
HOUSING AUTHORITY OF THE CITY OF GLENDALE
Section 8 Tenant-Based Rental Vouchers



**2002 Report on the Housing Integrity
Compliance Project**

*A Report by the Department of Community Development &
Housing on actions to prevent, detect and counter fraud and
abuse of the Section 8 rental voucher program*

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Executive Summary

The 2002 Report on the Housing Integrity Compliance Project describes positive actions in the integrity, efficiency and effectiveness of the Housing Authority's Section 8 rental voucher operations.

The mission of the project is to detect and eliminate fraud in the Section 8 housing program. At the project's core is the principle that fraud weakens public trust and damages the image of all assisted housing tenants and housing programs. Additionally, fraud steals from the taxpayers, and leaves thousands of deserving families residing on the Housing Authority's lengthy waiting list instead of being served.

The Housing Authority provides rent subsidies benefiting 1,584 lower-income households. The majority is honest, and abides by program rules and requirements. Since 1998, when the project was formed and a compliance investigator was hired, one-hundred-and-twenty-three (123) tenant households have been removed from Section 8 assistance for fraud violations, which has prevented the loss of an estimated \$730,000 of Housing Authority funds. Annually, the number of families terminated for fraud represents two-to-five percent of all households assisted.

Three (3) households have been prosecuted by the Los Angeles County District Attorney's Office resulting in Court-ordered restitution to the Housing Authority totaling \$107,600.

This report describes how unintended violations by tenants are distinguished from deliberate fraud, and required administrative procedures provide balance to preserve the rights of applicants and tenants to due process, appeal and grievance.

The goal of the Housing Compliance Program is to assist management to provide rental subsidy **only** to eligible, qualified families. The goal is accomplished through four primary administrative objectives:

- a. To conduct quality eligibility screening of program applicants and tenants to prevent and detect violations.
- b. To educate participant tenants and owners with the objective to prevent unintentional program violations.
- c. To investigate and document violations and allegations which come to the attention of the Housing Authority.
- d. To take effective administrative, civil, or criminal action, as appropriate to root out violators.

The City Internal Audit group has assisted the Department of Community Development and Housing in performing key reviews of systems and internal controls that have strengthened the Department's management and oversight of the Section 8 operation. In 2000, Community Development & Housing received approval to create the position of an internal monitor to perform review and quality assurance of all primary eligibility and payment systems used in the Section 8 operation.

The role of the public is essential to the success of the Housing Integrity Compliance project. Responsible citizens have assisted by providing important tips and information that lead to the investigation of suspected fraud. The public is the strongest watchdog and guardian of its taxpayer funds, which entirely fund the rent subsidy program.

Background

The Housing Authority provides rent subsidies benefiting 1,584 lower-income households under an annual budget of over 9.1 million dollars under a contract with the U.S. Department of Housing & Urban Development (HUD). More than ten-thousand (10,000) applicants await Section 8 rental vouchers on the Authority's waiting list.

The admission of a household to the rental assistance program and the size of the subsidy it receives depend directly on the family's self-reported income and declaration of all persons who will reside in the assisted unit. In general, the Housing Authority's subsidy payment makes up the difference between 30 percent of a household's adjusted income and the rental unit's total rent or voucher payment standard established for the unit.

Public benefit programs, such as Section 8 housing are vulnerable to fraud and waste. In 1998, to respond to this exposure, the Glendale Housing Authority established a **Housing Integrity Compliance Program**, to prevent, detect and eliminate assistance to program participants involved in fraud and criminal activities.

Violations by program participants against the prohibition of fraud can be unintended *or* deliberate. An unintended violation occurs when a tenant or an owner, by action or inaction, breaches an agreement with the Housing Authority. The violation may or may not involve a monetary loss to the Authority. In unintentional violations, tenants are offered the opportunity to repay the Housing Authority the amount of excess subsidy made during the period that the unreported income was present.

Criminal fraud is deceit or misrepresentation deliberately practiced in order to gain some advantage dishonestly. Fraud is willful and intentional deception, it cannot be committed accidentally.

