

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011
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1.0	PHA Information PHA Name: Baker County Housing Assistance Program PHA Type: <input type="checkbox"/> Small <input type="checkbox"/> High Performing <input type="checkbox"/> Standard <input checked="" type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (10/2011) PHA Code: FL102					
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: 0 Number of HCV units: 150					
3.0	Submission Type <input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only					
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)					
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
					PH	HCV
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update. Note: See Attachment fl102a01 for information regarding Section 5.0 through 10.0.					
5.1	Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years: See page 3 of Attachment fl102a01					
5.2	Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. See page 3 of Attachment fl102a01					
6.0	PHA Plan Update (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions. See pages 4 - 14 of Attachment fl102a01					
7.0	Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i> See page 14 of Attachment fl102a01					
8.0	Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable. See page 15 of Attachment fl102a01					
8.1	Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> , form HUD-50075.1, for each current and open CFP grant and CFFP financing. See page 15 of Attachment fl102a01					
8.2	Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i> , form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. See page 15 of Attachment fl102a01					

8.3	<p>Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p> <p>See page 15 of Attachment fl102a01</p>
9.0	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>See page 15 of Attachment fl102a01</p>
9.1	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p> <p>See pages 16 - 18 of Attachment fl102a01</p>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”</p> <p>See page 18 of Attachment fl102a01</p>
11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information

Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory

Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type

Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia

Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan

Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.
- (b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.
3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.
4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.
5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.
6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1)** development name and number; **2)** designation type; **3)** application status; **4)** date the designation was approved, submitted, or planned for submission, and; **5)** the number of units affected.
7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**
8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.
10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.
11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.
12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.
13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

- (a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>
- (b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.
- (c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or

that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>

- (d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.
- (e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

- (a) To submit the initial budget for a new grant or CFFP;
- (b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and
- (c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;
2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and
3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm>

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

- (a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**
- (b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

- (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)*
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)*
- (d) Form SF-LLL, *Disclosure of Lobbying Activities (PHAs receiving CFP grants only)*
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only)*
- (f) Resident Advisory Board (RAB) comments.
- (g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.1.
- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.2.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM

FY2011 ANNUAL UPDATE TO THE FY2010-FY2014 FIVE-YEAR AGENCY PLAN

SECTION 5.0 THROUGH 10.0

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5.0 Five-Year Plan

5.1 Mission Statement

To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

5.2 Goals and Objectives

Goal: Expand the supply of assisted housing

Objective

- Apply for additional rental vouchers.

Goal: Improve the quality of assisted housing

Objective

- Improve voucher management. (SEMAP score)
- Increase customer satisfaction.

Goal: Increase assisted housing choices

Objective

- Conduct outreach efforts to potential voucher landlords.

Goal: Promote self-sufficiency and asset development of assisted households

Objectives:

- Increase the number and percentage of employed persons in assisted families.
- Provide or attract supportive services to improve assistance recipients' employability.
- Provide or attract supportive services to increase independence for the elderly or families with disabilities.

Goal: Ensure equal opportunity and affirmatively further fair housing

Objective

- Continue to follow HUD regulations pertaining to the admissions and occupancy of the Housing Choice Voucher Program.

6.0 PHA Plan Update

- (a) **Identify specifically which plan elements have been revised since the PHA's prior plan submission.**

All elements have been revised since the last submission.

- (b) **Identify where the 5-Year and Annual Plan may be obtained by the public.**

The FY2011 Agency Plan Annual Update will be available for review during the 45-day Public Hearing Notice period at the Baker County Housing Assistance Program's Main Office which is located at 402 Stansell Avenue in Macclenny, Florida.

1. Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures

Public Housing

The Baker County Housing Assistance Program does not operate a Public Housing Program.

Section 8

Eligibility

The Housing Assistance Program will determine applicant eligibility in accordance with HUD guidelines.

1. Eligibility Criteria:

- a. An applicant must be a family as defined by HUD.
- b. An applicant must be within the appropriate income limits.
- c. An applicant must furnish Social Security Numbers for all family members age six and older.
- d. An applicant must furnish evidence of Citizenship/Eligible Immigrant Status.

2. Family Composition

The applicant must qualify as Family for eligibility for admission. A Family may be a single person or a group of persons. A group of persons may be:

- a. Two or more persons who intend to share residency whose income and resources are available to meet the family's needs.
- b. Two or more elderly or disabled persons living together, or one or more elderly, near elderly, or disabled persons living with one or more live-in aides is a family.
- c. A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home and is not intended to artificially enlarge the space available for other family members.

3. A single person may be:

- a. An elderly person
- b. A displaced person

- c. A person with a disability
- d. Any “other single” person

4. Head of Household

The Head of Household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

5. Spouse of Head

Spouse means the marriage partner of the head, who in order to dissolve the relationship, would have to be divorced. Spouse includes the partner in a common law marriage. The term “spouse” does not apply to boyfriends, girlfriends, significant other, or co-heads.

6. Co-Head

A co-head is an individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

7. Live-In Attendants

a. A family may include a live-in aide provided that such live-in aide:

- (i) Is determined by the Housing Assistance Program to be essential to the care and well being of an elderly person, a near elderly person, or a person with disabilities,
- (ii) Is not obligated for the support of the person(s), and
- (iii) Would not be living in the unit except to provide care for the person(s).

b. A live-in aide is treated differently than family members:

- (i) Income of the live-in aide is not counted for purposes of determining eligibility of benefits.
- (ii) Live-in aides are not subject to Non-Citizen Rule requirements.
- (iii) Live-in aides may not be considered as a remaining member of the tenant family.
- (iv) A live-in aide may only reside in the unit with the approval of the Housing Assistance Program. Written verification will be required from a reliable, knowledgeable professional. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly, or disabled.

- c. At any time the Housing Assistance Program may refuse to approve a particular person as a live-in aide, or may withdraw such approval if:
 - (i) The person commits fraud, bribery and any other corrupt or criminal act in connection with any federal housing program.
 - (ii) The person commits drug-related criminal activity or violent criminal activity.
 - (iii) The person currently owes rent or other amounts to the Housing Assistance Program or to another Housing Assistance Program in connection with Section 8 or public housing assistance under the 1937 Act.

8. Noncitizens Rule

Section 214 of the Housing and Community Development Act of 1980, as amended, prohibits the Secretary of HUD from making financial assistance available to persons who are other than United States Citizens, nationals, or certain categories of eligible noncitizens either applying to or residing in specified Section 214 covered programs.

9. Ineligibility Because of Eviction for Drug Crimes

Any tenant evicted from federally assisted housing by reason of drug-related criminal activity (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 USC 1437a(b)) shall not be eligible for federally assisted housing during the 3-year period beginning on the date of such eviction unless the evicted tenant successfully completes a rehabilitation program approved by the Housing Assistance Program. A waiver may be granted if the circumstances leading to eviction no longer exists.

10. Ineligibility for Illegal Drug Users and Alcohol Abusers

Notwithstanding any other provision of the law, the Housing Assistance Program shall prohibit admission to the Section 8 program for any household with a member who the Housing Assistance Program determines is illegally using a controlled substance; or, the Housing Assistance Program determines that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

In determining whether to deny admission to the Section 8 program to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, the Housing Assistance Program may consider whether such household member has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as

applicable); has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

11. Authority to Deny Admission to Criminal Offenders

Except as provided above, and in addition to any other authority to determine eligibility, if the Housing Assistance Program determines that the applicant or any member of the applicant household is or was, during a reasonable time preceding the date when the applicant would otherwise be selected for admission, engaged in any drug-related or violent criminal activity or other criminal activity which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents, the owner, or Housing Assistance Program employees, the Housing Assistance Program may deny such applicant admission to the program; or, may require proof that the individual who engaged in criminal activity has not engaged in any criminal activity for a reasonable period.

12. Income Limitations

In order to be eligible for assistance, an applicant must be either:

- a. A very low-income family, or
- b. A low-income family in any of the following categories:
 - (i) A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within (choices: 30/60/90/120) days of voucher issuance. Programs include public housing, all Section 8 programs, and all Section 23 programs.

