applies to all fixed asset inventory items including back room, warehouse, and central storage in addition to that located in dwelling units.

Responsibilities:

All staff conducting purchasing activities are responsible for forwarding all paperwork to the Finance Department to ensure that inventory is documented and accounted for properly.

Warehouse Personnel are responsible for the custody and safekeeping of fixed asset inventory not yet assigned for use. This includes ensuring that all items in inventory are properly accounted for, that proper procedures are followed for the movement of all inventory, and that all paperwork is forwarded to the Finance Department in a timely manner for the proper recording of all inventory transactions.

Apartment Managers are responsible for the custody and safekeeping of fixed asset inventory assigned for use at rental properties. This includes ensuring that all items in fixed asset inventory are properly accounted for, that proper procedures are followed for the movement of all such inventory, and that all paperwork is forwarded to the Finance Department in a timely manner for the proper recording of all fixed asset inventory transactions.

Finance Department is responsible for accounting for and processing all paperwork received in a timely manner in order to maintain an accurate General Ledger status.

The Controller is responsible for recording procedures, cut-off procedures and for ensuring proper inventory control.

The Department Managers are responsible for the actual count. The Department Managers may appoint designated staff to conduct the actual counts. The appointed staff person should be knowledgeable about the inventory items to be counted, the counting procedures used, and the location of all inventories.

Procedure:

1.0 INVENTORY FREQUENCY

- 1.1** An inspection of appliances in dwelling units shall be conducted at each unit turn by the Apartment Manager. The ultimate objective is to maintain a correct inventory log of appliances.

-
- 1.2 A complete physical inventory of appliances in vacant dwelling units shall be conducted by the Finance Department at least annually to ensure assets assigned to units according to the inventory log are in place.
 - 1.3 A physical inspection of non-dwelling equipment shall be conducted at least once bi-annually to ensure assets listed in the inventory log are in place.

2.0 PREPARATION FOR COUNTING

- 2.1 All storage areas containing appliance and equipment inventory should be organized to their optimal standard. All back room, warehouse, mobile and central storage items should be organized with like items and clearly labeled for easy identification and accurate counting.

3.0 PERIOD END CUT-OFF

- 3.1 The inventory counting procedures shall be coordinated to adequately control cut-off of inventory transactions.
- 3.2 Any goods received at the end of the period, but prior to completion of physical inventory, should be kept in the receiving area and should not be unpacked, received, or entered into the computer.
- 3.3 To document period-end cut-off, the last five (5) sequential shipping documents and receiving reports should be copied and filed with the inventory count.

4.0 COMPLETE PHYSICAL COUNT

- 4.1 The actual physical counting may be performed by employees or contracted out to an inventory service. Either way, proper procedures must be performed to ensure that all inventory items are correctly counted once and only once.
- 4.2 Counting should be performed in teams of two. One should do the actual counting and the other should record the counts. At least one individual from each team should be knowledgeable about the inventory items to be counted.
- 4.3 Teams should count items in their assigned area in a logical, sequential (non-random) fashion to avoid any chance of missing or duplicating counting of items.
- 4.4 Adjust the asset balance in the General Ledger, if necessary, to agree with the final asset inventory log.

Revision History:

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

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Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.3.4 FIXED ASSET CAPITALIZATION & DEPRECIATION

Guideline: Asset acquisitions with a useful life expectancy of greater than one year and with a minimum threshold amount as specified by the Accounting Manual should be capitalized by the Authority and depreciated.

Purpose: The purpose of this procedure is to delineate the capitalization and depreciation methods for various asset groups.

Scope: All acquisitions of capital assets for the Authority.

Definitions: Capitalization - Capitalization is the method chosen to record the purchase of a fixed asset on the Authority's books. If an asset is capitalized, then it is not expensed in the same year the asset is purchased. Instead the asset is generally recorded on the balance sheet and individually on an asset schedule. Examples of capital expenditures are purchases of land, buildings, machinery, office equipment, leasehold improvements, and vehicles. The asset is expensed each year as depreciation.

Depreciation - is an annual write-off of the cost of the asset over its estimated useful life to recover the cost or other basis of certain property over the time the property is used. It is an allowance expense for the wear and tear, age, deterioration, or obsolescence of the property.

Procedure:

1.0 CAPITALIZATION

- 1.1** Equipment Acquisitions. Equipment acquisitions with a useful life expectancy of greater than one year and costing more than \$2000. shall be capitalized by the Authority and depreciated.
- 1.2** Appliance Acquisitions. All appliance replacements to include dishwashers, washers, dryers, stoves, ovens, ranges, and refrigerators, with a useful life expectancy of greater than one year shall be capitalized by the Authority and depreciated. Capitalization under this guideline requires that the Authority write off the declined value of the asset being replaced.
- 1.3** Building and Property Improvements or Additions. Building and property improvements or additions with a useful life expectancy of greater than one year and costing more than \$200, which increase the rental revenue productivity, shall be capitalized by the Authority and depreciated.

-
- 1.4** Building and Property Repair. Building and property repair costing more than \$200 shall be capitalized by the Authority and depreciated. Building and property repair which costs less than \$200 is considered necessary for the viability of rental revenue generating properties but shall not be capitalized or depreciated by the Authority. Capitalization under this guideline requires that the Authority write off the declined value of the asset being repaired or replaced.
- 1.5** Floor Covering Replacement. All floor-covering replacements shall be capitalized by the Authority and depreciated. Capitalization under this guideline requires the Authority to write off the declined value of the asset being replaced.
- 1.6** Valuation of Fixed Assets. Capital assets shall be reported at historical cost. The cost of a capital asset should include ancillary charges necessary to place the asset into its intended location and condition for use. Donated capital assets should be reported at their estimated fair value at the time of acquisition plus ancillary charges.

2.0 DEPRECIATION

- 2.1** Depreciation of Fixed Assets. Capital assets shall be depreciated over their estimated useful lives unless they are inexhaustible. Inexhaustible assets such as land and land improvements shall not be depreciated. The Authority shall use the straight-line method of depreciation.
- 2.2** The lives for assets shall be selected at the time the asset is first placed into service to ensure consistent financial reporting.
- Useful Life. The depreciation life of the asset shall be determined at the time the item is placed in service to ensure consistent financial reporting. The following depreciation useful lives guidelines shall be considered in making such decisions:
- 5-Year Life. Examples include vehicles, trailers, office machinery, computer hardware and software.
- When reporting and depreciating assets that are a component part of an asset, the useful life of the component shall not extend past the remaining useful life of the entire asset.
- 40-Year Life. Residential rental property, office buildings and other real estate.

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA

Revision: 1
Effective Date: June 2020

Prepared by: NMA
Approved by:

Title: 5.3.5 DISPOSITION OF PERSONAL PROPERTY

Guideline: The Controller or other designee as appointed by the Executive Director shall coordinate the disposition of personal property. Coordination of the disposition of personal property shall ensure adequate segregation of duties and responsibilities to assist with the prevention of loss, theft, abuse or misappropriation of the Authority's fixed assets and other equipment. The Authority has a Master Contract Usage Agreement (MCUA) with Washington State Department of Enterprise Services (DES) which allows the piggyback on state contracts for goods and services. This agreement authorizes the use of DES Surplus Operations which allows the Authority to request surplus and disposal approvals for items deemed surplus by the Authority.

