June 4, 2024

Mr. Ed Hinojosa
Opportunity Home San Antonio
818 South Flores Street
San Antonio, TX 78204

Dear CEO/Executive Director:

This letter transmits the results of the compliance monitoring review conducted by the San Antonio Field Office and Move to Work (MTW) Office during the week of 13-17 May 2024. Office of Public and Indian Housing (PIH) staff and MTW Headquarters staff reviewed the performance of the Opportunity Home San Antonio’s compliance with U.S. Department of Housing and Urban Development (HUD) program requirements and regulations.

While this report may note performance issues, the primary focus is compliance. Rather than exhaustively examining any area, this review touches on multiple areas of compliance to provide the public housing agency with meaningful feedback for sustained compliance.

The monitoring review team reviewed materials from all the agency’s primary program areas and interviewed agency staff members to understand better the agency’s efforts to comply with HUD regulatory and statutory requirements.

The attached report includes the review results, a discussion of areas where the agency’s performance and compliance are strong, and recommendations for ongoing improvement. Please review the report in detail, note that a response to the single finding is required.

If you have questions, please contact Mr. Rob Snyder at james.r.snyder@hud.gov or by telephone at 210-475-6881. We appreciate your cooperation.

Sincerely,

DAVID POHLER

David Pohler
Director
Office of Public Housing

Digitally signed by: DAVID POHLER
DN: CN = DAVID POHLER C = US O = U.S. Government OU = Department of Housing and Urban Development, Office of Administration
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TX 006 - Compliance Monitoring Review Report

Introduction: This Comprehensive Compliance Monitoring Review Report is issued for Opportunity Home San Antonio (OHSA) with the following review specific information:

PHA: TX 006 Opportunity Home San Antonio
CEO/Executive Director: Mr. Ed Hinojosa
PHA POC: Ms. Muriel Rhoder
Review Start Date: May 13, 2024
Exit Conference Date: May 17, 2024

The following areas were reviewed by San Antonio Field Office and MTW Headquarters Staff:

- Governance
- Housing Choice Vouchers
- Violence Against Women Act (VAWA)
- Public Housing
- Section 3
- MTW
- FSS
- ROSS
- PBV

Summary:

Overall, the Comprehensive Compliance Review for OHSA was successful, revealing several best practices and only one area of non-compliance. The staff were friendly, approachable, and willing to participate in the review process. Through multiple interviews with OHSA program staff, our staff observed a positive atmosphere and willingness to assist program participants.

In total OHSA has strong controls covering Governance. San Antonio Field Office Staff found no issues in this area; of note was zero-discrepancies revealed during the review of OHSA’s banking and procurement policies for the three prior fiscal years budgets.

The Public Housing program was reviewed and found to have strong controls over inspections and addressing deficiencies in accordance with 24 CFR 902. OHSA is performing above HUD national Public Housing occupancy goals exceeding 96% MASS occupancy. One area of non-compliance was found as OHSA has not been collecting rents or performing evictions in accordance with 24 CFR 966.4 and its own Admissions and Continued Occupancy Policy.

The HCV program has strong controls and maximizes flexibility to participate in as many additional HCV programs as possible such as FYI, EHV, and VASH. Of note, a performance related concern is OHSA’s continued high levels of HCV reserves and plans to decrease current levels of HCV utilization to support Public Housing commitments. The decrease in utilization
will likely hinder OHSA from meeting HUD’s national utilization goal of 85% annual budget authority to support HCV leasing for MTW agencies. Currently, OHSA is projected to utilize approximately 82.4% of its annual budget authority.

Due to the national high levels of HCV reserves among MTW agencies, Congress has made official inquiries to HUD leadership as to how/when HCV reserves are to be utilized. In recent meetings with HUD leadership, OHSA Executive Staff have referenced plans to utilize HCV reserves for non-HCV purposes. HUD requires that MTW agencies formally report non-HCV uses of funds in VMS and OHSA has reported non-HCV uses. However, this VMS reporting does not include details about the timeframes for formal obligation of the funds (contracts in place). Therefore, we are asking that OHSA provide a detailed plan for use of HCV reserves with realistic timelines and milestones for obligation and expenditure of funds to satisfy the Congressional inquiry pertaining to HCV reserves.

The VAWA Program was found in compliance with HUD and Federal Regulations. OHSA’s VAWA program is streamlined and easy to manage with full transparency for program participants. The high level of confidentiality within the VAWA program was specifically noted by staff during the review.

OHSA was designated as an MTW agency in 1999. The MTW program provides participant agencies with flexibilities to design and test innovative, locally driven strategies to use HUD funds more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. These flexibilities are included in the agency’s MTW Annual Plan. The HUD Review Team took OHSA’s MTW flexibility and MTW activities into consideration when completing their review. The MTW Office completed the Monitoring MTW Checklist to support the Field Office review and report no findings.

