

**SEMAP Corrective Action Plan**  
**In Response to SEMAP Confirmatory Review for FYE 3/31/13**  
**Housing Authority of the County of Contra Costa (HACCC)**

**Finding # 1 - Indicator 1: Selection from Waiting List**

In accordance with 24 CFR 985.3(a) This indicator shows whether the PHA has written policies in its administrative plan for selecting applicants from the waiting list and whether the PHA follows these policies when selecting applicants for admission from the waiting list. (24 CFR 982.54(d) (1) and 982.204(a). In addition, based on the PHA's quality control samples, drawn separately for applicants reaching the top of the list and for admissions, documentation shows that at least 98 percent of the families in both samples of applicants and admissions were selected from the wait list for admission in accordance with these policies and met the selection criteria that determined their places on the waiting list and their order of selection.

HACCC did not score any points in this indicator because no families were called from the wait list during the period reviewed, thus documentation did not exist to support a score for this Indicator.

***Corrective Action Plan for Finding #1 (in accord with 24 CFR §985.107)***

HACCC has three new project-based voucher (PBV) buildings scheduled to complete construction in 2014. Since all PBV units will be filled from HACCC's Site-Based Project Based Voucher waiting lists, HACCC expects to score points in this Indicator in the next SEMAP rating period. Additionally, HACCC expects to call families for tenant-based vouchers in the coming year as well. Staff will document that the process to call applicants from the wait lists is in accord with HACCC's administrative plan and HUD regulations.

**Goals to be achieved and Key Tasks to Achieve Goals:**

- 1) Call applicants from wait list for lease-up of 45 PBV units in Lafayette. Key tasks are to call applicants from the wait list, verify they are eligible for the program, refer eligible applicants to PBV property manager for screening by property, brief eligible applicants, issue Statements of Family Responsibility and sign contracts with the property. Target is to notify applicants on the wait list beginning November 30, 2013 and to complete initial lease-up by March 31, 2014.
- 2) Call applicants from wait list for lease-up of 48 PBV units in Martinez. Key tasks are to call applicants from the wait list, verify they are eligible for the program, refer eligible applicants to PBV property manager for screening by property, brief eligible applicants, issue Statements of Family Responsibility and sign contracts with the property. Target is to notify applicants on the wait list beginning January 30, 2014 and to complete initial lease-up by September 30, 2014.
- 3) Call applicants from wait list for lease-up of 66 PBV units in Orinda. Key tasks are to call applicants from the wait list, verify they are eligible for the program, refer eligible applicants to PBV property manager for screening by property, brief eligible applicants, issue Statements of Family Responsibility and sign contracts with the property. Target is to notify applicants on the wait list beginning May 31, 2014 and to complete initial lease-up by October 31, 2014.
- 4) Review PIH Notice 2011-28 (and any other relevant information) to determine if all feasible cost-savings measures have been implemented by HACCC by March 31, 2014.
- 5) Meet with HUD to discuss HACCC review of PIH Notice 2011-28 (and any other relevant information) by June 30, 2014.
- 6) Provide result of review of PIH Notice 2011-28 (and any other relevant information) and follow-up discussion with HUD to the Board to determine if HACCC will take any further cost-savings

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measures within 1-2 months after meeting with HUD, depending on the Board's schedule.

- 7) Determine if/when additional applicants can be called from wait list after discussing further cost savings measures (if any) with the Board within 1 month of that meeting. Key tasks will be to put in place any cost savings measures the Board directed staff to implement and the ongoing analysis of HACCC's budget authority and unit utilization data.
- 8) Implement existing QC process for this Indicator within 3 months of applicants being issued vouchers from the wait list.

Obstacles to goal achievement:

HACCC will continue to monitor budget utilization closely. If utilization continues to run high, HACCC may have to bill other housing authorities for incoming portable vouchers in order to provide enough applicants from the wait list to fill all upcoming PBV units.

Resources that will be used or sought to achieve goals:

Existing HACCC resources should be adequate to meet these goals.

Staff person with lead responsibility for completing each goal:

- 1) HCV Director
- 2) HCV Director
- 3) HCV Director
- 4) HCV Director, Executive Director
- 5) Executive Director
- 6) Executive Director
- 7) HCV Director, Executive Director
- 8) HCV Director

Key tasks to reach each goal:

See above.

Time frames for achievement of each goal:

See above.

Plan for regular evaluation of progress toward improvement:

HACCC will give HUD a quarterly update by the 15<sup>th</sup> of the month following the quarter (or the first working day thereafter if the 15<sup>th</sup> falls on a weekend, an HACCC day off or a holiday).

**Finding # 2 - Indicator 3: Determination of Adjusted Income**

In accordance with 24 CFR 985.3(c) Determination of Adjusted Income, "based on the PHA's quality control samples of tenant files, for at least 90 percent of families: (A) the PHA obtains third party

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verification of reported family annual income, the value of assets totaling more than \$5,000, expenses related to deductions from annual income, and uses the verified information in determining adjusted income, and/or documents tenant files to show why third party verification was not available.”

HACCC failed to score points in this indicator because income was either calculated incorrectly or was not documented properly in the file.