In order to prove intent criminal intent, the Housing Authority must be able to show through its documentation that:

1. *The tenant had knowledge what he/she did, or failed to do, was wrong; and,*
2. *The tenant willfully violated the law or requirement. The strongest proof is a confession or admission. Other types of proof include: (a) the violation was done repeatedly; (b) False name(s) or Social Security numbers were furnished; (c) Tenant falsifies, forges or alters documents; (d) The tenant omits material facts which are known; and/or (e) Admitting to others of the illegal actions or omissions.*

Goal and Objectives

The goal of the Housing Compliance Program is to assist management to provide rental subsidy **only** to eligible, qualified families.

The goal is accomplished through four primary administrative objectives:

- To conduct quality eligibility screening of program applicants and tenants to prevent and detect violations.
- To educate participant tenants and owners with the objective to prevent unintentional program violations.
- To investigate and document violations and allegations which come to the attention of the Housing Authority.
- To take effective administrative, civil, or criminal action, as appropriate to root out violators.

Impact of Fraud

Since 1998, one-hundred-and-twenty-three (123) households have been removed from rental assistance for fraud violations. Annually, this represents two to five percent of all households assisted. The combined amount of Section 8 funds saved from loss to fraud is estimated at \$730,000. These monies are returned to the Section 8 fund to enable legitimately eligible families from the waiting list to receive assistance.

At any given time in the Section 8 operation, there is an average of sixty (60) cases under investigation by the Housing Compliance officer. Since 1998, the investigation of three (3) assisted tenants where substantial loss was present, were submitted for prosecution to the Los Angeles County District Attorney's office resulting in court-ordered restitution to the Housing Authority totaling \$107,600.00.

When fraud is unimpeded, it damages *all* assisted housing tenants and housing programs by weakening public trust and confidence.

Role of Eligibility Screening

The quality of the initial and annual eligibility income review contributes to the Housing Authority's ability to prevent and detect fraud. The purpose is to obtain complete and accurate information from applicants in order to determine housing preferences, eligibility, and the correct level of assistance for the family. The goal of screening applicants and tenants is not a passive detection process.

If an ineligible applicant is approved, it may be an entire year before another income review is performed resulting in a loss of housing voucher funds and a delay in allocating assistance to *eligible* households from the Authority's waiting list.

Clues to applicant or tenant false statements or omissions are often found by evaluating the information given by the applicant and by observing the applicant's behavior. "Red Flags" may indicate potential misrepresentations by applicants and tenants:

