

Alexander, Frank

From: Alexander, Frank
Sent: Thursday, March 10, 2005 5:20 PM
To: Heather Balsler (E-mail); Sheri Budner Marsella (E-mail); Callan Childs (E-mail); Brahma Sharma (E-mail); Michael Richardson (E-mail); Terri Abbott (E-mail); 'siskc@ci.louisville.co.us'; 'keanyj@ci.louisville.co.us'; 'clabotd@ci.louisville.co.us'; 'vanpelm@ci.louisville.co.us'; 'brownd@ci.louisville.co.us'; 'levihna@ci.louisville.co.us'; 'marsels@ci.louisville.co.us'
Subject: BCHA HUD-OIG Report to be released
Importance: High

Louisville Housing Authority Board members and City Council members,

The Boulder County Housing Authority has just been notified by the Region VIII HUD-OIG that our audit report for the years 2002 and 2003 has been released and is expected to be posted on the HUD-OIG website in the next few days. We have been anticipating the release of this report for some time and have been informing the Louisville Housing Authority as we progressed through this process since early 2004. We wanted to provide you with a copy of the HUD-OIG report so that you would be able to review what HUD-OIG found regarding the past management and accounting practices of BCHA and to be prepared if you are called to answer any questions. As you know, BCHA has been working on its management, operations, and accounting systems very intensively for the past 18 months and BCHA staff have rectified many of the concerns that were identified for the audit years 2002-2003 and for prior years.

The HUD-OIG report has greatly contributed to an ongoing recovery process at BCHA that began in 2003, prior to the HUD-OIG audit team's on-site visit to its offices. Boulder County Housing Authority officials are confident that the improvements made to our management operations and accounting department will establish a firm foundation for the long-term success of BCHA. In collaboration with HUD, BCHA is implementing further improvements in its accounting systems and controls. We will continue to work with HUD in the coming months to ensure that all the recommendations are implemented within BCHA.

BCHA has made many operational improvements that are detailed in the press release, including:

- Established a full and transparent accounting system;
- Met all debt and payroll obligations in 2004 and 2005;
- Increased operating reserves by \$15,000 per month throughout 2004 and 2005;
- Restructured debt to provide \$1.1 million for rehabilitation of properties and reduce debt service costs;
- Implemented accounting and operational procedural controls.

We have included for your review a copy of the PDF file of the HUD-OIG audit report and a copy of BCHA's press release regarding the report, as well as a more readable version of BCHA's responses to the report that are included in small print within the PDF file.

Please do not hesitate to contact me if you have any questions.



Final HUD OIG Report Boulder C...
BCHA Response to HUD OIG REPORT
HUD OIG 2005....
Press Release M...

Thanks for your time,
Frank

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