Definition of Continuously-Assisted: An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the voucher program.
 - (ii) A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.
 - (iii) A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.
 - (iv) A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

- (v) A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165
- (vi) A low-income family residing in a HUD-owned multifamily rental housing project when the project is sold, foreclosed, or demolished by HUD.

13. Special Eligibility: Law Enforcement And Security Personnel In Assisted Housing

For the purpose of increasing security for residents, the owner of a project-based assisted development may admit police officers and other security personnel who are not otherwise income eligible for assistance with approval from HUD.

Selection

All admissions to the Section 8 program shall be made on the basis of a written application completed by the applicant family. The Housing Assistance Program will conduct interviews when the application process is open. The Application for Admission shall constitute the basic legal record of each family applying for admission and shall support the Housing Assistance Program's determinations of eligibility status, priority status, and rent for which the applicant is qualified. All supplemental materials pertaining to eligibility shall be considered a part of the application record and carefully recorded. This includes verifications of income and family composition and such other data as may be required. The following conditions shall govern the taking and processing of applications:

1. Applications for the Section 8 program will be maintained on the Housing Assistance Program's computer system. Applicants shall complete and sign the application and certify, subject to civil and criminal penalties, to the accuracy of all statements made therein. The Housing Assistance Program reserves the right to require the signature of any or all adult members of the applicant household. Each complete application shall reflect the date and time of receipt by the Housing Assistance Program, and any other factors upon which priority and preference are assigned.
2. Applicants will be required to submit verification documentation as part of the application process. Applicants will be supplied a list of required verifications for the purpose of determining eligibility.
3. Should applicants fail to provide required verification documentation within time frame established by the PHA, their case will be placed in an inactive status and will be required to reapply during the next enrollment period.
4. The Housing Assistance Program reserves the right to suspend application taking when the current supply of completed full applications exceeds the number of families that could be reasonably expected to be housed within the next 12 months.

5. The Housing Assistance Program will normally take applications from a central location which will allow for processing by staff persons knowledgeable of the rules and regulations governing the Section 8 program, but reserves the right to establish satellite locations for application taking, so long as all processing is done in a central location.
6. The Housing Assistance Program reserves the right to establish times for taking applications, including by appointment. The Housing Assistance Program staff may at its discretion provide for application interviews outside normal hours when necessary for hardship reasons.
7. Insofar as possible, if an interview is required, application interviews shall be conducted in private.
8. Applications shall be updated as applicants report changes in income and family circumstances. All modifications to applications shall be properly documented and the transaction initialed by the staff member making the change.
9. All active applications will be purged no less than once each 12 months. Notification shall be sent to each applicant informing him/her that unless he/she confirms his/her continued interest, his/her application will be retired from the active file. Returned notification will be attached to the respective application as evidence of unsuccessful effort to locate the applicant. All applicants will be instructed to notify the PHA whenever there is a change in family composition, income, address, and any other factors relative to their eligibility status. Applicants should notify the PHA if he/she no longer desires consideration for the Section 8 program.
10. Applicants on waiting lists for any other type of assisted housing will have no special status with respect to the Section 8 program. Applicants must submit separate applications for other programs. Applicants will not lose their place on any other PHA waiting list should they make an application for the public housing program. This right will be explained to each applicant who might have previously filed an application for a dwelling unit through any other PHA program.
11. The Housing Assistance Program shall maintain such records as are necessary to document the disposition of all applications and to meet Department of Housing and Urban Development audit requirements.
12. If an applicant is determined to be ineligible on the basis of program guidelines, the applicant shall be notified, in writing of the reasons for the ineligibility determination. The applicant shall be informed of their right for an Informal Review of the determination. If, after the review, the applicant remains ineligible, or if the right to a review is waived, the applicant shall receive a written notice.

2. Financial Resources

The table below lists the Baker County Housing Assistance Program’s anticipated financial resources available to the Agency, as well as other income available to support the housing choice voucher program in Fiscal Year 2011.

Funding Source	Amount	Use
Public Housing Operating Fund	N/A	N/A
Housing Choice Voucher Program	\$688,640	Operations
Public Housing Capital Fund Program	N/A	N/A
Total	\$688,640	

3. Rent Determination

Public Housing

The Baker County Housing Assistance Program does not operate a Public Housing Program.

Section 8

1. Family Share of Rent

Family share of rent shall be calculated based on:

- a. 30% of the monthly adjusted income of the family; or,
- b. 10% of the monthly income of the family; or,
- c. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

2. Minimum Rental Amount

The Housing Assistance Program shall require families to pay a minimum monthly rental amount of \$50.

3. Exemption for Hardship Circumstances

The Housing Assistance Program shall immediately grant an exemption from application of the minimum monthly rental amount to any family unable to pay such amount because of financial hardship, which shall include situations in which:

- a. The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;
- b. The family would be evicted as a result of the imposition of the minimum rent requirement;
- c. The income of the family has decreased because of changed circumstances, including loss of employment;
- d. A death in the family has occurred.

If a resident requests a hardship exemption and the Housing Assistance Program reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. A resident shall not be evicted during the 90-day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term basis, the Housing Assistance Program shall retroactively exempt the resident from applicability of the minimum rent requirement for such 90-day period.

4. Operation and Management

The Baker County Housing Assistance Program manages approximately 150 Housing Choice Vouchers. The vouchers are issued by the U. S. Department of Housing and Urban Development (HUD) to help low-income families find affordable housing throughout Baker County. The Administrative Plan details all the rules and regulations for entering and remaining eligible for the Housing Choice Voucher Program. This document is on file at the main office.

5. Grievance Procedures

BCHAP has implemented policies which allow applicants and program participants who feel they have been unfairly denied access to the program to request a hearing in which they have the chance to state their case to an independent party. These policies are outlined in the Administrative Plan.

6. Designated Housing for Elderly and Disabled Families

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

7. Community Service and Self-Sufficiency

The Baker County Housing Assistance Program is not required to have a Community Service Policy.

8. Safety and Crime Prevention

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

9. Pets

The Baker County Housing Assistance Program is not required to have a Pet Policy.

10. Civil Rights

Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

11. Fiscal Audit

The Fiscal Audit for the Year ended September 30, 2010 is provided as an attachment to the Agency Plan.

12. Asset Management

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

13. Violence Against Women Act

The Baker County Housing Assistance Program (Agency) is striving to fully comply with all requirements of the Violence Against Women Act (VAWA).

First, the Agency will not deny admission to an applicant who has been a victim of domestic violence, dating violence, or stalking. The applicant must comply with all other admission requirements.

Also, the Agency will not terminate the assistance to a victim of domestic violence, dating violence, or stalking based solely on an incident or threat of such activity. The Agency still retains the right to terminate assistance for other criminal activity or good cause.

All information provided by an applicant or tenant regarding VAWA will be held in strict confidence and will not be shared with any other parties, unless required by law.

At this time, the Agency does not intend to put a victim of domestic violence admissions preference in place. The Executive Director will periodically review the need for such preference and may add an admissions preference for victim of domestic violence if a need is determined.

To make sure all applicants are aware of the Violence Against Women Act, the Agency notifies all applicants of the information included in the Act during the application process.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-Based Vouchers

(a) Hope VI or Mixed Finance Modernization or Development

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

(b) Demolition and/or Disposition

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

(c) Conversion of Public Housing

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

(d) Homeownership

This section does not apply since the Baker County Housing Assistance Program does not operate a Public Housing Program.

(e) Project-Based Vouchers

The Baker County Housing Assistance Program does not plan to use the Project-Based Voucher Program in the upcoming fiscal year.

8.0 Capital Improvements

8.1 Capital Fund Annual Statement/Performance and Evaluation Report

The Baker County Housing Assistance Program does not receive funding through the Capital Fund Program.

8.2 Capital Fund Program Five-Year Plan

See above.

8.3 Capital Fund Financing Program (CFFP)

See above.

