

**UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS  
FY 11 PERFORMANCE AND ACCOUNTABILITY REPORT**



**November 15, 2011**



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## MANAGEMENT'S DISCUSSION, ANALYSIS AND PERFORMANCE



## MANAGEMENT'S DISCUSSION, ANALYSIS AND PERFORMANCE

### I. Agency Overview

Since its creation by the landmark Stewart B. McKinney Homeless Assistance Act in 1987, the United States Interagency Council on Homelessness (USICH) has coordinated the federal response to homelessness by creating a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the federal government in contributing to the end of homelessness.

USICH is currently comprised of the heads (or the designees) of 19 Federal departments and agencies:

- Department of Agriculture (USDA)
- Department of Commerce (Commerce)
- Department of Defense (DoD)
- Department of Education (Education)
- Department of Energy (DOE)
- Department of Health and Human Services (HHS)
- Department of Homeland Security (DHS)
- Department of Housing and Urban Development (HUD)
- Department of the Interior (DOI)
- Department of Justice (DOJ)
- Department of Labor (DOL)
- Department of Transportation (DOT)
- Department of Veterans Affairs (VA)
- Corporation for National and Community Service (CNCS)
- General Services Administration (GSA)
- Social Security Administration (SSA)
- U.S. Postal Service (USPS)
- White House Office of Faith Based and Community Initiatives (OFBCI)
- White House Office of Management and Budget (OMB)

Additionally, the White House Domestic Policy Council actively participates in Council activities. Special Assistant to the President for Urban Affairs Derek Douglas is the primary liaison.

Launched in June 2010, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* serves as a 5-year roadmap for joint action by the 19 USICH member agencies and the USICH staff. The Plan is focused on four key goals:

- Finish the job of ending chronic homelessness by 2015;
- Prevent and end homelessness among Veterans by 2015;
- Prevent and end homelessness for families, youth, and children by 2020; and
- Set a path to ending all types of homelessness.

Building off of the momentum generated across the country by the release of *Opening Doors*, USICH began immediately working through all 10 objectives, 52 strategies, and four signature initiatives laid out in the Plan.

## **Organization**

- Council

In FY 11, the full Council met four times -- in November and December of 2010, and July and September of 2011.

During these meetings, discussions included improved and additional activities to support Plan implementation, including better collaboration among Council Member Agencies and other opportunities to prevent and end homelessness specifically related to Veteran homelessness (November), chronic homelessness (December), and family homelessness (September). Additionally, the Council developed and submitted to OMB for clearance the first Annual Update on Opening Doors.

- Chair

HUD Secretary Shaun Donovan chaired the Council in 2010. Based on elections at the December 2010 Council meeting, DOL Secretary Hilda Solis now serves as chairperson and HHS Secretary Sebelius vice chairperson.

- Staff

### *Headquarters*

The daily activities of USICH are managed by Executive Director Barbara Poppe. Executive Director Poppe reports directly to the USICH Chair, and is supported by policy and administrative staff.

### *Regional Coordinators*

USICH over the last year has utilized three to five Regional Coordinators (RCs) throughout the United States. These staff are currently employed by HUD and detailed to USICH and serve as

principal representatives and points of contact for USICH in the field. These RCs implement the work of the Council at the regional state and community level. They provide strategic support to states and communities to enhance their abilities to execute *Opening Doors* and achieve the goals of preventing and ending homelessness. RCs serve a key role on the ground in building the necessary political will and convening government agencies and stakeholders to move communities toward solutions that work to end homelessness.

#### Council Policy Group

The Council Policy Group (CPG) consists of at least one senior representative from each of the nineteen member agencies. The CPG provides a regular forum for coordinating policies and programs, collecting data, developing special initiatives, and preparing recommendations for consideration by Council members.

In FY 11, the CPG met five times with high participation rates from all member agencies. Meetings focused on implementation and management of *Opening Doors*, preparation for meetings of the Council, work with advocacy organizations, and development of the USICH Annual Update to *Opening Doors*.

CPG meetings will continue to occur at least four times per year in the future.

## **II. FY 11 Activities**

Consistent with its mission, USICH is working to coordinate the national effort to end homelessness through activities involving all levels of government, nonprofit organizations, and the private sector through the vehicle of its strategic plan to prevent and end homelessness, as required by the HEARTH Act of 2009.

Parts of the reporting here on FY 11 activities include some references to future action that is planned to occur in FY 12 and FY 13. Future action and progress in FY 12 and FY 13 is ultimately dependent upon USICH having adequate funding levels and interagency support to Plan implementation priorities and initiatives.

- **Interagency Collaborations**

A key activity and core function of USICH is to work with all the member agencies that form the Council to align targeted homeless programs with the approaches outlined in *Opening Doors*. This includes understanding the regulations and policies that guide these programs, understanding the data that is collected and what it says about performance, and helping grantees shift their thinking from operating programs that “help the homeless” to designing and implementing programs that will prevent and end homelessness. USICH has no direct responsibility for any of these programs, but it is incumbent on its staff to stay abreast of opportunities to communicate with federal agencies (to ensure federal agencies are

communicating with one another), assist with messaging to state and local leaders and grantees, identify opportunities to improve the collection and use of data, create collaborations between programs both federally and locally, and help articulate the vision of how realigned federal resources, coupled with local and private resources, can be used to make dramatic reductions in homelessness. Some of this activity is small, some of it is transformational.

**FY 11 examples include:**

- USICH partnered with HHS on a number of activities in FY 11, including three expert panel listening sessions: one with CMS on integrated care models for chronic homelessness, and two with SAMHSA on homelessness prevention and the unique needs of OEF/OIF/OND Veterans. All of these topics are pressing, emerging issues and areas of new understanding and practice. The panels are helping get up-to-date information out to the field quickly.
- In December 2010, USICH and the VA co-hosted a Veterans Summit. At this Summit, VA Secretary Eric Shinseki charged the VA to develop local plans that will collectively end Veterans homelessness by 2015, HUD Secretary Shaun Donovan committed his agency to partnering with the VA and local communities to achieve this goal, and USICH Executive Director Barbara Poppe challenged local communities to better partner with the nonprofit and private sectors. The Summit also provided workshops on the tools and approaches the VA must adopt to accomplish this goal.
- USICH helped the VA incorporate lessons learned from HUD's Homelessness Prevention and Rapid Re-Housing Program into the design and selection process of its new Supportive Services for Veteran Families (SSVF) program. By transferring lessons learned in real time, and providing support and training to VA staff and the new grantees, USICH will support these new dollars being invested wisely, to achieve the greatest possible impact. USICH participated in the review and selection process for the inaugural grantees for this program. USICH staff also participated in the two national grantee meetings to launch SSVF.
- USICH is working closely with HUD, VA, and local communities to improve both the utilization and targeting of HUD-VASH vouchers. At the beginning of 2010, these vouchers were underutilized and oftentimes not targeted to those who most needed supportive housing. Now, utilization has been optimized, better targeting is occurring, and USICH is supporting work in communities that have had the greatest difficulty to streamline their collaborations and processes to speed the amount of time it takes to house a homeless Veteran, and to improve information sharing for better performance management.
- In the summer and fall of 2011, USICH has been developing and distributing information and technical assistance resources (e.g., webinars, toolkits) to increase

involvement of Public Housing Agencies in local efforts to prevent and end homelessness, as well as working with HUD's Office of Public and Indian Housing to identify and modify policies that serve as barriers at the local level to serving homeless households. Given the extremely limited supply of affordable and permanent supportive housing in communities across America, engaging Public Housing Agencies and encouraging deep targeting to households with the most severe barriers will be critical to successful implementation of *Opening Doors*.

