

**UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS  
FY 10 PERFORMANCE AND ACCOUNTABILITY REPORT**



**November 15, 2010**



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# MANAGEMENT'S DISCUSSION, ANALYSIS AND PERFORMANCE



## **MANAGEMENT'S DISCUSSION, ANALYSIS AND PERFORMANCE**

### **Agency Overview**

The United States USICH on Homelessness (USICH) was established in 1987 by the Stewart B. McKinney Homeless Assistance Act (later renamed the McKinney-Vento Homeless Assistance Act). USICH's mission, per the HEARTH Act of 2009 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."

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.

### **Organization**

#### **Council**

During Fiscal Year 10, the full council met three times -- October 19, 2009, and this year, on February 8 and May 19.

During these meetings, Executive Director Poppe was appointed, and discussions were held on the development and status of the federal strategic plan, required by the HEARTH Act.

- Chair

At its initial meeting under the Obama administration on June 18, 2009, the full Council elected HUD Secretary Shaun Donovan as chairperson and Labor Secretary Hilda Solis as vice chairperson. The executive director meets monthly with the chairperson and monthly with the White House via the Domestic Policy Council.

- Staff

#### Headquarters

The daily activities of USICH are managed by Executive Director Barbara Poppe, who was appointed by the full Council in October 2009. Executive Director Poppe reports directly to the USICH Chair, and is supported by policy and five HUD-provided regional coordinators.

These regional coordinators will serve instrumental roles in implementing *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors)*, encouraging state and local coordination through such vehicles as 10-year plans and state USICHs, ensuring effective coverage, and support and technical assistance to communities across the United States by providing leadership in developing intercommunity collaborations.

- 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.

During FY 10, the CPG met six times with high participation rates from all member agencies. As much of the work of USICH was focused on the completion of *Opening Doors*, the CPG's involvement was vital to the completion of the Plan. Representatives were also involved in a number of strategic meetings regarding the completion of the Plan, interagency work groups, and in the interagency clearance process. The CPG will also play an integral role in the implementation of *Opening Doors*.

### **FY 10 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.

- Opening Doors: The Federal Strategic Plan to End Homelessness

## Overview

On June 22, 2010, USICH submitted to Congress and the President the nation's first-ever comprehensive federal strategic plan to prevent and end homelessness. *Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness* serves as a roadmap for joint action by the 19 USICH member agencies. It provides a reference framework for the allocation of resources and the alignment of programs to achieve the goal to prevent and end homelessness in America.

*Opening Doors* outlines an interagency collaboration that aligns mainstream housing, health, education, and human services to prevent Americans from experiencing homelessness. As the most far-reaching and ambitious plan to end homelessness in our nation's history, *Opening Doors* will both strengthen existing partnerships—such as the combined effort of HUD and Veterans Affairs to help homeless Veterans—and forge new partnerships between agencies like HUD, HHS, and the Department of Labor.

The Plan is focused on four key goals:

- Finish the job of ending chronic homelessness in five years;
- Prevent and end homelessness among Veterans in five years;
- Prevent and end homelessness for families, youth, and children in ten years; and
- Set a path to ending all types of homelessness.

*Opening Doors* proposes a set of strategies that call upon the federal government to work in partnership with state and local governments, as well as the private sector to employ cost effective, comprehensive solutions to end homelessness. *Opening Doors* highlights that by collaborating at all levels of government, the nation can harness public resources and build on the innovations that have been demonstrated at the local level and in cities nationwide to provide everyone—from the most capable to the most vulnerable—the opportunity to reach their full potential. *Opening Doors* includes 10 objectives and 52 strategies as well as 4 signature initiatives focused on the target population groups. Together, these contribute to accomplishing all four goals of the Plan.

## Development of *Opening Doors*

USICH provided unprecedented opportunities for public comment into the development of *Opening Doors*. USICH provided the framework and principles to all key stakeholders for public comment prior to the drafting of the Plan. USICH invested significant resources and time to secure public comment into the development of *Opening Doors*. This comment period has occurred from early February through March 22, 2010.

The opportunities for public comment included workgroups of federal staff to develop strategies based on best practices developed by innovative providers and communities across the country. All told, more than 100 staff from 19 agencies participated in the five workgroups that studied Veterans, families, youth, chronic homelessness, and community. Concurrently, USICH launched regional stakeholder meetings, focus groups, and an online forum. Nearly 1,000 people directly participated in face to face meetings or conference calls. In addition, over 7,700 people visited the special online forum. The

breadth of ideas as well as the clarity and concurrence around key themes was remarkable.