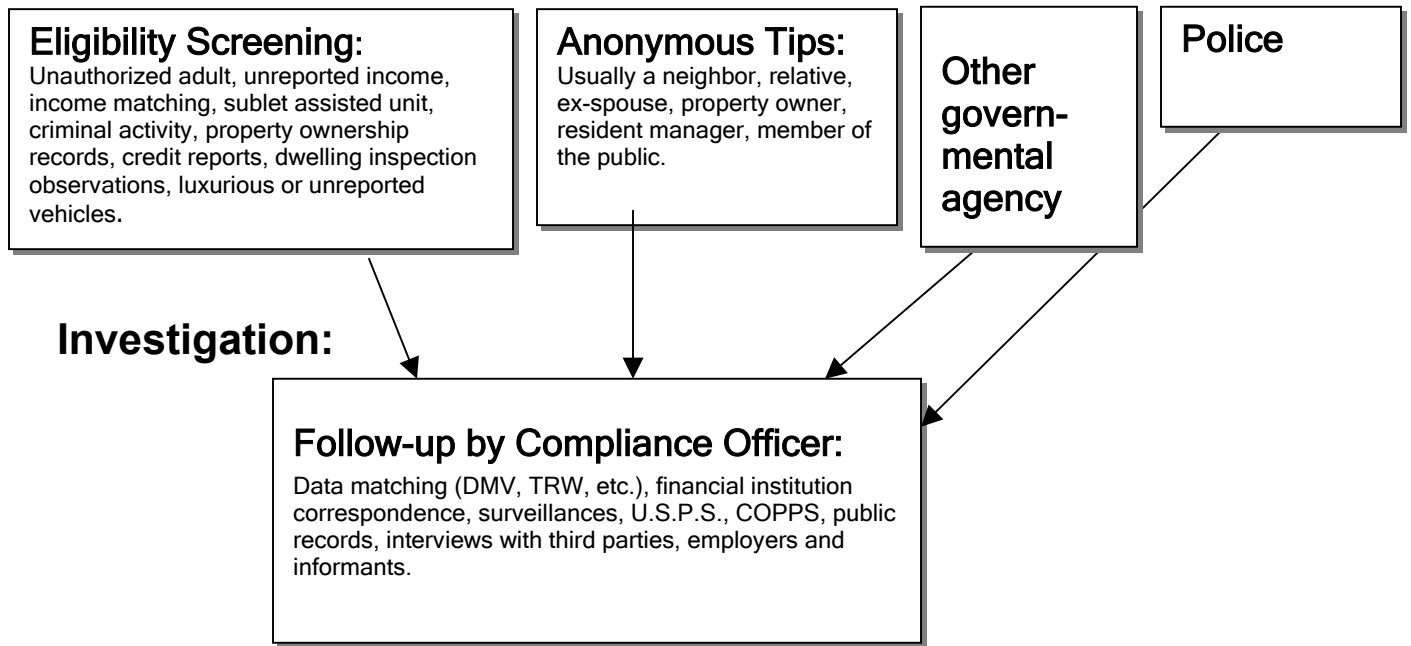
Common "Red Flags" at Income Screening

- Applicant cannot produce acceptable identification for household members.
- Documents appear altered.
- Applicant claims only source of income is from loans or support by friends or relatives.
- Applicant's expenses exceed reported income.
- Other public benefits such as welfare, or Social Security do not correspond with standard levels of assistance.
- Credit report shows financial activity inconsistent with reported income.

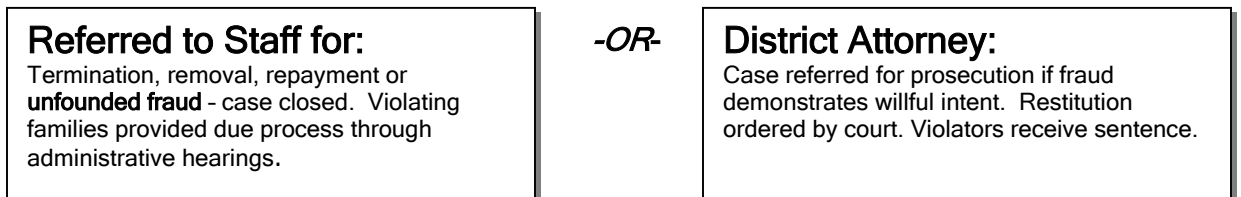
Eligibility and leasing staff for the Section 8 operation receive technical training and certification testing provided by HUD-certified trainers including the National Association of Housing and Redevelopment Officials (NAHRO).

The Department of Community Development & Housing provides various tools to assist in the screening of applicants and tenants. Credit reports are used to compare financial histories. Third-party written verifications identify benefits and wages. County assessor information and property title search identifies ownership of assisted properties. Under HUD requirements, Glendale is provided online computer access to the federal Immigration & Naturalization Service to verify citizenship and resident alien status of applicants and tenants.

How Suspected Fraud Comes to the Attention of the Department



Evaluation and Disposition of Investigation:



Other Examples of Program Fraud

- (a) Unreported person(s) residing in the Section 8 unit;
- (b) Prohibited sub-letting of the assisted unit;
- (c) Applicants who are owners or part owners of proposed assisted unit;
- (d) Collusion between tenant and owner to make rent side-payments;
- (e) Owner intentionally charges Section 8 units higher rent than non program units;
- (f) Owner is an immediate relative of the assisted family.

Role of Program Compliance Investigator

The role of the Program Compliance investigator is to review and investigate referrals and complaints regarding potential fraud and abuse made by the public, other City departments or agencies, and program staff. In consultation with Section 8 staff, an initial examination is made including review of applicant or tenant financial information and disclosures. Surveillance observations may be required particularly in reports regarding unreported employment. Database checking with the California Department of Motor Vehicles is one tool used if the purported fraud involves unreported vehicles. Other computer searches are made including property titles, and court records.

A determination is made if the violation is deliberate on the part of the applicant or tenant and compared with written disclosures and previous tenant compliance under the program.