Purpose: The purpose of this procedure is for assets replaced or retired from service shall be reported in the Authority's financial statements in accordance with GAAP, applicable laws and regulations and established procedures.

Scope: All acquisitions of capital assets for the Authority.

Responsibilities:

The Authority shall determine the fair value of excess personal property and determine if the MCUA with DES is an eligible method of disposal of property.

Procedure:

1.0 DISPOSITION

- 1.1** The Authority shall determine the fair value of excess personal property and use the following guidelines for disposition:

No Reasonable Fair Value. If the estimated fair value of excess personal property is less than cost of a reasonable effort to market it, the excess personal property may be destroyed and discarded. Upon execution of such action, certification of the destruction and appropriate disposition of the excess personal property must be forwarded to the Finance Department with a completed PERSONAL PROPERTY DISPOSITION FORM.

Fair Value of \$10,000 or less. If the estimated fair value of the excess personal property is \$10,000 or less, the personal property shall be offered for sale in an informal manner that the Executive Director deems will ensure a fair return. A bill of sale will be issued to document the sale and forwarded to the Finance Department with sale proceeds and a completed PERSONAL PROPERTY DISPOSITION FORM.

Fair Value of more than \$10,000. If the estimated fair value of the excess personal property is more than \$10,000, the Authority shall advertise for formal bids. An invitation bid and acceptance shall be prepared. Bids will be opened publicly at the time and place specified in the advertisement and the excess personal property sold to the highest bidder. A record of all bids received will be prepared and forwarded to the Finance Department with the bill of sale, sale proceeds, and a completed PERSONAL PROPERTY DISPOSITION FORM. Other documentation to describe the disposal of the item is accepted if it includes a log of items grouped by DES disposal number.

Federal or State Surplus Property Program. The Authority may choose to utilize the a Federal or State Surplus Property Program for disposition of excess personal property in lieu of any options listed above.

In addition to any program specific regulations, disposition of assets acquired under a grant or sub-grant shall also be subject to the following:

Real Property – 24 CFR 85.31 – *Disposition*. When real property is no longer needed for the originally authorized purpose, the Authority will request disposition instructions from the awarding agency. The instructions will provide for one of the following alternatives:

(5) *Retention of title*. Retain title after compensating the awarding agency. The amount paid to the awarding agency will be computed by applying the awarding agency's percentage of participation in the cost of the original purchase to the fair market value of the property. However, in those situations where the Authority is disposing of real property acquired with grant funds and acquiring replacement real property under the same program, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.

(6) *Sale of property*. Sell the property and compensate the awarding agency. The amount due to the awarding agency will be calculated by applying the awarding agency's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When the Authority is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.

(7) *Transfer of title*. Transfer title to the awarding agency or to a third-party designated/approved by the awarding agency. The Authority shall be paid an amount calculated by applying the Authority's percentage of participation in the purchase of the real property to the current fair value of the property.

(8) *Other Authorized Use*. Disposition of real property may include use in other authorized awarding agency programs. Other authorized use may

not require the Authority to compensate the awarding agency from proceeds of the sale of the property.

Equipment – 24 CFR 85.32 - *Disposition*. When original or replacement equipment acquired under a grant or sub-grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(3) Items of equipment with a current per-unit fair value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(4) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

Supplies – 24 CFR 85.33 - *Disposition*. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair value upon termination or completion of the award, and if the supplies are not needed for any other federally sponsored programs or projects, the Authority shall compensate the awarding agency for its share.

Revision	Date	Description of changes	Requested By
1	June 2020	Update terminology and requirements	NMA



Report of Maintenance Division

February 2021

Staff Projects

- I. Brookridge (69 units)
7330A was completed to make ready status. An exterior water leak was discovered and repaired 3' feet underground in front of the cabana. 25 work orders were completed this month.
- II. Chateau Rainer (248 units)
K103 and N103 were completed to make ready status. New seasonal foliage was planted in front of the office to improve curb appeal. To alleviate sidewalk trip hazards specific areas were identified and ground down. 62 work orders were completed this month.
- III. Demark (93 units)
D108 was completed to make ready status. Interior hallway light fixtures were replaced in "C" and "E" buildings. 12 work orders were completed this month.
- IV. Lakewood Village (136 units)
B102 was completed to make ready status which was used a temporary transfer unit for D102 due to a leaking waste water pipe. A102 & A202 are near completion from a water loss incident. 23 work orders were completed this month.
- VI Oakleaf (26 units)
13 was completed to make ready status. 9 work orders were completed this month.

Training and Development

- I. This month's safety meeting will cover "Job Hazard Analysis" which will cover risk assessment tools that can be used to identify and control work place hazards.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING
Quality Assurance Division

February 19, 2021

Mr. James Stretz, Executive Director
Pierce County Housing Authority
1525 108th Street South
Tacoma, WA 98444

SUBJECT: HCV Program Financial Management Review (FMR) Report (QAD-FMR-2020-WA054) – January 13, 2020 – Pierce County Housing Authority (WA054)

Dear Mr. Stretz:

Thank you for providing the Pierce County Housing Authority's (PCHA) responses to the subject FMR report. The FMR report was issued pursuant to the HCV Financial Management Review conducted by the Quality Assurance Division (QAD) at the PCHA.

During the review, deficiencies were identified resulting in four (4) findings requiring corrective actions. We received a corrective action plan (CAP) related to the review report on February 7, 2020 and had multiple follow-up calls during which the PCHA demonstrated that it had carried out the required corrective actions, with the exception of 1(a), which is pending final Board approval. Accordingly, we are closing all the findings except 1(a), which is conditionally closed. Please submit the final documentation when available. No other follow-up is required, however the QAD may conduct follow-up reviews in subsequent years.

We greatly appreciate your implementation of the required corrective actions.

Sincerely,

Brenda K. Leerar

for MaryAnn Creager, Supervisory Program Analyst
OHVP, Quality Assurance Division

cc: Julia Foss, Director, Seattle Field Office, Office of Public & Indian Housing
June Burnes, Division Director, Financial Management Center
Miguel Fontanez-Sanchez, Director, Financial Management Division

Pierce County Housing Authority- Supported Programs Feb 2021 Board Report

Vouchers- January 2021

Current Vouchers Housed (Annual Contribution Contract 2946)

- 2609
 - 2587 under contract, 22 housed- waiting on contract execution
 - 139 in PCHA owned properties
 - 229 Participants that have Ported Out to other PHA's (Included in our voucher count and HAP expense, but pay the Receiving Housing Authority an administrative fee)
- 115 Port In Vouchers (Housed in our jurisdiction but not part of our voucher count or HAP expense but PCHA earns an administrative fee for administering the voucher under our policies and procedures)

Vouchers issued and looking for housing

- 55
 - 11 VASH (3 Relocating and 8 New Issues)
 - 30 Relocations/Movers
 - 14 New admission-HCV