Building off the momentum generated across the country by the release of *Opening Doors*, USICH and its 19 member agencies immediately turned from the development of *Opening Doors* to action. On July 7, 2010, the USICH staff met with the CPG to discuss the implementation process and the roles of each going forward.

Currently, work is underway in the early implementation stages of facilitating and overseeing the 52 strategies and 4 signature initiatives in *Opening Doors* with its 19 member agencies that have the responsibility to move the Plan forward through their mainstream and targeted programs. Achieving targeted reductions in homelessness requires a collective effort focused on solutions. *Opening Doors* is a call for collective action. No level of government can or should do this alone. Success will require the collaboration and organization of federal, state, tribal, and local governments to execute these strategies effectively. Implementation will require leadership at all levels and partnerships between the public and the private sector, building on effective partnerships where they exist, and forging new partnerships where they are needed.

USICH has divided the responsibility for being the primary liaison with its 19 member agencies among the three USICH deputy directors. In their role as strategy or initiative lead, the deputy directors provide active leadership as the project manager, responsibility for the process and identifying resources, and are the point of contact with the public on the respective strategy or initiative. Examples of the tasks the deputy directors engage with their agencies on include:

- Supporting policy decisions in their respective areas that relate to *Opening Doors*;
- Seeking opportunities for new initiatives within and between agencies;
- Providing linkages between the federal agencies and partners out in field; and,
- Procuring new relationships with program staff and agency leadership for “mainstream” programs.

Smart implementation includes prioritization. USICH recognizes that it cannot start working on all 52 strategies and four initiatives at once. The agency is in the process of prioritizing its areas of responsibilities, while taking advantage of efforts already underway in its member agencies. The strategies that USICH expects to provide primary leadership on are described in FY11 and FY12 activities. USICH is not detailing the strategies that our role will be as participants in Council member led activities, including the HUD – HHS homelessness demonstration projects, increasing access to assistance, the affordable housing efforts led by HUD, increasing work for Veterans, preparing for Medicaid expansion, etc.

## Roll out of *Opening Doors*

USICH staff, including Regional Coordinators, will have presented *Opening Doors* to more than 30 different key audiences through the end of FY10. Significant press attention to the Plan included coverage in the Washington Post, Economist, San Francisco Chronicle, NPR, and CNN Radio. USICH hosted a live webcast with representatives from key member agencies to discuss the Plan and answer questions from the public. Engagement with states and local communities will continue through the 5-year term of the Plan.

- USICH is working collaboratively with HUD and VA to develop and publish a HUD-VASH technical assistance guide for use by the implementing agencies -- VA medical centers/outpatient clinics and public housing authorities – and their community partners – street outreach, shelters, etc. This guide will serve as a tool to be used to provide training to personnel responsible for implementation of HUD-VASH in their community. This training will incorporate best practices related to housing first. After the guide is published, it will be available at [www.usich.gov](http://www.usich.gov) and disseminated through regional coordinators, the USICH newsletter, and in partnership with HUD and VA for the benefit of assisting local communities to fully utilize HUD-VASH vouchers for homeless Veterans.
- In order to conduct joint training on how to effectively deliver housing, education, and related services to children that experience homelessness or at risk of homelessness, in March 2010, HUD staff presented on its Homeless Assistance Programs at the annual conference of the Department of Education's Education of Homeless Children and Youth program. Education will present at HUD's two national grantee meetings that will take place in September 2010.
- USICH is also working with the VA and HUD to address HUD-VASH utilization in communities nationwide. This strategy, known as the High Low strategy, involves visiting low performing and high performing communities as it relates to getting vouchers into the hands of Veterans and Veterans finding and getting into housing. The visit to high performing communities is to absorb and understand what would seem to be best practices, and then visit low performing communities to intervene and recommend some of the best practices to improve their performance.

USICH is required to submit an annual report to the President and Congress that assesses the nature and extent of homelessness and describes USICH's activities and accomplishments. Each member agency's report describes its homelessness assistance programs, impediments to access, and efforts to increase access. USICH's report is to include an assessment of the nature and extent of the problems relating to homelessness and the needs of people experiencing homelessness, the activities of Federal agencies as well as recommendations for legislative and administrative actions to address the problems and needs identified. The FY 09 Annual Report was submitted in April 2010 and work on the FY 10 Annual Report will commence soon with its submission to Congress in March 2011. USICH will continue to coordinate the preparation and submission of this report in conjunction with similar reports required of each of its member agencies



## Agency Management

### Summary

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.

### Strategic Management of Human Capital

USICH recognizes that the key to meeting its program performance goals and achieving the desired results is a high performing staff, focused on delivering services to the American people. The success of the USICH will be determined, in part, by how well it meets its “people needs.” As the USICH moves into the future, some challenges are ahead such as implementation of a Performance Management Program and retaining a highly skilled and cohesive workforce.