The program compliance investigator issues a written report with his findings including whether the violation meets the standards of fraud. In conjunction with program staff, a determination as to the amount of loss is made.

If the fraud allegations cannot be supported by fact(s), the program compliance investigator will issue a report and close the investigation. In some cases, the tenant did not understand his or her obligations to report income or family changes, and there is no previous history of violations with respect to their participation. In these cases, the tenant is offered an opportunity to repay the overpayment of subsidy. The repayment can be offered through a Promissory Note and Repayment Plan.

Role of Applicant and Tenant Knowledge of Program Rules and Responsibilities

It is the responsibility of the Community Development & Housing Department to ensure that applicants and tenants receive information and instructions in program rules, responsibilities and requirements. This education process begins the first time an applicant telephones or visits the Section 8 housing office, and it continues as long as the tenant continues receiving benefits.

Every interaction between the tenant and staff is an opportunity for the Housing Authority to increase the tenant's knowledge and to reinforce cooperation and compliance regarding program violations.

Tenant responsibilities while receiving Section 8 assistance are found in four (4) key documents:

- (a) The *Housing Choice Voucher*, an agreement signed by all program families
- (b) “*Things You Should Know*”, a HUD publication provided to applicants;
- (c) The “*Participant Guide: A Guide to Key Requirements, Rules & Procedures Including Family Obligations*”, a publication prepared by Community Development & Housing; and,
- (d) The *Tenant Integrity Certification* signed by all adult household members initially and annually, as part of the tenant eligibility recertification.

The abovementioned documents are provided in bilingual text *English/Armenian*, and *English/Spanish*. Housing Authority policies on Complaints and Appeals are found in Chapter 19 of the Housing Choice Voucher *Administrative Plan. A Program Integrity Addendum* is also provided in the Administrative Plan, which is a public document.

Obligations of Assisted Tenants

Each family that is approved for participation signs the **Housing Choice Voucher**, an agreement where the family agrees with the rules specified under the program. The voucher is signed by the head of household or family representative. This document is required to be executed by all tenants by federal law (42 U.S.C. 1437(f) :

The Family must:

1. Supply any information that the Housing Authority or HUD determines to be necessary including evidence of citizenship or eligible immigration status, and information for use in a regularly scheduled reexamination of family income and composition
2. Disclose and verify social security numbers and sign and submit consent forms for obtaining information
3. Supply any information requested by the Housing Authority to verify that the family is living in the unit or information related to family absence from the unit
4. Promptly notify the Housing Authority in writing when the family is away from the unit for an extended period of time in accordance with the PHA policies
5. Allow the PHA to inspect the unit at reasonable times and after reasonable notice
6. Notify the PHA and the owner in writing before moving out of the unit or terminating the lease
7. Use the assisted unit for residence by the family. The unit must be the family’s only residence
8. Promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child
9. Request PHA written approval to add any other family member as an occupant of the unit
10. Promptly notify the PHA in writing if any family member no longer lives in the unit
11. Give the PHA a copy of any owner eviction notice
12. Pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease
13. Any information the family supplies must be true and complete

The Family must not:

1. Own or have any interest in the unit
 2. Commit any serious or repeated violations of the lease
 3. Commit fraud, bribery or any other corrupt or criminal act in connection with the program
 4. Engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of
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5. Sublease or let the unit or assign the lease or transfer the unit
 6. Receive housing choice voucher assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program
 7. Damage the unit or premises other than damage from ordinary wear and tear or permit any guest to damage the unit or premises
 8. Receive housing choice voucher assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities
 9. Engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.

The Housing Choice Voucher form is provided to the participating family in bilingual format: *English/Armenian* and *English/Spanish* by the Housing Authority.

Administrative Steps to Deny or Terminate Assistance

The Housing Authority must deny assistance for an applicant or terminate assistance for a participant under the program because of the family's involvement in fraud against the program.

Denial of assistance for an *Applicant* may include any or all of the following:

- (a) Denying listing on the waiting list;
- (b) Denying or withdrawing a voucher;
- (c) Refusing to enter into a Section 8 contract or approve a lease; and
- (d) Refusing to process or provide assistance under portability procedures.

