



U. S. Department of Housing and Urban Development
Region IV
Martin Luther King Jr. Federal Building
77 Forsyth Street, NW
Atlanta, Georgia 30303-2806

June 27, 2024

Dr. Roslyn Harper
Interim Executive Director
Housing Authority of Fulton County
4273 Wendell Drive, SW
Atlanta, GA 30336

Dear Dr. Harper:

The purpose of this letter is to transmit the final results of the on-site confirmatory review conducted on June 26, 2024, of the Section 8 program administered by the Housing Authority of Fulton County (HAFC). This review was conducted under the provisions of 24 CFR 985.107 as a result of the most recent Section 8 Management Assessment Program (SEMAP) score and the designation of troubled status. The designation applies to the fiscal year ending September 30, 2023.

On September 10, 1998, the Department of Housing and Urban Development (HUD) published a final rule (63 FR 48548), which established the SEMAP to objectively measure a public housing agency's (PHA) performance in key HCV tenant-based assistance program areas. SEMAP enables HUD to ensure program integrity and accountability by identifying CHA's management capabilities and deficiencies and improving risk assessment to target monitoring and program assistance effectively. PHAs can use the SEMAP performance analysis to assess their program operations.

The final rule provided that HUD would rate the performance of a Housing Authority (HA) under seven of the 14 SEMAP indicators based on statements in the latest independent auditor (IA) annual audit report. The eight indicators are: (1) Selection from the Waiting List; (2) Reasonable Rent; (3) Determination of Adjusted Income; (4) Utility Allowance Schedule; (5) Housing Quality Standards (HQS) Quality Control Inspections; (6) HQS Enforcement; and (7) Expanding Housing Opportunities. The remaining six indicators are rated information from HUD's database system. These indicators are Lease-up, Payment Standards, Annual Recertification, Annual HQS Inspections, Pre-contract HQS Inspections, and Correct Tenant Rent Calculations.

On July 26, 1999, HUD published an interim rule amending its regulations for the SEMAP. The interim rule, which became effective on August 25, 1999, made various technical amendments to conform the SEMAP regulation to the requirements of the Single Audit Act Amendments of 1996. Specifically, the interim rule provides that HUD will base its SEMAP rating for a Public Housing Authority (PHA) based on the HA's SEMAP certification to HUD, rather than on the IA's annual audit report. HUD continues to rely on the IA to verify the accuracy of the PHA's SEMAP certification with respect to the eight

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SEMAP indicators listed above. The July 26, 1999, interim rule also clarifies that HUD confirmatory reviews will be used as an additional method of verification to the extent they are performed. The final rule, dated December 3, 1999, finalizes the amendments made by the July 26, 1999, interim rule. The public comment period on the interim rule closed on September 24, 1999. No public comments were submitted in the interim rule. Accordingly, HUD adopted the interim rule without change.

The annual SEMAP Certification, form HUD-52648, was not submitted, in an electronic format, by the reporting deadline of November 29, 2023, as required by the program regulations. A late submittal of the Certification results in a presumptive "Troubled" rating. In assigning an overall performance rating of troubled, HUD must conduct an on-site review of PHA program management to assess the magnitude and seriousness of the PHA's noncompliance with performance requirements. HUD must provide the PHA with a written report of its on-site review containing HUD findings of program management deficiencies, the apparent reasons for the deficiencies, and recommendations for improvement. The following report provides specific details on the results of the on-site review by functional areas of the Section 8 program administration. Please be advised that some of the information contained in the enclosed report may be confidential in nature under the Privacy act and should only be revealed in the course of Housing Authority business. The following chart is a summary of the scoring results from the submitted certification and the modified score based on the on-site review.

**Scoring Report of the Confirmation of SEMAP Certification
Housing Authority of Fulton County Housing Choice Voucher Program
Fiscal Year Ended November 29, 2023**

No.	Indicator	Maximum Possible Points	Score Based on Certification	Modified Score
1	Selection from the Waiting List	15	15	0
2	Reasonable Rent	20	20	0
3	Determination of Adjusted Income	20	0	0
4	Utility allowance schedule	5	5	0
5	HQS Quality Control	5	0	0
6	HQS Enforcement	10	0	0
7	Expanding Housing Opportunities	5	5	0
8	Payment Standards	5	5	0
9	Timely Annual Reexaminations	10	0	0
10	Correct Tenant Rent Calculations	5	0	0
11	Pre-Contract HQS Inspections	5	0	0
12	Annual HQS Inspections	10	0	0
13	Lease-up	20	0	0
14	Family Self Sufficiency	Not applicable	Not applicable	Not applicable
	Total	135	50	0

On June 3, 2024, we requested the HAFC prepare the following information or documents due to the FO by June 12, 2024.

- The Administrative Plan Table of Contents with most recent revision date
- Four (4) tenant files with information (a redacted sample provided by HAFC)
- Determination of adjusted income
- Income information
- Housing Quality Standards (HQS) Quality Control and Enforcement Information
- HQS Pre-Contract and Continuing HQS Inspections
- Lead-based paint information provided by PHA or landlords
- Timely annual reexamination
- Correct tenant rent calculations for the last two years
- The previous six (6) months of HAP registers

In addition to the above, the items below were due by June 19, 2024.

- The Board-approved operating budget for PH and HCV (including budgeted vs. actual)
- Most recently prepared monthly financial statements from fee accountant
- HCV and PH disbursement registers from the general ledger for
- Bank and credit card statements for previous six (6) months

During the on-site confirmatory review, the HAFC did not provide any of the requested documents. On April 16, 2024, the FO sent the HAFC the SEMAP deficiency letter of scores and ratings. A PHA must correct any SEMAP deficiencies (indicator rating of zero) within 45 calendar days of HUD the notice. The HAFC also failed to submit the deficiencies report that was due on May 31, 2024. Therefore, the modified score of 0 points out of 135 possible points is equivalent to zero percent, which results in a troubled designation. HAs that receive a troubled designation are prohibited from using any Administrative Fee reserves for other housing purposes under 24 CFR 982.155 and are also required to complete, for HUD review and approval, a Corrective Action Plan (CAP) to correct deficiencies as defined in 24 CFR 982.107 that include strategies and goals for achieving improved management performance. Specifically, the CAP must:

- Specify goals to be included
- Identify obstacles to goal achievement and ways to eliminate or avoid them
- Identify resources that will be used or sought to achieve goals
- Identify a PHA staff person with lead responsibility for completing each goal
- Identify key tasks to reach each goal
- Specify time frames for achievement of each goal, including intermediate time frames to complete each task and
- Provide for regular evaluation of progress toward improvement

The CAP must be signed by the Section 8 program director and the Chief Executive Officer of the County or his or her designee. The CAP is due to this office no later than 60 calendar days from the date of this report. In order to provide technical assistance to the HAFC, we have included in this report

the proposed recommendation for the corrective action plan, based on the results of the on-site review and the recommendations for improvement for consideration by the HAFC.

The recommendation for the corrective action plan is to procure a third party to manage their HCV program. We believe the deficiencies cited in this report are beyond the abilities of the current management to correct. We also noted that the current staff lack the experience in their current roles to correct the deficiencies and improve the reporting procedures used to track the workload and the correct the information that is needed to make the annual self-certification to HUD under the SEMAP rules. If you have any questions regarding the information in the report or require clarification of any issues, please contact LaTrecia Thomas at (678) 732-2288 or LaTrecia.M.Thomas@hud.gov.

Sincerely,

DocuSigned by:
William Biggs
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William L. Biggs
Acting Director
Office of Public Housing