

DALLAS COUNTY PUBLIC HOUSING AGENCY
HUD PROJECT NO. MO216

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
WITH
INDEPENDENT AUDITORS' REPORT

YEAR ENDED JUNE 30, 2020

CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	5
Financial statements:	
Statement of net position	13
Statement of revenues, expenses and changes in net position	14
Statement of cash flows	15
Notes to financial statements	16
Supplementary information:	
Combining statement of net position	24
Combining statement of revenues, expenses and changes in net position	25
Compliance and internal controls:	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	29
Schedule of expenditures of federal awards	32
Notes to schedule of expenditures of federal awards	33
Schedule of findings and questioned costs – federal programs	34
Schedule of prior audit findings and questioned costs	36
Financial data schedule	38

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Dallas County Public Housing Agency
Springfield, Missouri

We have audited the accompanying financial statements of Dallas County Public Housing Agency, a special revenue fund of Dallas County, Missouri, as administered by the Ozarks Area Community Action Corporation (OACAC), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Dallas County Public Housing Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Dallas County Public Housing Agency as of June 30, 2020, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Dallas County Public Housing Agency and do not purport to, and do not present fairly the financial position of Dallas County, Missouri, or OACAC as of June 30, 2020, and the changes in their financial position or cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis as required by the *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial

statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2021, on our consideration of Dallas county Public Housing Agency'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dallas County Public Housing Agency's internal control over financial reporting and compliance.

R/M/C, CPA's

Springfield, Missouri
February 22, 2021

DALLAS COUNTY PUBLIC HOUSING AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2020

As management of Dallas County Public Housing Agency (referred to as "Agency"), we offer the readers of the Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the Agency's financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2020 include the following:

- The assets of the Agency exceeded its liabilities at the close of the most recent fiscal year by \$631,051. This is an increase of \$143,267 from FY 2019.
- As of the close of the current fiscal year, the Agency's ending unrestricted net assets are \$569,343. This is an increase of \$126,337 from FY 2019.
- The Agency's cash balance on June 30, 2020 was \$841,706. This is an increase of \$330,254 from FY 2019.
- The Agency had total revenue of \$2,955,874 while operating expenses totaled \$2,812,607 for FY 2020. The Agency had total revenue of \$2,813,966 while operating expenses totaled \$2,739,316 for FY 2019.

OVERVIEW OF THE FINANCIAL STATEMENTS

The management's discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements consist of the Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; Statement of Cash Flows; and the notes to the financial statements. This report also contains the Combining Statement of Net Position, Combining Statement of Revenues, Expenses and Changes in Net Position, Schedule of Expenditures of Federal Awards and the Financial Data Schedule as supplementary information.

The Agency has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the Agency's assets and liabilities. This fund type is used for activities which are financed and operated in a manner similar to those in the private sector.

DALLAS COUNTY PUBLIC HOUSING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Table 1 provides a summary of the Agency's net position for the year ended June 30, 2020.

<p style="text-align: center;">Table 1 STATEMENT OF NET POSITION JUNE 30, 2020 With comparative totals for June 30, 2019</p>			
	June 30, 2020	2019	Increase (Decrease)
<u>ASSETS</u>			
Current assets:			
Cash	\$ 841,706	\$ 511,452	\$ 330,254
Portable receivables, net	1,233	5,011	(3,778)
Accounts receivable	827	495	332
Total current assets	843,766	516,958	326,808
Property and equipment, net	13,843	16,886	(3,043)
Total assets	\$ 857,609	\$ 533,844	\$ 323,765
<u>LIABILITIES AND NET POSITION</u>			
Current liabilities:			
Accounts payable	\$ 52,336	\$ 26,306	\$ 26,030
Accrued salaries	5,810	3,892	1,918
Accrued compensated absences	12,783	8,719	4,064
Deferred revenue	32,029	839	31,190
Due to HUD	3,653	4,326	(673)
Due to administrative entity	119,947	1,978	117,969
Total current liabilities	226,558	46,060	180,498
Net position:			
Unrestricted	569,343	443,006	126,337
Restricted	61,708	44,778	16,930
Total net position	631,051	487,784	143,267
Total liabilities and net position	\$ 857,609	\$ 533,844	\$ 323,765

DALLAS COUNTY PUBLIC HOUSING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Table 2 provides a summary of the changes in net position for the year ended June 30, 2020.

<p style="text-align: center;">Table 2 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED JUNE 30, 2020 With comparative totals for the year ended June 30, 2019</p>			
	Year ended June 30, 2020	2019	Increase (Decrease)
Operating revenue:			
Program income	\$ 2,642,107	\$ 2,518,338	\$ 123,769
Investment income	5,725	9,333	(3,608)
Fraud recovery	2,746	1,713	1,033
Other income	<u>305,296</u>	<u>284,582</u>	<u>20,714</u>
Total operating revenues	<u>2,955,874</u>	<u>2,813,966</u>	<u>141,908</u>
Operating expenses:			
Housing assistance payments	2,224,881	2,184,902	39,979
Portable voucher payments	273,197	255,773	17,424
Salaries	167,365	157,503	9,862
Employee benefits	55,903	59,949	(4,046)
Office expenses	26,682	18,624	8,058
Administrative expenses - other	26,595	26,850	(255)
General expenses – other	21,413	18,973	2,440
Audit	7,200	6,444	756
Compensated absences	3,766	1,565	2,201
Depreciation	3,043	3,377	(334)
Insurance	2,341	1,879	462
Travel	<u>221</u>	<u>3,477</u>	<u>(3,256)</u>
Total operating expenses	<u>2,812,607</u>	<u>2,739,316</u>	<u>73,291</u>
Change in net position	143,267	74,650	68,617
Net position, beginning of year	<u>487,784</u>	<u>413,134</u>	<u>74,650</u>
Net position, end of year	<u>\$ 631,051</u>	<u>\$ 487,784</u>	<u>\$ 143,267</u>