Termination of assistance for a *participant Tenant* may include any or all of the following:

- (a) Refusing to enter into a Section 8 contract on behalf of the tenant;
- (b) Disapproval of a Section 8 lease;
- (c) Terminating housing assistance payments under an outstanding Section 8 contract, and
- (d) Refusing to process or provide assistance under portability (transfer) procedures.

Applicant and Tenant Right to Due Process and Grievance

The Housing Authority *must* give an applicant an opportunity for an informal review of a decision denying assistance to the applicant. The applicant must be given an opportunity to present written or oral objections to the Housing Authority decision. After the decision, the Housing Authority must notify the applicant of the final decision after the informal review, including a brief statement of the reasons for the final decision.

Informal reviews are conducted by supervisory staff of the Section 8 operation. An informal hearing must be offered in the case of Tenant Participants. The Housing Authority must give a participant family an opportunity for an informal hearing to consider whether the decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and Housing Authority policies.

Where a hearing for a participant family is required under this section, the Housing Authority must proceed with the hearing in a reasonably expeditious manner upon the request by the family.

Informal Hearings are conducted by a hearing officer provided under a services agreement with the *Los Angeles County Bar Association Dispute Resolution Services*.

Discovery. The family must be given the opportunity to examine before the hearing any documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the Housing Authority does not make the document available for examination on request of the family, the Housing Authority may not rely on the document at the hearing.

Similarly, the Housing Authority must be given the opportunity to examine at the Housing Authority offices before the hearing any family documents that are directly relevant to the hearing. The Housing Authority must be allowed to copy any such document at the Housing Authority's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

Procedures used in Informal Administrative Hearings:

Documents. The term 'documents' includes records and regulations.

Representation of family. At its own expense, a lawyer or other representative may represent the family.

Evidence. The Housing Authority and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Issuance of Decision. The hearing officer must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision is furnished promptly to the family.

Details of these procedures for both Informal Review and Informal Hearing are described in the *Section 8 Administrative Plan*, and copies of the procedures are provided to all applicants and tenants in *English, Armenian, and Spanish*.

Unintentional Violations and Repayment Plans

More common than overt fraud and misrepresentation is when a tenant family unintentionally violates its responsibility to the program by failing to immediately report employment or income changes. However, the family correctly reports the change(s) at its next annual income and eligibility reexamination in the Section 8 office. In these cases, the Section 8 program has *overpaid* the monthly rental subsidy payment to the owner for the period that the additional income was unreported. A Section 8 family, in this circumstance is not penalized. Instead, the amount that was overpaid is calculated, and the family is offered the opportunity to repay the Section 8 program through a **Repayment Plan**. If the amount owed by the family is less than \$250.00, the family is required to repay the amount in full.

In FY 2000-01, the Housing Authority collected \$35,884 of overpaid subsidy through Tenant Repayment Plans.

Repayment plans between the program and the family are offered up to thirty-six (36) months. In Fiscal Year 2001-02, twenty-six (26) households are approved under Repayment Plans through signed promissory agreements, including six (6) repayment plans started since July 1, 2001. The amount to be collected under the repayments total \$134,904.

Tenants that enter repayment plans are provided the same rights of appeal and grievance as tenants proposed for termination by the program. The tenant can dispute the amount owed, review documentation provided by the Authority, and have the matter brought before the Hearing Officer under the rules of informal administrative hearings.

Criminal Prosecution

The Housing Integrity Compliance Project provides a proactive enforcement component for the purpose of rooting out fraud and preparing cases for prosecution by the Los Angeles County District Attorney. To enforce the prohibition of fraud and convey its consequence, the Housing Integrity Compliance Program pursues and prosecutes serious fraud violations.

First, a determination is made as to the amount of loss of Section 8 funds, and whether the actions, inactions or omissions by the tenant were intentional. The program has established a loss of \$15,000 as a threshold for criminal prosecution.

After consultation with the Section 8 Administrator and the Department Head, the program's fraud investigator requests a Superior Court judge to authorize a search warrant. The search warrant enables the City to collect evidence at residences or places of business and other locations that will be used in the prosecution process. The Glendale Police Department assists the Housing Authority by serving the warrant and storing all seized documentation for review by the Housing Authority investigator.