Testing of the agency’s new performance management system started in FY 10 and USICH plans to fully implement the system in FY 11. This new system will support fair and objective measurement of job performance and regularly scheduled employee reviews, thus enabling USICH to ensure it employs and maintains high quality staff. Employees’ performance goals will be tied directly to the mission, strategies and objectives of USICH.

As part of input obtained from employees on their view of the organization, USICH is currently undergoing a review of its organizational structure and related policies and procedures to update as necessary and ensure that as an organization, its work environment is positioned in a manner that promotes productivity and employee job satisfaction. Finally, USICH will continue our regular training sessions for employees that started in FY 10, to include an annual staff training conference for all employees to further support and enhance our growth as a collective staff, as well as completing its first employee survey in FY 11 in efforts to continuously improve its work environment and job satisfaction for employees.

## Competitive Sourcing

This initiative calls on federal agencies to create a more market-based government that enhances services and reduces costs through public-private competition.

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.

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.

## Improved Financial Performance

USICH has received consecutively clean audit opinions since its initial FY 05 audit by an independent, outside CPA firm. For FY 10, the USICH received its sixth, consecutive clean opinion from independent auditors, indicating no material weaknesses involving the Council's internal controls and its operations, and no instances of noncompliance with federal laws and regulations.

Improper payments are reviewed as part of USICH's annual fiscal year audit, as required by OMB directive. For FY 10, USICH reports no improper payments.

## Expanded Electronic Government

USICH employs advanced and secure information technology for speed, efficiency and improved customer service. The [www.usich.gov](http://www.usich.gov) website continues to be an important part of delivering reliable and up-to-date information on all Council member initiatives and results to all stakeholders in public policymaking, the private sector, and the homeless community. The site is slated to be revamped in FY 11 to be more user friendly and gear a portion of it towards information that reflects that latest and most informed source for data concerning the issues of homelessness.

USICH continues dissemination of its weekly electronic newsletter to more than 19,000 decision makers in public and private sector policy roles. The e-news uses a highly cost-effective and rapid electronic email format which is regularly updated.

Additionally, USICH is on target to comply with the January 2011 deadline implementation of Cyberscope, the federal government's cybersecurity initiative.

## Budget and Performance Integration

This initiative challenges agencies to set measurable goals, to monitor progress toward achieving results, and to make management and funding decisions based on these outcomes. This cost-benefit approach helps to highlight where the American taxpayer is receiving real value and where federal agencies have room for improvement. USICH views this initiative as a valuable tool that helps the agency fulfill program objectives most effectively by establishing clear performance targets, tracking progress in achieving stated objectives, and making adjustments to improve results. USICH is currently in talks with OMB to compose new, more accurate performance measures and goals.

## Management Challenges

USICH continues its mission 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. Its major challenges center on the challenges and limited foundation from which the Council can encourage member agencies to actually implement the strategies and initiatives included in Opening Doors and strategically leveraging federal resources to the goal of ending homelessness.

## Systems, Controls and Compliance

As part of the independent auditor's review of the USICH's FY 10 financial statements under OMB Bulletin 07-04, Audit Requirements for Federal Financial Statements, internal control testing and testing of the Council's compliance with applicable laws and regulations were performed. Based on the Independent Auditor's Report dated November 12, 2010 no material weaknesses involving the Council's internal controls and its operations, and no instances of noncompliance with federal laws and regulations were found or noted.

Further, our service provider, GSA, received a favorable opinion on its Report on Controls Placed in Operation and Tests of Operating Effectiveness for the Period July 1, 2009 – June 30, 2010. As a service organization, GSA uses the Pegasys system to provide financial and administrative services to external client agencies such as the USICH. This audit focused on GSA's Pegasys Financial Management, and was prepared in accordance with standards established by the American Institute of Certified Public Accountants. Commonly known as a "SAS 70 Review", the report details the auditor's examination of the processing of transactions by GSA.

## Agency Performance

USICH is currently in talks with OMB to compose new, more accurate performance measures and goals for the direction of the agency as was determined by the passage of the HEARTH Act in 2009 which required USICH to draft and implement the first-ever comprehensive federal strategic plan to end homelessness. This new direction of the work of USICH calls now for new performance goals which not only reflect the concept of 10-year plans to end homelessness, as was the focus of the past performance goals, but which also focus on USICH's broader impact and work on this issue. OMB understands this change in direction and the need for revised, updated performance goals and measures.

We can, however, share here our broad, summary-level proposed performance goal categories as follows, 1) strengthening the capacity of public and private organization to prevent and end homelessness, 2) increasing access to stable and affordable housing, and 3) retooling the homeless crisis response system.