DALLAS COUNTY PUBLIC HOUSING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

EVENTS THAT HAVE IMPACTED THE AGENCY

General summary

The PHA began the Section 8 Housing Choice Voucher Program fiscal year July 1, 2019 in a moderate position relative to program utilization and HAP expenditures. HUD authorizes the PHA to lease as many units/households as budget authority will allow, including HAP Net Restricted Assets (NRA), up to the maximum program baseline number of units authorized by the HUD Annual Contributions Contract (ACC) which is 588 units for the Dallas County PHA which includes 16 Tenant Protection Vouchers from Hollister Gables.

At the beginning of the PHA fiscal year on July 1, 2019, the number of units leased was 564 out of 588 or 95% utilization rate. The program utilization rate increased to 574 in June 2020.

The CY 2020 HUD HCV funding was unknown until March 26, 2020 after nearly three months of calendar year 2020 HAP payments had already been made. The PHA ended the fiscal year June 30, 2020 at 97.6% cumulative annual lease rate and 99.4% utilization rate for HAP Monthly Budget Authority.

Ongoing Administrative Fee funding for the PHA fiscal year July 1, 2019 – June 30, 2020 was unpredictable. CY 2019 Admin Fee eligibility was again prorated because HUD appropriations were insufficient to reimburse the PHA for 100% eligibility. The average monthly Admin Fee proration factor for CY 2019 was 80% of PHA eligibility. Admin Fee proration factor for CY 2020 changed to 81%.

HUD appropriations impact

The funding for the Section 8 Housing Choice Voucher Program has been unpredictable from one year to the next based on Congressional action on federal appropriations bills. This fiscal year was no exception. The unstable funding climate for this program continues to be the greatest challenge in program management and has the greatest impact on program operations. Unpredictable funding makes it difficult to manage leasing and program utilization, particularly when HUD will disallow any costs associated with over-leasing and over-spending assistance payments for the Calendar Year (January – December), separate and apart from the PHA fiscal year (July – June). The U.S. Congress has not been able to complete their action on the federal appropriations bills in sufficient time (by September 30) for the PHA to plan and adjust their programs accordingly. Therefore, it is prudent for the PHA to adopt a conservative approach to leasing to avoid overspending. Taking this conservative fiscal approach has the consequence of suppressing the number of families assisted by the program which runs contrary to the mission of the program. Leasing rates do not stop and start on a dime. It takes several months to reduce program size/utilization or to increase program size/utilization.

DALLAS COUNTY PUBLIC HOUSING AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

YEAR ENDED JUNE 30, 2020

HUD appropriations impact (continued)

HUD and Congress require that PHAs spend at least 95% of their available funding during the PHA Fiscal Year, and also require that we spend all of our funding for the Calendar Year and make use of Useable HAP Net Restricted Assets (NRA) to serve the maximum number of households authorized in the HUD ACC. This is impossible to plan for when the amount of funding available is unknown. It is also next to impossible to meet both of these standards, Calendar Year and PHA Fiscal Year, simultaneously. The PHA has been watching the leasing rate to attempt to spend down the HUD-held reserves without going into short-fall.

Housing assistance payments budget authority

The CY 2019 Housing Assistance Payments (HAP) renewal funding allocations for the Housing Choice Voucher Program (HCVP) are based on the requirements of the Consolidated Appropriations Act, 2019, (P.L. 116-6) referred to as "the 2019 Act," enacted on February 15, 2019. The 2019 Act requires the Department to establish a new baseline for HAP funding eligibility, based on Voucher Management System (VMS) data for CY 2018 (January 1, 2018 through December 31, 2018.) The 2019 Act authorizes the Department to offset PHAs' CY 2019 renewal allocations based on excess amounts of restricted net position (RNP) and HUD-held program reserves. The Act provides that HUD shall use the funds from any such offset throughout CY 2019 to prevent the termination of rental assistance for families as the result of insufficient funding and to avoid or reduce the need for proration. The Department has decided to exercise this offset authority in CY 2019. CY2020 funding allocations are based on the requirements of the Consolidated Appropriations Act, 2020, (P.L. 116-94) referred to hereafter as "the 2020 Act," enacted on December 20, 2019. The 2020 Act requires the Department to establish a new baseline for HAP funding eligibility, based on Voucher Management System (VMS) data for CY 2019 (January 1, 2019 through December 31, 2019). The 2020 Act authorizes the Department to offset PHAs' CY 2020 renewal allocations based on excess amounts of restricted net position (RNP) and HUD-held program reserves. The Act provides that HUD shall use the funds from any such offset throughout CY 2020 to prevent the termination of rental assistance for families as the result of insufficient funding and to avoid or reduce the need for proration. The Department has decided to exercise this offset authority in CY 2020.

Administrative fee budget authority (July 1, 2019 – June 30, 2020)

The Consolidated Appropriations Act, 2016 (the Act) (P.L. 114-113), referred to hereafter as "the 2016 Act," enacted on December 18, 2015, requires that administrative fees be calculated on the basis of PHA leasing in the HCVP. Administrative fees will be paid for each voucher under lease on the first day of the month. The Department has calculated each PHA's final administrative fee eligibility considering actual leased units reported in VMS for the months of January through December 2019. Based on this calculation, the Department has determined the final national proration factor was 81%. With the administrative fee rates being based on leasing rate and an unpredictable proration amount, determining the projected income for budgeting purposes is at best, a pure estimate.

