

United States Interagency Council on Homelessness Fiscal Year 2013 Performance and Accountability Report (PAR)

December 2013



**“No one should experience homelessness—
no one should be without a safe, stable place to call home.”**



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Preface from the Executive Director



Since its launch in 2010, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* has guided a nationwide effort that has reduced homelessness by six percent overall. This year, for the first time ever, we can say that homelessness was reduced for every population. These achievements are remarkable given our tough economic times, and signal that we are on the right path to end homelessness.

Between 2010 and 2013, we've made significant progress. Homelessness among people in family households declined by more than eight percent. Chronic homelessness fell by more than 15 percent, and homelessness among Veterans fell by 24 percent. Thanks to unprecedented collaboration among Federal agencies, States and communities, and private, non-profit, and philanthropic partners, the goals of *Opening Doors* are within reach.

Our work emphasizes evidence-informed practices and policies built upon data and performance measurement. We encourage Federal, State, and local investment in what we know solves homelessness and areas in which success can be measured.

At USICH, we focus on innovation, which means we value the adoption of new practices, policies, and technologies that more effectively advance the work to prevent and end homelessness. We use communication and convening tools to encourage and disseminate emerging practices. Now, more than ever, we know what works and are using this knowledge to shape strategic approaches and influence actions that:

- Integrate mainstream systems with targeted homeless programs
- Improve efficiencies and outcomes through better targeting of existing and new resources
- Implement widespread adoption of evidence-informed practices
- Form partnerships among funders, service providers, and policy makers to implement reforms
- Use data to measure outcomes and drive performance

In all we do, we strive to realize the vision of *Opening Doors*—no one should experience homelessness; no one in America should be without a safe and stable place to call home.

I. Organization

The Council

The United States Interagency Council on Homelessness (USICH) was established in 1987 by the Stewart B. McKinney Homeless Assistance Act (later renamed the McKinney-Vento Homeless Assistance Act). Per the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, USICH's mission 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. Additionally, the White House Domestic Policy Council (DPC) actively participates in Council activities. The Council meets four times each calendar year to review progress on *Opening Doors* implementation, make decisions to support collaboration among Council member agencies, and discuss opportunities to prevent and end homelessness.

During FY 2013, Council members reviewed data and policy recommendations generated by interagency working groups, and approved additional activities to support Plan implementation. Council agendas covered a range of topics such as actions to accelerate progress on ending Veteran and chronic homelessness, creating an interagency framework and leveraging mainstream benefits to end family homelessness, measuring Council performance and accountability for full implementation of the Plan, and interagency opportunities to fully leverage the Affordable Care Act (ACA).

Council Leadership

In December, 2012, Eric Shinseki, the Secretary of the Department of Veterans Affairs (VA), was elected chair of the Council and Shaun Donovan, the Secretary of the Department of Housing and Urban Development (HUD), was elected vice chair. USICH meets with senior advisors to agency principals on a bi-monthly basis to set strategic direction for the Council.

II. FY 2013 Discussion of Plan/Performance Goals and Objectives

Consistent with its mission, USICH continues to work with all levels of government, nonprofit organizations, and the private sector through the implementation of *Opening Doors*.

Opening Doors incorporates the following six core values:

- Homelessness is unacceptable
- There are no "homeless people," but rather people who have lost their homes who deserve to be treated with dignity and respect
- Homelessness is expensive; it is better to invest in solutions
- Homelessness is solvable; we have learned a lot about what works
- Homelessness can be prevented
- There is strength in collaboration and USICH can make a difference

The Plan serves as a roadmap for joint action by the 19 USICH Council member agencies and USICH staff, and has four goals, which also serve as the Agency's performance goals:

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

The goals are supported by 10 objectives that cover five themes as shown below. The Plan was amended in September, 2012 to add more information about educational outcomes for children and unaccompanied youth who are experiencing homelessness.