9.0 Housing Needs

Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the "Overall" Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being "no impact" and 5 being "severe impact." Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	149	5	5	5	3	4	4
Income >30% but <=50% of AMI	101	4	4	4	3	3	3
Income >50% but <80% of AMI	68	3	3	3	3	2	3
Elderly	52	3	3	3	4	2	3
Families with Disabilities	98	3	4	4	5	4	4
White	285	3	3	3	3	3	3
Black	50	3	3	3	3	3	3
Hispanic	18	3	3	3	3	3	3
Native American	4	3	3	3	3	3	3

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year:
- U.S. Census data: the Comprehensive Housing Affordability Strategy (“CHAS”) dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)

9.1 Strategy for Addressing Housing Needs

Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1: Maximize the number of affordable units available to the PHA within its current resources by:

- Maintain or increase Section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Maintain or increase Section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Maintain or increase Section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program

Strategy 2: Increase the number of affordable housing units by:

- Apply for additional Section 8 units should they become available

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based Section 8 assistance
- Adopt rent policies to support and encourage work

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs

Strategy 2: Conduct activities to affirmatively further fair housing

- Counsel Section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
- Market the Section 8 program to owners outside of areas of poverty /minority concentrations

Reasons for Selecting Strategies

- Funding constraints
- Limited availability of sites for assisted housing
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
- Community priorities regarding housing assistance

10.0 Additional Information

(a) Progress in Meeting Goals and Objectives

On an on-going basis, the Baker County Housing Assistance Program strives to operate the Housing Choice Voucher Program in an efficient manner while providing excellent customer satisfaction.

(b) Significant Amendment and Substantial Deviation/Modification

Substantial Deviation from the 5-year Plan:

A “Substantial Deviation” from the 5-Year Plan is an overall change in the direction of the Baker County Housing Assistance Program pertaining to the Program’s Goals and Objectives. This includes changing the Program’s Goals and Objectives.

Significant Amendment or Modification to the Annual Plan:

A “Significant Amendment or Modification” to the Annual Plan is a change in a policy or policies pertaining to the operation of the Baker County Housing Assistance Program. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list

(c) Memorandum of Agreement

The Baker County Housing Assistance Program has not entered into a Memorandum of Agreement with the U. S. Department of Housing and Urban Development.

(d) Resident Advisory Board Comments

Other than general support of the FY2011 Agency Plan Annual Update, there were no specific comments from the Resident Advisory Board concerning the Plan.

(e) Challenged Elements

No elements of the FY2011 Agency Plan Annual Update were challenged.

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION AND SINGLE AUDIT**

FOR THE YEAR ENDED SEPTEMBER 30, 2010

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MALCOLM JOHNSON & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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210 N. Highway 17-92

DeBary, Florida 32753-0848

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INDEPENDENT AUDITOR'S REPORT

Baker County Housing Assistance Program
Macclenny, Florida

HUD, Jacksonville Area Office
Office of Public Housing
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

We have audited the basic financial statements of the Baker County Board Housing Assistance Program ("the Authority") as of and for the year ended September 30, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2010, and the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2011, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis as detailed in this Report, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries made of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Authority. The Financial Data Schedule required by the U.S. Department of Housing and Urban Development, the Schedule of Expenditures of Federal Awards and the other supplemental information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
May 23, 2011

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2010

As management of Baker County Housing Assistance Program (the Authority), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended September 30, 2010. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

Financial Highlights

- The assets of the Authority exceeded its liabilities as of September 30, 2010 by \$107,316 (net assets).
- The Authority's unrestricted net assets and restricted net assets as of September 30, 2010 were \$45,430 and \$61,886 respectively.
- The Authority's total operating revenue was \$729,904 for the year ended September 30, 2010.

Overview of Financial Statements

The basic financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- **Statement of Net Assets** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses and Change in Net Assets** – the results of activity over the course of the fiscal year. It details the costs associated with operating the Authority and how those costs were funded. It also provides an explanation of the change in net assets from the previous fiscal year end to the current fiscal year end.
- **Statement of Cash Flows** – reports the Authority's cash flows in and out from operating activities, capital and related financing activities and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The attached analysis of entity wide net assets, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting. Our analysis of the Authority as a whole begins on the next page.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the Authority's net assets, which can be thought of as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The net assets analysis will allow the reader to measure the health or financial position of the Authority.

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2010**

Overview of Financial Statements (Continued)

Over time, significant changes in the Authority's net assets are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

At FYE 2010, total assets were \$109,823; total current assets were \$109,823.

In addition, total liabilities were \$2,507. There were no long-term (non-current) liabilities at the end of FYE 2010.

Net Assets – The difference between an organization's assets and its liabilities equals its net assets. There are three categories in which to classify Net assets and they are the following:

Invested in capital assets, net of related debt – Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets:

Restricted – net assets whose use is subject to constraints imposed by law or agreement;

Unrestricted – net assets that are not invested in capital assets subject to restrictions.

Comparative Financial Information

Assets, Liabilities and Net Assets:

	<u>2010</u>	<u>2009</u>
ASSETS		
Current Assets	\$ 109,823	\$ 122,910
Net Capital Assets	-	577
Total Assets	<u>109,823</u>	<u>123,487</u>
LIABILITIES		
Current Liabilities	2,507	1,877
Total Liabilities	<u>2,507</u>	<u>1,877</u>
NET ASSETS		
Invested in capital assets, net of related debt	-	577
Restricted	61,886	76,405
Unrestricted net assets	45,430	44,628
Total Net Assets	<u>107,316</u>	<u>121,610</u>
Total Liabilities and Net Assets	<u>\$ 109,823</u>	<u>\$ 123,487</u>

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2010

Comparative Financial Information (Continued)

Current assets decreased by \$13,087 representing 11% decrease from the prior fiscal year. The reason for the decrease is due to: a decrease in cash of 14,153 and an increase in interest of \$122 and prepaid expenses of \$944.

At FYE 2010, the Authority had no long-term debt related to capital assets.

This schedule reflects a decrease in net assets of \$14,294 which is explained on the following page.

Revenue, Expenses and Changes in Net Assets:

	<u>2010</u>	<u>2009</u>
Operating Revenue		
HUD grants	\$ 729,904	\$ 734,214
Other Revenue	-	6,973
Total Operating Revenue	<u>729,904</u>	<u>741,187</u>
Operating Expenses		
Administrative	73,300	73,589
General expenses	1,447	2,441
Housing Assistance payments	679,110	617,853
Depreciation expense	577	600
Total Operating Expenses	<u>754,434</u>	<u>694,483</u>
Operating Gain/(Loss)	(24,530)	46,704
Non-operating Revenue (Expenses)		
Investment income - unrestricted	122	71
Fraud recovery	5,123	-
Other revenue	4,991	-
Total Non-operating Revenue (Expenses)	<u>10,236</u>	<u>71</u>
Net Gain/(Loss)	(14,294)	46,775
Net Assets, beginning of year	<u>121,610</u>	<u>74,835</u>
Net Assets, end of year	<u><u>\$ 107,316</u></u>	<u><u>\$ 121,610</u></u>

The over all cost of general operations increased by \$59,951 due to decreases to administrative expenses of \$289, depreciation expenses of \$23, an increase in housing assistance payments of \$61,257, and a decrease to general expenses of \$994.