DALLAS COUNTY PUBLIC HOUSING AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Administrative fee budget authority (July 1, 2019 – June 30, 2020) (continued)

The continuation of the 2005 HUD Appropriations Bill provision that eliminated reimbursement to PHAs for Audit cost and Hard-To-House Fees remains a substantial loss of Administrative Fee earnings or income for the PHA's operating year compared to previous years of operation.

The annual Administrative Fee Budget Authority for the Section 8 Housing Choice Voucher Program must be sufficient enough to allow the PHA to achieve a surplus operating position in order to add to the program's Administrative Fee Equity or Operating Reserve. The Operating Reserve must be sufficient for future financial outlays, such as purchase of vehicles, computers, software, and other office equipment, etc. HUD provides no other reimbursement for these expensive purchases that do not reoccur every year. The Housing Program currently utilizes two vehicles on loan from the Weatherization Program and purchased one HAP vehicle in December 2018.

The Office of Housing Voucher Programs (OHVP) has allocated the initial administrative fee funding per the CARES Act (Public Law 116-136) to public housing agencies (PHA's) administering the Housing Choice Voucher (HCV) Program. The calculation determined the monthly average administrative fees based on the PHA's reconciled calendar year (CY) 2018 and 2019 eligibilities, divided by 12 months, then multiplied by 2. HUD will provide separate guidance on the allocation of the remaining CARES Act administrative fee funds. OHVP guidance regarding the tracking and reporting of the CARES Act funding is forthcoming. In the meantime, PHA's must follow the preliminary guidance provided in Section 7. The PHA received an initial disbursement of \$69,840 which must be spent on eligible expenses by December 31, 2020.

Portability

The PHA must serve HUD Section 8 Voucher holders who move into our PHA jurisdiction from another geographical area. This program feature is called Portability. The PHA billed other housing agencies for the funds to assist these households. These households are an added administrative burden to regular program operations.

DALLAS COUNTY PUBLIC HOUSING AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

SIGNIFICANT PROGRAM

Housing Choice Voucher Cluster:

Housing Choice Vouchers/HCV CARES Act Funding – These programs administer contracts to very low-income families, the elderly, and the disabled to provide decent, safe, and sanitary housing in the private market.

These programs are the Agency's major programs. Vouchers are administered locally by the Agency which receives funds from HUD to administer the program. A housing subsidy is paid to the landlord directly by the Agency on behalf of the participating tenant. The tenant pays the difference between the rent charged by the landlord and the amount subsidized by HUD.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

All capital assets held by the Agency are stated at cost. All long-lived assets acquired prior to October 1, 2001 with cost greater than \$1,000 have been capitalized. The capitalization threshold was increased to \$5,000 beginning October 1, 2001.

Long-term debt

The Agency does not have any long-term debt.

POTENTIAL IMPACTS ON FINANCIAL POSITION

The Agency receives approximately 89% of its funding from federal sources. These funds are always at the discretion of the President and Congress. Funding in the Housing Choice Voucher Program increased from FY 2019 by \$123,769. Accordingly, housing assistance payments increased from FY 2019 by \$39,979.

Contacting the Agency's financial management

The financial report is designed to provide a general overview of the Agency's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed as follows:

Ozarks Area Community Action Corporation
Dallas County Public Housing Agency
Carl Rosenkranz, Executive Director
215 South Barnes
Springfield, Missouri 65802

DALLAS COUNTY PUBLIC HOUSING AGENCY

STATEMENT OF NET POSITION

JUNE 30, 2020

ASSETS

Current assets:

Cash - unrestricted	\$	748,041
Cash - restricted		93,665
Portable receivables, net		1,233
Accounts receivable		827
		<hr/>

Total current assets		843,766
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Property and equipment, net		13,843
		<hr/>

	\$	857,609
		<hr/> <hr/>

LIABILITIES AND NET POSITION

Current liabilities:

Accounts payable	\$	52,336
Accrued salaries		5,810
Accrued compensated absences		12,783
Deferred revenue		32,029
Due to HUD		3,653
Due to administrative entity		119,947
		<hr/>

Total current liabilities		226,558
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Net position:

Unrestricted	\$	569,343	
Restricted		61,708	
		<hr/>	<hr/>
			631,051

Total liabilities and net position	\$	857,609
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The accompanying notes are an integral part of these financial statements.

DALLAS COUNTY PUBLIC HOUSING AGENCY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2020

Operating revenues:		
Program income		\$ 2,642,107
Investment income		5,725
Fraud recovery		2,746
Other income		<u>305,296</u>
Total operating revenues		2,955,874
Operating expenses:		
Housing assistance payments	\$ 2,224,881	
Portable voucher payments	273,197	
Salaries	167,365	
Employee benefits	55,903	
Office expenses	26,682	
Administrative expenses - other	26,595	
General expenses - other	21,413	
Audit	7,200	
Compensated absences	3,766	
Depreciation	3,043	
Insurance	2,341	
Travel	<u>221</u>	<u>2,812,607</u>
Change in net position		143,267
Net position, beginning of year		<u>487,784</u>
Net position, end of year		<u><u>\$ 631,051</u></u>