- USICH worked closely with HUD, the VA, and HHS leading up to the January 2011 HUD Point-in-Time Count to prepare and distribute guidance to increase the participation of Veteran and youth service providers in local Point-in-Time counts. Veterans and youth are two populations that have been historically undercounted. While more work must be done in this area, this collaborative activity is leading to more accurate data on the size and nature of both Veterans and youth homelessness, which is critical to ending homelessness for these populations.
- USICH has been working with HUD's Office of Special Needs Assistance Programs to retool the way technical assistance resources are deployed to communities. This work began in Los Angeles after USICH and its federal partners worked with local leaders to host a Summit in April 2011. HUD and other federal agencies have since begun collaborating to better coordinate technical assistance for the LA area.

- **Federal Research Agenda**

USICH hired its new Research Director in October 2010 to lead the *Opening Doors*' strategies to aggregate significant research and evaluation reports on federal, state, and local initiatives to reduce homelessness. In order to accomplish this work, a federal interagency work group was established in January 2011 to bring together agencies that are funding or conducting research on homelessness to begin the work of compiling research, identifying gaps, and developing a federal research agenda to guide future investments. The group has completed the first step of this process --compiling known research. The redesigned USICH website (launched in May 2011) includes a searchable research database including abstracts of and links to relevant research conducted over the past decade.

- ***Opening Doors*' Performance Management and Annual Update**

Pursuant to the HEARTH Act, USICH prepared an annual report on progress towards *Opening Doors*' goals, including a discussion of key activities and accomplishments by Council member agencies. The report examines the impact of environmental factors (such as the recession) and includes a discussion on barriers to implementation. While the report serves as an update to both Congress and the public, it also serves as an opportunity for reflection by Council member agencies and staff on needed adjustments to plan implementation. The report was cleared by OMB and thereafter, disseminated in October 2011.



- **Engaging National Partners**

**FY 11 and ongoing**

USICH, in coordinating the development and implementation of *Opening Doors*, is strategically engaging a network of cross-sector partners across the country, such as the National Governors Association and the U.S. Conference of Mayors. The purpose of this work is to assist USICH in advancing policy initiatives, coordinating with states and local communities, and promoting a unified message around preventing and ending homelessness. Through strategic utilization of national partners, we are able to work with states to create, invigorate and support their State Interagency Councils on Homelessness, and work with communities to align their local plans to end homelessness with *Opening Doors*. To carry out the mission of the Council, USICH has developed partnerships with several organizations to engage mayors and community leaders, coordinate strategies within targeted communities, and create awareness and guidance to public housing authorities on their role in ending homelessness.

Additionally, USICH holds a regular quarterly meeting with national advocacy organizations that is very well attended, not only by advocates, but also by federal agencies, and is a place for open dialogue about the Plan and other issues related to the federal response to homelessness.

These regular and formalized collaborations with national partner organizations have created both buy-in and ownership of the Plan and have resulted in significant support on plan implementation.

**WORKING WITH LOCAL COMMUNITIES AND STATES**

One of the primary methods USICH uses to advance the national effort to prevent and end homelessness is direct engagement with states and communities throughout the country. This work is accomplished through the ongoing work of the Regional Coordinator team in concert with the Deputy Directors and the Executive Director, as well as through a number of specific national initiatives.

- ***Opening Doors Across America and Technical Assistance***

- Launched outreach to states and communities in the Plan implementation, by providing information to key community, state and jurisdictional partners about federal investments, innovations, and partnerships and lending technical expertise in developing State Interagency Councils on Homelessness.
- Established a goal of an active and effective State ICH in every state—to serve as a bridge between federal, state, and local efforts. Focused efforts have occurred in states with the greatest number/rates of homelessness.

- Developed a new performance management system through deployment of database tracking agency engagement and progress in communities and at the state level. RCs will be able to update records in the database to reflect status of State Interagency Councils on Homelessness and to the degree feasible, alignment with *Opening Doors*.

- ***Opening Doors Across America: a USICH Call to Action***

Design of this initiative and the launch has been part of the Agency's FY11 activities. As part of our efforts to reinforce the implementation of *Opening Doors* throughout the nation, USICH launched *Opening Doors Across America: a USICH Call to Action* in October 2011. This is an effort to energize communities throughout the United States to take on the challenge of preventing and ending homelessness by implementing *Opening Doors*. *Opening Doors Across America* will reach stakeholders throughout the nation who are engaged in homeless policy and systems work and call on them to join our national effort to end homelessness by committing to a set of specific actions. USICH is asking communities to join the federal government's effort to end homelessness by: 1) Aligning with *Opening Doors*; 2) Setting targets and measuring results; 3) Acting strategically; and, 4) Partnering in national efforts to end homelessness. As part of this work, USICH will provide guidance and support to enhance the efforts of states and communities in their implementation of the requested actions of this call to action. Regional Coordinators will advance this effort in collaboration with Federal and national partners and track participation by states and communities. Full implementation will take place during FY 12 and continue into FY 13.

- **Technical Assistance**

USICH plays an important role in connecting communities to existing federal technical assistance resources and, where multiple agencies are providing technical assistance, enhancing the coordination and effectiveness of these efforts. USICH has developed, as part of our website, a common portal for communities to access technical assistance from various federal agencies. Communities and service providers are now able to easily access information about available federally provided technical assistance that can help them develop and implement strategies that prevent and end homelessness. Federal technical assistance can help ensure that local strategies are based on best practices and in alignment with *Opening Doors* while still being tailored to the needs on the ground. In communities where multiple agencies are providing technical assistance, such as Los Angeles, USICH has coordinated efforts to ensure non-duplication, consistency and assist with prioritization of activities.