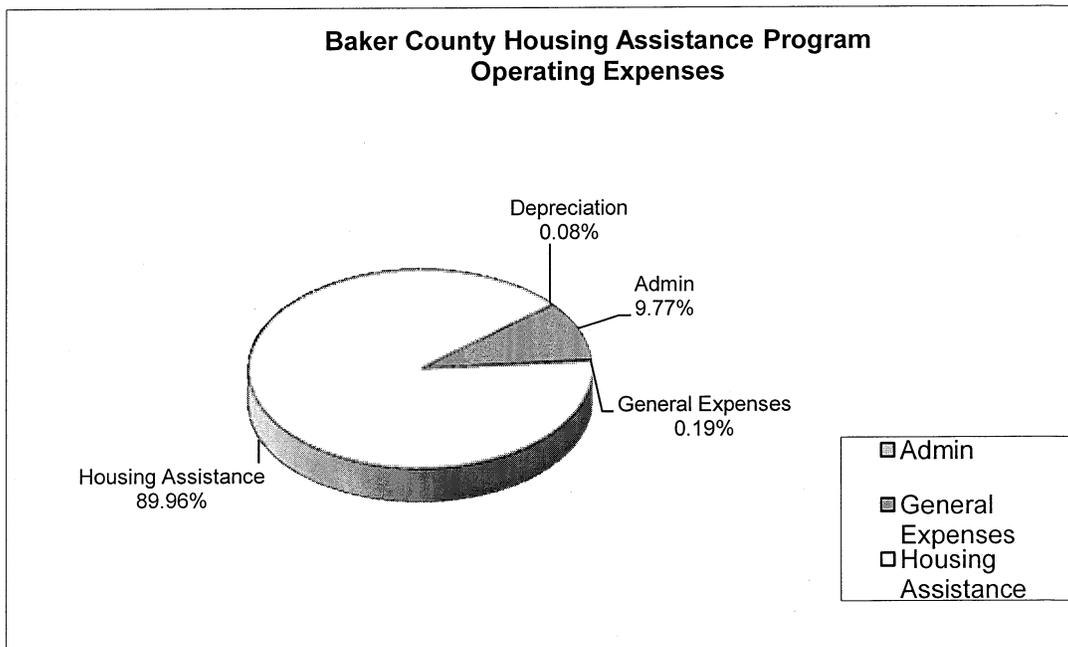
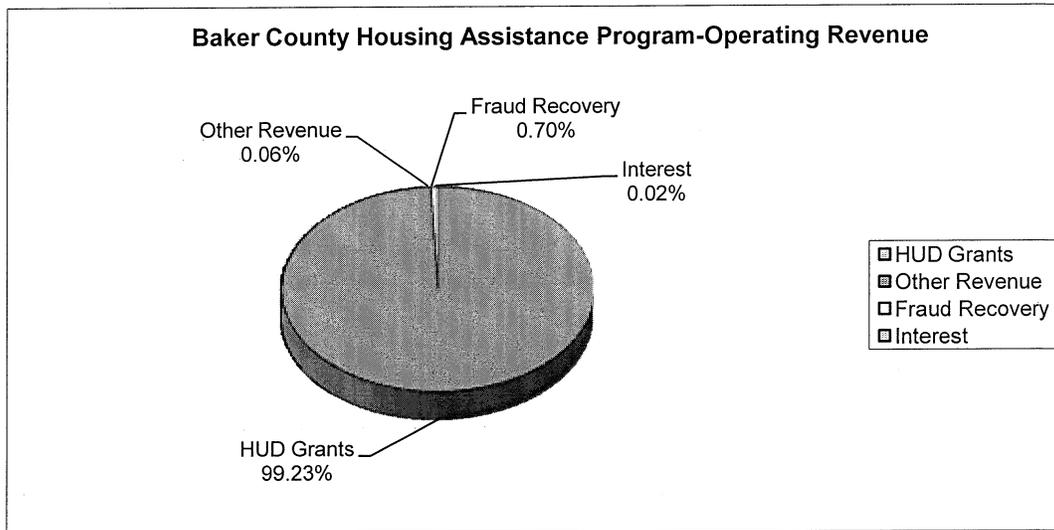
**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2010**

Comparative Financial Information (Continued)

Interest income increased by \$51 from the prior year.

In FYE 2010, total operating revenue was \$729,904, while total operating expenses were \$754,434. Net non-operating revenue was \$10,236. This resulted in a \$14,294 net loss in operations.



BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2010

Fund Accounting

Many of the funds maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

Authority's Funds

- Housing Choice Voucher Program (CFDA #14.871)

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development,
- Local labor supply and demand, which can affect salary and wage rates,
- Local inflationary, reversionary and employment trends, which can affect resident incomes and therefore the amount of rental income,
- Inflationary pressure on utility rates, supplies and other costs.
- Hurricane related damages and hurricane impact upon the rental market.

Capital Asset and Debt Activity

Total net capital assets decreased by \$577 due to depreciation for the year.

Contacting the Authority's Financial Management

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Baker County Housing Assistance Program, 402 Stansell Avenue, P.O. Box 977, Macclenny, Florida 32063.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

STATEMENT OF NET ASSETS
SEPTEMBER 30, 2010

ASSETS

Current assets

Cash and cash equivalents, unrestricted	\$ 46,993
Cash and cash equivalents, restricted	61,886
Prepaid insurance	944
	<hr/>
Total current assets	109,823

Total assets

109,823

LIABILITIES

Current liabilities

Due to other governments	2,507
	<hr/>
Total current liabilities	2,507

Total liabilities

2,507

NET ASSETS

Restricted	61,886
Unrestricted	45,430
	<hr/>
Total net assets	\$ 107,316

The accompanying notes are an integral part of these basic financial statements.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Operating revenues	
HUD grants	\$ 729,904
Total operating revenues	<u>729,904</u>
Operating expenses	
Administrative	73,300
General expenses	1,447
Housing assistance payments	679,110
Depreciation	577
Total operating expenses	<u>754,434</u>
Operating income (loss)	<u>(24,530)</u>
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	43
Interest revenue, restricted	79
Fraud recovery	5,123
Other revenue	4,991
Total nonoperating revenues (expenses)	<u>10,236</u>
Increase (decrease) in net assets	<u>(14,294)</u>
Net assets, beginning of year	<u>121,610</u>
Net assets, end of year	<u>\$ 107,316</u>

The accompanying notes are an integral part of these basic financial statements.

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

Cash Flows From Operating Activities	
Governmental operating grants	\$ 730,534
Other receipts	10,114
Payments to employees and suppliers	(75,691)
Payments to landlords and residents	(679,110)
	<hr/>
Net cash used by operating activities	(14,153)
	<hr/>
Cash Flows From Investing Activities	
Interest	122
	<hr/>
Net cash provided by investing activities	122
	<hr/>
Net increase (decrease) in cash and cash equivalents	(14,031)
Balance - beginning of the year	122,910
	<hr/>
Balance - end of the year	\$ 108,879
	<hr/> <hr/>
Reconciliation of Cash Flows to Statement of Net Assets	
Cash and cash equivalents, unrestricted	\$ 46,993
Cash and cash equivalents, restricted	61,886
	<hr/>
	\$ 108,879
	<hr/> <hr/>

There are no non-cash transactions.

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2010
(Continued)**

**Reconciliation of Net Operating Loss to
Net Cash Used By Operating Activities**

Operating loss	\$ (24,530)
Adjustments to reconcile net operating loss to net cash used by operating activities:	
Depreciation elimination	577
Due to/from other governments	630
Increase in prepaid expenses	(944)
Fraud recovery, other revenue, other expense and transfers to other entities reported as nonoperating	<u>10,114</u>
Net cash used by operating activities	<u><u>\$ (14,153)</u></u>

The accompanying notes are an integral part of these basic financial statements.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

A - Summary of Significant Accounting Policies and Organization:

- 1. Organization:** The Baker County Board of County Commissioners – Housing Assistance Program (“the Authority”) was organized to provide rental assistance for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD).

The Program’s activities are managed under an agreement with Macclenny Housing Authority.

- 2. Reporting Entity:** In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14, (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity has no component units.

The basic financial statements of the Baker County Housing Assistance Program is comprised of a HUD Housing Choice Vouchers program only.

- 3. Basis of Presentation and Accounting:** In accordance with uniform financial reporting standards for HUD housing programs, the basic financial statements are prepared in accordance with U. S. generally accepted accounting principles (GAAP).

