

 <p style="text-align: center;">MHGB Communication Office of the City Manager</p>	Date	January 25, 2010
	Agenda Item No. MHGB2 Roll Call No. 10- Communication No. 10-052 Submitted by: Chris M. Johansen, Assistant City Manager	

AGENDA HEADING:

The Des Moines Municipal Housing Agency’s Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009 be received and filed.

SYNOPSIS:

Recommend Council to receive and file the Des Moines Municipal Housing Agency’s Annual Financial Report for the fiscal year ended June 30, 2009.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

The U.S. Department of Housing and Urban Development (HUD) requires all Public Housing Authorities to have an annual financial audit performed after the end of their fiscal year. McGladrey & Pullen performed a financial audit for fiscal year July 1, 2008 through June 30, 2009.

The financial statements are included in the report and their report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133.

There were the following four findings of noncompliance for the fiscal year, with the response and corrective action plan:

Finding #1 – The Agency did not have an adequate system to ensure that vendors used were not suspended or debarred from participation in federal programs.

Response and Corrective Action Plan – The City of Des Moines, Iowa Municipal Housing Agency has implemented revised procedures to include the step of Case Managers checking the names of prospective property owners against the HUD Excluded Parties List (EPL). In addition, the Accounting Manager will check the HUD EPL before a new vendor is added to the DMMHA’s accounting system. The Accounting Department will also check at calendar year-end the HUD Excluded Parties List for any vendor/landlord that has received \$25,000 or more.

Finding #2 – The Agency incorrectly selected three housing applicants from program waiting lists and used an incorrect application date on one file.

Response and Corrective Action Plan – Additional quality control of the waiting list was implemented to ensure proper selection from the waiting list.

Finding #3 – The Agency is not in compliance with the Davis-Bacon requirements.

Response and Corrective Action Plan – Agency staff will verify Davis-Bacon requirements are included in all contracts and will verify that payrolls are collected from contractors for all contracts that require Davis Bacon certified payroll reports.

Finding #4 – The Agency did not submit the required performance report Form HUD 60002 for two federal grants.

Response and Correction Action Plan – The City of Des Moines, Iowa Municipal Housing Agency has put procedures in place to ensure that Form 60002 is filled out correctly and filed annually before the deadline.

This report will be forwarded to HUD for review.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S):

Date: January 26, 2009

Roll Call Number: 09-053

Action: Receipt of Des Moines Municipal Housing Agency's Annual Financial Report for the fiscal year ended June 30, 2008. (Board Communication No. 09-038) Moved by Vlassis to receive and file. Motion Carried 5-3.

Date: February 11, 2008

Roll Call Number: 08-188

Action: Approving receipt of Des Moines Municipal Housing Agency's Annual Financial Report for fiscal year ended June 30, 2007. (Board Communication No. 08-056) Moved by Vlassis to receive and file. Motion Carried 6-2.

Date: February 12, 2007

Roll Call Number: 07-181

Action: Receipt of Annual Financial Report for fiscal year ended June 30, 2006. Moved by Hensley to receive, file and refer to the City Manager to provide a comparison to the Fiscal Year ending June 30, 2005. Motion Carried 7-1.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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