### **OPENING DOORS SIGNATURE INITIATIVES**

- **Youth Signature Initiative**

*Opening Doors* described the development of a signature initiative built upon collaboration with the Interagency Working Group on Youth Programs to establish content for the federal website

on youth, [www.FindYouthInfo.gov](http://www.FindYouthInfo.gov), to provide technical assistance and other information about youth homelessness, the needs of youth at risk of homelessness, and federal resources available to support youth who are or who are at risk of becoming homeless. Throughout FY 11 USICH leadership met with youth-serving leaders and youth advocates around the country and in DC to discuss the needs of youth and what would be necessary to fulfill the goal to end youth homelessness by 2020.

- **Chronic Homelessness Signature Initiative**

*Opening Doors* included the development of a new joint initiative between HUD and HHS that would connect vouchers with health and social services provided through Medicaid and wraparound services funded through SAMHSA. Proposed but ultimately not funded in FY 11, USICH instead worked with HUD and HHS to understand the opportunities and complexities of pairing existing Housing Choice Vouchers with Medicaid in a permanent supportive housing intervention. USICH's contributions helped SAMHSA shape its Cooperative Agreements to Benefit Homeless Individuals which requires applicants to show evidence that their local Medicaid authority and public housing authority are partners in creating permanent supportive housing for chronically homeless individuals.

- **Families and Children Signature Initiative**

*Opening Doors* included the development of a new joint initiative HUD, HHS, and ED that would connect vouchers with services provided through TANF and the schools. Proposed but ultimately not funded in FY 11, USICH instead worked with HUD, HHS and ED to understand the opportunities and complexities of pairing existing Housing Choice Vouchers with TANF, educational supports, and other federal programs to stabilize housing for families.

- **Veterans' Signature Initiative**

*Opening Doors* included the development of a new initiative to bring together Federal partners with local community stakeholders to implement strategies to end Veterans homelessness by 2015 in initiative communities.

The first initiative community selected was Washington, DC to build off the successful HUD VASH partnership that was launched in FY 10. During FY 11, USICH began coordinating efforts in the District of Columbia to prioritize ending Veterans homelessness. We convened meetings with community stakeholders to identify areas where the District is making progress and areas where more work needs to be done.

## **OPENING DOORS SPECIAL PROJECTS**

- **Alternatives to Criminalization**

Pursuant to a Congressional mandate in HEARTH and *Opening Doors*, the planning phase of the Alternatives to Criminalization project was begun during the first quarter of FY 11 upon completion of the Plan. A summit held in collaboration with DOJ that involved relevant state, local, nonprofit, business, and homeless stakeholders from across the country occurred on December 1, 2010. A draft report resulted and it is currently undergoing final preparation. We anticipate that the draft report will be ready before the end of the 2011 calendar year for the interagency clearance process and subsequent dissemination. This work supports a strategy in *Opening Doors* to reduce criminalization of homelessness.

- **Common Data Standard Initiative**

Pursuant to a Congressional mandate in the HEARTH Act, USICH convened a meeting in January 2011 to discuss a GAO report on homeless definitions. The report recommends that USICH explore the feasibility of adopting a common federal vocabulary and data standard regarding housing status for targeted homeless programs, as well as mainstream programs. A summary of the January convening was sent to Congress in June 2011. This activity aligns with *Opening Doors*.

USICH member agencies began work in August 2011 conducting a preliminary feasibility study for creating a common federal vocabulary and data standard regarding housing status across all targeted and some mainstream programs. A common data standard regarding housing status would facilitate data exchanges and comparisons between both targeted homelessness programs and mainstream systems in order to improve identification of people experiencing or at risk of homelessness. It would also increase opportunities for measuring program impact and effectiveness as it relates to housing stability.

- **HMIS Expansion**

USICH has participated in conversations with HUD, VA, SAMHSA, and ACYF on opportunities to expand use of HMIS across federal targeted homeless programs that do not use it today. This is in line with one of the strategies in *Opening Doors* to expand use of HMIS by additional programs targeted at homelessness and supports our meeting Measure #4b of our Performance Goals, which are effective in FY 12.

## **COMMUNICATIONS AND PROMOTING FEDERAL RESOURCES**

Through both our newly revamped website and our regular electronic newsletters (with over 16,500 subscribers), USICH disseminates information on open federal requests for proposals, other new funding

opportunities to assist in ending homelessness, and provides linkages to key federal agency partners, programs and initiatives. USICH also highlights important information for the field through bi-monthly webinars that have had high participation rates. The agency has also enhanced coverage of the issue of homelessness, including educating the public on its causes, consequences, and effective solutions, through national and regional media outlets. USICH staff spoke at over two dozen public events in FY 11 that highlighted its work on the issue of homelessness.

- **Website**

USICH redesigned its website to become one of the key portals for issues, topics, and research regarding homelessness for key stakeholder groups and government officials at the local, state, and federal levels. In addition to providing information about *Opening Doors* and all of the Council member agencies, the website includes a research library, an events and grant deadline calendar, and guidance on accessing technical assistance from our partner member agencies. USICH also launched its social media feeds, which allow the agency to engage stakeholders in the field and expand the agency's communications reach.

### **III. Performance Goals**

In support of its mission, and to advance some of the Council's most important priorities, USICH new and revised performance goals are effective beginning at the outset of FY 12 , and are as follows: ,

- 1. Strengthen the capacity of public and private organizations by increasing knowledge about specific subpopulations, the costs, and consequences of homelessness, and effective solutions and models for preventing and ending homelessness.**

Preventing and ending homelessness will only be possible through coordinated efforts of strong public and private organizations. Across the country, capacity varies from community to community, especially as it relates to the ability to use data for system and program design, evaluate program effectiveness and nimbly make changes where needed, and target interventions to people for whom they are best suited. The Federal government can lead by making best practices standard operating procedure as we adopt an increasingly evidence-driven approach.

Significant research and evaluation has been and is being conducted on homelessness and strategies to prevent and end it. There is tremendous opportunity to better understand and apply what is being learned by coordinating and sharing research across federal agencies and with states and local communities. Research must be conducted to understand more about how to end homelessness for victims of domestic violence and sexual assault, unaccompanied youth, youth aging out of foster care, and other unique groups. Defining a federal research agenda focused on gaps in knowledge about preventing and ending homelessness could ensure that future investment and policies contribute to solutions.

Specific strategies and measures related to increasing knowledge and strengthening capacity are as follows:

**Strategy #1: Compile and disseminate research findings; identify information gaps.**

USICH will compile and catalog research in an effort to more effectively distill and disseminate findings and lessons learned to the field, as well as to identify gaps in the body of knowledge.

Measure #1a: USICH will compile, catalog, and make available online a homeless research compendium by December 30, 2011.