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

DALLAS COUNTY PUBLIC HOUSING AGENCY

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2020

Cash flows from operating activities:	
Program income	\$ 2,642,107
Investment income	5,725
Fraud recovery	2,746
Other income	308,742
Housing assistance payments	(2,199,522)
Salaries and related costs	(221,052)
Other expenses	(208,492)
Cash flows provided by operating activities	330,254
Cash balance, beginning of year	511,452
Cash balance, end of year	\$ 841,706
Reconciliation to Statement of Net Position:	
Cash - unrestricted	\$ 748,041
Cash - restricted	93,665
	\$ 841,706
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 143,267
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:	
Depreciation	3,043
(Increase) decrease in assets:	
Accounts receivable	(332)
Portable receivable, net	3,778
Prepaid expenses	-
Increase (decrease) in liabilities:	
Accounts payable	26,030
Accrued salaries	1,918
Due to HUD	(673)
Due to administrative entity	117,969
Deferred revenue	31,190
Net cash flows provided by operating activities	\$ 330,254

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

DALLAS COUNTY PUBLIC HOUSING AGENCY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

1. Summary of significant accounting policies

Nature of activities

The Dallas County Public Housing Agency (Agency) is a fund of Dallas County, Missouri, and its operations consist of providing housing and utility assistance to low income households through a Section 8 Housing Choice Voucher (HCV) appropriation from the U.S. Department of Housing and Urban Development (HUD).

The Ozarks Area Community Action Corporation (OACAC) serves as the administrative entity for Dallas County Public Housing Agency. As such, all funds are held by OACAC, and financial transactions are processed through its administrative offices. At June 30, 2020, the Agency had a due to administrative entity of \$119,947.

The Agency is governed by a board of directors consisting of county officials from each of the counties served by the HUD voucher program, personal representatives of the low-income population from those counties, and other interested citizens of those communities. Dallas County, Missouri and the OACAC Executive Director have the signatory commission to the HUD contracts.

These financial statements include only the funds of the HUD Project No. MO216.

Reporting entity

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the Dallas County Public Housing Agency to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

In determining the financial reporting entity, the Agency complies with the provisions of GASB Statement No. 14 as amended by GASB Statement No. 39, "The Financial Reporting Entity," and includes all component units, if any, of which the Agency appointed a voting majority of the units' board; the Agency is either able to impose its will on the unit or a financial benefit or burden relationship exists. There are no agencies, organizations or activities meeting this criteria.

Basis of accounting

The Agency's financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America.

1. Summary of significant accounting policies (continued)

Basis of accounting (continued)

All activities of the Agency are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing service and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Agency are grants provided by federal agencies. Operating expenses for proprietary funds include the cost of housing assistance payments and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Federal income tax status

The Agency is a governmental organization which is subsidized by the Federal Government. The Agency is exempt from federal and state income tax.

Net position

The Agency's net position is classified as follows:

Unrestricted net position: Unrestricted net position represents those funds whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net position that arise from exchange transactions are included as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board to meet current expenses for any purpose.

Restricted net position: Restricted net position consists of those funds whose use by the Agency has been limited by granting agencies or donors to later periods of time or after specified dates or to specified purposes.

Subsidies received for operating purposes, are recorded as revenue and result in an increase to unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources, the Agency's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

1. Summary of significant accounting policies (continued)

Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Cash and investments

Custodial Credit Risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it.

Dallas County PHA maintained balances in excess of \$250,000 at June 30, 2020. FDIC insurance covers the first \$250,000 in deposits. The balance in excess of the FDIC coverage is swept into an account in which the Dallas County PHA receives full FDIC coverage on all deposits.

3. Portable receivables, net

Portable receivables consist of amounts due from other public housing agencies for individuals who have transferred to the Agency within the year ended June 30, 2020. At June 30, 2020, the gross portable receivables and the related allowance account information are as follows:

Portable receivables	\$ 1,233
Less allowance for doubtful accounts	<u>-</u>
Portable receivables, net	<u>\$ 1,233</u>

4. Concentration of credit risk

The Agency receives virtually all of its revenues through appropriation funding from the Department of Housing and Urban Development under an appropriation regulation which became effective January 1, 2005. Congress sets the regulations relating to these appropriations. If Congress should choose to enact legislation that would change the regulations, the effect of future funding to the Agency, or to accumulated net position balances, could be significant.

5. Capital assets

<u>Asset type</u>	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2020</u>
Office equipment	\$ 2,439	\$ -	\$ -	\$ 2,439
Computer equipment and software	5,650	-	-	5,650
Vehicle	<u>20,259</u>	<u>-</u>	<u>-</u>	<u>20,259</u>
Total capital assets	28,348	-	-	28,348
Less accumulated depreciation	<u>(11,462)</u>	<u>(3,043)</u>	<u>-</u>	<u>(14,505)</u>
Total capital assets, net	<u>\$ 16,886</u>	<u>\$ (3,043)</u>	<u>\$ -</u>	<u>\$ 13,843</u>

All capital assets held by the Agency are stated at cost. All long-lived assets acquired prior to October 1, 2001 with cost greater than \$1,000 have been capitalized. The capitalization threshold was increased to \$5,000 beginning October 1, 2001.

Depreciation is calculated on the straight-line basis over the useful life of the specific assets. Depreciation expense amounted to \$3,043 at June 30, 2020.

6. Contingencies

The Agency receives federal grants for specific purposes that are subject to review by funding sources. Those reviews could lead to disallowed costs due to non-compliance with grant terms and conditions. The amounts, if any, which could be disallowed by a grantor are unknown at this time, although the Agency expects such amounts, if any, to be immaterial.

7. Due to HUD

During FY 2020, the Agency earned interest on HCV payments totaling \$4,153. As it pertains to the HCV Program, this provision allows up to \$500 in interest earned on HAP to be kept per calendar year and applied to the Agency's unrestricted net position balance. Any additional interest must be remitted annually to the Department of Health and Human Services. Accordingly, due to HUD on the accompanying Statement of Net Position amounted to \$3,653 at June 30, 2020.