Based upon compelling reasons offered by HUD, the Authority reports its basic financial statements as a special purpose government engaged solely in business-type activities, which is similar to the governmental proprietary fund type (enterprise fund), which uses the accrual basis of accounting and the flow of economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. Pursuant to the election option made available by *GASB Statement No. 20, Pronouncements of the Financial Accounting Standards Board (FASB)* pronouncements issued after November 30, 1989 are applied in the preparation of the basic financial statements, unless those pronouncements conflict with or contradict GASB pronouncements.

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net asset categories:

Invested in Capital Assets, Net of Related Debt – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2010
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

3. Basis of Presentation and Accounting: (Continued)

Restricted - Net assets whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or the expire by the passage of time. Such assets include assets restricted for capital acquisitions and debt service.

Unrestricted – Net assets that are not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of management or the Authority Board or may otherwise be limited by contractual agreements with outside parties.

- 4. Budgets:** Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The capital fund budgets are adopted on a “project length” basis. Budgets are not, however, legally adopted nor legally required for basic financial statement presentation.
- 5. Cash and Cash Equivalents:** For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable certificates of deposit to be cash equivalents.
- 6. Interprogram Receivables and Payables:** Interprogram receivables/payables, when present, are all current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all interprogram balances net zero. Offsetting due to/due from balances are eliminated for the basic financial statement presentation.
- 7. Prepaid Items:** Payments made to vendors for goods or services that will benefit periods beyond the September 30, 2010 fiscal year end are recorded as prepaid items.
- 8. Use of Estimates:** The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the basic financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- 9. Fair Value of Financial Instruments:** The carrying amount of the Authority’s financial instruments at September 30, 2010 including cash, investments, accounts receivable, and accounts payable closely approximates fair value.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2010
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

10. Capital Assets:

- a. Book Value:** All purchased fixed assets are valued at cost when historical records are available. When no historical records are available, fixed assets are valued at estimated historical cost.

Land values were derived from development closeout documentation.

Donated fixed assets are recorded at their fair value at the time they are received.

Donor imposed restrictions are deemed to expire as the asset depreciates.

All normal expenditures of preparing an asset for use are capitalized when they meet or exceed the capitalization threshold.

- b. Depreciation:** The cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

- c. Maintenance and Repairs Expenditures:** Maintenance and repairs expenditures are charged to operations when incurred. Betterments in excess of \$100 are capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

- 11. Compensated Absences:** Compensated absences are those absences for which employees will be paid, such as vacation and sick leave computed in accordance with *GASB Statement No. 16*. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such events take place.

- 12. Litigation Losses:** The Authority recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred, the loss is probable and the loss is reasonably estimable.

- 13. Annual Contribution Contracts:** Annual Contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by the Authority.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2010
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

14. Risk Management: The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance, general liability, fire and extended coverage, fidelity bond, automobile, and Director and Officers liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.

The Authority participates in public entity risk pool (Housing Authority Risk Retention Group) for all risks of loss, including workers' compensation and employee health and accident insurance, general liability, fire and extended coverage, fidelity bond, automobile, and Director and Officers liability. Settled claims resulting from these risks have not exceeded risk pool coverage in any of the past three fiscal years. Rights and responsibilities of the Authority and the pool are contained within the pool agreement and the scope of coverage documents.

15. Use of Restricted Assets: It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

16. Operating Revenues and Expenses: The principal operating revenues of the Authority's enterprise fund are charges to customers for rents and services. Operating expenses for the Authority's enterprise fund include the cost of providing housing and services, administrative expenses and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

B - Deposits and Investments: For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable certificates of deposit to be cash equivalents. There were no noncash investing, capital and financing activities during the year.

1. HUD Deposit and Investment Restrictions

HUD requires authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2010
(Continued)

B - Deposits and Investments: (Continued)

2. Risk Disclosures

a. Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits the Authority's investment portfolio to maturities not to exceed two years at time of purchase.

At September 30, 2010, the Authority's deposits and investments were not limited and all of which are either available on demand or have maturities of less than two years.

b. Credit Risk: This is risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority's investment policy is that none of its total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies and instrumentalities.

c. Custodial Credit Risk: This is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All of the Authority's investments in securities are held in the name of the Authority. The Authority's custodial agreement policy prohibits counterparties holding securities not in the Authority's name.

The carrying amounts of the Authority's cash deposits were \$108,879 at September 30, 2010. Bank balances before reconciling items were \$110,038 at that date, the total amount of which was collateralized or insured with securities held by an unaffiliated banking institution in the Authority's name.

C - Land, Buildings and Equipment:

	Balance September 30, 2009	Additions	Balance September 30, 2010
Equipment	\$ 9,788	\$ -	\$ 9,788
Accumulated depreciation	(9,211)	(577)	(9,788)
Net equipment	577	(577)	-
Net depreciable assets	577	(577)	-
TOTAL	\$ 577	\$ (577)	\$ -

BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2010
(Continued)

D - Due to Other Governments:

Macclenny Housing Authority \$ 2,507

- E - Related Party:** The Macclenny Housing Authority is the contracted managing agent for this Authority. The Macclenny Housing Authority at times pays expenses for and provides services to the program, and is subsequently reimbursed. At September 30, 2010, the Authority owed the Macclenny Housing Authority \$2,507.

F - Annual Contributions by Federal Agencies:

Annual Contributions Contract - The Section 8 Housing Choice Voucher program provides for housing assistance payments to private owners of residential units on behalf of eligible low or very low-income families. The program payments cover the difference between the maximum rental on a dwelling unit and the amount of rent contribution by a participating family. HUD also funds related administrative expenses.

HUD contributions for the year ended September 30, 2010 were as follows:

Housing Choice Vouchers \$ 729,904

- G - Retirement Commitments:** Employees assigned to this program are actually employed by the Macclenny Housing Authority, which participates in the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan administered by the State.

The Macclenny Housing Authority audit report details the Plan, and can be obtained by contacting the Macclenny Housing Authority.

Other Post Employment Benefits (OPEB): In relation to its employee benefit programs, the Authority does not provide any Other Post Employment Benefits, as outlined under GASB 45.

- H - Economic Dependency:** The Authority receives approximately 99 % of its revenues from HUD. If the amount of revenues received from HUD falls below critical levels, the Authority's reserves could be adversely affected.

- I - Contingencies:** The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years. There were no such examinations for the year ended September 30, 2010.

SUPPLEMENTAL INFORMATION

**Baker County Housing Assistance Program (FL102)
Entity Wide Balance Sheet Summary**

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2010

	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted	46,993	46,993	46,993
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	61,886	61,886	61,886
114 Cash - Tenant Security Deposits			
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	108,879	108,879	108,879
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants			
126.1 Allowance for Doubtful Accounts -Tenants			
126.2 Allowance for Doubtful Accounts - Other			
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery	16,019	16,019	16,019
128.1 Allowance for Doubtful Accounts - Fraud	(16,019)	(16,019)	(16,019)
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	-	-	-
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	944	944	944
143 Inventories			
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	109,823	109,823	109,823
161 Land			
162 Buildings			
163 Furniture, Equipment & Machinery - Dwellings			
164 Furniture, Equipment & Machinery - Administration	9,788	9,788	9,788
165 Leasehold Improvements			
166 Accumulated Depreciation	(9,788)	(9,788)	(9,788)
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	-	-	-
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			

173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	-	-	-
190 Total Assets	109,823	109,823	109,823
311 Bank Overdraft			
312 Accounts Payable <= 90 Days			
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable			
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	2,507	2,507	2,507
341 Tenant Security Deposits			
342 Deferred Revenues			
343 Current Portion of Long-term Debt - Capital Projects/Mortgage			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other			
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	2,507	2,507	2,507
Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	-	-	-
300 Total Liabilities	2,507	2,507	2,507
508.1 Invested In Capital Assets, Net of Related Debt			
509.2 Fund Balance Reserved			
511.2 Unreserved, Designated Fund Balance			
511.1 Restricted Net Assets	61,886	61,886	61,886
512.1 Unrestricted Net Assets	45,430	45,430	45,430
512.2 Unreserved, Undesignated Fund Balance			
513 Total Equity/Net Assets	107,316	107,316	107,316
600 Total Liabilities and Equity/Net Assets	109,823	109,823	109,823