Measure #1b: USICH will develop a federal research agenda that prioritize areas of study and focuses efforts to fill gaps in knowledge by December 30, 2011.

**Strategy #2: Disseminate, promote, and facilitate use of best practices.**

USICH will identify best practices and model programs and make this information more readily available to stakeholders - including funders, advocates, grantees, and service providers. USICH will use multiple methods to disseminate information about best practices, including its website and newsletter, social media, webinars, partnerships with advocates, and direct contact/meetings with stakeholders. The database will cover system-level, program-level, and client-level practices and will span the strategies and populations covered in the Federal Strategic Plan.

Measure #2a: USICH will disseminate information on best practices and model programs and facilitate peer-to-peer sharing through the creation of a searchable, online best practices database. This database will be populated and launched by December 30, 2011.

Measure #2b: Throughout its outreach to communities across the country, USICH will get 10 communities to model/adopt use of a specific best practice (which practice will be determined by the circumstances, needs, and capacity of the community) by September 1, 2012. Further, HUD is developing measures of high performing communities as required by the HEARTH Act. USICH will work with HUD to assess the correlation between high performing communities and adoption of best practices to help inform next steps.

**2. Coordinate the federal government's response to homelessness to maximize the reach and impact of federal resources.**

The need for homeless assistance and services in this country far outweighs available resources. Compounding this challenge is the fact that federal funding for homeless assistance flows through programs administered separately by multiple Departments, each of which has its own set of priorities and processes. Over time, separate programs and budget streams have created some inconsistencies and overlap in administrative requirements, resulting in unnecessary complexity and

cost. As such, strengthening the country's capacity to prevent and end homelessness will require effective collaboration within the federal government to address inconsistency, reduce duplication of effort, increase economies of scale, and identify points of synergy.

True collaboration means being open and transparent about resources, data, assumptions, perceptions, and decisions, and takes concerted effort and leadership to be realized. USICH is a unique agency in a unique position, offering the Federal government the opportunity to test and model interagency collaboration. Specific strategies for the coming months are outlined below.

### **Strategy #3: Coordinated, Strategic Investments.**

Over one-half of the overall population of people experiencing homelessness is located in just 45 (or 10 percent) of the Continuum of Care jurisdictions. In order to move the needle nationally and make progress against the Federal Strategic Plan, it is essential to focus our efforts and invest our resources more strategically. For example, Federal agencies currently invest extensively in technical assistance, but it is generally not coordinated across agencies, or even programs within agencies. Towards this end, USICH will identify a set of priority communities for monitoring, engagement, and technical assistance, as needed. These communities will also serve as laboratories for testing and modeling collaboration, systems change, and innovative strategies.

Measure #3a: USICH will identify/adopt a set of "priority communities" by January 1, 2011.

Measure #3b: Each community will undergo an assessment and develop a "next steps" plan that identifies high priority needs and key areas for action. USICH will assist in coordinating federal technical assistance resources to address the needs identified in the plans. These plans will be completed by September 1, 2011.

Measure #3c: By September 1, 2012, USICH will compile lessons learned from the work with the priority cities, assess the barriers and opportunities related to coordinated federal technical assistance, and determine if (and how) such efforts can be brought to scale.

### **Strategy #4: Coordinated Data Collection.**

Collection, analysis, and reporting of quality, timely data on homelessness is essential for targeting interventions, tracking results, strategic planning, and resource allocation. Currently, each Federal program uses a different vocabulary, different data standards, different reporting systems, and different reporting requirements. This creates both confusion and duplication of effort in the field, as providers that rely on multiple funders have to respond to each independently. Movement towards a common vocabulary and data standard across targeted federal programs would – for localities – simplify procedures and reduce administrative costs. Nationally, it would provide us with better data and consequently a more comprehensive understanding of the scope and dimensions of homelessness in the country.

Measure #4a: USICH will convene an interagency working group to conduct a feasibility analysis and identify and implement steps (even if incremental) towards a common vocabulary and data standard. USICH will focus on convening, relationship building, and translating, such that the group will operate independently by June 1, 2012.

Measure #4b: USICH will continue to explore, promote, and support the use of HUD's Homeless Management Information System (HMIS) by grantees of other Federal agencies with the goal of two other Federal agencies transitioning to the use of HMIS by December 31, 2014.

#### **IV. Agency Management**

Through its initiatives and implementation work on *Opening Doors*, USICH seeks to effectively support the work of preventing and ending homelessness in America. USICH takes into consideration the fact that it has a very limited amount of resources and makes financial decisions that support the best utilization of these scarce resources. Since USICH does not manage any programs, its greatest resources are its staff and partnerships that influence policy and other decisions via its member agencies and its ability to accurately represent the interests of the federal government to all homelessness stakeholders. Further, in its operations, the Council seeks to provide effective stewardship of taxpayer funds by:

Ensuring an efficient, high-performing, diverse, competitively-sourced workforce, aligned with mission priorities and working cooperatively with USICH partners;

Enhancing internal controls, data integrity, management information and program and policy improvements as reflected by an unqualified audit opinion;

Implementing business processes and information technology necessary to make information available electronically; and

Linking budget decisions and program priorities more closely with program performance.

USICH reports the following:

- Strategic Management of Human Capital

USICH has begun its initial implementation of a new employee performance management system. The first year of this performance cycle will end in December 2011. This new system supports fair and objective measurement of job performance and regularly scheduled employee reviews, thus enabling USICH to ensure it employs and maintains a high level staff. Additionally, employees' performance goals are tied directly to the mission, strategies, objectives, and overall performance of USICH.

In FY 11, USICH held employee training sessions that focused on areas identified by staff and that support accomplishment of our mission and productivity.



USICH will continue regular training sessions for employees, to include an annual staff training conference for all employees to further support and enhance our work culture and professional growth.

- Contracting

USICH continues to strategically outsource several major components of its operations to other entities after cost-effectiveness determinations. Via the Economy Act, USICH maintains agreements with divisions of the General Services Administration to provide operational support that would be exorbitant to perform in-house, as well as website and network support from other outside sources. Those costs continue to be included in USICH's budget request.

USICH will continue to plan its procurements in a timely manner in order to reduce to the maximum extent possible, the agency's reliance on high-risk contract vehicles. USICH will continue its use of minority, woman-owned, and disadvantaged contractors, in supporting its work.

- Financial Management

USICH has received consecutively clean audit opinions since its initial FY 05 audit by an independent, outside CPA firm. For FY 11, again USICH received a clean, unqualified audit opinion.