8. Restricted net position

Restricted net position at June 30, 2020 consisted of the following:

HAP – Housing Assistance	<u>\$ 61,708</u>
--------------------------	------------------

Cash is restricted on the Statement of Net Position in the amount of \$61,708 related to this program.

9. Operating lease

The Agency leases a copier under an operating lease. Lease expense under this operating lease for the year ended June 30, 2020 was \$4,812.

Future minimum lease payments are as follows:

Year ending
June 30,

2021	\$ 4,368
2022	<u>3,640</u>
	<u>\$ 8,008</u>

10. Retirement plan

The Agency has adopted a defined contribution retirement plan in accordance with Internal Revenue Code Sec. 403(b). If the employee elects to participate in the tax sheltered annuity portion of this retirement plan, an additional matching contribution is made by the Agency. The maximum additional contribution by the Agency is 3%. Total amount paid into the retirement plan by the Agency for the year ended June 30, 2020 was \$1,754.

11. Compensated absences

Sick and annual leave are accumulated on a monthly basis according to Agency policies. Sick leave cannot be taken as cash upon termination; therefore the Agency records no liability for amounts that could be used under Agency sick leave policies.

Annual leave in the amount of 240 hours can be carried over to the following year, with 160 total hours payable upon termination of employment or upon relocation to another OACAC program. Liability for unpaid annual leave has been accrued as an Agency liability.

12. Risk management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Agency manages these risks through the purchase of various insurance policies.

13. Affiliated organization

As discussed in Note 1, the Agency is administered by Ozarks Area Community Action Corporation (OACAC). The Agency would be considered an affiliated organization of OACAC.

13. Affiliated organization (continued)

OACAC allocates its expenses on a functional basis among its various programs and support activities. Expenses that can be identified with a specific program and support activity are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using various allocation methods.

14. COVID-19

On March 11, 2020, the World Health Organization (“WHO”) recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy.

The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the Agency and financial results will depend on future developments, including the duration and spread of the outbreak within the state and the related impact on the economy which could impact grant awards, contributions, and other revenues, all of which are highly uncertain.

On March 27, 2020, the Federal CARES Act (established the Coronavirus Relief Fund (the “Fund”) was signed by President Trump and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified Coronavirus public health-related uses to States and certain local governments; the District of Columbia and U.S. Territories; and Tribal governments.

We considered the impact of the COVID-19 pandemic on the Agency and determined that there were no material adverse impacts on the financial statements for the year ended June 30, 2020.

15. Subsequent event

The Agency has evaluated subsequent events through February 22, 2021, the date which the financial statements were available to be issued. There were no significant events noted that did not exist at the date of the statement of net position but arose subsequent to that date.

DALLAS COUNTY PUBLIC HOUSING AGENCY

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2020

	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
ASSETS				
Current assets:				
Cash - unrestricted	\$ 744,688	\$ 3,353	\$ -	\$ 748,041
Cash - restricted	61,708	-	31,957	93,665
Portable receivables, net	1,233	-	-	1,233
Accounts receivable	827	-	-	827
Total current assets	808,456	3,353	31,957	843,766
Property and equipment, net	13,843	-	-	13,843
	<u>\$ 822,299</u>	<u>\$ 3,353</u>	<u>\$ 31,957</u>	<u>\$ 857,609</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	\$ 52,336	\$ -	\$ -	\$ 52,336
Accrued salaries	5,810	-	-	5,810
Accrued compensated absences	12,783	-	-	12,783
Deferred revenue	72	-	31,957	32,029
Due to HUD	3,653	-	-	3,653
Due to administrative entity	119,947	-	-	119,947
Total current liabilities	194,601	-	31,957	226,558
Net position:				
Unrestricted	565,990	3,353	-	569,343
Restricted	61,708	-	-	61,708
Total net position	627,698	3,353	-	631,051
Total liabilities and net position	<u>\$ 822,299</u>	<u>\$ 3,353</u>	<u>\$ 31,957</u>	<u>\$ 857,609</u>

DALLAS COUNTY PUBLIC HOUSING AGENCY

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2020

	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
Operating revenues:				
Program income	\$ 2,604,224	\$ -	\$ 37,883	\$ 2,642,107
Investment income	5,684	41	-	5,725
Fraud recovery	2,746	-	-	2,746
Other income	304,747	549	-	305,296
Total operating revenues	2,917,401	590	37,883	2,955,874
Operating expenses:				
Housing assistance payments	2,224,881	-	-	2,224,881
Portable voucher payments	273,197	-	-	273,197
Salaries	151,523	-	15,842	167,365
Employee benefits	50,692	-	5,211	55,903
Office expenses	16,235	-	10,447	26,682
Administrative expenses - other	23,369	-	3,226	26,595
General expenses - other	19,398	-	2,015	21,413
Audit	7,200	-	-	7,200
Compensated absences	2,624	-	1,142	3,766
Depreciation	3,043	-	-	3,043
Insurance	2,341	-	-	2,341
Travel	221	-	-	221
Total operating expenses	2,774,724	-	37,883	2,812,607
Change in net position	142,677	590	-	143,267
Net position, beginning of year	485,021	2,763	-	487,784
Net position, end of year	\$ 627,698	\$ 3,353	\$ -	\$ 631,051

ROBERTS, MCKENZIE, MANGAN & CUMMINGS

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

Board of Directors
Dallas County Public Housing Agency
Springfield, Missouri

We have audited, in accordance with the 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, the financial statements of Dallas County Public Housing Agency, which comprise the statement of net position as of June 30, 2020, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dallas County Public Housing Agency's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Dallas County Public Housing Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Dallas County Public Housing Agency's internal control.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dallas County Public Housing Agency'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 financial statements. 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RMNC, CPA's

Springfield, Missouri
February 22, 2021

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

Board of Directors
Dallas County Public Housing Agency
Springfield, Missouri

Report on Compliance for Each Major Federal Program

We have audited Dallas County Public Housing Agency's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Dallas County Public Housing Agency's major federal programs for the year ended June 30, 2020. Dallas County Public Housing Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Dallas County Public Housing Agency's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Dallas County Public Housing Agency'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 on compliance for each major federal program. However, our audit does not provide a legal determination of Dallas County Public Housing Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, Dallas County Public Housing Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-001. Our opinion on each major federal program is not modified with respect to this matter.