Efforts are currently underway in conjunction with OMB to finalize specific measures and goals which will support these draft performance categories.

### **1. Strengthen the capacity of public and private organizations by increasing knowledge about collaboration, homelessness, and successful interventions to prevent and end 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 collaborate effectively, to design and implement programs based on knowledge about successful models and best practices, to evaluate program effectiveness and nimbly make changes where needed, and to 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. Strengthening the country's capacity to prevent and end homelessness will itself require effective collaborations within the federal government and between all levels of government, nonprofits, philanthropy, and the private sector. Federal agencies currently invest extensively in technical assistance but it is generally not coordinated across programs. Furthermore, communities and providers may not be aware of how to access these resources.

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 generally has distinct requirements. A common data standard and uniform performance measures across all federal programs that are targeted at homelessness would facilitate greater understanding and simplify local data management. Better tracking of a family's housing status when accessing mainstream programs would increase understanding about the role of these programs in preventing and ending homelessness. This is a state and local imperative as well. Data collection must be done safely to protect victims of sexual and domestic violence or others who could be harmed by tracking.

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.

## **2. Increasing access to supportive housing**

The most successful intervention for ending chronic homelessness is permanent supportive housing, which couples permanent housing with supportive services that target the specific needs of an individual or family. There is a substantial body of literature that shows that supportive housing is successful for people with mental illness, chemical dependency, HIV/AIDS, and other often co-occurring conditions. Persons who have experienced chronic homelessness frequently have histories of trauma and violence as well as additional barriers to stable housing (e.g., criminal histories, no income, and poor credit). Permanent supportive housing is designed to address these needs. Permanent supportive housing using Housing First is a proven solution that leads to improvements in health and well-being. Supportive housing also has been shown to be a cost-effective solution in communities across the country. It has been proven to be most cost-effective in places where it has been targeted to people with the most extensive needs.

There is a serious shortage of permanent supportive housing across the country. This is due both to the shortage of financial resources, as well as local capacity to develop and operate supportive housing. Additionally, many developers confront local barriers related to zoning and community opposition. The concentration of chronic homelessness means that the effort and focus to increase access to supportive housing must be proportional to local need.

## **3. Retooling the homeless crisis response system**

In the last decade, many communities have adopted a Housing First approach that focuses on preventing homelessness and rapidly returning people who become homeless to housing. In some communities, these practices are adopted at a program level but have not changed the overall community system of care. In a growing number of communities, the framework is being adopted to create a system of care. Despite the documented success of the new model over the traditional continuum of care model, implementation varies markedly in each community. The creation of the temporary Homelessness Prevention and Rapid Re-Housing Program (HPRP) at HUD through the American Recovery and Reinvestment Act gave communities resources to begin retooling their homeless crisis response systems. The HEARTH Act contains many provisions that local communities can use to support the evolution of their system of care to these successful models.

Temporary residential programs (shelters, transitional housing, VA grant and per diem programs, VA domiciliary, adult rehab centers, etc.) are an integral part of the crisis response system. They must be efficient and effective in helping people experiencing homelessness successfully and quickly achieve the outcome of long-term housing. Strong collaboration with mainstream programs and services as well as programming to create a pathway to permanent housing is critical.

Transitional housing represents a significant part of the crisis response portfolio, including transitional housing targeted at Veterans, victims of domestic violence, and youth. Some communities are retooling this resource to include models that allow people to transition in place, that is, to move into permanent housing and have transitional supports that end when someone has connected to mainstream community supports.

## 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 10, 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 10, GSA received a favorable opinion on its SAS 70 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 \$521,445 and Fund Balance with Treasury equals \$521,352, and \$93 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 \$321,613, 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 10 equal \$2.36 million.

### 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 10 was \$199,832.

### 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 \$2.45 million in FY 10.

### Limitations of the Financial Statements

As required by OMB Circular A-136, *Financial Reporting Requirements*, we disclose the following limitations on USICH's FY 10 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, 2010 and 2009, 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.

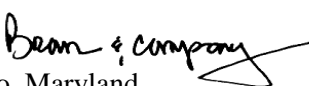
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and, Office of Management and Budget (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, 2010 and 2009 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 12, 2010 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.

The information in the Management Discussion & Analysis (MD&A) is presented for the purpose of additional information analysis and is required by OMB Circular No. A-136, revised *Financial Reporting Requirements*. The USICH's Management's Discussion & Analysis contains a wide range of information, some of which is not directly related to the financial statements. We do not express an opinion on this information. However, we compared this information for consistency with the financial statements and discussed the methods of measurement and presentation with USICH officials. Based on this limited work, we found no material inconsistencies with the financial statements, U.S. generally accepted accounting principles, or OMB guidance.