### **Discussion of Financial Statements**

As a federal agency, USICH prepares annual financial statements in conformity with U.S. generally accepted accounting principles and then subjects them to an independent audit to ensure their reliability in assessing the Council's performance. The following annual financial statements are prepared: Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, and Statement of Budgetary Resources; these statements are accompanied by corresponding notes. For FY 11, the Council received unqualified audit opinion that the financial statements were fairly stated in all material respects.

USICH contracts the largest portion of its accounting and payroll functions to the General Services Administration's (GSA) Heartland Finance Center, in Kansas City, MO. GSA utilizes the Pegasys accounting system, and other subsystems to process financial transactions. During FY 11, GSA received a favorable opinion on its SSAE No. 16 audit.

USICH's financial statements and notes are presented in the format required for the current year by OMB guidance such as Circular A-136, *Financial Reporting Requirements*.

#### Balance Sheet

The balance sheet presents the total amounts available for use by USICH (assets) against the amounts owed (liabilities) and amounts that comprise the difference (net position).

Total Assets equal \$298,499 and Fund Balance with Treasury equals \$298,499 and \$0 in accounts receivables. Fund Balance with Treasury is funding available through the Department of Treasury accounts from which USICH is authorized to make expenditures and pay amounts due. A threshold of \$5,000 per item is used in order to determine capitalization. Capitalized PP&E is recorded at original acquisition cost. Straight line depreciation and a useful life of five years are used in depreciation calculations. Acquisitions not meeting these criteria are recorded as expenses.

Total Liabilities equal \$232,620 including accounts payable which consist of liabilities to other government agencies, commercial vendors, contractors and disbursements in transit. At fiscal year end, USICH accrues the amount of estimated unpaid expenses. Also, at fiscal year-end, USICH accrues payroll for services rendered by Council employees and leave accrued, but not yet paid out. To the extent current and prior-year appropriations are not available to fund annual leave earned but not taken, funding will be obtained from future appropriations for unfunded leave liabilities.

#### Statement of Net Cost

This statement presents the annual cost of operating USICH. The gross cost less any offsetting revenue is used to arrive at the net cost of operations. All of USICH's costs incurred were directly related to the support and advancement of its mission and directives per the Administration and Congress. Net Cost of Operations for FY 11 equal \$2,879,361.

#### Statement of Changes in Net Position

This statement presents those accounting items that caused the net position section of the Balance Sheet to change from the beginning to the end of the reporting period. USICH's net position for FY 11 was \$65,879.

#### Statement of Budgetary Resources

This statement provides information on how budgetary resources were made available to USICH's and the status of those budgetary resources at year-end. USICH was funded through a congressional appropriation totaling \$2.6 million for FY 11. Net outlays during FY 11 totaled \$2.89 million, for activity attributable for FY 11 and previous fiscal years.

#### Limitations of the Financial Statements

As required by OMB Circular A-136, *Financial Reporting Requirements*, we disclose the following limitations on USICH's FY 11 financial statements, which are contained in this Report. The financial statements have been prepared to report the financial position and results of operations of USICH, pursuant to the requirements of 31 U.S.C. 3515 (b). While the statements have been prepared from the books and records of USICH in accordance with generally accepted accounting principles (GAAP) for federal entities and the formats prescribed by OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity.

## FINANCIALS





## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Board of Directors  
United States Interagency Council on Homelessness  
Washington, D.C.

We have audited the accompanying balance sheet of the United States Interagency Council on Homelessness (USICH) as of September 30, 2011 and 2010, and the related statements of net cost, changes in net position, and budgetary resources, for the years then ended (collectively referred to as the financial statements). These financial statements are the responsibility of USICH's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and, Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04, as amended, require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

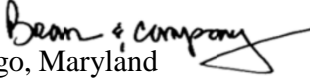
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the USICH as of September 30, 2011 and 2010 and its net costs, changes in net position, and budgetary resources for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *U.S. Government Auditing Standards* and OMB Bulletin No. 07-04, as amended, we have also issued a report dated November 14, 2011 on our consideration of the USICH internal control over financial reporting and its compliance with provisions of laws and regulations. Those reports are an integral part of an audit performed in accordance with *U.S. Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis (MD&A) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by OMB Circular A-136, *Financial Reporting Requirements*, as revised, that considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the

required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

This report is intended solely for the information and use of the management of the USICH, OMB and Congress, and is not intended to be and should not be used by anyone other than these specific parties.

  
Largo, Maryland  
November 14, 2011



**BROWN & COMPANY CPAs, PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

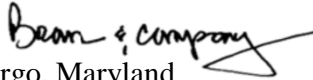
Board of Directors  
United States Interagency Council on Homelessness  
Washington, D.C.

We have audited the financial statements of the United States Interagency Council on Homelessness (USICH) as of and for the year ended September 30, 2011 and have issued our report thereon dated November 14, 2011. 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 *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended.

In planning and performing our audit, we considered the USICH's internal control over financial reporting by obtaining an understanding of the USICH's internal control, determined whether internal controls had been placed in operation, assessed control risk, and performed tests of controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 07-04, as amended. The objective of our audit was not to provide an opinion on internal control and therefore, we do not express an opinion on internal control.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be significant deficiencies. Under standards issued by the American Institute of Certified Public Accountants and OMB Bulletin No. 07-04, as amended, a material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency in internal control, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Because of inherent limitations in internal controls, misstatements, losses, or non-compliance may nevertheless occur and not be detected. However, we noted no matters involving the internal control and its operation that we considered to be significant deficiencies or material weaknesses as defined above.

This report is intended solely for the information and use of the management of the USICH, OMB and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

  
Largo, Maryland  
November 14, 2011



**BROWN & COMPANY CPAs, PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS**

Board of Directors  
United States Interagency Council on Homelessness  
Washington, D.C.

We have audited the financial statements of the United States Interagency Council on Homelessness (USICH) as of and for the year ended September 30, 2011, and have issued our report thereon dated November 14, 2011. 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 *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended.

The management of the USICH is responsible for complying with laws and regulations applicable to the USICH. As part of obtaining reasonable assurance about whether the USICH's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations specified in OMB Bulletin No. 07-04, as amended. We limited our tests of compliance to these provisions and we did not test compliance with all laws and regulations applicable to the USICH.

The results of our tests of compliance disclosed no reportable instances of noncompliance with other laws and regulations discussed in the preceding paragraph that are required to be reported under *U.S. Government Auditing Standards* or OMB Bulletin No. 07-04, as amended.

Providing an opinion on compliance with certain provisions of laws and regulations was not an objective of our audit, and, accordingly, we do not express such an opinion. However, we noted no noncompliance with laws and regulations, which could have a direct and material effect on the determination of financial statement amounts.