Subsidy-January 2021

Avg. Rental Subsidy by Bedroom

- 0 BR-\$545
- 1 BR-\$667
- 2 BR-\$790
- 3 BR-\$1135
- 4 BR-\$1433
- 5 BR-\$1387
- 6 BR-\$2206

PUC -January

\$905

Feb HCV Leasing and Spending Projection - The Goods

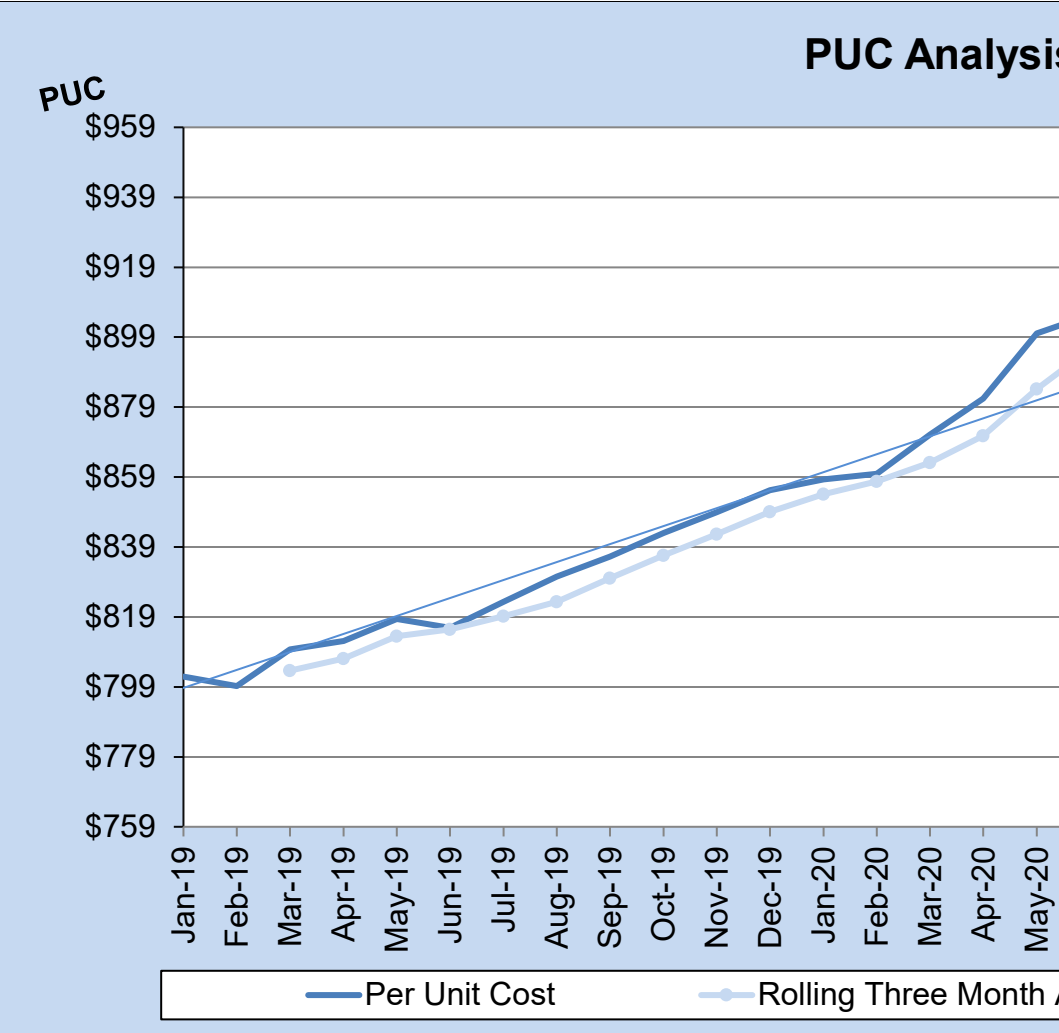
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Feb HCV Leasing and Spending Projection - The Goods

	2020	UMAs	Actual UMLs	Actual HAP	Vouchers Issued/Projected To Be Issued	Other Planned Additions/ Reductions	New Leasing from Issued Vouchers	Estimated Attrition	UMLs: Actual/Projected	HAP: Actual/Projected	PUC: Actual/Projected	Manual PUC Override	Cumulative % Annual Leased	Cumulative % Eligibility Expended	Monthly UML %	Monthly ABA Expended %
	Jan-20	2,946	2,682	\$2,301,896					2,682	\$2,301,896	\$858		91.0%	97.7%	91.0%	97.7%
	Feb-20	2,946	2,674	\$2,299,410					2,674	\$2,299,410	\$860		90.9%	97.7%	90.8%	97.6%
	Mar-20	2,946	2,667	\$2,323,370					2,667	\$2,323,370	\$871		90.8%	98.0%	90.5%	98.6%
	Apr-20	2,946	2,661	\$2,345,498					2,661	\$2,345,498	\$881		90.7%	98.4%	90.3%	99.6%
	May-20	2,946	2,659	\$2,393,205					2,659	\$2,393,205	\$900		90.6%	99.0%	90.3%	101.6%
	Jun-20	2,946	2,650	\$2,399,160					2,650	\$2,399,160	\$905		90.5%	99.5%	90.0%	101.8%
	Jul-20	2,946	2,649	\$2,408,371					2,649	\$2,408,371	\$909		90.4%	99.9%	89.9%	102.2%
	Aug-20	2,946	2,635	\$2,396,987					2,635	\$2,396,987	\$910		90.3%	100.1%	89.4%	101.8%
	Sep-20	2,946	2,628	\$2,391,515					2,628	\$2,391,515	\$910		90.2%	100.3%	89.2%	101.5%
	Oct-20	2,946	2,616	\$2,379,355					2,616	\$2,379,355	\$910		90.0%	100.3%	88.8%	101.0%
	Nov-20	2,946	2,605	\$2,367,180					2,605	\$2,367,180	\$909		89.9%	100.4%	88.4%	100.5%
	Dec-20	2,946	2,600	\$2,366,601					2,600	\$2,366,601	\$910		89.7%	100.4%	88.3%	100.5%
	Total	35,352	31,726	\$28,372,548	0	0	0	0.0	31,726	\$28,372,548	\$894		89.7%	100.4%		
	2021															
	Jan-21	2,946	2,567	\$2,323,878					2,567	\$2,323,878	\$905		87.1%	94.1%	87.1%	94.1%
	Feb-21	2,946	2,591	\$2,338,118	55				2,591	\$2,338,118	\$902		87.5%	94.3%	87.9%	94.6%
	Mar-21	2,946							2,588	\$2,350,173	\$908	\$908	87.6%	94.6%	87.9%	95.1%
	Apr-21	2,946			300	30	10	-12.7	2,615	\$2,388,066	\$913	\$913	87.9%	95.1%	88.7%	96.7%
	May-21	2,946			50	1	60	-12.8	2,663	\$2,446,880	\$919	\$919	88.4%	95.9%	90.4%	99.0%
	Jun-21	2,946			50	1	61	-13.0	2,713	\$2,507,173	\$924	\$924	89.0%	96.8%	92.1%	101.5%
	Jul-21	2,946				1	57	-13.2	2,758	\$2,564,164	\$930	\$930	89.7%	97.8%	93.6%	103.8%
	Aug-21	2,946				1	36	-13.5	2,781	\$2,601,109	\$935	\$935	90.3%	98.8%	94.4%	105.3%
	Sep-21	2,946				1	53	-13.6	2,822	\$2,654,999	\$941	\$941	90.9%	99.7%	95.8%	107.5%
	Oct-21	2,946				1	11	-13.8	2,820	\$2,669,301	\$946	\$946	91.4%	100.6%	95.7%	108.0%
	Nov-21	2,946				1	7	-13.8	2,815	\$2,680,178	\$952	\$952	91.8%	101.3%	95.6%	108.5%
	Dec-21	2,946				1	0	-13.7	2,803	\$2,684,056	\$958	\$958	92.0%	101.9%	95.1%	108.6%
	Total	35,352	5,158	\$4,661,996	455	39	305	-132.7	32,536	\$30,208,095	\$928		92.0%	101.9%		
Graphs			SPVs: Additional SPV leasing should focus on the 92 unleased VASH vouchers and the 4 unleased NED vouchers. FINANCIAL: Beginning Year: Cash & Investments (VMS) of \$0 compares to RNP (VMS) of \$-213,167. Current: VMS Cash & Investments of \$0 compares to VMS RNP plus UNP of \$-213,167. PBVs: Currently, the PHA reports 189 leased PBVs, for a leased PBV rate of 90%. Additional leasing should focus on the 20 unleased PBVs, for which the PHA is making vacancy payments on 0. Finally, the PHA reports 30 PBVs under AHAP. Most importantly, the Two-Year Tool is not a problem to be solved, but a reality to be experienced.													Comments (VMS Comments in Note)