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 12, 2010

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

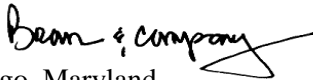
Board of Directors  
United States Interagency Council on Homelessness  
Washington, D.C.

We have audited the financial statements of the United States Interagency Council on Homelessness (USICH) as of and for the year ended September 30, 2010 and have issued our report thereon dated November 12, 2010. 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 12, 2010

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

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

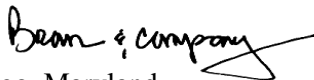
We have audited the financial statements of the United States Interagency Council on Homelessness (USICH) as of and for the year ended September 30, 2010, and have issued our report thereon dated November 12, 2010. We conducted our audit in accordance with auditing standards generally accepted in the 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 12, 2010

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

**BALANCE SHEET**

**As Of September 30, 2010 and 2009**

|  |          | 2010              | 2009              |
|--|----------|-------------------|-------------------|
|  |          | <u>          </u> | <u>          </u> |
| Assets:  |          |                   |                   |
| Intragovernmental:                             |          |                   |                   |
| Fund Balance With Treasury                     | (Note 2) | \$ 521,352        | \$ 202,633        |
| Accounts Receivable                            | (Note 3) | <u>          </u> | <u>2,110</u>      |
| Total Intragovernmental                        |          | 521,352           | 204,743           |
| Accounts Receivable, net                       | (Note 3) | 93                | 4,538             |
| General Property, Plant and Equipment          | (Note 4) | <u>          </u> | <u>          </u> |
| Total Assets                                   |          | <u>\$ 521,445</u> | <u>\$ 209,281</u> |
| <br>   |          |                   |                   |
| Liabilities:                                   | (Note 5) |                   |                   |
| Intragovernmental:                             |          |                   |                   |
| Accounts Payable                               |          | \$ 13,580         | \$ 13,695         |
| Other  |          | <u>16,095</u>     | <u>4,853</u>      |
| Total Intragovernmental                        |          | 29,675            | 18,548            |
| Accounts Payable                               |          | 186,813           | 67,550            |
| Other  | (Note 6) | <u>105,126</u>    | <u>53,005</u>     |
| Total Liabilities                              |          | 321,613           | 139,103           |
| <br>   |          |                   |                   |
| Net Position:                                  |          |                   |                   |
| Unexpended Appropriations - Other Funds        |          | 250,240           | 99,564            |
| Cumulative Results of Operations - Other Funds |          | <u>(50,408)</u>   | <u>(29,385)</u>   |
| Total Net Position                             |          | 199,832           | 70,178            |
| Total Liabilities and Net Position             |          | <u>\$ 521,445</u> | <u>\$ 209,281</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**

**STATEMENT OF NET COST**

**For The Years Ended September 30, 2010 and 2009**

|                        |          | <u>2010</u>         | <u>2009</u>         |
|------------------------|----------|---------------------|---------------------|
| Program Costs:         |          |                     |                     |
| Program A:             |          |                     |                     |
| Gross Costs            | (Note 7) | <u>\$ 2,361,468</u> | <u>\$ 2,137,468</u> |
| Net Program Costs      |          | <u>2,361,468</u>    | <u>2,137,468</u>    |
| Net Cost of Operations |          | <u>\$ 2,361,468</u> | <u>\$ 2,137,468</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**

**STATEMENT OF CHANGES IN NET POSITION**

**For The Years Ended September 30, 2010 and 2009**

2010

|  | <u>Earmarked<br/>Funds</u> | <u>All Other Funds</u> | <u>Eliminations</u> | <u>Consolidated<br/>Total</u> |
|--|----------------------------|------------------------|---------------------|-------------------------------|
| <b>Cumulative Results of Operations:</b>         |                            |                        |                     |                               |
| Beginning Balances                               | \$                         | \$ (29,385)            | \$                  | \$ (29,385)                   |
| Adjustments:                                     |                            |                        |                     |                               |
| (b) Corrections of Errors (+/-)                  |                            | 6,648                  |                     | 6,648                         |
| 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>          | <u>\$</u>                  | <u>\$ (50,408)</u>     | <u>\$</u>           | <u>\$ (50,408)</u>            |
| <b>Unexpended Appropriations:</b>                |                            |                        |                     |                               |
| Beginning Balances                               | \$                         | \$ 99,564              | \$                  | \$ 99,564                     |
| Adjustments:                                     |                            |                        |                     |                               |
| (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                                     | <u>\$</u>                  | <u>\$ 199,832</u>      | <u>\$</u>           | <u>\$ 199,832</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**