This report is intended solely for the information and use of the management of the USICH, OMB and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Largo, Maryland  
November 14, 2011

**U.S. INTERAGENCY COUNCIL ON HOMELESSNESS  
BALANCE SHEET**

**As of September 30, 2011 and 2010**

	2011	2010
Assets:		
Intragovernmental:		
Fund Balance With Treasury (Note 2)	\$ 298,499	\$ 521,352
Total Intragovernmental	298,499	521,352
Accounts Receivable, net (Note 3)	-	93
General Property, Plant and Equipment (Note 4)	-	-
Other	-	-
Total Assets	\$ 298,499	\$ 521,445
 Liabilities (Note 5):		
Intragovernmental:		
Accounts Payable	\$ 15,389	\$ 13,580
Other	5,335	16,095
Total Intragovernmental	20,724	29,675
Accounts Payable	139,045	186,813
Other (Note 6)	72,852	105,126
Total Liabilities	232,620	321,613
 Net Position:		
Unexpended Appropriations - Other Funds	116,518	250,240
Cumulative Results of Operations - Other Funds	(50,639)	(50,408)
Total Net Position	\$ 65,879	\$ 199,832
Total Liabilities and Net Position	\$ 298,499	\$ 521,445

\*Amounts may be off by a dollar due to rounding.

The accompanying notes are an integral part of these statements.



**U.S. INTERAGENCY COUNCIL ON HOMELESSNESS**  
**STATEMENT OF NET COST**  
**For The Years Ended September 30, 2011 and 2010**

	2011	2010
Program Costs:		
Program A:		
Gross Costs (Note 7)	\$ 2,879,361	\$ 2,361,468
Net Program Costs	2,879,361	2,361,468
Net Cost of Operations	\$ 2,879,361	\$ 2,361,468

\*Amounts may be off by a dollar due to rounding.

The accompanying notes are an integral part of these statements

**U.S. INTERAGENCY COUNCIL ON HOMELESSNESS**  
**STATEMENT OF CHANGES IN NET POSITION**  
**For The Years Ended September 30, 2011 and 2010**

	2011			
	Earmarked Funds	All Other Funds	Eliminations	Consolidated Total
<b>Cumulative Results of Operations:</b>				
Beginning Balances	\$	\$ (50,408)	\$	\$ (50,408)
Adjustments:				
(b) Corrections of Errors (+/-)		-		-
Beginning Balances, as Adjusted		(50,408)		(50,408)
<b>Budgetary Financing Sources:</b>				
Appropriations Used		2,805,782		2,805,782
<b>Other Financing Resources (Non-Exchange):</b>				
Imputed Financing		73,349		73,349
Total Financing Sources		2,879,130		2,879,130
Net Cost of Operations (+/-)		2,879,361		2,879,361
Net Change		(231)		(231)
<b>Cumulative Results of Operations</b>	<b>\$</b>	<b>\$ (50,639)</b>	<b>\$</b>	<b>\$ (50,639)</b>
<b>Unexpended Appropriations:</b>				
Beginning Balances	\$	\$ 250,240	\$	\$ 250,240
Adjustments:				
(b) Corrections of Errors (+/-)		-		-
Beginning Balances, as Adjusted	\$	\$ 250,240	\$	\$ 250,240
<b>Budgetary Financing Sources:</b>				
Appropriations Received		2,680,000		2,680,000
Other Adjustments		(7,940)		(7,940)
Appropriations Used		(2,805,782)		(2,805,782)
Total Budgetary Financing Sources		(133,722)		(133,722)
Total Unexpended Appropriations		116,518		116,518
Net Position	\$	\$ 65,879	\$	\$ 65,879

\*Amounts may be off by a dollar due to rounding.

The accompanying notes are an integral part of these statements.

**U.S. INTERAGENCY COUNCIL ON HOMELESSNESS**  
**STATEMENT OF CHANGES IN NET POSITION**  
**For The Years Ended September 30, 2011 and 2010**

2010

	Earmarked Funds	All Other Funds	Eliminations	Consolidated Total
<b>Cumulative Results of Operations:</b>				
Beginning Balances	\$	\$ (22,738)	\$	\$ (22,738)
Beginning Balances, as Adjusted	\$	\$ (22,738)	\$	\$ (22,738)
<b>Budgetary Financing Sources:</b>				
Appropriations Used		2,292,390		2,292,390
<b>Other Financing Resources (Non-Exchange):</b>				
Imputed Financing		41,408		41,408
Total Financing Sources		2,333,798		2,333,798
Net Cost of Operations (+/-)		2,361,468		2,361,468
Net Change		(27,670)		(27,670)
<b>Cumulative Results of Operations</b>	<b>\$</b>	<b>\$ (50,408)</b>	<b>\$</b>	<b>\$ (50,408)</b>
<b>Unexpended Appropriations:</b>				
Beginning Balances		99,564		99,564
Adjustments:				
(a) Changes in Accounting Principles (+/-)				
(b) Corrections of Errors (+/-)		(6,648)		(6,648)
Beginning Balances, as Adjusted		92,916		92,916
<b>Budgetary Financing Sources:</b>				
Appropriations Received		2,450,000		2,450,000
Other Adjustments		(286)		(286)
Appropriations Used		(2,292,390)		(2,292,390)
Total Budgetary Financing Sources		157,324		157,324
Total Unexpended Appropriations		250,240		250,240
Net Position	\$	\$ 199,832	\$	\$ 199,832

\*Amounts may be off by a dollar due to rounding.

The accompanying notes are an integral part of these statements.

**U.S. INTERAGENCY COUNCIL ON HOMELESSNESS  
STATEMENT OF BUDGETARY RESOURCES  
For The Years Ended September 30, 2011 and 2010**