Dallas County Public Housing Agency's response to the noncompliance finding identified this in our audit is described in the accompanying schedule of findings and questioned costs. Dallas County Public Housing Agency's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Dallas County Public Housing Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Dallas County Public Housing Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Dallas County Public Housing Agency'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 a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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.

Our consideration of 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 material weakness or significant deficiencies and

therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item that we consider to be significant deficiency.

We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-001 to be a significant deficiency. Dallas County Public Housing Agency's response to the internal control over the compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs.

Dallas County Public Housing Agency's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

R/M/C, CPA's

Springfield, Missouri
February 22, 2021

DALLAS COUNTY PUBLIC HOUSING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

<u>U.S. Department of Housing and Urban Development</u>	<u>Federal CFDA Number</u>	<u>Pass-through Identifying Number</u>	<u>Expenditures</u>
Housing Choice Voucher Cluster:			
Direct Program:			
Section 8 Housing Choice Vouchers	14.871	MO216	\$ 2,604,224
HCV CARES Act Funding	14.HCC	MO216	<u>37,883</u>
			<u><u>\$ 2,642,107</u></u>

See the accompanying notes to schedule of expenditures of federal awards.

DALLAS COUNTY PUBLIC HOUSING AGENCY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

JUNE 30, 2020

NOTE A – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Dallas County Public Housing Agency. All federal financial assistance received both directly and indirectly from federal agencies is included in the schedule.

NOTE B – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned. Expenditures under the accrual basis of accounting are recorded when the liability is incurred.

NOTE C – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

NOTE D – INDIRECT COSTS

Dallas County Public Housing Agency maintains an indirect cost rate with the Department of Health and Human Services and is not eligible to use the 10% de minimus indirect cost rate.

DALLAS COUNTY PUBLIC HOUSING AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS

YEAR ENDED JUNE 30, 2020

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified.

Internal control over financial reporting:

- Material weakness(es) identified?

☐ Yes ☒ No
- Significant deficiencies identified?

☐ Yes ☒ No
- Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?

☐ Yes ☒ No
- Significant deficiencies identified?

☒ Yes ☐ No

Type of auditors' report issued on compliance for major programs: Unmodified.

Any audit finding disclosed that are required to be reported in accordance with 2CFR Section 200.516(a)?

☐ Yes ☒ No

DALLAS COUNTY PUBLIC HOUSING AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Identification of major programs:

CFDA Number(s)

Housing Choice Voucher Cluster:

14.871	Section 8 Housing Choice Vouchers
14.HCC	HCV CARES Act Funding

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

Section II – Financial Statement Findings

There were no findings for the year ended June 30, 2020.

DALLAS COUNTY PUBLIC HOUSING AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Section III – Federal Award Findings and Questioned Costs

Item 2020-001:	Late submission of the single audit reporting package and data collection form to the Federal Audit Clearinghouse (“FAC”)
Criteria:	The single audit reporting package and data collection form shall be submitted to FAC within thirty days after receipt of the auditor’s report, or nine months after the end of the fiscal year, whichever comes first.
Condition:	Submission of the single audit reporting package and data collection form to FAC was not done within the timeframe as required by the Uniform Guidance.
Context:	During the audit, we noted that the single audit reporting package and data collection form for FY2019 due to the FAC by March 31, 2020, was not submitted until November 13, 2020.
Effect:	Late filing will result in noncompliance with timely submission of financial information to grantor agencies.
Cause:	Due date was during COVID shutdown and procedures were not in place to ensure the timely filing of the single audit reporting package and data collection form to the FAC.
Recommendation:	We recommend management strengthen its procedures over filing of the single audit reporting package and data collection form with FAC to ensure timely filing.
Management’s response:	Management concurs with the finding. Additional procedures will be established to help ensure timely filing of the single audit reporting package and data collection form to the FAC.

DALLAS COUNTY PUBLIC HOUSING AGENCY
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

There were no findings or questioned costs for the year ended June 30, 2019.