The review covered several areas and resulted in the review of numerous internal OHSA practices, policies, and procedures. The final review produced 5 recommendations, 4 best practices, 2 observations, and 1 finding which are annotated in detail below.

**Findings, observations, recommendations, and best practices:**

The HUD review team reviewed the OHSA’s bylaws, board minutes, policies, etc. Based on this review, the team reports the following findings, observations, recommendations, and best practices:

**Governance**

**Best Practice 1:** HUD Staff were impressed by the OHSA processes to perform background checks. Numerous files were reviewed and found to be detailed and comprehensive with complete and easy to discern information. All files reviewed were complete with vetted background reviews. Finally, all PPI was properly labeled as Confidential in accordance with 24 CFR 960.204(a)(4) and 24 CFR 5.903(b).

**Housing Choice Voucher**
Observation 1: HUD staff visited the housing choice voucher waiting room conducting numerous interviews, tenants complained about not receiving callbacks for 2 weeks. We recommend Opportunity Home improve or create a strategy to track, log, and return calls in a timely manner.

Observation 2: In the housing choice voucher entrance, Opportunity Home does not have any of the handouts in languages other than English. We recommend Opportunity Home make available handouts in other languages.

Best Practice 1: Technology is used to streamline administrative processes such as application processes, payments, communication, resident exams, complaints, inspections etc. Utilizing technology assists with environmental efforts and reduces administrative costs.

Violence Against Women Act (VAWA)

Recommendation 1: OHSA did not have HUD forms 5380 and 5382 printed and available in languages other than English (electronic only) as required by 34 U.S.C. 12491(d)(2)(D) and 24 CFR 5.2005(a)(3), HUD recommends that OHSA make available HUD forms 5380 and 5382 and printed in the three most common languages for its respective geographic region.

Public Housing

Recommendation 1: 24 CFR 905.308(a); 2 CFR 200.313 both require housing authorities to implement physical and inventory controls over equipment. OHSA has a newly implemented electronic inventory control program for equipment and similar assets which is more efficient and effective in tracking than the pen and paper method. HUD recommends that this control system be expanded to cover all assets and include the Radio Frequency Identification (RFI) tool and equipment tracking and control.

Finding 1: Through review of OHSA’s Public Housing program, non-compliance was revealed with respect to non-rent collections and violation of the established evictions policy dictated by both 24 CFR 966 and PIH Notice 2023-27. OHSA has not successfully collected rent on over 600 residents, nor have they performed evictions in accordance with written policies in the Admissions and Continued Occupancy Policy. The total amount in uncollected rent is more than $2 million. OHSA has communicated this challenge to its Board of Directors and has started to implement a process to address the arrears through repayment agreements and evictions in some cases. This is a low risk finding as OHSA has addressed the non-compliance and HUD will monitor for close-out.

Section 3

The Section 3 program was found in compliance with HUD and Federal Regulations. The review revealed no observations, recommendations, findings, or best practices.

MTW
**Best Practice 1:** OHSA has built a mapping system in YARDI to quickly identify and flag when there are changes to Local Non-Traditional (LNT) unit eligibility in accordance with PIH 2011-45.

**Best Practice 2:** OHSA Administrative Plan was well organized in accordance with the requirements set forth in 24 CFR 982.54. The Admin Plan included a tri-color coding system so that readers can easily identify when policy is specific to Public Housing, Housing Choice Voucher, or an MTW Policy.

**Family Self Sufficiency**

**Recommendation 1:** Ensuring that all Individual Training and Service Plans include a comprehensive "Goal Obtained" section, documenting clients' progress and achievements and adding additional documentation supporting goals obtained in accordance with 24 CFR 984.

**Recommendation 2:** Conducting a thorough review to ensure 50058 forms are in chronological order and completed to adequately capture income data that will be counted with escrows.

**Recommendation 3:** HUD staff reviewed numerous files which were found to be complete and accurate yet recommends adding a checklist to capture and track essential elements and case notes from client meetings that must be included in every applicant file. This process is effective and efficient in facilitating compliance with regulatory standards and internal best practices to maintain file consistency.

**ROSS**

The ROSS program was found in compliance with HUD and Federal Regulations. The review revealed no observations, recommendations, findings, or best practices.

**PBV**

The PBV program was found in compliance with HUD and Federal Regulations. The review revealed no observations, recommendations, findings, or best practices.

**Follow-up and monitoring:**

The report revealed one finding, thus there is a required follow-up and response from OHSA. HUD filed office staff will monitor the corrective actions for close-out. If there are questions or OHSA would like to respond to the report in anyway, please contact Mr. Rob Snyder at james.r.snyder@hud.gov or by phone at 210-475-6881.