***Corrective Action Plan for Finding #2 (in accord with 24 CFR §985.107)***

With the possible exception of new hires, all relevant staff are trained and certified on income calculations. The CAP will focus on retraining staff and adding extensive external quality control.

Goals to be achieved and Key Tasks to Achieve Goals:

- 1) Retrain all existing staff on income calculations and continue to train new staff. Primary training will occur onsite. Staff who cannot attend the onsite training will be sent to training as soon as possible. Key tasks are to procure onsite training services, conduct the onsite training and identify offsite training as necessary. Where practical, the same company will be used to provide offsite training. Procurement is targeted to be complete by April 2014. Training of existing staff will be completed by July 31, 2014.
- 2) Continue internal quality control at current level as existing practice provides for oversampling and has proven successful with other SEMAP Indicators.
- 3) Continue external review of internal quality control process, but increase frequency from quarterly reviews to monthly or bi-monthly. Key task will be to negotiate an affordable contract that increases the frequency. New contract should be in place by April 30, 2014.
- 4) Add external file review of up to 150 files per month. File review will focus on adjusted income, but may also include other SEMAP items. Key tasks will be to procure a vendor to conduct these reviews, incorporating the additional file reviews into the existing quality control schedule and developing a feedback process to ensure that all errors identified by the external file reviews are follow-up appropriately. The target to complete the procurement of an external file review vendor is May 31, 2014. The external file review process should begin within two months of contract approval.
- 5) Work with external file review vendor to review HACCC's policies and procedures in order to identify opportunities to streamline the agency's income calculation process. The target to complete this review is within three months of the vendor's first set of file reviews.

Obstacles to goal achievement:

Ongoing administrative funding cuts will impact both staff workloads, which in-turn impact work quality, and the amount of external reviews that HACCC can afford. Resources are sufficient though to make significant progress on this goal.

Resources that will be used or sought to achieve goals:

HACCC will use its existing voucher administrative funding.

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Staff person with lead responsibility for completing each goal:

- 1) HCV Director, HR and Training Officer
- 2) HCV Director
- 3) Executive Director
- 4) Executive Director
- 5) HCV Director, Executive Director

Key tasks to reach each goal:

See above.

Time frames for achievement of each goal:

See above.

Plan for regular evaluation of progress toward improvement:

HACCC will give HUD a quarterly update by the 15<sup>th</sup> of the month following the quarter (or the first working day thereafter if the 15<sup>th</sup> falls on a weekend, an HACCC day off or a holiday).

**Concern # 1 - Indicator 13: Lease-Up**

HACCC received maximum points for this Indicator by maintaining a 98% budget utilization rate. This means that HACCC was using 98% of the money provided to it by HUD to house families under the voucher program. However, if funding is available, HACCC is eligible to house up to 6,783 families. Per HUD, as of November 2013 HACCC was only housing 6,188 families for a 91% unit utilization rate. It should be noted that since HUD's review, VMS has been updated to show 6,347 contracts in place at the end of November for a unit utilization rate of 94%.

HACCC has implemented several cost-savings measures over the past two years in order to reduce per unit subsidy costs. As part of its response to this concern, HACCC will conduct a formal review of HUD's PIH Notice 2011-28 (and any other relevant information) to determine if all feasible cost-savings measures have been implemented by HACCC.

***Corrective Action Plan for Concern #1***

Goals to be achieved and Key Tasks to Achieve Goals:

- 1) Review PIH Notice 2011-28 (and any other relevant information) to determine if all feasible cost-savings measures have been implemented by HACCC by March 31, 2014.
- 2) Meet with HUD to discuss HACCC review of PIH Notice 2011-28 (and any other relevant information) by June 30, 2014.
- 3) Provide result of review of PIH Notice 2011-28 (and any other relevant information) and follow-up discussion with HUD to Board to determine if HACCC will take any further cost-

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- savings measures within 1-2 months after meeting with HUD, depending on Board schedule.
- 4) Determine if/when additional applicants can be called from wait list after discussing further cost savings measures (if any) with Board within 1 month of meeting with Board. Key tasks will be to put in place any cost savings measures the Board directed the staff to implement and the ongoing analysis of HACCC's budget authority and unit utilization data.
  - 5) Update and implement leasing plan as appropriate based on policy decisions and funding levels.

Obstacles to goal achievement:

If any, these will be discussed after HACCC's review of all available options to decrease per unit subsidy costs.

Resources that will be used or sought to achieve goals:

Existing HACCC resources should be adequate to meet these goals.

Staff person with lead responsibility for completing each goal:

- 1) HCV Director, Executive Director
- 2) HCV Director, Executive Director
- 3) Executive Director
- 4) HCV Director
- 5) HCV Director

Key tasks to reach each goal:

See above.

Time frames for achievement of each goal:

See above.

Plan for regular evaluation of progress toward improvement:

HACCC will give HUD a quarterly update by the 15<sup>th</sup> of the month following the quarter (or the first working day thereafter if the 15<sup>th</sup> falls on a weekend, an HACCC day off or a holiday).

This proposed SEMAP Corrective Action Plan was approved by the Board of Commissioners on February 25, 2014.

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Karen Mitchoff, Chair

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Joseph Villarreal, Executive Director