	2011	2011	2010	2010
	Budgetary	Non-Budgetary Credit Program Financing Accounts	Budgetary	Non-Budgetary Credit Program Financing Accounts
<b>Budgetary Resources:</b>				
Unobligated Balance:				
Beginning of Period	\$ 247,231	\$	\$ 54,948	\$
Recoveries of Prior Year Obligations	51,696		70,828	
<b>Budget Authority:</b>				
Appropriations Received	2,680,000		2,450,000	
Borrowing Authority				
Contract Authority				
Spending Authority from Offsetting Collections (Gross):				
Earned				
Collected	<u>6,041</u>		<u>4,268.00</u>	
Change in Receivables from Federal Sources				
Change in Unfilled Customer Orders (+/-)				
Advance Received				
Without advance from Federal Sources				
Anticipated for Rest of Year, Without Advance				
Previously Unavailable				
Expenditure Transfers from Trust Funds				
Subtotal	<u>2,686,041</u>		<u>2,454,268</u>	
Nonexpenditure Transfers, Net				
Temporarily Not Available Pursuant to Public Law (-)			0	
Permanently Not Available	(7,940)		(286)	
<b>Total Budgetary Resources</b>	<u>\$ 2,977,028</u>	<u>\$</u>	<u>\$ 2,579,759</u>	<u>\$</u>
<b>Status of Budgetary Resources:</b>				
Obligations Incurred (Note 8)				
Direct	\$ 2,866,360	\$	\$ 2,332,528	\$
Reimbursable			0	
Subtotal	<u>2,866,360</u>		<u>2,332,528</u>	
Unobligated Balances				
Apportioned	<u>2,850</u>		<u>152,275</u>	
Exempt from Apportionment				
Subtotal	<u>2,850</u>		<u>152,275</u>	
Unobligated Balances - Not Available	<u>107,818</u>		<u>94,956</u>	
<b>Total Status of Budgetary Resources</b>	<u>\$ 2,977,028</u>	<u>\$</u>	<u>\$ 2,579,759</u>	<u>\$</u>
<b>Change in Obligated Balances:</b>				
Obligated Balance, Net:				
Unpaid Obligations, Brought Forward, October 1	\$ 274,121	\$	\$ 147,685	\$
Uncollected Customer Payments from Federal Sources, Brought Forward, October 1 (-)				
Total, Unpaid Obligated Balance, Brought Forward, Net	274,121		147,685	
Obligations Incurred	2,866,360		2,332,528	
Gross Outlays (-)	(2,900,953)		(2,135,263)	
Obligated Balance Transfers, Net:				
A. Actual Transfers, Unpaid Obligations (+/-)				
B. Actual Transfers, Uncollected Customer Payments from Federal Sources (+/-)				
Total Unpaid Obligated Balance Transferred, Net			0	
Recoveries of Prior-Year Unpaid Obligations, Actual (-)	(51,696)		(70,828)	
Change in Uncollected Customer Payments from Federal Sources				
Obligated Balance, Net, End of Period:				
Unpaid Obligations (+) (Note 9)	187,831		274,121	
Uncollected Customer Payments from Federal Sources (-)				
Total, Unpaid Obligated Balance, Net, End of Period	<u>\$ 187,831</u>	<u>\$</u>	<u>\$ 274,121</u>	<u>\$</u>
<b>Net Outlays:</b>				
Gross Outlays (+)	2,900,953		2,135,263	
Offsetting Collections (-)	(6,041)		(4,268.00)	
Less: Distributed Offsetting Receipts				
<b>Net Outlays</b>	<u>\$ 2,894,912</u>	<u>\$</u>	<u>\$ 2,130,995</u>	<u>\$</u>

\*Amounts may be off by a dollar due to rounding.

The accompanying notes are an integral part of these statements.

**U.S. INTERAGENCY COUNCIL ON HOMELESSNESS  
APPROPRIATED FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011 AND 2010**

**Note 1 – Significant Accounting Policies**

**Reporting Entity**

Congress established the U.S. Interagency Council on Homelessness in 1987 with the passage of the *Stewart B. McKinney Homeless Assistance Act*. The mission of the United States Interagency Council on Homelessness (USICH) is to coordinate the federal response to homelessness and to create a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the Federal Government in contributing to the end of homelessness.

**Basis of Presentation**

These financial statements have been prepared from the accounting records of The U.S. Interagency Council on Homelessness in accordance with generally accepted accounting principles (GAAP) as promulgated by the Federal Accounting Standards Advisory Board (FASAB), and OMB (Office of Management and Budget) Circular A-136, “Financial Reporting Requirements.” GAAP for Federal entities is the Hierarchy of accounting principles prescribed in the American Institute of Certified Public Accountant’s (AICPA) Statement on Auditing Standards No. 91, *Federal GAAP Hierarchy*.

OMB Circular A-136 requires agencies to prepare principal statements, which include a Balance Sheet, a Statement of Net Cost, a Statement of Changes in Net Position, and a Statement of Budgetary Resources. The balance sheet presents, as of September 30, 2011, amounts of future economic benefits owned or managed by The U.S. Interagency Council on Homelessness (assets), amounts owed by The U.S. Interagency Council on Homelessness (liabilities), and amounts, which comprise the difference (net position). The Statement of Net Cost reports the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within The U.S. Interagency Council on Homelessness and other reporting entities. The Statement of Budgetary Resources reports an agency’s budgetary activity.

**Basis of Accounting**

Transactions are recorded on the accrual accounting basis in accordance with general government practice. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

**Note 1 – Significant Accounting Policies (Continued)**

**Revenues and Other Financing Sources**

The U.S. Interagency Council on Homelessness is an appropriated fund and receives appropriations. Other financing sources for The U.S. Interagency Council on Homelessness consist of imputed financing sources which are costs financed by other Federal entities on behalf of The U.S. Interagency Council on Homelessness, as required by Statement of Federal Financial Accounting Standard (SFFAS) No. 5, Accounting for Liabilities of the Federal Government.

**Note 2 – Fund Balance With Treasury**

All of The U.S. Interagency Council on Homelessness fund balance with treasury is coming from appropriations. This fund balance with treasury is a consolidated balance of five annual funds (910: FY 2007, FY 2008, FY 2009, FY 2010, and FY 2011) and one no-year fund (910X). The annual fund for FY 2006 was cancelled and the remaining fund balance of \$2,580 was given back to US Treasury during fiscal year 2011.

	<u>2011</u>	<u>2010</u>
A. Fund Balance with Treasury		
Appropriated Fund	<u>\$298,499</u>	<u>\$521,352</u>
B. Status of Fund Balance with Treasury		
1) Unobligated Balance		
a) Available	2,850	152,275
b) Unavailable	107,818	94,956
2) Obligated Balance not yet Disbursed	<u>187,831</u>	<u>274,121</u>
Total	<u>\$298,499</u>	<u>\$521,352</u>

**Note 3 – Accounts Receivable, Net**

The line item represents the Account Receivable Claims from Associates. It is showing a debit balance. The direct write-off method is used for uncollectible receivables.

	<u>2011</u>	<u>2010</u>
A/R Claims- Non- Federal	<u>\$0</u>	<u>\$93</u>
Total	<u>\$0</u>	<u>\$93</u>

**Note 4 - General Property, Plant and Equipment, Net**

As of September 30, 2011 the U.S. Interagency Council on Homelessness shows Equipment – Administrative total cost of \$22,198 and a net book value of \$0. The Accumulated Depreciation to date shows a balance of \$22,198. The depreciation calculation method used is Straight Line with a useful life of 5 years. However, for the items that were obligated in FY03 and received in FY05, the useful life is 3 years. A \$5,000 threshold is used to determine whether items are capitalized.