DALLAS COUNTY PUBLIC HOUSING AGENCY

FINANCIAL DATA SCHEDULE

YEAR ENDED JUNE 30, 2020

Line Item Number	Account Description	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
	ASSETS				
	CURRENT ASSETS				
	Cash:				
111	Cash - unrestricted	\$ 744,688	\$ 3,353	\$ -	\$ 748,041
112	Cash - unrestricted - modernization and dev.	-	-	-	-
113	Cash - other restricted	61,708	-	31,957	93,665
114	Cash - tenant security deposits	-	-	-	-
100	Total cash	806,396	3,353	31,957	841,706
	Accounts and notes receivable:				
121	Accounts receivable - PHA projects	1,233	-	-	1,233
122	Accounts receivable - HUD other projects	-	-	-	-
124	Accounts receivable - other government	-	-	-	-
125	Accounts receivable - miscellaneous	827	-	-	827
126	Accounts receivable - tenants - dwelling units	-	-	-	-
126.1	Allowance for doubtful accounts - dwelling units	-	-	-	-
126.2	Allowance for doubtful accounts - other	-	-	-	-
127	Notes and mortgages receivable - current	-	-	-	-
128	Fraud recovery	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-
129	Accrued interest receivable	-	-	-	-
120	Total receivables, net of allowances for uncollectibles	2,060	-	-	2,060
	Current investments:				
131	Investments - unrestricted	-	-	-	-
132	Investments - restricted	-	-	-	-
142	Prepaid expenses and other assets	-	-	-	-
143	Inventories	-	-	-	-
143.1	Allowance for obsolete inventories	-	-	-	-
144	Interprogram due from	-	-	-	-
146	Amounts to be provided	-	-	-	-
	Total current investments	-	-	-	-
150	TOTAL CURRENT ASSETS	808,456	3,353	31,957	843,766
	NONCURRENT ASSETS				
	Fixed assets:				
161	Land	-	-	-	-
162	Buildings	-	-	-	-
163	Furniture, equipment and machinery - dwellings	-	-	-	-
164	Furniture, equipment and machinery - admin.	28,348	-	-	28,348
165	Leasehold improvements	-	-	-	-
166	Accumulated depreciation	(14,505)	-	-	(14,505)
167	Construction in progress	-	-	-	-
160	Total fixed assets, net of accum. depreciation	13,843	-	-	13,843

DALLAS COUNTY PUBLIC HOUSING AGENCY

FINANCIAL DATA SCHEDULE
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Line Item Number	Account Description	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
171	Notes and mortgages receivable - noncurrent	\$ -	\$ -	\$ -	\$ -
172	Notes and mortgages rec. - noncurrent-past due	-	-	-	-
174	Other assets	-	-	-	-
175	Undistributed debits	-	-	-	-
176	Investment in joint ventures	-	-	-	-
		-	-	-	-
180	TOTAL NONCURRENT ASSETS	13,843	-	-	13,843
190	TOTAL ASSETS	\$ 822,299	\$ 3,353	\$ 31,957	\$ 857,609
LIABILITIES AND EQUITY					
Current liabilities:					
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -
312	Accounts payable < 90 days	52,336	-	-	52,336
313	Accounts payable > 90 days past due	-	-	-	-
321	Accrued wage / payroll taxes payable	5,810	-	-	5,810
322	Accrued compensated absences - current portion	12,783	-	-	12,783
324	Accrued contingency liability	-	-	-	-
325	Accrued interest payable	-	-	-	-
331	Accounts payable - HUD PHA programs	3,653	-	-	3,653
332	Accounts payable - PHA projects	-	-	-	-
333	Accounts payable - other government	119,947	-	-	119,947
341	Tenant security deposits	-	-	-	-
342	Deferred revenues	72	-	31,957	32,029
343	Current portion long-term debt - capital projects	-	-	-	-
344	Current portion long-term debt - oper. borrowings	-	-	-	-
345	Other current liabilities	-	-	-	-
346	Accrued liabilities - other	-	-	-	-
347	Inter-program (due to)	-	-	-	-
310	TOTAL CURRENT LIABILITIES	194,601	-	31,957	226,558
NONCURRENT LIABILITIES					
351	Long-term debt, net of current-capital projects	-	-	-	-
352	Long-term debt, net of current-oper. borrowings	-	-	-	-
353	Noncurrent liabilities - other	-	-	-	-
354	Accrued compensated absences-noncurrent portion	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	-	-	-	-
300	TOTAL LIABILITIES	194,601	-	31,957	226,558

DALLAS COUNTY PUBLIC HOUSING AGENCY

FINANCIAL DATA SCHEDULE (CONTINUED)

YEAR ENDED JUNE 30, 2020

Line Item Number	Account Description	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
	EQUITY				
501	Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -
	Contributed capital:				
502	Project notes (HUD)	-	-	-	-
503	Long-term debt - HUD guaranteed	-	-	-	-
504	Net HUD PHA contributions	-	-	-	-
505	Other HUD contributions	-	-	-	-
506	CIAP - ongoing	-	-	-	-
507	Other contributions	-	-	-	-
508	Total contributed capital	-	-	-	-
	Reserved fund balance:				
508.1	Investment in capital assets, net of related debt	-	-	-	-
509	Reserved for operating activities	-	-	-	-
510	Reserved for capital activities	-	-	-	-
511	Total reserved fund balance	-	-	-	-
511.4	Restricted net position	61,708	-	-	61,708
512	Undesignated fund balance / retained earnings	-	-	-	-
512.4	Unrestricted net position	565,990	3,353	-	569,343
	Total reserved fund balance	627,698	3,353	-	631,051
513	TOTAL EQUITY	627,698	3,353	-	631,051
600	TOTAL LIABILITIES AND EQUITY	\$ 822,299	\$ 3,353	\$ 31,957	\$ 857,609
	REVENUE				
70300	Net tenant rental revenue	\$ -	\$ -	\$ -	\$ -
70400	Tenant revenue - other	-	-	-	-
70500	Total tenant revenue	-	-	-	-
70600	HUD PHA operating grants	2,604,224	-	37,883	2,642,107
70610	Capital grants	-	-	-	-
70800	Other government grants	-	-	-	-
71100	Investment income - unrestricted	5,684	41	-	5,725
71200	Mortgage interest income	-	-	-	-
71400	Fraud recovery	2,746	-	-	2,746
71500	Other revenue	304,747	549	-	305,296
71600	Gain or loss on sale of fixed assets	-	-	-	-
72000	Investment income - restricted	-	-	-	-
70000	TOTAL REVENUE	2,917,401	590	37,883	2,955,874