**Baker County Housing Assistance Program (FL102)
Entity Wide Revenue and Expense Summary**

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2010

	14.871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue			
70400 Tenant Revenue - Other			
70500 Total Tenant Revenue	-	-	-
70600 HUD PHA Operating Grants	729,904	729,904	729,904
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	43	43	43
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	5,123	5,123	5,123
71500 Other Revenue	4,991	4,991	4,991
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted	79	79	79
70000 Total Revenue	740,140	740,140	740,140
91100 Administrative Salaries	41,142	41,142	41,142
91200 Auditing Fees	6,750	6,750	6,750
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	12,711	12,711	12,711
91600 Office Expenses	11,797	11,797	11,797
91700 Legal Expense			
91800 Travel	900	900	900
91810 Allocated Overhead			
91900 Other			
91000 Total Operating - Administrative	73,300	73,300	73,300
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	-	-	-
93100 Water			
93200 Electricity			
93300 Gas			
93400 Fuel			
93500 Labor			

93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	-	-	-
94100 Ordinary Maintenance and Operations - Labor			
94200 Ordinary Maintenance and Operations - Materials and Other			
94300 Ordinary Maintenance and Operations Contracts			
94500 Employee Benefit Contributions - Ordinary Maintenance			
94000 Total Maintenance	-	-	-
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	-	-	-
96110 Property Insurance			
96120 Liability Insurance			
96130 Workmen's Compensation			
96140 All Other Insurance			
96100 Total insurance Premiums	-	-	-
96200 Other General Expenses			
96210 Compensated Absences	1,447	1,447	1,447
96300 Payments in Lieu of Taxes			
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	1,447	1,447	1,447
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	-	-	-
96900 Total Operating Expenses	74,747	74,747	74,747
97000 Excess of Operating Revenue over Operating Expenses	665,393	665,393	665,393
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments	674,562	674,562	674,562
97350 HAP Portability-In	4,548	4,548	4,548
97400 Depreciation Expense	577	577	577
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	754,434	754,434	754,434

10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	(14,294)	(14,294)	(14,294)
11020 Required Annual Debt Principal Payments	-	-	-
11030 Beginning Equity	121,610	121,610	121,610
11040 Prior Period Adjustments, Equity Transfers and Correction of			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	45,430	45,430	45,430
11180 Housing Assistance Payments Equity	61,886	61,886	61,886
11190 Unit Months Available	1,764	1,764	1,764
11210 Number of Unit Months Leased	1,511	1,511	1,511
11270 Excess Cash			
11610 Land Purchases			
11620 Building Purchases			
11630 Furniture & Equipment - Dwelling Purchases			
11640 Furniture & Equipment - Administrative Purchases			
11650 Leasehold Improvements Purchases			
11660 Infrastructure Purchases			
13510 CFFP Debt Service Payments			
13901 Replacement Housing Factor Funds			

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

Federal Grantor:

<u>CFDA Number</u>	<u>Program Title</u>	<u>Pass Through Entity</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development			
14.871	Housing Choice Voucher Program	NA	\$ 729,904
Total Federal Awards Expenditures			\$ 729,904

Notes to the Schedule of Expenditures of Federal Awards

A. Basis of Accounting

This schedule is prepared on the accrual basis of accounting.

B. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations".

C. Reconciliation of Total Federal Awards Expenditures to Financial Data Schedule

FDS line 706	HUD PHA Grants	\$ 729,904
		\$ 729,904

SINGLE AUDIT SECTION

MALCOLM JOHNSON & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 530848

210 N. Highway 17-92

DeBary, Florida 32753-0848

Phone (386) 668-6464 Fax (386) 668-6463

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Baker County Housing Assistance Program
Macclenny, Florida

HUD, Jacksonville Area Office
Office of Public Housing
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

We have audited the financial statements of the Baker County Housing Assistance Program ("the Authority") as of and for the year ended September 30, 2010, and have issued our report thereon dated May 23, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

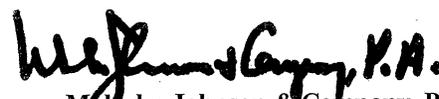
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Authority's Board of Commissioners, others within the entity, and the U.S. Department of HUD and is not intended to be and should not be used by anyone other than these specified parties.


Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
May 23, 2011

MALCOLM JOHNSON & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Baker County Housing Assistance Program
Macclenny, Florida

HUD, Jacksonville Area Office
Office of Public Housing
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

Compliance

We have audited the compliance of the Baker County Housing Assistance Program ("the Authority") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2010. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2010-1.

Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 2010-1. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Authority's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Authority's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the management, the Board of Commissioners, others within the entity, the U.S. Department of HUD, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
May 23, 2011

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Basic Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
~ Material weakness(es) identified?	No
~ Significant deficiency(s) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal control over major programs:	
~ Material weakness(es) identified?	No
~ Significant deficiency(s) identified that are not considered to be material weakness(es)?	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes

Identification of major programs:

CFDA Number	Name of Federal Program
14.871	Housing Choice Vouchers

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS

There were no Basic Financial Statement Findings.

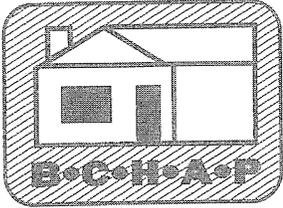
SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2010-1	Condition:	Deficiencies Noted in Submission of the SEMAP Certification
		During our review of the SEMAP submission, it was noted that the Authority did not submit the SEMAP Certification in a timely manner. The Authority missed the deadline for submission, and at the time of audit had yet to submit the Certification.
	CFDA Number:	14.871
	Questioned Costs:	None
	Criteria:	Requirements for SEMAP Certification contained in 24 CFR.
	Cause/Effect:	Loss of internal controls over the SEMAP submission process.
	Recommendation:	We recommend that the Authority establish internal control policies and procedures to ensure that the SEMAP Certification occurs within the timeframe required by HUD regulations.
	Reply:	We concur with the auditor's recommendation.

**BAKER COUNTY HOUSING ASSISTANCE PROGRAM
Macclenny, Florida**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

There were no prior audit findings.



Baker County Housing Assistance Program

402 STANSELL AVE., P.O. BOX 977
MACCLENNY, FLORIDA 32063
PHONE (904) 259-3287 • (904) 259-6881
FAX (904) 259-9459

David L. Manning, *Executive Director*

May 25, 2011

Corrective Action Plan- September 30, 2010 Audit Findings

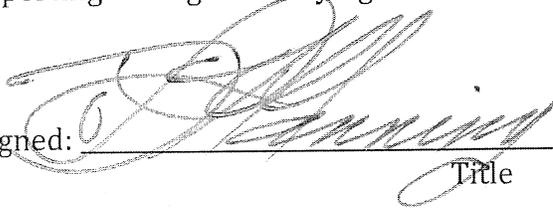
2010-1 Condition: Deficiency Noted in Submission of the SEMAP Certification.

Corrective Action: HUD initiated and completed a confirmatory review to ascertain whether our information and procedures regarding SEMAP were satisfactory. The results of this review are attached. The review remedies the condition discovered in the fye 30 Sep 2010 Audit.

Corrective Action: A staff member with the Jacksonville HUD Office has been tasked with providing assigned HA's a schedule/calendar of submission dates for the various reporting functions.

Corrective Action: The HA will be more vigilant and timely in our reporting through identifying and recording of submission dates.