Increase leadership, collaboration, and civic engagement

Objective 1: Provide and promote collaborative leadership at all levels of government and across all sectors to inspire and energize Americans to commit to preventing and ending homelessness

Objective 2: Strengthen the capacity of public and private organizations by increasing knowledge about collaboration, homelessness, and successful interventions to prevent and end homelessness

Increase access to stable and affordable housing

Objective 3: Provide affordable housing to people experiencing or most at risk of homelessness

Objective 4: Provide permanent supportive housing to prevent and end chronic homelessness

Increase economic security

Objective 5: Improve access to education and increase meaningful and sustainable employment for people experiencing or most at risk of homelessness

Objective 6: Improve access to mainstream programs and services to reduce people's financial vulnerability to homelessness

Improve health and stability

Objective 7: Integrate primary and behavioral health care services with homeless assistance programs and housing to reduce people's vulnerability to and the impacts of homelessness

Objective 8: Advance health and housing stability for unaccompanied youth experiencing homelessness and youth aging out of systems such as foster care and juvenile justice

Objective 9: Advance health and housing stability for people experiencing homelessness who have frequent contact with hospitals and criminal justice

Retool the homeless crisis response system

Objective 10: Transform homeless services to crisis response systems that prevent homelessness and rapidly return people who experience homelessness to stable housing

Accomplishing the goals of *Opening Doors* requires leadership at all levels of government, and strong partnerships with businesses, researchers, philanthropy, and nonprofits. It requires collaboration across many disciplines. It also requires good data and a commitment to alter course based on changing conditions and lessons learned. Progress on the goals and their underlying objectives are also heavily dependent on adequate funding of various programs and initiatives of several Cabinet-level Council member agencies.

FY 2013 Plan/Performance Goals Progress

The 2013 Point-in-Time (PIT) count shows a steady and significant decrease in national rates of homelessness since the launch *Opening Doors*. This trend is evidence that, in partnership with communities across the country, the Obama Administration has significantly impacted the trajectory on homelessness. The progress is particularly remarkable given the economic downturn the country has faced and the reality of an economy that has slowly, but steadily been improving. Communities have made progress in difficult times by doing more of what works, through policy changes, shifting resources, and leveraging new funding opportunities.

Annual Update to Opening Doors

Pursuant to the HEARTH Act, USICH prepares an annual report on progress towards goals of the Plan, including a discussion of key activities and accomplishments by Council member agencies. The report examines the impact of 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 2012 report was published in March 2013. The 2013 report is currently underway and will be published in FY 2014.

Goal 1: Finish the Job of Ending Chronic Homelessness in 2015

According to HUD's Annual Homeless Assessment Report (AHAR), 92,593 individuals were experiencing chronic homelessness throughout the nation on a single night in January, 2013. People who experience chronic homelessness are frequently highly vulnerable. The longer they remain without housing, the more their health deteriorates. The human and fiscal toll of chronic homelessness is high. By ending chronic homelessness, the Federal government would demonstrate its ability to solve one of the most visible, costly, and seemingly intractable manifestations of homelessness.

Research indicates that people experiencing chronic homelessness consume a disproportionate amount of public resources through repeated use of publically funded services such as shelters, jails, emergency rooms, and psychiatric centers. Studies estimate that the total average annual public costs incurred by each individual experiencing chronic homelessness ranges from \$40,000 to over \$70,000. Extrapolating the lower estimate to the total current chronic homeless population (92,593 individuals) suggests that allowing chronic homelessness to persist costs the American public nearly \$3.7 billion annually.

Though chronic homelessness was reduced by 16 percent since 2010, there is still much more work to do. USICH drives progress on this goal through interagency work and capacity building efforts at the State and community levels.

Progress

Interagency Working Group on Chronic Homelessness

In FY 2013, USICH launched and co-led the Interagency Working Group on Chronic Homelessness to identify resources and key strategies needed to achieve the goal of ending chronic homelessness. The 10-agency working group identified opportunities and resource gaps and brought this information to the full Council for action. The Council approved a range of activities aimed at increasing access to permanent supportive housing opportunities, aligning Federal policies, funding, messaging and technical assistance, and identifying remaining resource needs to inform the FY 2015 budget process. The Council has also charged the working group to implement the key strategies. Some examples include:

- Developing messaging, technical assistance tools, and resources on how to fully employ a Housing First approach to end chronic homelessness
- Improving communities' capacity to link Medicaid-eligible services to permanent supportive housing
- Identifying and disseminating findings on best practices in collaborative identification, outreach, and engagement of individuals experiencing chronic homelessness to more efficiently and effectively prioritize individuals for necessary services and supports
- Exploring and leveraging opportunities within *Olmstead v. United States* for communities to create permanent supportive housing for those experiencing chronic homelessness
- Supporting private partners on the design, implementation, and monitoring of pay-for-success initiatives

Reentry Council: Housing/Homelessness Sub-Committee

In order to increase alignment between Department of Justice (DOJ) led re-entry work and USICH-led work on ending chronic homelessness, USICH staff participate in DOJ's Reentry Council and lead the Housing and Homelessness sub-committee.

Capacity Building

USICH has developed and distributed tools and resources that better equip States and communities to end chronic homelessness. Some of examples include:

- The Housing First Checklist, which helps States and communities assess program alignment with the evidence-based approach shown to be the most effective at ending chronic homelessness
- A summary of high-performing communities that are on track to end chronic homelessness to distill promising practices and efforts that communities across the nation can replicate
- A web-based tool that provides information on potential sources of Federal funding for various services that communities frequently pay for with homelessness dollars, aimed at assisting communities in appropriately directing homelessness funds towards housing

- The USICH Solutions Database (described below), which highlights model programs, promising practices, and updated research on ending homelessness
- Four State-level Policy Academies to reduce the rate of chronic homelessness through a cross-agency Federal technical assistance effort sponsored by the Substance Abuse and Mental Health Services Administration (SAMHSA)

Goal 2: End Homelessness among Veterans and their Families in 2015

In his speech on housing policy in Phoenix, Arizona, on August 6, 2013, President Obama stated, “Nobody in America, and certainly no Veteran, should be left to live on the street.” Ending homelessness among Veterans by 2015 is a national priority, one that has widespread bi-partisan support. The nation is making progress. HUD’s 2013 AHAR reported that 57,849 Veterans were experiencing homelessness, a 24 percent reduction since 2010.

USICH drives progress through interagency work structures previously put in place by USICH and its member agencies. In the final push to the 2015 goal, there is a crucial need to ensure seamless coordination and capacity at the national and local level.

Progress

Solving Veteran Homelessness as One

USICH, HUD, and VA established a formal mechanism for interagency decision making, goal setting, policy-gap identification, communication, and action called Solving Veterans Homelessness as One (SVHO). SVHO plans and executes myriad strategic actions in order to end homelessness among Veterans. Some examples of this work include:

- Strategically implementing of the HUD-Veterans Affairs Supportive Housing (HUD-VASH) and Supportive Services for Veteran Families (SSVF) programs
- Achieving interagency consensus to set strategies aimed at improving the methodology for data collection during HUD’s annual point-in-time (PIT) count
- Creating and disseminating joint strategic communications
- Identifying and promoting ways communities can improve data sharing, analysis, and where feasible, data integration among VA-funded and HUD-funded providers
- Fostering the development of local targets to meet the 2015 goal
- Promoting the integration of targeted Veterans programs into coordinated entry systems in communities to improve their ability to match interventions to the needs of Veterans who experience or are at-risk of homelessness in their communities
- Determining the prevalence of Veterans who are not eligible for VHA services and defining ways that they can receive the housing and support they need to end their homelessness

Veterans Access to Benefits Plan

Ending Veteran homelessness by 2015 requires meaningful collaboration across Council agencies to provide Veterans with access to benefits and resources that VA cannot provide. To coordinate this effort, USICH and VA worked with Council agencies to redesign the Veterans Access to Benefits Plan to be more operational and strategic in addressing the most critical needs that Veterans who are homeless

or at-risk of experiencing homelessness have that cannot be addressed through VA services. The purpose of the plan is to increase access to housing, employment, income, health care, transportation, and family/child resources for Veterans through coordinated actions across Council member agencies. The revised plan includes specific commitments from agencies along with performance measures and milestones.

Capacity Building

USICH activities create a bridge between Federal policy work and organizations implementing programs throughout the country. USICH implements strategic communications to enhance capacity, share solutions, and promote the strategic practices necessary to end homelessness among Veterans. For example, to support the broad national implementation of strategic practices, USICH and the National Coalition on Homelessness among Veterans (NCHV) launched a webinar series for front-line providers of services to Veterans.