**STATEMENT OF CHANGES IN NET POSITION**

**For The Years Ended September 30, 2010 and 2009**

2009

|  | <u>Earmarked<br/>Funds</u> | <u>All Other Funds</u> | <u>Eliminations</u> | <u>Consolidated<br/>Total</u> |
|--|----------------------------|------------------------|---------------------|-------------------------------|
| <b>Cumulative Results of Operations:</b>         |                            |                        |                     |                               |
| Beginning Balances                               | \$                         | \$ (146,517)           | \$                  | \$ (146,517)                  |
| Beginning Balances, as Adjusted                  | \$                         | \$ (146,517)           | \$                  | \$ (146,517)                  |
| <b>Budgetary Financing Sources:</b>              |                            |                        |                     |                               |
| Appropriations Used                              |                            | 2,241,040              |                     | 2,241,040                     |
| <b>Other Financing Resources (Non-Exchange):</b> |                            |                        |                     |                               |
| Imputed Financing                                |                            | 13,561                 |                     | 13,561                        |
| Total Financing Sources                          |                            | 2,254,600              |                     | 2,254,600                     |
| Net Cost of Operations (+/-)                     |                            | 2,137,468              |                     | 2,137,468                     |
| Net Change                                       |                            | 117,132                |                     | 117,132                       |
| <b>Cumulative Results of Operations</b>          | <u>\$</u>                  | <u>\$ (29,385)</u>     | <u>\$</u>           | <u>\$ (29,385)</u>            |
| <b>Unexpended Appropriations:</b>                |                            |                        |                     |                               |
| Beginning Balances                               | \$                         | \$ 170,544             | \$                  | \$ 170,544                    |
| Adjustments:                                     |                            |                        |                     |                               |
| (b) Corrections of Errors (+/-)                  |                            | 2,009                  |                     | 2,009                         |
| Beginning Balances, as Adjusted                  | \$                         | \$ 172,554             | \$                  | \$ 172,554                    |
| <b>Budgetary Financing Sources:</b>              |                            |                        |                     |                               |
| Appropriations Received                          |                            | 2,333,000              |                     | 2,333,000                     |
| Other Adjustments                                |                            | (164,951)              |                     | (164,951)                     |
| Appropriations Used                              |                            | (2,241,040)            |                     | (2,241,040)                   |
| Total Budgetary Financing Sources                |                            | (72,990)               |                     | (72,990)                      |
| Total Unexpended Appropriations                  |                            | 99,564                 |                     | 99,564                        |
| Net Position                                     | <u>\$</u>                  | <u>\$ 70,178</u>       | <u>\$</u>           | <u>\$ 70,178</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**  
**STATEMENT OF BUDGETARY RESOURCES**  
**For The Years Ended September 30, 2010 and 2009**

