



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#17-0674

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: June 6, 2017

TITLE: Motion to Approve Payment to Broward County in Response to Housing
and Urban Development Office of Inspector General Audit Findings of the
Chronic Homeless Housing Collaborative Program - \$16,372.29

Recommendation

It is recommended that the City Commission authorize the City Manager to issue payment to Broward County resulting from the United States Department of Housing and Urban Development (HUD) Office of Inspector General (OIG) audit findings of the Chronic Homeless Housing Collaborative Grant in the amount of \$16,372.29.

Background

In December 2014, the HUD Office of Inspector General initiated an audit of Broward County's Continuum of Care Homeless Initiative Partnership Section that administers the homeless programs that are funded by the County, the State of Florida and HUD. The Chronic Homeless Housing Collaborative Program (CHHC) is a collaborative effort between the County, community service providers, business leaders, and local governments for maintaining a countywide continuum of homeless services. The HUD OIG audited 17 projects that included the City of Fort Lauderdale Chronic Homeless Housing Collaborative Grant for Fiscal Year 2013/2014.

The audit objectives were to determine whether Broward County (1) spent grant funds for eligible program activities and ensured that expenditures were sufficiently supported and (2) maintained sufficient documentation to ensure that the funding sources used to match the grant funds were eligible. Among the findings from the audit (Exhibit 1), the Office of Inspector General found the County and the City expended grant funds that exceeded rent reasonable standards per HUD regulation 24 CFR (Code of Federal Regulation) 578.49(b) (2) – rents paid with grant funds must be reasonable and cannot exceed rents charged for comparable units, considering the location, size, type, quality amenities, facilities, and management services.

Due to the OIG audit and Broward County's findings, the City issued repayment for the identified ineligible expenditures as follows:

On November 17, 2015, the City Commission (CAM 15-1437) approved payment of

\$61,836.29 to Broward County to satisfy the rent reasonableness and administrative costs that were determined ineligible in 2014. Staff issued payment to the County for the full amount authorized. The Housing Authority of the City of Fort Lauderdale has agreed to reimburse the City for this amount.

In addition to the OIG findings, the County identified additional ineligible expenditures. On June 6, 2016, the City Commission (CAM 16-0670) approved repayment in the amount of \$42,669.99 to satisfy excessive rent payments, ineligible maintenance worker salaries, and administrative costs. The Housing Authority of the City of Fort Lauderdale has been invoiced for \$15,873.73 of this amount for reimbursement to the City for ineligible maintenance worker salaries.

Staff issued payment for the full amounts authorized with one outstanding finding the County issued regarding ineligible expenditures for furnishings in the amount of \$16,372.29 as City staff requested that HUD review the expenditures and determine the eligibility status.

On April 6, 2017, staff received a notice from the County advising after careful review and additional guidance from HUD, they determined that the expenditures for furnishings were ineligible and is now requesting a payment in the amount of \$16,372.29 (Exhibit 1). City staff has requested HUD's determination of the eligibility of the expenditures and to date have not received the documentation requested.

To close and finalize all findings resulting from the OIG audit and Broward County findings in 2015, staff requests that the City Commission authorize payment for \$16,372.29. Upon receipt of payment the County will provide the appropriate release for any remaining findings generating from the 2015 HUD OIG Audit and Broward County findings.

Resource Impact

There is a fiscal impact in the amount of \$16,372.29. These funds will be appropriated via the Consolidated Budget Amendment CAM 17- 0114 on the Commission Regular Meeting agenda. The approval of this payment is contingent upon the approval of the Consolidated Budget Amendment.

Source:

<i>Funds available as of May 17, 2017</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
001-FD001-9129	General Fund	Other Uses/ Transfer to Misc. Grants	\$1,148,922	\$169,777	\$5,974
TOTAL AMOUNT →					\$5,974

Source:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	ACTUAL RECEIVED (Character)	AMOUNT
129-GHOMEL14A-Q001	Chronic Homelessness Housing Grant	Other Sources/ General Fund	\$98,328	\$98,328	\$5,974
TOTAL AMOUNT →					\$5,974

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
129-GHOMEL14A-3216	Chronic Homelessness Housing Grant	Services/Material/ Costs/Fees/Permits	\$325,087	\$38,185	\$5,974
TOTAL AMOUNT →					\$5,974

Strategic Connections

This item is a *Commission Annual Action Plan* priority, included within the Policy Agenda, advancing the Comprehensive Homeless Strategy.

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Public Places Cylinder of Excellence, specifically advancing:

- Goal 3: Be a community that finds opportunities and leverages partnerships to create unique, inviting and connected gathering places that highlight our beaches, waterways, urban areas, and parks.
- Objective 5: Work with partners to reduce homelessness by promoting independence and self-worth through advocacy, housing, and comprehensive services.
- Initiative 2: Implement a comprehensive short and long-term strategy with community partners to address homelessness.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community*.

Attachment

Exhibit 1 – Broward County Letter and Support Documentation of Ineligible Expenditures

Prepared by: Jeri Pryor, City Manager's Office

Department Director: Lee R. Feldman, ICMA-CM, City Manager