Goal 3: End Homelessness among Families and Children in 2020

Data from HUD indicates that 71,000 families were homeless at a point-in-time in 2013. Longitudinal data from HUD's AHAR indicates that a larger number—167,000 families—were homeless and sheltered at some point in 2012. Department of Education (ED) data, which includes doubled-up households, indicates that more than *one million* school-age children and their families were homeless at some point during the 2012–2013 school year.

When families become homeless, the experience itself is traumatizing, especially for children. Children in families experiencing homelessness also have high rates of acute and chronic health problems, and the majority have been exposed to violence. Homeless school-age children are more likely than similar age children in the general population to have emotional problems such as anxiety, depression, withdrawal, and manifestation of aggressive behavior. Moreover, repeated school mobility leads to decreased academic achievement, negatively impacting both the child's and the school's overall performance.

The costs of family homelessness are high and impact a number of systems. But most importantly, they have a lasting detrimental social impact. Ending family homelessness requires leveraging national priorities around closing the achievement gap, increasing graduation rates, and improving economic stability for future generations.

Progress

Working Group on Family Homelessness

During FY 2013, USICH launched and co-led a 13-agency Interagency Working Group on Family Homelessness to identify resources and key strategies needed to achieve the goal of ending homelessness among families and children by 2020. The working group developed a set of short-term and long-term strategies such as:

- Help communities develop a centralized or coordinated assessment system that has the capacity to connect families to targeted prevention assistance where possible and temporary shelter as needed

- Target Federal resources to provide rapid re-housing assistance to the majority of families experiencing homelessness, increase access to affordable housing, and help communities target resources so that longer and more service-intensive housing interventions are directed to the highest need households
- Use Federal programs and guidance to help communities connect families to benefits, employment, and services they need to achieve and sustain housing
- Use Federal interagency messaging, policies, and technical assistance to communicate this coordinated Federal approach to stakeholders
- Develop and strengthen evidence-based strategies for serving families experiencing and at-risk of experiencing homelessness

Goal 4: End Homelessness for Youth in 2020

The number of unaccompanied youth (between 12 and 24 years old) experiencing homelessness is difficult to pinpoint. Due to barriers that exist for young people in accessing adult-only shelters and their lack of connection to most social services, many—if not most—youth experiencing homelessness go uncounted. Research shows a high prevalence of depression, suicide initiations, and other mental health disorders among youth who are homeless.

Chronic physical health conditions are common as are high rates of substance abuse disorders. Many youth who become homeless have histories of academic difficulties including suspension and expulsion. Youth experiencing homelessness engage in risky behaviors and have high rates of arrests and convictions. Youth who are lesbian, gay, bisexual, transgendered, or questioning (LGBTQ) disproportionately experience homelessness as a consequence of coming out.

More needs to be known about the expenses associated with youth homelessness, but it has been established that high rates of medical and behavioral health care and incarceration are costly. These costs compound over a lifetime as today's homeless youth become tomorrow's homeless adults.

It is widely acknowledged among experts involved in this work that there is a severe lack of capacity in nearly all communities to address the needs of youth experiencing homelessness. Youth are often disconnected from community systems or may come in contact with multiple systems. While family members can be a resource in resolving youth homelessness, there is lack of knowledge about the practices that support a safe return to family. Among youth-serving programs, there is often a lack of cultural competency to address needs of LGBTQ youth and youth of color.

Progress

Federal Framework to End Youth Homelessness

In February 2013, USICH released the *Framework to End Youth Homelessness: A Resource Text for Dialogue and Action*. This document was developed for Federal, State, and local stakeholders to use as a resource in their work to get better youth outcomes in stable housing, permanent connections, education, employment, and well-being. The framework details the intervention model contents, including risk and protective factors, practice frameworks, intervention strategies, and core outcomes (stable housing, permanent connections, education and employment, and well-being). Ongoing

dialogue is intended to drive action across communities to incorporate components of the intervention model into their programs and align their outcomes with the core outcomes in the model.