|  | 2010                       | 2010  | 2009                       | 2009  |
|--|----------------------------|---|----------------------------|---|
|  | Budgetary                  | Non-Budgetary<br>Credit Program<br>Financing Accounts | Budgetary                  | Non-Budgetary<br>Credit Program<br>Financing Accounts |
| <b>Budgetary Resources:</b>                                  |                            |   |                            |   |
| Unobligated Balance:   |                            |   |                            |   |
| Beginning of Period  | \$ 54,948                  | \$  | \$ 171,554                 | \$  |
| Recoveries of Prior Year Obligations                         | 70,828                     |   | 3,072                      |   |
| <b>Budget Authority:</b>                                     |                            |   |                            |   |
| Appropriations Received                                      | 2,450,000                  |   | 2,333,000                  |   |
| Earned   |                            |   |                            |   |
| Collected  | 4,268                      |   |                            |   |
| Subtotal   | <u>\$ 2,454,268</u>        |   | <u>\$ 2,333,000</u>        |   |
| Permanently Not Available                                    | (286)                      |   | (164,951)                  |   |
| <b>Total Budgetary Resources</b>                             | <u><u>\$ 2,579,759</u></u> | <u><u>\$</u></u>                                      | <u><u>\$ 2,342,676</u></u> | <u><u>\$</u></u>                                      |
| <br>   |                            |   |                            |   |
| <b>Status of Budgetary Resources:</b>                        |                            |   |                            |   |
| Obligations Incurred   |                            | (Note 8)  |                            |   |
| Direct   | \$ 2,332,528               |   | \$ 2,287,727               | \$  |
| Subtotal   | <u>\$ 2,332,528</u>        |   | <u>\$ 2,287,727</u>        |   |
| Unobligated Balances   |                            |   |                            |   |
| Apportioned  | 152,275                    |   | 50,411                     |   |
| Subtotal   | <u>\$ 152,275</u>          |   | <u>\$ 50,411</u>           |   |
| Unobligated Balances - Not Available                         | 94,956                     |   | 4,537                      |   |
| <b>Total Status of Budgetary Resources</b>                   | <u><u>\$ 2,579,759</u></u> | <u><u>\$</u></u>                                      | <u><u>\$ 2,342,676</u></u> | <u><u>\$</u></u>                                      |
| <br>   |                            |   |                            |   |
| <b>Change in Obligated Balances:</b>                         |                            |   |                            |   |
| <b>Obligated Balance, Net:</b>                               |                            |   |                            |   |
| Unpaid Obligations, Brought Forward, October 1               | \$ 147,685                 | \$  | \$ 96,789                  | \$  |
| Total, Unpaid Obligated Balance, Brought Forward, Net        | <u>\$ 147,685</u>          |   | <u>\$ 96,789</u>           |   |
| Obligations Incurred   | 2,332,528                  |   | 2,287,727                  |   |
| Gross Outlays (-)  | (2,135,263)                |   | (2,233,759)                |   |
| Recoveries of Prior-Year Unpaid Obligations, Actual (-)      | (70,828)                   |   | (3,072)                    |   |
| Change in Uncollected Customer Payments from Federal Sources |                            |   |                            |   |
| <b>Obligated Balance, Net, End of Period:</b>                |                            |   |                            |   |
| Unpaid Obligations (+)                                       | 274,121                    |   | 147,685                    |   |
| Total, Unpaid Obligated Balance, Net, End of Period          | <u><u>\$ 274,121</u></u>   | <u><u>\$</u></u>                                      | <u><u>\$ 147,685</u></u>   | <u><u>\$</u></u>                                      |
| <br>   |                            |   |                            |   |
| <b>Net Outlays:</b>  |                            |   |                            |   |
| Gross Outlays (+)  | 2,135,263                  |   | 2,233,759                  |   |
| Offsetting Collections (-)                                   | (4,268)                    |   |                            |   |
| <b>Net Outlays</b>   | <u><u>\$ 2,130,995</u></u> | <u><u>\$</u></u>                                      | <u><u>\$ 2,233,759</u></u> | <u><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**

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 Council is responsible for providing federal leadership for activities to assist homeless families and individuals.

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, 2010, 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.

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 four annual funds (910: FY 2006, FY 2007, FY 2008, and FY 2009) and two no-year funds (910X, and FY 2010). The annual fund for FY 2005 was cancelled and the remaining fund balance of \$286 was given back to US Treasury during fiscal year 2010.

|   | <u>2010</u>      | <u>2009</u>      |
|---|------------------|------------------|
| A. Fund Balance with Treasury           |                  |                  |
| Appropriated Fund                       | <u>\$521,352</u> | <u>\$202,633</u> |
| B. Status of Fund Balance with Treasury |                  |                  |
| 1) Unobligated Balance                  |                  |                  |
| a) Available                            | 152,275          | 50,411           |
| b) Unavailable                          | 94,956           | 4,537            |
| 2) Obligated Balance not yet Disbursed  | <u>274,121</u>   | <u>147,685</u>   |
| Total                                   | <u>\$521,352</u> | <u>\$202,633</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>2010</u> | <u>2009</u>    |
|--------------------------|-------------|----------------|
| A/R Claims- Federal      | \$0         | \$2,110        |
| A/R Claims- Non- Federal | <u>\$93</u> | <u>\$4,538</u> |
| Total                    | \$93        | \$6,648        |

Note 4 - General Property, Plant and Equipment, Net

As of September 30, 2010 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>2010</u>    | <u>Equipment</u> | <u>Furniture &amp;<br/>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>2009</u>    | <u>Equipment</u> | <u>Furniture &amp;<br/>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, 2010, U.S. Interagency Council on Homelessness showed liabilities covered by budgetary resources of \$271,112 and liabilities not covered by budgetary resources of \$50,501.

Liabilities covered by budgetary resources is composed of Accounts Payable \$200,392, Employer Contributions and Payroll Taxes Payable \$16,095 and Accrued Funded Payroll and Leave \$54,625.

|  | <u>2010</u>      | <u>2009</u>        |
|--|------------------|--------------------|
| With the Public                                      |                  |                    |
| Other  | 50,501           | 29,385             |
| Total liabilities not covered by budgetary resources | 50,501           | 29,385             |
| Total liabilities covered by budgetary resources     | 271,112          | 109,717            |
| Total Liabilities                                    | <u>\$321,613</u> | <u>\$139,103</u> * |

\* rounding

Note 6 – Other Liabilities

Other liabilities with the public consist of Accrued Funded Payroll and Leave of \$54,625 and Unfunded leave in the amount of \$50,501. Other Intragovernmental liabilities consist of employer contributions and payroll taxes payable \$16,095.