HCV Leasing and Spending Projection

PUC Analysis						
Year	Month	ACTUAL Leased Units	Actual HAP	Per Unit Cost	Monthly Change	Rolling Three Month Average
2019	J	2,532	\$2,030,645	\$801.99		
2019	F	2,549	\$2,037,245	\$799.23		
2019	M	2,544	\$2,060,036	\$809.76	↗ 1.32%	\$803.66
2019	A	2,560	\$2,079,072	\$812.14	↗ 0.29%	\$807.04
2019	M	2,581	\$2,112,354	\$818.42	↗ 0.77%	\$813.44
2019	J	2,612	\$2,131,218	\$815.93	↘ -0.30%	\$815.50
2019	J	2,627	\$2,162,967	\$823.36	↗ 0.91%	\$819.24
2019	A	2,641	\$2,193,482	\$830.55	↗ 0.87%	\$823.28
2019	S	2,673	\$2,235,166	\$836.20	↗ 0.68%	\$830.04
2019	O	2,687	\$2,265,154	\$843.00	↗ 0.81%	\$836.59
2019	N	2,691	\$2,284,382	\$848.90	↗ 0.70%	\$842.70
2019	D	2,677	\$2,289,500	\$855.25	↗ 0.75%	\$849.05
2020	J	2,682	\$2,301,896	\$858.28	↗ 0.35%	\$854.14
2020	F	2,674	\$2,299,410	\$859.91	↗ 0.19%	\$857.81
2020	M	2,667	\$2,323,370	\$871.15	↗ 1.31%	\$863.11
2020	A	2,661	\$2,345,498	\$881.43	↗ 1.18%	\$870.83
2020	M	2,659	\$2,393,205	\$900.04	↗ 2.11%	\$884.21
2020	J	2,650	\$2,399,160	\$905.34	↗ 0.59%	\$895.61
2020	J	2,649	\$2,408,371	\$909.16	↗ 0.42%	\$904.85
2020	A	2,635	\$2,396,987	\$909.67	↗ 0.06%	\$908.06
2020	S	2,628	\$2,391,515	\$910.01	↗ 0.04%	\$909.62
2020	O	2,616	\$2,379,355	\$909.54	↘ -0.05%	\$909.74
2020	N	2,605	\$2,367,180	\$908.71	↘ -0.09%	\$909.42
2020	D	2,600	\$2,366,601	\$910.23	↗ 0.17%	\$909.49
2021	J	2,567	\$2,323,878	\$905.29	↘ -0.54%	\$908.08
2021	F	2,591	\$2,338,118	\$902.40	↘ -0.32%	\$905.97
2021	M					
2021	A					
2021	M					
2021	J					



Remove
Abated Units
from PUC

R-Square

Choose PUC Method

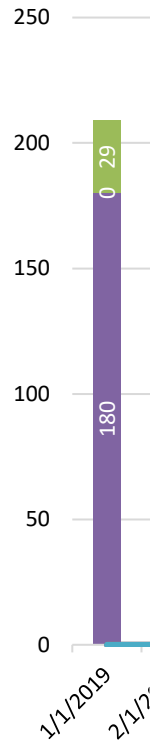
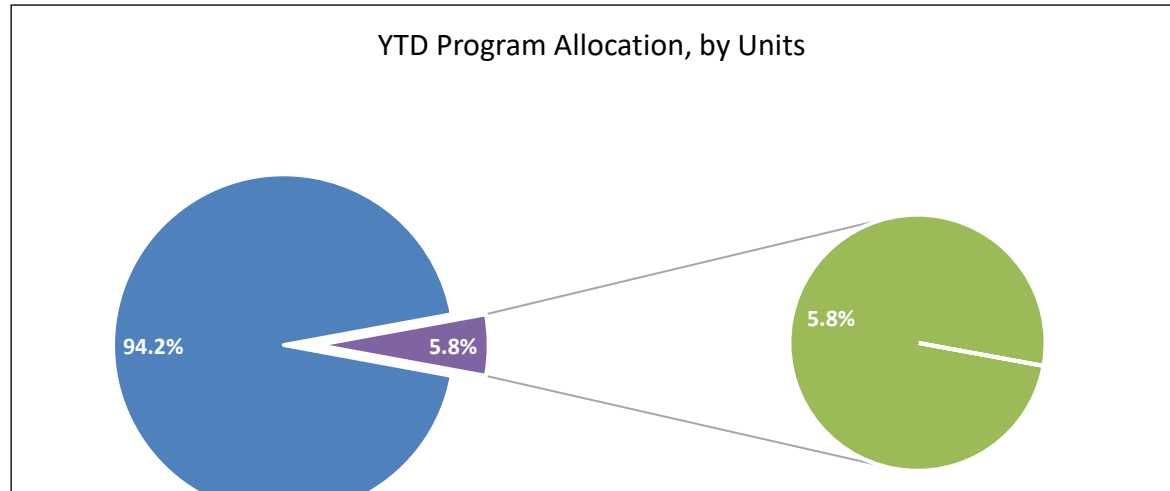
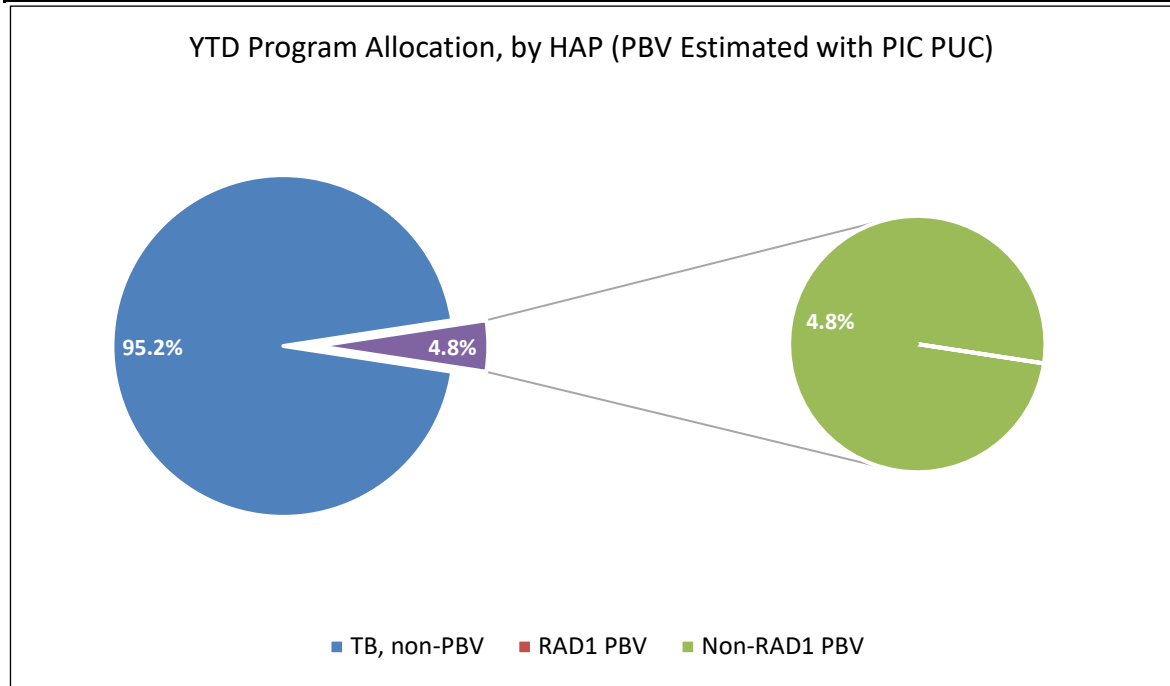
Average Monthly Change

