

SECTION 4000

OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT

SECTION 4001 - GENERAL INFORMATION

.01 The Office of Housing and Community Development (OHCD) plans and allocates the various program resources which it receives annually from the U.S. Department of Housing and Urban Development (HUD).

SECTION 4100

.01 The Office of Housing and Community Development administers various programs as detailed in the following section.

SECTION 4110 - PROGRAM DESCRIPTIONS AND OPERATIONS

.01 The creation of viable urban neighborhoods is the primary objective of the CDBG program. Since the program's establishment in 1974, neighborhood activists and public officials have debated how best to achieve this broad goal, reaching a consensus on many of the necessary activities. They are:

- **Housing Rehabilitation, Construction and Preservation** - These have emerged as the highest priorities for neighborhood revitalization in Philadelphia. At the heart of bringing back a community are restoring, building and maintaining homes in which low- and moderate-income families can live.
- **Economic Development and Community Revitalization** - Retail strips and industrial corridors form the main streets of most Philadelphia neighborhoods. As they decline, so do the residential neighborhoods. Rebuilding a shopping district or manufacturing zone can create the economic momentum for the revival of the neighborhood.
- **Property Acquisition and Capital Improvements** - Deteriorated curbs and sidewalks, run-down facilities and dilapidated buildings also contribute to neighborhood decline. Local government has a responsibility to acquire (and restore) aging property through its capital program and related investments. Local government can also help to improve the quality of life in Philadelphia neighborhoods by supporting and promoting urban gardening, side yard and other improvement programs.
- **Human Development** - Public investment in neighborhood housing and business will not work unless the people who live there can take advantage of the resulting opportunities. Government must reinforce housing and economic development programs with job training and social services for individuals and families. Promoting self-sufficiency is a crucial ingredient in community revitalization and empowerment strategies.

SECTION 4110 (CONT.)

- **Community Planning** - A neighborhood cannot develop until its residents are prepared to work together. Government cannot by itself organize a community. Government can, however, promote neighborhood participation by involving block clubs, civic associations and grassroots organizations in the planning and implementation of all programs to rebuild the community for its residents.
- **Home Investment in Affordable House** - The Home Program is designed to (1) expand the supply of decent and affordable housing, particularly rental housing, for low- and very low-income Americans; (2) strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing; (3) provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low-income housing and; (4) extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.
- **Housing Opportunities for Persons with Aids (HOPWA)** - To provide States and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with AIDS and related diseases and their families.

SECTION 4120 - FEDERAL CFDA NUMBERS/OTHER REGULATIONS

.01 The Federal CFDA Numbers for Federal funding received by the Office of Housing and Community Development are as follows:

Community Development Block Grant	CFDA 14.218
UDAG	CFDA 14.221
Community Development Block Grants/ Special Purpose Grants/Technical Assistance Program	CFDA 14.227
HOME	CFDA 14.239
HOPWA	CFDA 14.241
Emergency Shelter Grants Program	CFDA 14.231
Shelter Plus Care	CFDA 14.238
Lead-Based Hazard Control in Priority Housing	CFDA 14.900

.02 All programs listed above are subject to the following:

- Code of Federal Regulations (CFR), Chapter 24, Housing and Urban Development.
- Contractor's contract with City of Philadelphia, Office of Housing and Community Development.
 - Exhibit A - Scope of Services
 - Exhibit B - Budget
 - Exhibit C - General Terms and Conditions

SECTION 4120 (CONT.)

.03 For all contracts funded by the Pennsylvania Department of Community and Economic Development (DCED) through the Office of Housing and Community Development of the City of Philadelphia, the Schedule of Federal, State and City Awards and all supplemental financial schedules must include the DCED project number. This project number only pertains to State funded programs. Please refer to Section 400 (Schedule of Federal, State and City Awards) and Section 4150 (Supplemental Financial Schedules) for the correct disclosure of the DCED Project Number. DCED project numbers should be obtained from the subrecipient or by calling OHCD at the telephone number listed in Section 104.03.

SECTION 4130 - PROGRAM COMPLIANCE PROCEDURES

.01 As discussed in Sections 300 and 500 of this Audit Guide, each City of Philadelphia Department Program has specific auditing requirements. These requirements are in addition to those areas of audit specified in Sections 300 and 500 of this Guide. The audit requirements listed below are not all inclusive and do not represent an audit program for conducting a financial and compliance audit of the program(s). The audit requirements listed are presented as highlights of areas of special interest to the Department. Any deficiencies noted as a result of the procedures are to be disclosed in the Schedule of Findings and Questioned Costs.

.02 Program compliance requirements and suggested audit procedures for HUD Agency programs are found in the “OMB Circular A-133 Compliance Supplement – Provisional 6/97.” The City of Philadelphia, Office of Housing and Community Development (OHCD), also requires compliance testing of all requirements specified by the Agency's contract with OHCD. In addition, the auditor should refer to the appropriate CFDA reference numbers in the “Catalog of Federal Domestic Assistance” for additional assistance in determining appropriate auditing procedures.