|      | <u>With the Public</u> | <u>Non-Current</u> | <u>Current</u> | <u>Total</u> |
|------|------------------------|--------------------|----------------|--------------|
| 2010 | Other Liabilities      | 50,501             | 54,625         | \$105,126    |
| 2009 | Other Liabilities      | 29,385             | 23,619         | \$53,005 *   |

|      | <u>Intragovernmental</u> | <u>Non-Current</u> | <u>Current</u> | <u>Total</u> |
|------|--------------------------|--------------------|----------------|--------------|
| 2010 | Other Liabilities        | 0                  | 16,095         | \$16,095     |
| 2009 | Other Liabilities        | 0                  | 4,853          | \$4,853      |

\*Rounding

Note 7 – Intragovernmental Costs and Exchange Revenue

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

|                         | <u>Total<br/>2010</u>   | <u>Total<br/>2009</u>   |
|-------------------------|-------------------------|-------------------------|
| Program A               |                         |                         |
| Intragovernmental costs | 334,112                 | 831,899                 |
| Public costs            | <u>2,027,357</u>        | <u>1,305,569</u>        |
| Total Program A costs   | <u>2,361,468</u>        | <u>2,137,468</u>        |
| Total Program A         | <u><u>2,361,468</u></u> | <u><u>2,137,468</u></u> |

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<br/>2010</u>   | <u>Total<br/>2009</u>   |
|-------------------|-------------------------|-------------------------|
| Direct            |                         |                         |
| Category B        | <u>2,332,528</u>        | <u>2,287,727</u>        |
| Total Obligations | <u><u>2,332,528</u></u> | <u><u>2,287,727</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<br>Orders | Accounts<br>Payable | Unpaid Obligated Balance<br>Net |
|------|-----------------------|---------------------|---------------------------------|
| 2010 | 3,009                 | 271,112             | \$274,121                       |
| 2009 | 37,968                | 109,717             | \$147,685                       |

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

Liabilities not covered by budgetary resources total \$50,501 and the change in components requiring or generating resources in future period shows \$21,116. The \$21,116 is the net increase of future funded expenses – leave between appropriations of annual fund 2009 and annual fund 2010. 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.

|   | 2010      | 2009         |
|---|-----------|--------------|
| Liabilities not covered by budgetary resources      | \$ 50,501 | \$ 29,385    |
| Change in components requiring/generating resources | \$ 21,116 | \$ (117,132) |

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

|   | 2010                        | 2009                        |
|---|-----------------------------|-----------------------------|
|   | <u>                    </u> | <u>                    </u> |
| <i>Resources Used to Finance Activities:</i>  |                             |                             |
| Budgetary Resources Obligated   |                             |                             |
| Obligations Incurred  | \$ 2,332,528                | \$ 2,287,727                |
| Less: Spending Auth<br>and Recoveries   | <u>75,096</u>               | <u>3,072</u>                |
| Net Obligations   | 2,257,431                   | 2,284,655                   |
| <br>Other Resources   |                             |                             |
| Imputed Financing from Costs Absorbed by Others   | <u>41,408</u>               | <u>13,561</u>               |
| <i>Net Other Resources Used to Finance Activities</i>   | <u>41,408</u>               | <u>13,561</u>               |
| <br><i>Total Resources Used to Finance Activities</i>   | <br>2,298,839               | <br>2,298,216               |
| <br><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  | (34,959)                    | 36,968                      |
| Other   | <u>(6,555)</u>              | <u>6,648</u>                |
| <i>Total Resources Used to Finance Items Not Part of the Net Cost<br/>of Operations</i>                                     | <u>(41,514)</u>             | <u>43,615</u>               |
| <br><i>Total Resources Used to Finance the Net Cost of Operations</i>   | <br>2,340,353               | <br>2,254,600               |
| <br><i>Components of the Net Cost of Operations that will not Require or Generate<br/>Resources in the Current Period:</i>  |                             |                             |
| <i>Components Requiring or Generating Resources in Future Periods:</i>  |                             |                             |
| Increase in Annual Leave Liability  | <u>21,116</u>               | <u>(117,132)</u>            |
| <i>Total Components of Net Cost of Operations that will Require or Generate<br/>Resources in Future Periods</i>             | 21,116                      | (117,132)                   |
| <br><i>Total Components of Net Cost of Operations that will not Require or Generate<br/>Resources in the Current Period</i> | <br><u>21,116</u>           | <br><u>(117,132)</u>        |
| <i>Net Cost of Operations</i>   | <u>2,361,468</u>            | <u>2,137,468</u>            |