Working Group on Youth Homelessness

Similar in structure to the chronic homelessness and family working groups, the working group on youth homelessness is charged with executing and tracking progress on strategies to end youth homelessness. In 2013 this group advanced efforts aimed at:

- Supporting a national dialogue on the intervention model by communicating more broadly to communities and homeless service providers with opportunities to receive feedback
- Designing a LGBTQ prevention pilot in collaboration with the True Colors Fund, HUD, the Department of Health and Human Services (HHS), ED, and USICH to allow communities to test the youth framework's preliminary intervention model
- Supporting HUD's efforts to improve the capture of data in HUD's PIT count (and subsequent PIT counts), which for the first time in 2013 required all CoCs to report on the number of persons in each household type by age category (under age 18, 18 to 24, and over age 24)
- Subject to FY 2014 appropriations, supporting HHS in the design of a national study, which will improve data quality on the needs and characteristics of youth experiencing homelessness and inform the development of interventions to address youth homelessness

YouthCount!

USICH and its Federal partners, including ED, HUD, and HHS launched *YouthCount!*, a community-driven initiative to develop effective strategies for counting unaccompanied youth experiencing homelessness in conjunction with the local HUD PIT counts. The goal of this initiative was to identify promising strategies for conducting: 1) collaborative PIT counts of unaccompanied homeless youth that engage CoCs, Runaway and Homeless Youth (RHY) providers, local education agencies' homeless liaisons, and other local stakeholders; and 2) credible PIT counts that gather reliable data on unaccompanied youth experiencing homelessness. Nine sites participated in *YouthCount!*.

In partnership with the Council, Urban Institute, an independent national social policy organization, released the results of a process evaluation to understand the nine study sites' strategies for counting youth experiencing homelessness, identify promising practices, and highlight lessons that can be drawn to develop better methods to count this population in future PIT counts across the country. USICH has disseminated the findings of the study in order for communities to improve their methodology and strategic partnerships to get a more accurate count of youth experiencing homelessness. These efforts will help communities during the 2014 PIT count and will improve their data collection.

III. Other Council Work to Support Opening Doors' Implementation and Success

Affordable Care Act (ACA)

The implementation of ACA offers all States the opportunity to design health care benefits and delivery systems to support the proven innovation of permanent supportive housing. This is an unprecedented opportunity to scale up supportive housing and to target it toward people with chronic health conditions who have been homeless for long periods of time.

USICH and HHS worked together to advance understanding of ACA and engage agencies in activities to leverage ACA implementation to support the goals of the Plan. This included a presentation to Agencies in May, a policy brief, and the presentation of a set of recommendations to the Council in July including:

- Encouraging grantees that serve people experiencing homelessness to assist with Medicaid enrollment where appropriate
- Exploring how to increase alignment between means-tested programs and Medicaid eligibility and enrollment
- Engaging States and counties around how to align Medicaid services with housing

Increase Access to Mainstream Housing, Income, and Employment Resources

Targeted homeless resources alone will not end homelessness. Accessing mainstream resources, including education, employment, housing, legal services, and financial supports is critical for all populations and the overall success of the Plan. People who are experiencing or at-risk of homelessness may have difficulty navigating the application or re-certification process for these programs. Council actions to reduce these barriers have included:

- Supporting HUD on guidance issued in FY 2013 to public housing agencies (PHAs) and providers of multifamily housing to encourage prioritization of mainstream affordable housing resources for people experiencing homelessness
- Leading an interagency working group to develop and implement a Federal Interagency Best Practices Model for Connecting People Experiencing Homelessness to SSI/SSDI, which builds on the success of SAMSHA's SSI/SSDI Outreach, Access, and Recovery Technical Assistance (SOAR) initiative
- Creating, with input from HHS and HUD, a web-based tool to help communities better leverage mainstream service resources in order to end homelessness
- Ensuring full implementation of the Veterans Access to Benefits Plan and applying lessons learned to other populations

National Implementation of *Opening Doors*

USICH continues to support local implementation of the strategies outlined in *Opening Doors* through engagement with regional and State coordinating bodies, elected officials, PHAs, and community leaders. With a complement of 4.5 dedicated full-time employees (FTEs), USICH provides a range of targeted community engagement and technical expertise in communities through the implementation of place-based work, partnerships, and strategic communications.

