



ANDREW M. CUOMO
Governor

Office of Temporary and Disability Assistance

MICHAEL P. HEIN
Acting Commissioner

BARBARA C. GUINN
Executive Deputy Commissioner

April 1, 2019

Mr. Brian Reilly
Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236

Re: Homeless Housing and Assistance Program –
Project Selection and Maintenance Report,
2018-S-4

Dear Mr. Reilly:

As required by Section 170 of the Executive Law, this is the Homeless Housing and Assistance Corporation's (HHAC) response to the Office of the State Comptroller's (OSC's) final report with respect to the above-referenced audit. This response will be sent under separate cover to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees as required.

HHAC is pleased that OSC recognized and acknowledged that HHAC's Board and executive management appropriately applied HHAC policy and procedures in selecting and approving viable projects. HHAC also concurs with OSC's assertion that projects awarded during the audit period were completed or scheduled to be completed in a reasonable amount of time. HHAC is proud that the recipients of Homeless Housing and Assistance Program (HHAP) awards are providing safe and clean living accommodations and support services for their residents.

As OSC is aware, its recommendations pertain to issues that HHAC self-identified previously and had already taken steps to address prior to commencement of the OSC audit. That being said, HHAC provides the following responses to the recommendations in OSC's January 2019 Report:

Recommendation #1: Continue improving the timeliness of monitoring site visits and ensure all projects are visited within a 12-month cycle.

Prior to OSC's audit, HHAC made the decision to increase the frequency of monitoring visits by setting a goal of annual on-site visits for each operational project. The annual monitoring goal has been fully operationalized and HHAC is on track to monitor 345 projects this year. This represents all operational projects under contract.

Recommendation #2: Ensure all annual reports are received and reviewed timely and take appropriate action to acquire delinquent reports.

HHAC continues to advise sponsors/contractors of their reporting requirements using reminders, regional trainings and contractual remedies as appropriate. HHAC is currently in contractual negotiations to purchase software from a technology vendor. This software will further automate the process for following up on delinquent reports.

Recommendation #3: Develop and implement policies and procedures for the submission of timely and complete annual reports, with procedures for following up to obtain complete delinquent annual reports.

HHAC continues to adhere to its procedures to follow-up on delinquent annual reports. HHAC is currently in contractual negotiations with a technology vendor to purchase software that will offer greater automation of asset management issues, including tracking of reporting compliance. Based on levels of response, OTDA expects timely submittal of all annual reports for SFY 2018-19.

Recommendation #4: Continue taking the needed steps to implement a management information system that generates reliable data for reporting and decision making.

Prior to OSC's audit, HHAC initiated the process of securing a new data management information system. HHAC has identified a software suite for purchase and is currently in contract negotiations with the vendor. The new software suite streamlines homeless housing project origination, development, construction and operation by providing an end-to-end system that facilitates the intake of applications, deal underwriting, financing allocation, and construction budgeting. In addition, the system includes an asset compliance module that allows for portfolio level analysis, compliance monitoring, and robust reporting. This module also includes sponsor-level compliance management and evaluation.

Please feel free to contact Assistant Deputy Commissioner Linda Glassman at 518-402-3741 if additional information is needed.

Sincerely,



Michael P. Hein
Acting Commissioner