Material New Units at
a Material New PUC?

HCV Leasing and Spending Projection



VMS Fields	CURRENT		
Number of PBV Under AHAP	30		
PBV Under HAP - Leased	189		
PBV Under HAP - Not Leased	20	9.6% Vacant PBV	
PBV Vacancy Payments	0		
RAD - Comp 1 UMLs	0	0	HUD- Anticipated UMAs
RAD - Comp 1 HAP	\$0		
RAD - Comp 2 UMLs	0		
RAD - Comp 2 HAP	\$0		
VMS Data Analysis			
Leased PBV, but NO unleased PBV?			
More RAD leased than PBV leased (RAD is subset of PBV)?			
Not reporting any RAD1, when RAD1 exists?			
Not reporting any RAD2, when RAD2 exists?			
Underreporting PBVs (leased and unleased) when RAD1/2 exists?			
PIC Data Analysis			

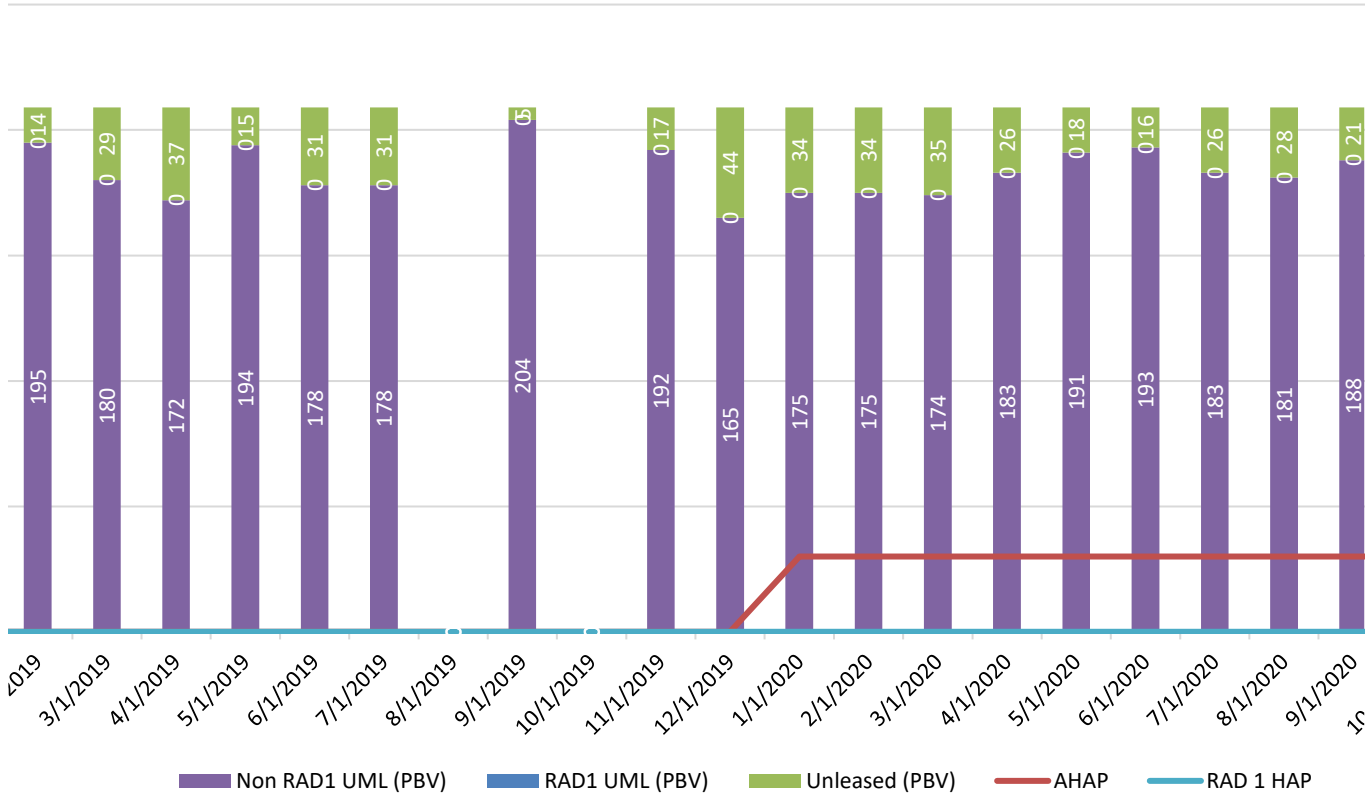




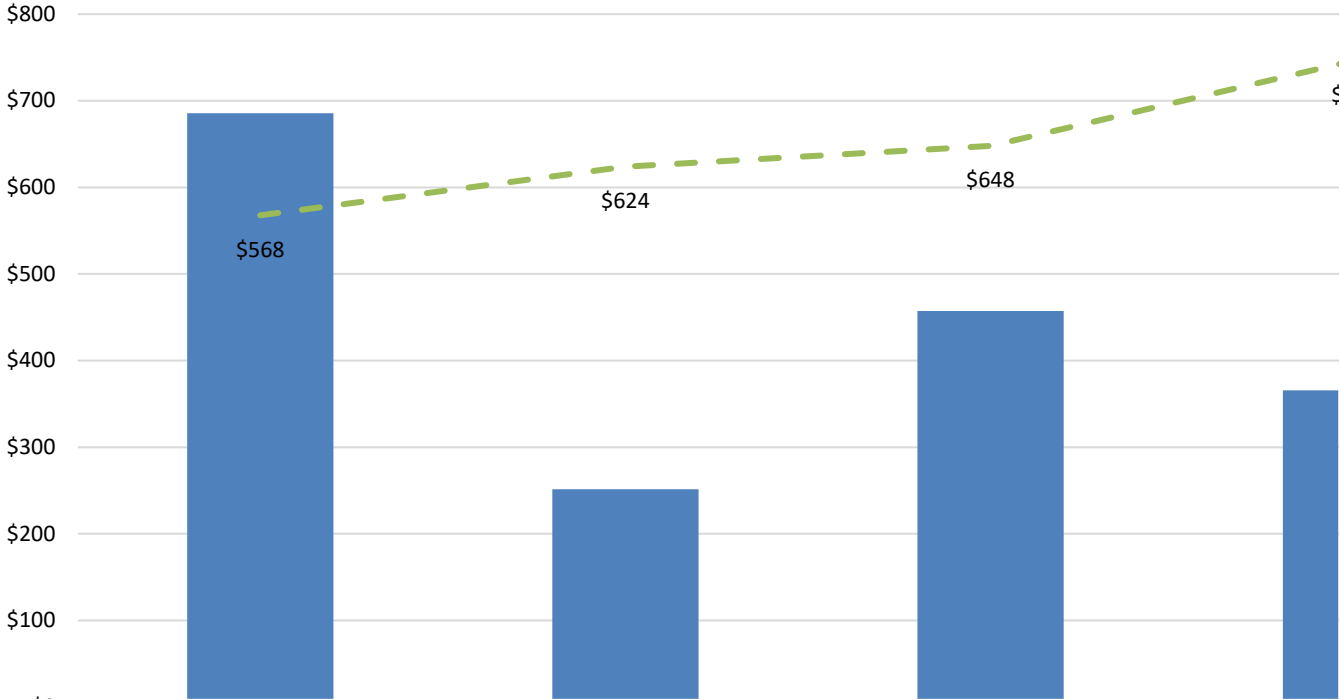
■ TB, non-PBV ■ RAD1 PBV ■ Non-RAD1 PBV

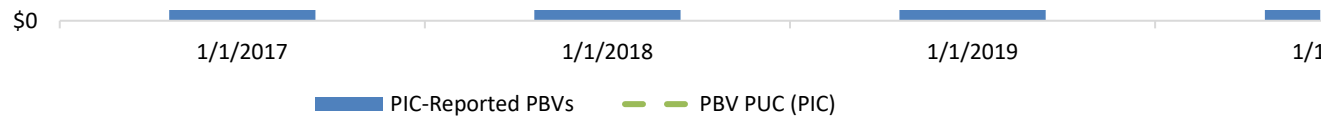
Project-Based Information

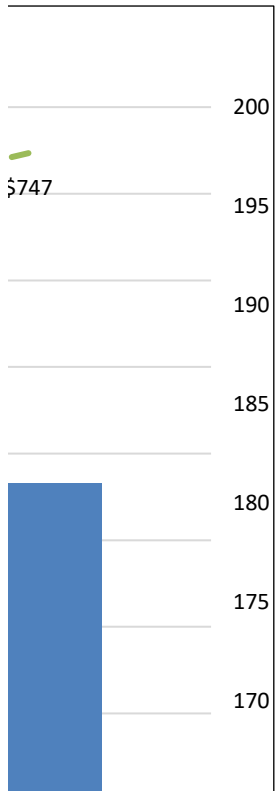
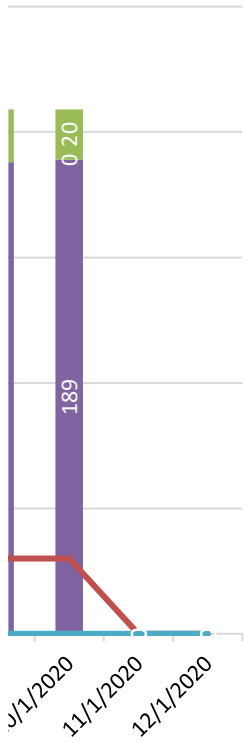
Project-Based, VMS