<u>2011</u>	<u>Equipment</u>	<u>Furniture &amp; Fixtures</u>	<u>Software</u>	<u>Total</u>
Cost	\$22,198			\$22,198
Accum. Depr.	(\$22,198)			(\$22,198)
Net Book Value	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>2010</u>	<u>Equipment</u>	<u>Furniture &amp; Fixtures</u>	<u>Software</u>	<u>Total</u>
Cost	\$22,198			\$22,198
Accum. Depr.	(\$22,198)			(\$22,198)
Net Book Value	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Note 5 – Liabilities Not Covered by Budgetary Resources**

Liabilities of U.S. Interagency Council on Homelessness are classified as liabilities covered or not covered by budgetary resources. As of September 30, 2011, U.S. Interagency Council on Homelessness showed liabilities covered by budgetary resources of \$181,981 and liabilities not covered by budgetary resources of \$50,639.

Liabilities covered by budgetary resources is composed of Accounts Payable \$154,434; Employer Contributions and Payroll Taxes Payable \$6,252; and Accrued Funded Payroll and Leave \$21,296.

	<u>2011</u>	<u>2010</u>
With the Public		
Other	50,639	50,501
Total liabilities not covered by budgetary resources	<u>50,639</u>	<u>50,501</u>
Total liabilities covered by budgetary resources	181,981 *	271,112
Total Liabilities	<u>\$232,620</u>	<u>\$321,613</u>

\*Rounding

**Note 6 – Other Liabilities**

Other liabilities with the public consist of Accrued Funded Payroll and Leave of \$21,296; Unfunded leave of \$50,639; and Employer Contributions and Payroll Taxes Payable – TSP of \$917. Other Intragovernmental liabilities consist of Employer Contributions and Payroll Taxes Payable \$5,335.

	<u>With the Public</u>	<u>Non-Current</u>	<u>Current</u>	<u>Total</u>
2011	Other Liabilities	50,639	22,213	\$72,852
2010	Other Liabilities	50,501	54,625	\$105,126

	<u>Intragovernmental</u>	<u>Non-Current</u>	<u>Current</u>	<u>Total</u>
2011	Other Liabilities	0	5,335	\$5,335
2010	Other Liabilities	0	16,095	\$16,095

**Note 7 – Intragovernmental Costs and Exchange Revenue**

Intragovernmental costs are those of goods/services purchased from a federal entity.

	<u>Total</u>	<u>Total</u>
	<u>2011</u>	<u>2010</u>
Program A		
Intragovernmental costs	1,138,246	334,112
Public costs	1,741,116	2,027,357
Total Program A costs	<u>2,879,361</u> *	<u>2,361,468</u> *
Total Program A	<u>2,879,361</u>	<u>2,361,468</u>

\*Rounding

**Note 8 – Apportionment Categories of Obligations Incurred**

All obligations for the U.S. Interagency Council on Homelessness, is the amount of direct obligations incurred against amounts apportioned under category B on the latest SF 132.

	<u>Total</u>	<u>Total</u>
	<u>2011</u>	<u>2010</u>
Direct		
Category B	<u>2,866,360</u>	<u>2,332,528</u>
Total Obligations	<u><u>2,866,360</u></u>	<u><u>2,332,528</u></u>



**Note 9 – Undelivered Orders at the End of the Period**

The amount of Unpaid Obligated Balance, Net, End of Period includes obligations relating to Undelivered Orders (good and services contracted for but not yet received at the end of the year) and Accounts Payable (amounts owed at the end of the year for goods and services received).

	Undelivered Orders	Accounts Payable	Unpaid Obligated Balance Net
2011	5,850	181,981	\$187,831
2010	3,009	271,112	\$274,121

**Note 10 – Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing)**

Liabilities not covered by budgetary resources total \$50,639 and the change in components requiring or generating resources in future period shows \$138. The \$138 is the net increase of future funded expenses – leave between appropriations of annual fund 2010 and annual fund 2011. Accrued funded payroll liability is covered by budgetary resources and is included in the net cost of operations. Whereas, the unfunded leave liability includes the expense related to the increase in annual leave liability for which the budgetary resources will be provided in a subsequent period.

	2011	2010
Liabilities not covered by budgetary resources	\$ 50,639	\$ 50,501
Change in components requiring/generating resources	\$ 138	\$ 21,116

**Note 10 – Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing), Continued**

	2011	2010
<i>Resources Used to Finance Activities:</i>		
Budgetary Resources Obligated		
Obligations Incurred	\$ 2,866,360	\$ 2,332,528
Less: Spending Authority and Recoveries	<u>57,737</u>	<u>75,096</u>
Net Obligations	2,808,623	2,257,431
Other Resources		
Imputed Financing from Costs Absorbed by Others	<u>73,349</u>	<u>41,408</u>
<i>Net Other Resources Used to Finance Activities</i>	<u>73,349</u>	<u>41,408</u>
 <i>Total Resources Used to Finance Activities</i>	 2,881,971	 2,298,839
 <i>Resources Used to Finance Items not Part of the Net Cost of Operations</i>		
Change in Budgetary Resources Obligated for Goods		
Services and Benefits Ordered But Not Yet Provided	2,841	(34,959)
Resources that Finance the Acquisition of Assets	<u>(93)</u>	<u>(6,555)</u>
<i>Total Resources Used to Finance Items Not Part of the Net Cost of Operations</i>	<u>2,748</u>	<u>(41,514)</u>
 <i>Total Resources Used to Finance the Net Cost of Operations</i>	 2,879,223	 2,340,353
 <i>Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:</i>		
Components Requiring or Generating Resources in Future Periods:		
Increase in Annual Leave Liability	<u>138</u>	<u>21,116</u>
<i>Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods</i>	138	21,116
 <i>Total Components of Net Cost of Operations that will not Require or Generate Resources in the Current Period</i>	 <u>138</u>	 <u>21,116</u>
<i>Net Cost of Operations</i>	<u>2,879,361</u>	<u>2,361,468</u>

## Note 11 - Operating Leases

USICH occupies office space under a lease agreement that is accounted for as an operating lease. The lease term begins on September 10, 2010 and expires on August 5, 2015. Lease payments are increased annually based on the USICH's proportionate share of the building's operating expenses and real estate taxes. The total operating lease expense as of September 30, 2011 and 2010 were \$436,163 and \$106,324, respectively.

Below is a schedule of future payments for the term of the lease.

<b>Fiscal Year</b>	<b>Office Space Costs</b>
2012	\$ 441,442
2013	\$ 444,201
2014	\$ 447,042
2015 (through August 5, 2015)	\$ 375,253
Total future payments	\$1,707,938

The operating lease amount does not include estimated payments for leases with annual renewal options.