Signed: _____


Title



U. S. Department of Housing and Urban Development
Jacksonville Field Office
Charles Bennett Federal Building
400 West Bay Street
Suite 1015
Jacksonville, Florida 32202-4410

May 23, 2011

Mr. Mark Hartley
Chairman, Board of Commissioners
Baker County Housing Assistance Program
55 North 3rd Street
Macclenny, Florida 32063

SUBJECT: Section Eight Management Assessment Program (SEMAP) Confirmatory Review
Fiscal Year Ending September 30, 2010

Dear Mr. Hartley:

Enclosed is the final report for the On-site Confirmatory Review of the Baker County Housing Assistance Program (BCHAP) SEMAP for its Fiscal Year Ending (FYE) September 30, 2010. The On-site Review was conducted on April 21, 2011 by Victoria Main, Director, Jacksonville Office of Public Housing and Shonda Newberry, Portfolio Management Specialist.

The purpose of the On-site Confirmatory Review was to obtain and verify information with which to evaluate BCHAP's administration, performance, and compliance with each of the fourteen (14) SEMAP Indicators certified to for the assessment year ended September 30, 2010. The information outlined in Part 24 Code of Federal Regulations (CFR) §985 is specific as to the evaluation method HUD utilizes to confirm the housing authority's SEMAP Certification.

The report consists of two parts: Part I is an overview and discussion of the purpose and scope of the On-Site Confirmatory Review; Part II addresses each of the fourteen (14) indicators and the specific information related to the compliance or non-compliance by the housing authority.

A copy of the report is being provided to Mr. David Manning, Executive Director for response as applicable. The items contained in this report were discussed with the BCHAP staff during the course of the review and at the exit conference held on April 21, 2011. The Baker County Housing Assistance Program earned 120 points out of a possible 130 points, which results in an overall score of 92%. The score for each indicator is summarized at the end of this report.

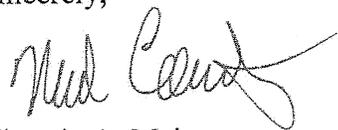
Your overall performance rating is High. This office congratulates you for outstanding performance for Fiscal Year 2010.

We have recorded that your Housing Authority has been rated zero on Indicator 6. Please take the necessary corrective actions to ensure compliance with program rules. For the zero rating on this indicator, you must send this office a written report describing the corrective

actions taken within 45 days of the date of this letter or a written corrective action plan may be required.

We would like to express our sincere appreciation for the courtesies shown to Victoria Main and Shonda Newberry during the on-site review. If you should have any questions or concerns, you may feel free to contact Ms. Newberry at (904) 208-6097 or via email at Shonda.L.Newberry@hud.gov.

Sincerely,




Victoria A. Main
Director
Office of Public Housing

Enclosure

cc: Mr. David Manning
Executive Director
Baker County Housing Assistance
402 Stansell Avenue
Macclenny, FL 32405-6102

**SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP)
ON-SITE CONFIRMATORY REVIEW
April 21, 2011**

PART I

Introduction

The Section 8 Management Assessment Program (SEMAP) is designed to assess whether the Housing Choice Voucher Programs (HCVP) operate to help eligible families afford decent rental property units at the correct subsidy cost. SEMAP also establishes an objective system for HUD to measure Housing Authority performance in key HCVP areas to ensure program integrity and accountability. SEMAP provides procedures for HUD to identify Housing Authority management capabilities and deficiencies in order to target monitoring and program assistance more effectively.

Purpose

HUD conducts a SEMAP confirmatory review to assess the Housing Authority's program management and compliance with program requirements. A SEMAP confirmatory review also verifies the Housing Authority's certification and the HUD rating under any indicator.

Methodology

HUD reviews the Housing Authority's quality control sample of files or records reviewed by Housing Authority supervisors to determine if the work documented in the files or records conforms to program requirements. HUD also reviews data submitted to the Multifamily Tenant Characteristic System (MTCS), as well as the SEMAP certification and profile. The SEMAP Confirmatory Review also involves interviews and discussions with Housing Authority management and staff regarding all aspects of the Housing Choice Voucher Program.

Results

The September 30, 2010 Certification was not submitted before the deadline thereby resulting in a score of 0 and an automatic rating of "Troubled" Agency. Although the Baker County Housing Assistance Program (BCHAP) did not submit the SEMAP certification to HUD, it completed the required reviews and the certification. This review is designed to confirm the certification results. The results of the on-site review are reported herein. The report covers each specific indicator and the status of the indicator. Any deficiency for the indicator is defined at the end of the section and includes required corrective actions, as appropriate. If the reviewer has concerns or recommendations, those are also included at the end of each indicator.

PART II
COMPLIANCE AND NON-COMPLIANCE

INDICATOR 1 - Selection from the Waiting List
Confirmed Compliance

(24 CFR §982.54(d)(1); and §982.204(a))

CRITERIA:

- (a) *The PHA has written policies in its Administrative Plan for selecting applicants from the waiting list.*
- (b) *The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.*
- (c) *The method for selecting the quality control sample must leave a clear audit trail that can be used to verify the Housing Authority's quality control sample was drawn in an unbiased manner (24 CFR §985.3).*

COMMENTS:

The Baker County Housing Assistance Program (BCHAP) has written policies in its Administrative Plan for selecting applicants from the waiting list adopted by the Housing Authority February 2010. The PHA's policy establishes waiting list preferences as well as applicant placement on the waiting list by date and time. The HUD Reviewer reviewed a sample selection of applicants from the BCHAP waiting list and made a comparison with the PIC generated ad hoc report. A review of the PHA sample revealed that 100% of the families were selected from the waiting list. Based upon review of samples, applicants pulled from the waiting list were done so in accordance with the currently approved housing authority policy.

A sample selection of recent admissions was also conducted by the HUD Reviewer. Based on the sample selection that was reviewed, the Housing Authority pulled applicants from the waiting list in accordance with their policy.

The BCHAP currently accepts applications and screens for eligibility at that time. They also pre-screen applicants prior to them receiving a voucher. It was recommended to the Housing Authority that instead of conducting all verification and eligibility activities at the time of the application, to provide a pre-application, so that once a family comes to the top of the list, they would complete the necessary verification at that time.

Fifteen (15) points confirmed for this Indicator.

**INDICATOR 2 - Reasonable Rent
Confirmed Compliance**

(24 CFR §982.4; §982.54(d)(15); §982.158(f)(7); and §982.507)

CRITERIA:

- (a) *The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units at the time of initial leasing, before any increase in the rent to owner, and at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.*
- (b) *The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required.*

COMMENTS:

The Housing Authority has a written method for determining and documenting for each unit leased that the rent to owner is reasonable based on current rents for comparable units. The reviewer's sample confirmed that the Housing Authority is documenting for each unit under lease the rent to owner is reasonable in comparison with other units by using a form called "Certification for Rent Reasonableness".

Twenty (20) points confirmed for this Indicator.

**INDICATOR 3 - Determination of Adjusted Income
Confirmed Compliance**

(24 CFR Part §5; subpart F; and §982.516)

CRITERIA:

This indicator shows whether, at the time of admission and annual reexamination, the PHA verifies and correctly determines adjusted annual income for each assisted family and, where the family is responsible for utilities under the lease, the PHA uses the appropriate utility allowances for the unit leased in determining the gross rent.

COMMENTS:

The HUD Reviewer reviewed five (5) files to determine the level of compliance for this indicator. All files indicated the completion of third-party verification for determining adjusted annual income for each assisted family and the appropriate utility allowances were used for each unit.

Twenty (20) points confirmed for this Indicator.

**INDICATOR 4 - Utility Allowance Schedule
Confirmed Compliance**

(24 CFR §982.317)

CRITERIA:

The PHA uses the appropriate utility allowances to determine gross rent for the unit leased. To receive the 5 points for this indicator, the Housing Authority must have data to show that it has reviewed utility rate data within the last 12 months and adjusted its utility allowance schedule if there has been a change of 10 percent or more in a utility rate since the last time the utility allowance schedule was revised.

COMMENTS:

The Housing Authority used a recently approved utility allowance schedule to determine utility allowances for each tenant and type of housing in each community where the Housing Authority is providing assistance. The utility allowance schedule is the same schedule used for FY 2009. The Housing Authority contacted three utility companies in the area and was informed there were no increases for 2010. The random sample of tenant files confirmed that the current schedule was used to calculate the utility allowance.