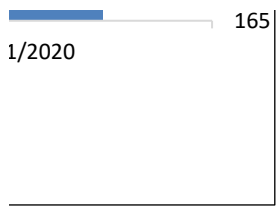


PIC PBV Data









Import DCR		Additional Disbursement for WA054 (HA of Pierce County) - FYE 12/31 (Obligations/Disbursements As of December 21, 2020)												
Housing Assistance Payments (HAP)														
Owner	PHA HELD										ESTIMATED HUD HELD			
Category (BOM: Beginning of Month EOM: End of Month)	Calculated BOM RNP ("Excess Cash")	Actual/Projected Disbursements (HUD to PHA)	Actual/Projected Expenses (PHA to landlords)	Disbursements Minus Expenditures	Fraud Recovery/ FSS Forfeitures (VMS)	Calculated EOM RNP	Reported EOM RNP (VMS)	EOM RNP Difference	Actual/Projected UMLs		BOM HHR	Obligations (in HUD's systems)	Actual/Projected Disbursements (HUD to PHA)	Receipt of Funds (RF)
Years	2020/2021										2020/2021			
January-20	(\$180,556)	\$2,225,260	\$2,301,896	(\$76,636)	\$901	(\$256,291)	(\$81,275)	(\$175,016)	2,682		\$1,313,169	\$1,651,283	\$2,225,260	\$0
February-20	(\$256,291)	\$2,459,816	\$2,299,410	\$160,406	\$1,356	(\$94,529)	\$80,284	(\$174,813)	2,674		\$739,192	\$2,720,761	\$2,459,816	\$0
March-20	(\$94,529)	\$2,308,199	\$2,323,370	(\$15,171)	\$2,466	(\$107,234)	\$67,376	(\$174,610)	2,667		\$1,000,137	\$2,348,316	\$2,308,199	\$0
April-20	(\$107,234)	\$2,514,468	\$2,345,498	\$168,970	\$18,220	\$79,956	\$74,687	\$5,269	2,661		\$1,040,255	\$2,344,761	\$2,514,468	\$0
May-20	\$79,956	\$2,327,993	\$2,393,205	(\$65,212)	\$4,337	\$19,081	\$14,411	\$4,670	2,659		\$870,548	\$2,339,386	\$2,327,993	\$0
June-20	\$19,081	\$2,302,194	\$2,399,160	(\$96,966)	\$1,598	(\$76,287)	(\$79,738)	\$3,451	2,650		\$881,941	\$2,462,281	\$2,302,194	\$0
July-20	(\$76,287)	\$2,302,194	\$2,408,371	(\$106,177)	\$2,190	(\$180,274)	(\$178,555)	(\$1,719)	2,649		\$1,042,028	\$2,462,281	\$2,302,194	\$0
August-20	(\$180,274)	\$2,290,643	\$2,396,987	(\$106,344)	\$1,777	(\$284,841)	(\$274,715)	(\$10,126)	2,635	\$1,202,115	\$2,450,730	\$2,290,643	\$0	
September-20	(\$284,841)	\$2,394,473	\$2,391,515	\$2,958	\$1,294	(\$280,589)	(\$260,462)	(\$20,127)	2,628	\$1,362,203	\$2,450,730	\$2,394,473	\$0	
October-20	(\$280,589)	\$2,394,473	\$2,379,355	\$15,118	\$852	(\$264,619)	(\$213,167)	(\$51,452)	2,616	\$1,418,460	\$2,345,958	\$2,394,473	\$0	
November-20	(\$264,619)	\$2,721,782	\$2,367,180	\$354,602	\$0	\$89,983	\$0	\$89,983	2,605	\$1,369,945	\$2,345,691	\$2,721,782	\$0	
December-20	\$89,983	\$2,413,582	\$2,366,601	\$46,981	\$0	\$136,964	\$0	\$136,964	2,600	\$993,853	\$2,346,227	\$2,413,582	\$0	
January-21	\$136,964	\$0	\$2,323,878	(\$2,323,878)	\$0	(\$2,186,914)	\$0	(\$2,186,914)	2,567	\$926,498	\$0	\$0	\$0	
February-21	(\$2,186,914)	\$0	\$2,338,118	(\$2,338,118)	\$0	(\$4,525,032)	\$0	(\$4,525,032)	2,591	\$926,498	\$0	\$0	\$0	
March-21	(\$4,525,032)	\$0	\$2,350,173	(\$2,350,173)	\$0	(\$6,875,205)	\$0	(\$6,875,205)	2,588	\$926,498	\$0	\$0	\$0	
April-21	(\$6,875,205)	\$0	\$2,388,066	(\$2,388,066)	\$0	(\$9,263,272)	\$0	(\$9,263,272)	2,615	\$926,498	\$0	\$0	\$0	
May-21	(\$9,263,272)	\$0	\$2,446,880	(\$2,446,880)	\$0	(\$11,710,152)	\$0	(\$11,710,152)	2,663	\$926,498	\$0	\$0	\$0	
June-21	(\$11,710,152)	\$0	\$2,507,173	(\$2,507,173)	\$0	(\$14,217,325)	\$0	(\$14,217,325)	2,713	\$926,498	\$0	\$0	\$0	
