

As a commissioner, one of your most important responsibilities is to stay informed so that you can monitor and support your PHA. The best sources of information about how your PHA is doing are the agency's mission and plans, monthly board reports, audits, performance assessment indicators such as the Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP), and your own experience talking with residents and landlords, executive staff, and visiting the properties yourself.

Monthly Reports

Make sure these documents are included in your monthly reports, and that you understand the information provided to you. If you do not understand, ask.

- **Financial Report**, with revenue and expense statements, bank reconciliation, and tenant accounts receivable.
- **Asset Management Report**, with occupancy rates and modernization schedule
- **Contracting and Procurement Report**, with obligation and expenditure deadlines and contract progress
- **Compliance Reports**, with outstanding audit findings and repayment agreements

Audits

Your PHA must submit both unaudited and audited (if your agency expends \$500,000 or more of federal awards) financial information to HUD through the Financial Data Schedule (FDS). Your auditor will submit you annual audit to HUD within nine months of the end of the fiscal year. You should request to see this audit.

Performance Assessment

HUD has established mechanisms for assessing the performance of your PHA and its programs. While the management of submitting information for these scores, as well as the strategies to improve them, are in the purview of executive staff, it is important for commissioners to be familiar with these processes and know where to find more information should issues arise.

Public Housing Assessment System (PHAS)

PHAS is the system that HUD uses to assess a PHA's performance in managing its federal awards programs. PHAS uses a 100-point scoring system based on four categories of indicators:

- PASS (Physical Assessment Subsystem)—40 points
 - » Determined by inspection to assess the degree to which the housing meets Housing Quality Standards (HQS)

- FASS (Financial Assessment Subsystem)—25 points
 - » Determined by data reported to HUD by the PHA in the FDS to measures the financial condition of each public housing project
- MASS (Management Assessment Subsystem)—25 points
 - » Determined by data reported to HUD by the PHA in the FDS to assess the housing development's and PHA's management operations capabilities, including, occupancy, Tenant Accounts Receivable (TAR), and accounts payable
- CFP (Capital Fund Program)—10 points
 - » Examines the period of time it takes to obligate the funds provided to the PHA from the Capital Fund Program.

Scores are generated for each Asset Management Project (AMP), are weighted by how many units are in the AMP, and then combined into the agency-wide score. High performers have a score above 90. Troubled performers have a score below 60. Scores below 90 but above 60 are designated as a standard performer. If your PHA scores below 60 in any one indicator, you will be designated as a substandard performer.

Section Eight Management Assessment Program (SEMAP)

SEMAP is HUD's performance measurement tool for the Housing Choice Voucher Program. SEMAP scores are based on performance in 15 indicator areas. Be sure to familiarize yourself with each indicator through the HCV Section and through your handout, Understanding SEMAP. High performers have a score above 90. Troubled performers have a score below 60.

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| 1. Selection from Waiting List (15 points) | 9. Annual Reexaminations (10 points) |
| 2. Rent Reasonableness (20 points) | 10. Correct Tenant Rent Calculations (5 points) |
| 3. Determination of Adjusted Income (20 points) | 11. Pre-Contract HQS Inspections (5 points) |
| 4. Utility Allowance Schedule (5 points) | 12. Annual HQS Inspections (5 points) |
| 5. HQS Quality Control Inspections (5 points) | 13. Lease-Up (15 points) |
| 6. HQS Enforcement (10 points) | 14. Family Self-Sufficiency Enrollment and Escrow Accounts (10 points) |
| 7. Expanding Housing Opportunities (5 points) | 15. Deconcentration Bonus Indicator (5 points) |
| 8. Payment Standards (5 points) | |

Improving Performance

If your PHA is performing poorly, the board is a critical part to ensuring successful recovery of performance. HUD requires PHAs to implement actionable recovery plans and take corrective actions. A troubled PHA is less able to support the families in the community who need the agency's support. It is your responsibility to keep your PHA out of harm's way.

- Focus attention on weak performance areas for efficient use of resources
- Address the root cause for performance issues
- Establish goals for the weak performance areas
- Match performance against goals in every board meeting
- Determine the reason for the failure if goals are not being met