Five (5) points confirmed for this Indicator

**INDICATOR 5 - Quality Control Inspections
Confirmed Compliance**

(24 CFR §982.405(b))

CRITERIA:

A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which meets the minimum sample size required by HUD (24 CFR §985.2), for quality control of HQS Inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS Inspections and represents a cross section of neighborhoods and the work of a cross section of Inspectors.

COMMENTS:

The BCHAP sample of quality control inspections covered January 12, 2010 – September 14, 2010. The inspections provided were sufficient to support the agency's certification affirmative response. The HUD reviewed files indicated that inspections were completed timely.

Five (5) points confirmed for this Indicator.

INDICATOR 6 - HQS Enforcement

(24 CFR §982.404)

CRITERIA:

This indicator shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening HQS deficiencies are corrected within 24 hours from the inspection and all other cited HQS deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension. In addition, if HQS deficiencies are not corrected timely, the indicator shows whether the PHA stops (abates) housing assistance payments beginning no later than the first of the month following the specified correction period or terminates the HAP contract or, for family-caused defects, takes prompt and vigorous action to enforce the family obligations.

COMMENTS:

In viewing several files, there were several units which were not re-inspected within the required 30 day timeframe. In particular, in one file a deficiency letter was sent out and the landlord was given 60 days to correct the deficiencies. Although the Housing Authority does not have a tracking mechanism to keep track of HQS inspections/deficiencies, staff was advised it would be beneficial pertaining to the initial date of inspection, date of re-inspection and if appropriate, the date HAP is abated. It is also beneficial to provide the backup documentation and letters showing the enforcement efforts of the housing authority to ensure the unit meets compliance.

Zero (0) points confirmed for this Indicator.

**INDICATOR 7 – Expanding Housing Opportunities
Confirmed - Compliance**

(24 CFR §982.54(d)(5), §982.153(b)(3) and (b)(4), §982.301(a), and §983.301(b)(4) and (b)(12))

CRITERIA:

This indicator applies only to PHAs with jurisdiction in metropolitan FMR areas. The indicator shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs rental voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.

COMMENT:

The BCHAP provided sufficient documentation to support that it meets all the established criteria for this indicator. The BCHAP complied with their written policy in their administrative plan encouraging participation from landlords outside areas of poverty or minority concentration. BCHAP shows it takes actions indicated in its written policy also identified areas it considers poverty or minority areas of concentration on maps provided to voucher holders. The HUD Reviewer confirmed the information packet contains a listing of landlords willing to lease units or properties to voucher holders and it includes a map of the specified area and neighboring areas. The map indicates areas of low income and poverty areas. The Housing Authority did a good job explaining how portability works and providing contact information for neighboring Housing Authorities.

Five (5) points confirmed for this Indicator.

**INDICATOR 8 – Payment Standards
Confirmed Compliance**

(24 CFR §982.503)

CRITERIA:

This indicator shows whether the PHA has adopted a payment standard schedule that establishes voucher payment standard amounts by unit size for each FMR area in the PHA jurisdiction, and, if applicable, separate payment standard amounts by unit size for a PHA-designated part of an FMR area, which payment standards do not exceed 110 percent of the current applicable published FMR and which are not less than 90 percent of the current applicable published FMR (unless a higher or lower payment standard amount is approved by HUD).

COMMENTS:

The payment standard effective October 1, 2009 was established at 110% of the Fair Market Rent (FMR) in effect for this period. This is within the acceptable range allowed under HUD regulations.

Five (5) total points confirmed for this Indicator.

**INDICATOR 9 – Annual Reexaminations
Confirmed Compliance**

(24 CFR §5.617)

CRITERIA:

This indicator shows whether the PHA completes a reexamination for each participating family at least every 12 months.

COMMENTS:

The files reviewed indicated that the housing authority conducted timely annual reexaminations. Upon review of the data in the Integrated Management System – Public Housing Information Center (IMS-PIC), the BCHAP has approximately 100% of active participants with annual reexaminations that do not exceed twelve months.

Ten (10) total points confirmed for this Indicator.

**INDICATOR 10 - Correct Tenant Rent Calculations
Confirmed Compliance**

(24 CFR §982 subpart K).

CRITERIA:

This indicator shows whether the PHA correctly calculates tenant rent in the rental certificate program and the family's share of the rent to owner in the rental voucher program.

COMMENTS:

This indicator is scored by IMS-PIC. According to IMS-PIC the PCHA had zero percent rent discrepancies. This was also reflected in the tenant files that were reviewed on site.

Five (5) total points confirmed for this Indicator.

**INDICATOR 11 – Pre-Contract Housing Quality Standards (HQS) Inspections
Confirmed Compliance**

(24 CFR §982.305).

CRITERIA:

This indicator shows whether newly leased units pass HQS inspection on or before the beginning date of the assisted lease and HAP contract.

COMMENTS:

The BCHAP demonstrated that 100% of the pre-contract unit inspections in the sample did not have dates that were after the effective dates of the HAP contracts.

Five (5) total points confirmed for this Indicator.

**INDICATOR 12 – Annual HQS Inspections
Confirmed Compliance**

(24 CFR §982.405(a))

CRITERIA:

This indicator shows whether the PHA inspects each unit under contract at least annually.

COMMENTS:

The BCHAP has demonstrated that 100% of unit inspections are conducted in a timely manner thereby allowing the agency to achieve the maximum score for this indicator.

Ten (10) points confirmed for this Indicator.

**INDICATOR 13 – Lease-Up
Confirmed Compliance**

CRITERIA:

This indicator shows that the PHA executes HAP contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

COMMENTS:

The Housing Authority's percent of units leased for FY 2010 was 86 % for this indicator and 104 % of budget authority was expended. The BCHA has maximized its scoring for this indicator.

Fifteen (20) total points confirmed for this Indicator.

INDICATOR 14 - Family Self-Sufficiency (FSS)

Not Applicable

(24 CFR §984.105 and §984.305)

The PCHA does not have a mandatory FSS program.

**SUMMARY OF THE ON-SITE SEMAP CONFIRMATORY REVIEW
SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP)
BAKER COUNTY ON-SITE REVIEW
April 2011**

INDICATOR NUMBER	DESCRIPTION	HUD REVIEW RESULTS	HUD SEMAP PROFILE RESULTS
1	Selection from the Waiting List	Confirmed - Compliance	15
2	Reasonable Rent	Confirmed- Compliance	20
3	Determination of Adjusted Income	Confirmed - Compliance	20
4	Utility Allowance Schedule	Confirmed - Compliance	5
5	HQS Quality Control Inspections	Confirmed - Compliance	5
6	HQS Enforcement	Confirmed Non- Compliance	0
7	Expanding Housing Opportunities	Confirmed - Compliance	5
8	Payment Standards	Confirmed - Compliance	5
9	Annual Reexaminations	Confirmed - Compliance	5
10	Correct Tenant Rent Calculations	Confirmed - Compliance	5
11	Pre-Contract HQS Inspections	Confirmed - Compliance	5
12	Annual HQS Inspections	Confirmed - Compliance	10
13	Lease Up	Confirmed - Compliance	20
14	Family Self-Sufficiency (FSS) Enrollment and Escrow Accounts	n/a	n/a
Bonus	Deconcentration	n/a	n/a
	Total Score		120

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the ___ 5-Year and/or Annual PHA Plan for the PHA fiscal year beginning OCT. 1, 2010, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Baker County Housing Assistance Program
PHA Name

FL102

PHA Number/HA Code

 5-Year PHA Plan for Fiscal Years 20 - 20

Annual PHA Plan for Fiscal Years 2011 - 20

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official MICHAEL CREWS

Title CHAIRMAN

Signature

Date

5/30/11

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

BAKER COUNTY HOUSING ASSISTANCE PROGRAM

FL102

PHA Name

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

MICHAEL CREWS

CHAIRMAN

Signature

Date

5/2/11

5/5/11