Total for CY 2020		\$28,655,077	\$28,372,548		\$34,991						\$28,268,406	\$28,655,077		
Total		\$28,655,077	\$42,726,837		\$34,991						\$28,268,406	\$28,655,077		
Color Key:		= Beginning Balance for the Year				= Calculated Fields			= VMS Data / or Projected Data			= HUDCAPS Data		
General Comments:														

Category	Amount	Comments	
Proposed Advance:	\$4,525,032		
Adjustments		Carry Forward?	
Prior Period			
HUD			
PHA			
BA Detail	SPV		

Save and Submit

Additional Information		
HHR/Current BA Available?		Date
Frontload Request to OPS?		
Referral to FO or SPT?		
Additional Disbursement Needed?	Yes	

Oct HCV Leasing and Spending Projection

?	Enter First Year			2019												2020												2021				
Issuance Month	VOs Issued	VOs Leased	VOs Failed	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May
Jan-19	49	29	20		4	6	4	4	11																							
Feb-19	32	22	10			4	9	6		3																						
Mar-19	75	53	22				14	15	6	8	10																					
Apr-19	81	59	22					15	9	10	6	19																				
May-19	67	47	20						12	15	6	6	8																			
Jun-19	50	32	18							7	4	9	6	6																		
Jul-19	74	54	20								16	9	10	5	14																	
Aug-19	64	39	25									13	7	8	3	8																
Sep-19	27	17	10										5	4	2	3	3															
Oct-19	22	11	11											3	4	2	1	1														
Nov-19	22	13	9												3	5	3	1	1													
Dec-19	24	17	7													9	2	2	2	2												
Jan-20	16	12	4														2	4	2	1	3											
Feb-20	22	13	9															7	2		1	3										
Mar-20	9	6	3																	4		2										
Apr-20	17	12	5																	3	4	1	4									
May-20	8	2	6																		1	1										
Jun-20	7	6	1																			2	1									
Jul-20	23	13 (yet)	4																				3	2	2	4	2					
Aug-20	20	13 (yet)	0																					6	3	1	3					
Sep-20	23	0 (yet)	3																													
Oct-20	19	8 (yet)	1																													
Nov-20	7	1 (yet)																														
Dec-20	14	0 (yet)																														
Total	772	444	230	0	4	10	27	40	38	43	42	56	36	26	26	27	11	15	7	10	9	7	10	8	7	10	10	0	0	0	0	0

Transfer Tab
new TYT

Summary Results							
Issuance Month	Success Rate	% in 30 days	% in 30-60 Days	% in 60-90 Days	% in 90-120 Days	% in 120-150 Days	Avg. Months
Jan-19	59.2%	13.8%	20.7%	13.8%	13.8%	37.9%	3.4
Feb-19	68.8%	18.2%	40.9%	27.3%	0.0%	13.6%	2.5
Mar-19	70.7%	26.4%	28.3%	11.3%	15.1%	18.9%	2.7
Apr-19	72.8%	25.4%	15.3%	16.9%	10.2%	32.2%	3.1
May-19	70.1%	25.5%	31.9%	12.8%	12.8%	17.0%	2.6
Jun-19	64.0%	21.9%	12.5%	28.1%	18.8%	18.8%	3.0
Jul-19	73.0%	29.6%	16.7%	18.5%	9.3%	25.9%	2.9
Aug-19	60.9%	33.3%	17.9%	20.5%	7.7%	20.5%	2.6
Sep-19	63.0%	29.4%	23.5%	11.8%	17.6%	17.6%	2.7
Oct-19	50.0%	27.3%	36.4%	18.2%	9.1%	9.1%	2.4
Nov-19	59.1%	23.1%	38.5%	23.1%	7.7%	7.7%	2.4
Dec-19	70.8%	52.9%	11.8%	11.8%	11.8%	11.8%	2.2
Jan-20	75.0%	16.7%	33.3%	16.7%	8.3%	25.0%	2.9
Feb-20	59.1%	53.8%	15.4%	0.0%	7.7%	23.1%	2.3
Mar-20	66.7%	0.0%	66.7%	0.0%	0.0%	33.3%	3.0
Apr-20	70.6%	25.0%	33.3%	8.3%	33.3%	0.0%	2.5
May-20	25.0%	50.0%	50.0%	0.0%	0.0%	0.0%	1.5
Jun-20	85.7%	33.3%	16.7%	0.0%	33.3%	16.7%	2.8
Jul-20							
Aug-20							
Sep-20							
Oct-20							
Nov-20							
Dec-20							
Cumulative	66.7%	27.0%	23.6%	16.0%	11.9%	21.4%	2.8

