

COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Fiscal Year Ended June 30, 2019



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Department of Housing and Human Concerns
County of Maui, Hawai'i

We have performed the procedure described in the second paragraph of this report, which was agreed to by the Department of Housing and Human Concerns, County of Maui, Hawai'i (the Housing Authority) and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. The Housing Authority is responsible for the accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of the Housing Authority and REAC. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The associated findings from the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We were engaged to perform an audit in accordance with the *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance)* by the County of Maui (the Reporting Entity), as of and for the fiscal year ended June 30, 2019, and have issued our reports thereon dated March 13, 2020. The Housing Authority is a department of the County of Maui, Hawai'i. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the Housing Authority's Financial Data Schedules (FDS) for the Section 8 Housing Choice Vouchers Program and Family Self-Sufficiency Program dated March 13, 2020, was expressed in relation to the basic financial statements of the Reporting Entity taken as a whole.

A copy of the reporting package required by the OMB Uniform Guidance, which includes the auditor's reports, is available in its entirety from the Reporting Entity. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

The purpose of this report on applying the agreed-upon procedures is solely to describe the procedure performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

N&K CPAs, Inc.

Honolulu, Hawai'i
March 13, 2020

ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

UFRS Rule Information	Hard Copy Document(s)	Findings
Balance Sheet and Revenue and Expense (data line items 111 to 11210)	Financial Data Schedules of the Housing Authority	Agrees
Footnotes (data element G5000-010)	Footnotes to Audited Basic Financial Statements of the Reporting Entity	Agrees
Type of Opinion on Financial Data Templates (data element G3100-040)	Auditor's Supplemental Report on FDS	Agrees

COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS
FAMILY SELF-SUFFICIENCY PROGRAM

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

Fiscal Year Ended June 30, 2019



**COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS
FAMILY SELF-SUFFICIENCY PROGRAM**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION	3
FINANCIAL DATA SCHEDULE	4 - 5

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Chair and Members of the County Council
County of Maui, Hawai'i

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Maui, Hawai'i (County), as of and for the fiscal year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 20, 2019, which contained unmodified opinions on those financial statements. 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. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The Financial Data Schedule (FDS) for the Family Self-Sufficiency Program is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. In our opinion, the FDS is fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of the County of Maui Department of Housing and Human Concerns, the County Council of the County of Maui, and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than these specified parties.

N&K CPAs, Inc.

Honolulu, Hawai'i
March 13, 2020

County of Maui
Department of Housing and Human Concerns
FINANCIAL DATA SCHEDULE
FAMILY SELF-SUFFICIENCY PROGRAM
June 30, 2019

Line Item	Account Description	Family Self- Sufficiency Program
113	Cash-other restricted	\$ _____ --
100	Total cash	_____ --
150	Total current assets	_____ --
290	Total assets and deferred outflow of resources	\$ _____ --
342	Unearned revenue	\$ _____ --
310	Total current liabilities	_____ --
300	Total liabilities	_____ --
600	Total liabilities, deferred inflows of resources and equity-net assets/position	\$ _____ --

County of Maui
Department of Housing and Human Concerns
FINANCIAL DATA SCHEDULE (Continued)
FAMILY SELF-SUFFICIENCY PROGRAM
Fiscal Year Ended June 30, 2019

Line Item	Account Description	Family Self- Sufficiency Program
70600	HUD PHA operating grants	\$ 23,843
70000	Total revenue	23,843
92100	Tenant services-salaries	23,843
92500	Total tenant services	23,843
96900	Total operating expenses	23,843
97000	Excess of operating revenue over operating expenses	--
90000	Total expenses	23,843
10000	Excess (deficiency) of total revenue over (under) total expenses	\$ --

COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

Fiscal Year Ended June 30, 2019



**COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION	3
FINANCIAL DATA SCHEDULE	4 - 5

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Chair and Members of the County Council
County of Maui, Hawai'i

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Maui, Hawai'i (County), as of and for the fiscal year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 20, 2019, which contained unmodified opinions on those financial statements. 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. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The Financial Data Schedule (FDS) for the Section 8 Housing Choice Vouchers Program is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. In our opinion, the FDS is fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of the County of Maui Department of Housing and Human Concerns, the County Council of the County of Maui, and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than these specified parties.

N&K CPAs, Inc.

Honolulu, Hawai'i
March 13, 2020

County of Maui
Department of Housing and Human Concerns
FINANCIAL DATA SCHEDULE
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM
June 30, 2019

Line Item	Account Description	Section 8 Housing Choice Vouchers Program
111	Cash-unrestricted	\$ 313,842
113	Cash-other restricted	1,102,677
115	Cash-restricted for payments of current liabilities	<u>19,264</u>
100	Total cash	<u>1,435,783</u>
128	Fraud recovery	808,998
128.1	Allowance for doubtful accounts-fraud	<u>(730,903)</u>
120	Total receivables, net of allowances for doubtful accounts	<u>78,095</u>
131	Investments-unrestricted	<u>3,271,201</u>
150	Total current assets	<u>4,785,079</u>
290	Total assets and deferred outflow of resources	\$ <u><u>4,785,079</u></u>
312	Accounts payable ≤ 90 days	\$ 19,264
322	Accrued compensated absences-current portion	57,902
331	Accounts payable - HUD PHA programs	<u>28,261</u>
310	Total current liabilities	<u>105,427</u>
353	Non-current liabilities-other	115,218
354	Accrued compensated absences-non-current	<u>65,295</u>
350	Total non-current liabilities	<u>180,513</u>
300	Total liabilities	<u>285,940</u>
511.4	Restricted net position	959,198
512.4	Unrestricted net position	<u>3,539,941</u>
513	Total equity - net assets/position	<u>4,499,139</u>
600	Total liabilities, deferred inflows of resources and equity-net assets/position	\$ <u><u>4,785,079</u></u>

County of Maui
Department of Housing and Human Concerns
FINANCIAL DATA SCHEDULE (Continued)
SECTION 8 HOUSING CHOICE VOUCHERS PROGRAM
Fiscal Year Ended June 30, 2019

Line Item	Account Description	Section 8 Housing Choice Vouchers Program
70600	HUD PHA operating grants	\$ 22,412,458
71100	Investment income-unrestricted	34,473
71400	Fraud recovery	73,910
71500	Other revenue	<u>548,292</u>
70000	Total revenue	<u>23,069,133</u>
91100	Administrative salaries	795,066
91200	Auditing fees	9,896
91600	Office expenses	260,995
91800	Travel	11,847
91900	Other	<u>29,382</u>
91000	Total operating-administrative	<u>1,107,186</u>
93200	Electricity	<u>33,431</u>
93000	Total utilities	<u>33,431</u>
96200	Other general expenses	20,753
96210	Compensated absences	<u>67,472</u>
96000	Total other general expenses	<u>88,225</u>
96900	Total operating expenses	<u>1,228,842</u>
97000	Excess of operating revenue over operating expenses	<u>21,840,291</u>
97300	Housing assistance payments	20,279,674
97350	HAP portability-in	<u>455,391</u>
90000	Total expenses	<u>21,963,907</u>
10000	Excess (deficiency) of total revenue over (under) total expenses	\$ <u><u>1,105,226</u></u>
11030	Beginning equity	\$ 3,499,355
11040	Prior period adjustments, equity transfers and correction of errors	\$ (105,442)
11170	Administrative fee equity	\$ 3,542,284
11180	Housing assistance payments equity	\$ 959,198
11190	Unit months available	17,838
11210	Number of units months leased	17,720