Budget cuts in April required by sequestration meant that USICH instituted a necessary travel freeze on any USICH-funded non-local travel. This significantly impacted the level of direct, on-the-ground support and guidance that USICH Regional Coordinators were able to offer communities. Notwithstanding the impact of lessened travel, USICH staff were resourceful in leveraging virtual technology to support these communities. The focus in States and local communities continues to be:

- Building partnerships to enable USICH to serve as a bridge between community-level work and Federal policy; the Council provides information to the field and shares real-world challenges in

implementing Federal programs back to agencies to resolve and better support community-level efforts, thereby improving crucial partnerships between communities and the Federal government, which are necessary to accomplishing our goals on ending homelessness

- Fostering collaboration at the local level to implement a coordinated approach to homelessness, both by directly convening stakeholders, as the Council has done in Los Angeles, and by supporting local leadership as USICH has done in Houston and Atlanta
- Providing technical assistance and capacity building by sharing solutions and resources to support local implementation

Priority Communities

Through the work of Regional Coordinators, USICH conducts strategic and proactive engagement in priority communities, which are communities that have been identified as having the greatest incidences of homelessness. USICH is strengthening local collaboration, helping communities target resources, and providing technical assistance and strategic messaging to communities that are home to the majority of people experiencing homelessness in this country. Some activities include:

- Undertaking a new partnership with HUD to engage their mainstream housing resources in 10 communities, which included convening and managing local leadership teams, equipping those teams with a tool to use their data to determine needed housing interventions and analyze resources to identify opportunities where mainstream housing could meaningfully contribute to local efforts to reach the goals in *Opening Doors*; this effort established important groundwork for taking lessons learned to scale nationally
- Regional Coordinators participated in leadership teams for the four State-level SAMHSA Policy Academies to reduce the rate of chronic homelessness through a SAMHSA-sponsored, cross-agency Federal technical assistance effort. USICH brought necessary partners to the table, added content expertise, and in some areas is currently supporting follow-on activities. Similarly, the Council will build on lessons from this work to support of State efforts more broadly
- USICH supports the coordination of federally funded technical assistance in priority communities, by convening HUD, HHS, VA, and privately funded agencies to ensure communication and strategic implementation of activities

Partnerships

USICH advances national implementation of *Opening Doors* by fostering strategic partnerships on initiatives, amplifying key messages, and identifying opportunities for collaboration to further efforts to end homelessness. In FY 2013, the Council saw considerable success from partnership activities.

Philanthropic Partners

The importance of public-private partnerships has never been greater. As States and communities continue to face constrained resources, many philanthropic organizations dedicated to serving populations at-risk of or experiencing homelessness can play a larger leadership role. Coordination amongst all of these stakeholders is essential to achieving the goals of the Plan. USICH has:

- Promoted leadership in local planning efforts and awareness of evidence-based approaches among philanthropy and private funders

- Partnered with Funders Together to End Homelessness to convene funder networks around opportunities for collaboration
- Engaged local leaders on better ways to involve philanthropy and coordinate efforts with funders at the community planning table
- Partnered with Funders Together to End Homelessness to plan for a United Way Community of Practice focused on enhancing the capacity of local United Ways to advance efforts to end homelessness
- Partnered with Funders Together to End Homelessness to plan for a community of practice focused on ending youth homelessness.

Boot Camps

Working with Community Solutions and the Rapid Results Institute, HUD, VA, and USICH have been implementing a series of boot camps that bring together community agencies (PHAs, CoCs, VAMCs, service providers) to improve their ability to mobilize and advance efforts to move individuals to housing. This effort began in FY 2012, with boot camps focused on streamlining local HUD-VASH processes.

Building on what was successful in the first series, two new variations were launched in 2013. Acceleration Boot Camps focused on helping communities use their local data to understand what is needed and create an immediate 100-day plan to improve housing placement rates and other strategies to end chronic homelessness. Veterans boot camps focused on increasing housing placements of Veterans, improving HUD-VASH processes and targeting, and mobilizing all resources to end homelessness among Veterans.