After full review of the evidence by the Program Compliance Investigator, the City can seek a criminal complaint for Grand Theft from the District Attorney, and arrest warrant(s) are issued for the suspects.

The District Attorney presents the facts of the case to the Superior Court at a preliminary hearing. The Superior Court Judge will determine if there is 'reason to believe' that a crime occurred and that the defendant committed the crime. When this occurs, the Judge will order that the defendant is 'held to answer', and will order a trial in the Superior Court.

When convicted of the crime, by either a guilty plea or verdict, the court will order an amount of restitution to the Housing Authority that the Court determines is appropriate in the case. Glendale Housing Authority has recovered \$107,000 through court-ordered restitutions through three (3) criminal prosecutions.

Where the fraud investigator, based on a review of documentation, determines that the tenant's failure to report income or non-compliance with the program is not intentional or willful, staff will meet with the tenant, and under the procedures of administrative appeal,

permit the family to repay the Housing Authority. Families may then sign a Repayment Plan under a Promissory Note.

Case Summaries of Criminal Prosecutions

<p>Unreported Business</p>	<p>In 1999, the Department started its initial prosecution case with the District Attorney’s Office. An investigation by the program compliance officer proved that a program family owned a beauty salon in Studio City, and two adult children household members were both employed. The tenant reported to the housing office that she was employed as a manicurist at the business she actually owned. After a guilty plea, the Court ordered the tenant to repay \$56,000, the full amount of Section 8 subsidies made on behalf of the family.</p>
<p>Unreported Tenants and Businesses</p>	<p>The Section 8 family reported it’s household as an elderly couple and one adult son and that the household’s sole source of income was Social Security Supplemental Income (SSI). However, an investigation determined two additional adult children in the household. Together, the family owned two tailor shops in the Garment District of Los Angeles, and owned six-vehicles, all registered at the Section 8 assisted address. Search warrants at the businesses disclosed the full incomes of the family. The court ordered that the family repay \$22,500 to the Housing Authority.</p>
<p>Tenant and Owner Collusion</p>	<p>A third criminal investigation showed that the tenant married her Section 8 property owner the day before she became a Section 8 participant. After the marriage, the tenant and property owner lived in the Section 8 assisted unit without disclosing this fact to the program. In addition, the husband purchased a condominium in Los Angeles, and rented the unit to the tenant’s parents, also Section 8 recipients. After 5 years, the husband purchased a luxury condominium in Glendale and both the program tenant and the owner moved into the condominium together with Section 8 assistance. Grand Theft charges were filed against both of them, and at the conclusion of the prosecution, the couple was ordered to repay \$28,500 to Glendale Housing Authority.</p>

Distribution of Recovery Funds

Under Title 24 Code of Federal Regulations 982.163 for the Section 8 tenant-based voucher program, the Housing Authority may retain a portion of program fraud losses that the Housing Authority recovers from a family or owner by litigation, court order or a repayment agreement.

Under this provision, the Department retains fifty (50) percent of these funds that assist in the management and expenditures of the Housing Integrity Compliance Program. These monies are used to pay the cost of the Housing Integrity Compliance investigator, administrative hearings, and the cost of a collections agency service. The balance is reprogrammed to the Section 8 fund to provide monthly rent subsidy for eligible program families.

REVENUES (1998 – To Date)

Court mandated Restitutions	107,600
Referred to Collections	<338,982>
Tenant Repayments Collected	35,884
Tenant Repayments Outstanding (26 existing Repayment agreements)	134,904
TOTAL	\$278,388

ANNUAL EXPENDITURES

Fraud/compliance Investigator	\$59,400
Administrative Hearings(Los Angeles County Bar Association)	3,500
Collection agency (varies-% of amounts collected)	1,000
TOTAL	\$63,900

Internal Controls

The Department of Community Development & Housing’s current procedures for monitoring participants and oversight of subsidy payments has been strengthened with the addition of the investigator compliance officer added in 1998, and an internal monitor position assigned to the Section 8 unit starting with FY 2000-01.