DALLAS COUNTY PUBLIC HOUSING AGENCY

FINANCIAL DATA SCHEDULE
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Line Item Number	Account Description	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
	EXPENSES				
	Administrative:				
91100	Administrative salaries	\$ 151,523	\$ -	\$ 15,842	\$ 167,365
91200	Auditing fees	7,200	-	-	7,200
91300	Outside management fees	-	-	-	-
91400	Compensated absences	-	-	-	-
91500	Employee benefit contributions - administrative	50,692	-	5,211	55,903
91600	Office expenses	16,235	-	10,447	26,682
91800	Travel	221	-	-	221
91900	Other	23,369	-	3,226	26,595
91000	Total operating - administrative	249,240	-	34,726	283,966
	Tenant services:				
92100	Tenant services - salaries	-	-	-	-
92200	Relocation costs	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	-	-
92400	Tenant services - other	-	-	-	-
92500	Total tenant services	-	-	-	-
	Utilities:				
93100	Water	-	-	-	-
93200	Electricity	-	-	-	-
93300	Gas	-	-	-	-
93400	Fuel	-	-	-	-
93500	Labor	-	-	-	-
93700	Employee benefit contributions - utilities	-	-	-	-
93800	Other utilities expense	-	-	-	-
93000	Total utilities	-	-	-	-
	Ordinary maintenance and operation:				
94100	Ordinary maint. and operation - labor	-	-	-	-
94200	Ordinary maint. and operation - materials and other	-	-	-	-
94300	Ordinary maint. and operation - contract costs	-	-	-	-
94500	Ordinary maint. and operation - ord. maintenance	-	-	-	-
94000	Total maintenance	-	-	-	-
	Protective services:				
95100	Protective services - labor	-	-	-	-
95200	Protective services - other contract costs	-	-	-	-
95300	Protective services - other	-	-	-	-
95500	Protective services - employee benefit cont.	-	-	-	-
95000	Total protective services	-	-	-	-
	Insurance:				
96120	Liability insurance	2,341	-	-	2,341
96100	Total insurance premiums	2,341	-	-	2,341

DALLAS COUNTY PUBLIC HOUSING AGENCY

FINANCIAL DATA SCHEDULE
(CONTINUED)

YEAR ENDED JUNE 30, 2020

Line Item Number	Account Description	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
	General:				
96200	Other general expenses	\$ 19,398	\$ -	\$ 2,015	\$ 21,413
96210	Compensated absences	2,624	-	1,142	3,766
96300	Payments in lieu of taxes	-	-	-	-
96400	Bad debt - tenant rents	-	-	-	-
96500	Bad debt - mortgages	-	-	-	-
96600	Bad debt - other	-	-	-	-
96000	Total other general expenses	22,022	-	3,157	25,179
	Interest:				
96700	Interest expense	-	-	-	-
96900	TOTAL OPERATING EXPENSES	273,603	-	37,883	311,486
97000	EXCESS OPERATING REVENUE OVER EXPENSES	2,643,798	590	-	2,644,388
97100	Extraordinary maintenance	-	-	-	-
97200	Casualty losses - non-capitalized	-	-	-	-
97300	Housing assistance payments	2,224,881	-	-	2,224,881
97350	HAP portability-in	273,197	-	-	273,197
97400	Depreciation expense	3,043	-	-	3,043
97500	Fraud losses	-	-	-	-
97600	Capital outlays - governmental funds	-	-	-	-
97700	Debt principal payment - governmental funds	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-
		2,501,121	-	-	2,501,121
90000	TOTAL EXPENSES	2,774,724	-	37,883	2,812,607
	OTHER FINANCIAL SOURCES (USES)				
10010	Operating transfers in	-	-	-	-
10020	Operating transfers out	-	-	-	-
10030	Operating transfers from primary government	-	-	-	-
10040	Operating transfers from component unit	-	-	-	-
10050	Proceeds from notes, loans and bonds	-	-	-	-
10060	Proceeds from property sales	-	-	-	-
10100	TOTAL OTHER FINANCIAL SOURCES (USES)	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 142,677	\$ 590	\$ -	\$ 143,267

DALLAS COUNTY PUBLIC HOUSING AGENCY

FINANCIAL DATA SCHEDULE (CONTINUED)

YEAR ENDED JUNE 30, 2020

Line Item Number	Account Description	Housing Choice Vouchers	Business Activities	HCV CARES Act Funding	Total
11010	Capital outlays enterprised funds	\$ -	\$ -	\$ -	\$ -
11020	Debt principal payments - enterprised funds	-	-	-	-
	EQUITY				
11030	Beginning equity	\$ 485,021	\$ 2,763	\$ -	\$ 487,784
11040	Prior period adjustments, equity tsfs. and correction	-	-	-	-
10000	Excess (deficiency) of revenue over expenses	142,677	590	-	143,267
513	TOTAL EQUITY	<u>\$ 627,698</u>	<u>\$ 3,353</u>	<u>\$ -</u>	<u>\$ 631,051</u>
	Proof of concept - total equity				
11170	Administrative fee equity	\$ 565,990	\$ -	\$ -	\$ 565,990
11180	Housing assistance payments equity	\$ 61,708	\$ -	\$ -	\$ 61,708
11190	Unit month available	7,056	-	-	7,056
11210	Number of unit months leased	6,514	-	-	6,514

DALLAS COUNTY PUBLIC HOUSING AGENCY

Springfield, Missouri

Finding: 2020-001

Name of contact person and title: Ken Waugh, Fiscal Officer

Anticipated completion date: 03/31/21

Management response: Due date was during COVID shutdown and procedures were not in place to ensure the timely filing of the single audit reporting package and data collection form to the FAC. Management concurs with the finding. Additional procedures will be established to help ensure timely filing of the single audit reporting package and data collection form to the FAC.