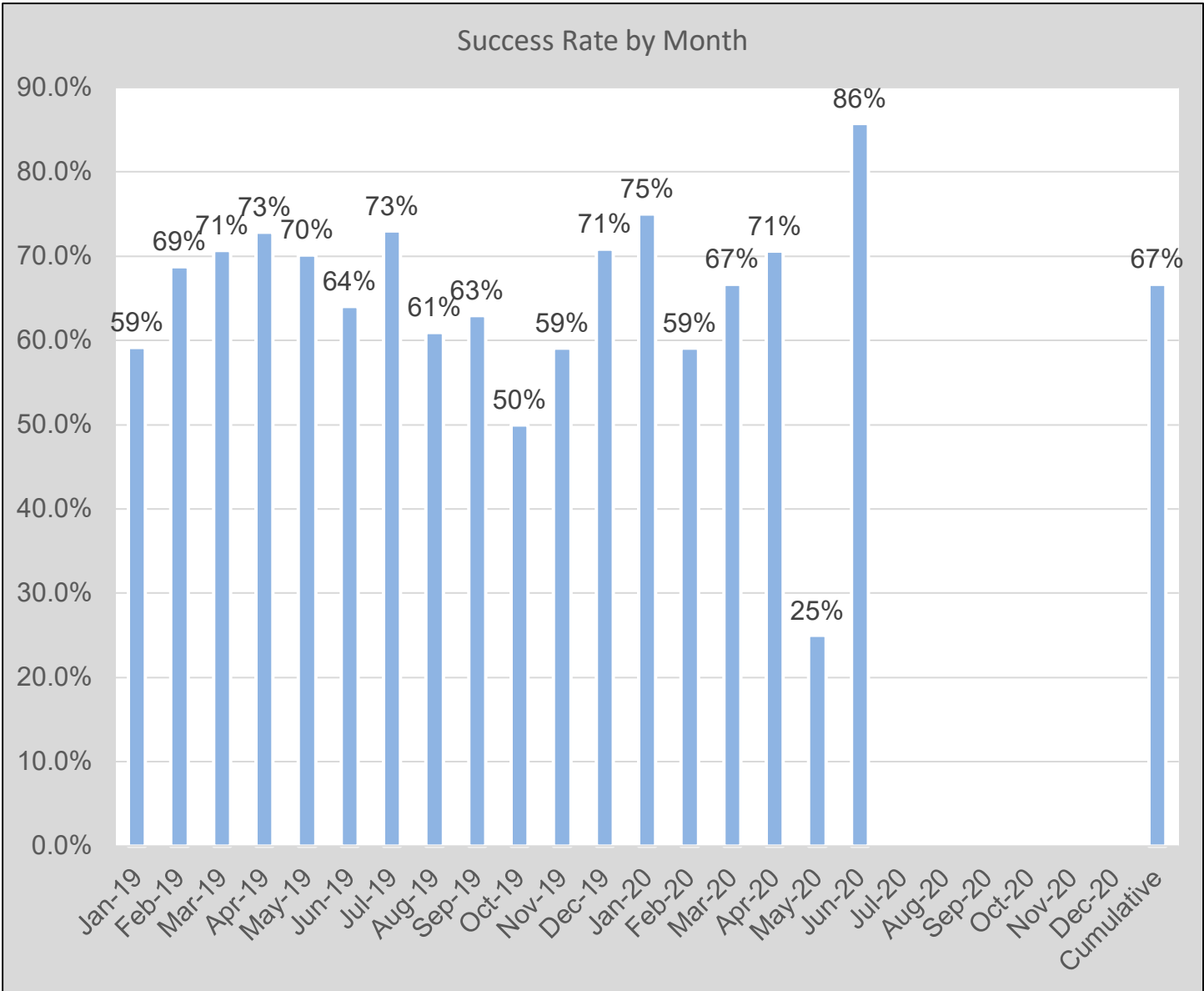
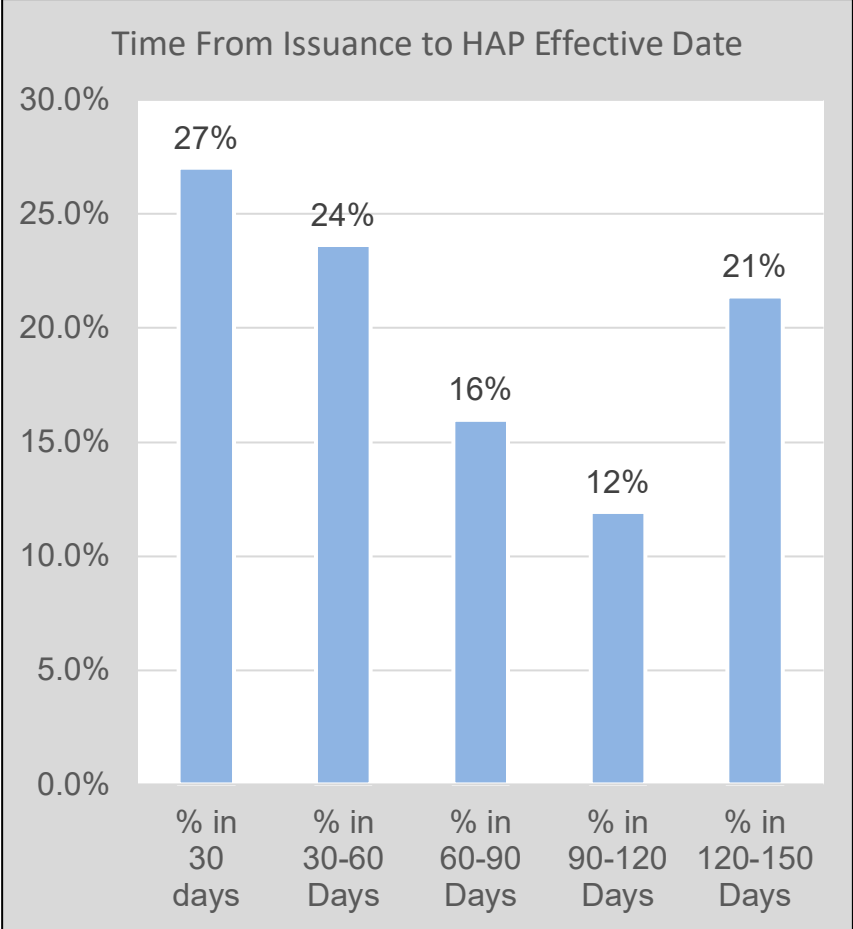
Move Success Rate and Time from Issuance to HAP to the Projection Tab

Need more than 150 days? Check this out.

How about changing the Success Rate at a certain point in the future? Yes, sir!

What about different types of vouchers with different types of rates? Bring it!

Wait List Success Rate				
Month	Pulled	Issued	Failed	%
Jan-19				
Feb-19				
Mar-19				
Apr-19				
May-19				
Jun-19				
Jul-19				
Aug-19				
Sep-19				
Oct-19				
Nov-19				
Dec-19				
Jan-20				
Feb-20				
Mar-20				
Apr-20				
May-20				
Jun-20				
Wait List Success Rate				



Oct HCV Leasing and Spending Projection