SECTION 4140 - FINANCIAL COMPLIANCE PROCEDURES

.01 As discussed in Sections 300 and 500 of this Audit Guide, each City of Philadelphia Department Program has specific auditing requirements. These requirements are in addition to those areas of audit specified in Sections 300 and 500 of this Guide. The audit requirements listed below are not all inclusive and do not represent an audit program for conducting a financial and compliance audit of the Program(s). The audit requirements listed are presented as highlights of areas of special interest to the Department. Any deficiencies noted as a result of the procedures are to be disclosed in the Schedule Findings and Questioned Costs.

.02 The principal compliance requirements of this Federal Program are found in the “OMB Circular A-133 Compliance Supplement-Provisional 6/97.” The City of Philadelphia, Office of Housing and Community Development (OHCD), also requires compliance testing of all requirements specified by the Agency's contract with OHCD. In addition, the auditor should refer to the appropriate CFDA reference numbers in the “Catalog of Federal Domestic Assistance” for additional assistance in determining appropriate auditing procedures.

SECTION 4140 (CONT.)

.03 All OHCD contract awards which result in the award recipient subcontracting funds to other organizations during the audited fiscal year, must be disclosed in the audit report. Therefore, the organization should prepare such listing and the auditor should determine the adequacy of such listing during the audit. Each subrecipient funded is to be identified as to the subrecipient(s) name and sub-contract award amount in the notes to the schedule of federal, state and city financial assistance. The note disclosure is required even if there are no OHCD funded subrecipients (See example in Section 420.)

SECTION 4150 - SUPPLEMENTAL FINANCIAL SCHEDULES AND REPORTS

.01 The Organization's audit report must include the following Supplemental Financial Schedules for each City of Philadelphia contract with \$300,000 or more of expenditures, in addition to the financial statements as specified in Sections 400 and 500 of this Audit Guide. A designation has been made for those supplemental schedules required for a "single audit" report (Section 400) or a "program audit" report (Section 500). The auditor's report on the Supplemental Schedules listed below will be an agreed-upon procedures report as specified in Section 400 of this Audit Guide.

<u>Supplemental Financial Schedule</u>	<u>Section Ref. to Sample Format</u>	<u>Single Audit Report</u>	<u>Program Audit Report</u>
• Statement of Source and Status of Funds	4150.02	Yes	Yes
• Statement of Program Expenditures	4150.03	Yes	Yes
• Schedule of Program Income	4150.04	Yes	Yes
• Reconciliation Schedule	4150.05	Yes	Yes

.02 The Pennsylvania Department of Community and Economic Development (DCED) may impose special audit reporting requirements when the contract period ends on a contract between OHCD and a subrecipient. This special reporting requirement could necessitate a separate audit report on the DCED funds. The subrecipient and its auditor should contact the OHCD Audit Manager for further instructions on this matter.

SECTION 4150.02

ABC NONPROFIT CORPORATION
 CONTRACT NUMBER XXXX
 DCA PROJECT NUMBER XXXX (A)
 STATEMENT OF SOURCE AND STATUS OF FUNDS
 FOR THE PERIOD JULY 1, 19XX TO JUNE 30, 19XX

	<u>CDBG</u> <u>FUNDS</u>	<u>PROGRAM</u> <u>INCOME</u>	<u>OTHER</u> <u>CITY</u> <u>FUNDS</u>	<u>NON-</u> <u>CITY</u> <u>FUNDS</u>	<u>TOTAL</u>
Total Contract (Final Authorized Budget)	\$ XXXX	\$	\$ XXXX	\$ XXXX	\$ XXXX
Less:					
Funds Drawn Down - Prior Fiscal Year	XXXX				XXXX
Funds Drawn Down - Current Year	XXXX				XXXX
Total Funds Drawn Down	<u>XXXX</u>	<u> </u>	<u>XXXX</u>	<u>XXXX</u>	<u>XXXX</u>
Funds Still Available for Draw Down	<u>\$ XXXX</u>	<u>\$</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>
Total Funds Drawn Down	\$ XXXX	\$	\$ XXXX	\$ XXXX	\$ XXXX
Add:					
Program Income	<u> </u>	<u>XXXX</u>	<u> </u>	<u> </u>	<u>XXXX</u>
Total Funds Received	XXXX	XXXX	XXXX	XXXX	XXXX
Less:					
Program Income Expended		XXXX			XXXX
Funds Applied - Prior Fiscal Years					
Funds Applied - Current Fiscal Year	<u>XXXX</u>	<u> </u>	<u>XXXX</u>	<u>XXXX</u>	<u>XXXX</u>
Total Funds Applied	XXXX	XXXX	XXXX	XXXX	XXXX
Total Funds Due From Funding Source	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>
Total Funds Available For Disposition	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>	<u>\$ XXXX</u>

(A) Include when appropriate as required by Section 4120.03.