Each year, the Section 8 program is subject to HUD federal oversight through the *Section 8 Management Assessment Program (SEMAP)*, a certification evaluating fourteen (14) indicators, which must be submitted to HUD by the Housing Authority sixty (60) days following the close of the Authority’s fiscal year. The SEMAP report is then evaluated by HUD and scored, using data provided by the annual on-site Independent Single Audit; and data submitted electronically to HUD each month by the Authority. The data identifies all tenants, addresses, and subsidy amounts made to program property owners.

HUD’s information clearinghouse collects data from the Housing Authority on Social Security and SSI benefits and shares this data with the Social Security Administration. In the event of an income-discrepancy, HUD will issue an *Income Discrepancy Report* advising the Housing Authority and participant tenant household to submit additional Social Security and SSI information to the Section 8 agency. Each month, the average number of “discrepancy” reports is three (3), and many months there are none. This equates to less than one-percent of all Section 8 tenants in the program.

The annual Independent Single Audit has revealed no findings with respect to Glendale Housing Authority’s Section 8 requirements under both HUD and the federal Office of Management & Budget (OMB) for the fiscal years reviewed in this report, and found that the administration of the program complies with all key HUD requirements.

In addition to these controls, the City Internal Audit section has assisted the Department in the Section 8 operation of internal monitoring, cash management, and quality control procedures to comply with accepted City standards.

The City Internal Audit group has performed the following audits since January 2001:

Summary of Audits by City Auditor

Audit	Type	Date Completed
Verification of Section 8 Applicant Selection and Random Computerized Assignment to Waiting List	Compliance	March 2001
Section 8 Program Enrollment Review	Operational	April 2001
Section 8 Client Satisfaction Survey	Survey	June 2001

Role of Internal Monitor

The role of the Section 8 internal monitor is dedicated to the following key duties:

- (a) Monitor and audit of the Section 8 waiting list, by testing 5% of all changes requested by waiting list applicants to determine that housing preferences that have been added or removed are accurate and correct.
- (b) Review each month the success-rate of Section 8 voucher holders to determine the percentage of families that successfully secure rental units for participation in the program. This data is essential when the Housing Authority requests waivers or increases in the fair market rent payment standards established by HUD.
- (c) Monitor the monthly Section 8 assisted tenant roll to identify all children under the age of six (6) including newborns or additions to the family, in order for the Section 8 program to comply with federal regulations related to Lead Based Paint assessment of pre-1978 dwellings.
- (d) Monitor correct documentation of all portable (transfer) tenants received by Glendale Housing Authority from other jurisdictions. As the receiving housing authority, the agency is eligible to receive 80% of the ongoing administration monthly for each tenant that is subject to portability billing between the housing authorities.
- (e) Repayment agreements are monitored to determine tenant families are complying with schedules of repayments, so that the debt is not forgiven.
- (f) Quality Control is provided by the monitor on all payments issued under the monthly Payment Register to detect duplicates or questionable payment amounts. Each month, the Housing Authority releases nearly 1,000 subsidy payments to Glendale property owners and property management agents.
- (g) Quality Control is performed by the monitor through the testing of 15% of all monthly income reviews and eligibility determinations. The files are selected randomly.
- (h) To comply with HUD requirements, 5% of all Section 8 inspections are subject to quality control certifications. The internal monitor coordinates the random selection of properties for inspection for this purpose with the Neighborhood Services unit of the Department.

In January 2002, the Housing Authority approved an appropriation of \$200,000 from the City's Low/Moderate Income Housing Fund to permit the creation of two (2) Section 8 Leasing Incentive Programs to help market the Section 8 program in Glendale's high-cost, low-vacancy apartment market.

The first program is called the *Dwelling Repair Grant*, a grant that assists apartment owners to pay the costs of repairs in order for the rental unit to pass the Section 8 dwelling inspection. The second grant is a *Moving Assistance Grant* to help Section 8 voucher holders with security deposits, and other costs associated with moving and assuming occupancy of a dwelling unit approved for program participation.

Both newly created programs were approved for \$100,000 in expenditures each. The internal monitor reviews documentation submitted by grant applicants for grants approved under these programs.

The City Auditor group is providing technical assistance to the Department while both grants are in initial development and implementation.

APPENDICES

