

# City Auditor's Highlights

## Audit of the City's Section 8 Tenant-Based Assistance Program

Report No. 17-03



### Federal requirements are met, but additional improvements are needed

We found that additional improvements are needed. More specifically, the program needs to actively maintain staff caseload data; fill missing key staff positions related to fraud prevention, accounts receivable collections, and information technology responsibilities. A system for tracking complaints is also needed. These positions are important for effective program management and to reduce the fraud, waste, and abuse risks.



#### Accounts Receivables

The program lacks a **debt collector**. As of FY 2016, the program's **delinquent accounts receivables totaled approximately \$1.5 million**. This amount continues to increase annually as a result of the program not having a debt collector and not writing the debt off.



#### Fraud Practices

The program lacks a **fraud investigator and formal fraud prevention, detection, and reporting practices**. As a result of not having a fraud investigator and formal fraud program, **unqualified participants will continue to receive assistance payments**.



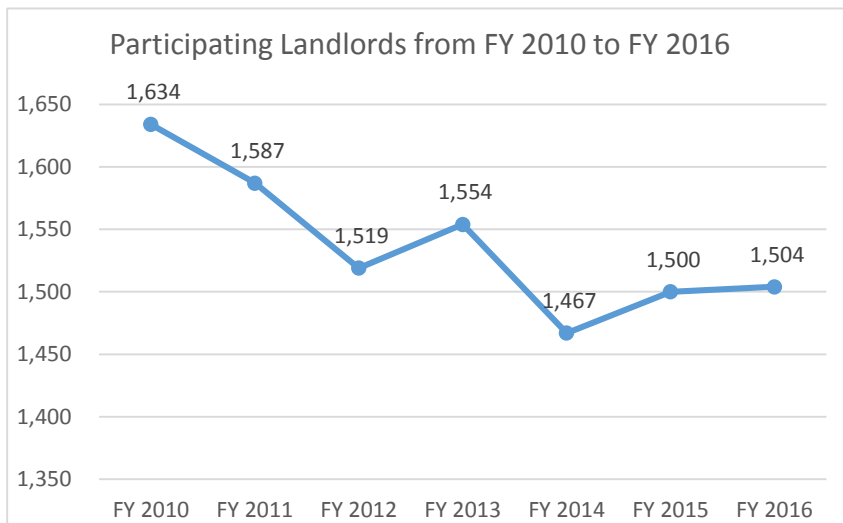
#### Information Technology Support

The program relies on an **informal IT support person as a database administrator**. The informal IT support person's overlapping responsibilities as a housing specialist and IT support makes the program vulnerable to **fraud, waste and abuse**.



#### Active File Management

Active file management can be improved. **Complete documentation and records are needed**. Composition books are used to keep logs in place of electronic spreadsheets. **Required forms and active files were missing**. Informal hearings on fraud cases are incomplete. The agency needs to ensure program participants remain eligible over time, establish a basis to efficiently eliminate ineligible participants and allow qualified voucher-holders on the waitlist to access affordable housing.



#### Landlord participation has decreased 8.5% since 2010.

Lack of policies, procedures, and plans for landlord outreach resulted in **inconsistent reporting of statistics and lack of data to measure the effectiveness** of the program's landlord briefings to prospective and current landlords.



#### Homelessness Efforts

Aside from the **65 HUD-VASH tenants**, we could not quantify the Section 8 program's efforts in reducing homelessness, which is a mayoral priority. **Data to monitor homelessness efforts are not readily available and inconsistent**. We could not determine whether or not the homeless preference is effectively used and to what extent the program is placing efforts towards ending homelessness.

We make recommendations to ensure effective and appropriate administration of the federal program. We also share best practices from other jurisdictions in the Appendix B.



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