A total of seven boot camps were held in FY 2013. Teams from 50 communities have participated and set take-down target goals, improved their processes, and created ambitious 100-day work plans. Teams then participated in a sustainability review at the 100-day mark to celebrate progress and challenge themselves with another 100-day goal. USICH Regional Coordinators have facilitated communities through this process, coached teams through the 100 days, and fielded policy and regulatory questions for clarification and resolution among Federal agencies.

Mayoral Partnerships

Mayors are critical partners in local community efforts to prevent and end homelessness. USICH continued its collaboration with their official non-partisan organizing body, the U.S. Conference of Mayors. USICH has:

- Engaged in numerous individual mayoral meetings to provide guidance and resource ideas based on specific community needs;
- Organized peer learning conversations between mayors with shared interests and concerns
- Leveraged expertise from mayors whose communities are already making significant progress towards the goals of *Opening Doors* to share promising practices and create momentum with other communities across the country

- Collaborated with the U.S. Conference of Mayors and VA on the successful adoption of a resolution at the June, 2013 conference that reinforced the need for collaborative action by mayors and VAMC directors to achieve the goal of ending homelessness among Veterans in 2015

Advocates

USICH hosts quarterly meetings with national advocacy organizations and Council agencies, creating a rare opportunity for open dialogue among stakeholders and policy makers from multiple agencies. Participants planned a series of topics to facilitate ongoing opportunities for public-private collaboration. In response to questions and issues raised in this open forum, USICH undertook research on criminalization of youth experiencing homelessness, which will further inform the Council's work on youth. In addition, USICH engaged national partners on efforts to accelerate progress on chronic homelessness by engaging this group in ways to improve identification, outreach, and prioritization of resources for individuals experiencing chronic homelessness.

Capacity Building

USICH has provided technical assistance materials, interactive learning opportunities, and other broadly available tools to help States and local communities. These tools and resources include:

- Collaborating with HHS on the development of guidance/manual on using Medicaid in permanent supportive housing along with correspondence from the director of the Centers for Medicaid & Medicare Services
- Partnering with HHS on the finalization of a policy brief that includes case studies of the experience of six States using Medicaid in supportive housing, and companion materials to improve accessibility of the findings for stakeholders
- Holding webinars, local meetings, conference calls, and other targeted engagements to support local understanding and capacity to leverage Medicaid towards efforts on homelessness
- Launching the Solutions Database, a searchable source of up-to-date information drawn from around the country, which Federal, State, and local partners can use to further their collaborative efforts to end homelessness; the database contains short profiles of important practices and programs, including tips for replicating successful approaches and information about results, as well as links to more information and resources
- Developing and disseminating an interactive web-based Guidebook for Public Housing Agencies to support their efforts to meaningfully advance local plans to end homelessness, using strategies that are tailored to the needs, goals, and opportunities of local communities

Communications

Communications activities are an essential way USICH supports the broad implementation of *Opening Doors*. USICH shares information on Federal policies and resources and evidence-based practices with local communities. USICH also provides tools, information, and resources to enhance the capacity of these communities to implement solutions to homelessness. These activities aim to:

- Disseminate information
- Build capacity
- Build evidence of what works and share it

Through the USICH website, regular electronic newsletters (with more than 16,000 subscribers), social media, and webinars, USICH disseminates information to build capacity, awareness, and political will to implement *Opening Doors*.

- USICH's website is a go-to resource for open Federal requests for proposals, other new funding opportunities to assist in ending homelessness, and linkages to key Federal agency partners, programs and initiatives
- USICH newsletters reinforce policy priorities and promote stakeholder understanding of the Administration's efforts and commitments to prevent and end homelessness
- USICH leverages partnerships to provide webinars and interactive learning opportunities in order to support field implementation of key systems-level work; webinar topics will increasingly be identified by the interagency working groups on chronic homelessness and Veteran homelessness, and will be part of efforts to disseminate the family framework and support efforts on youth
- USICH staff spoke at more than two dozen public events, which highlighted strategic work on the issue of homelessness
- USICH's increased social media engagement in FY 2013 has improved the accessibility of information on promising practices, successful community solutions, and relevant research
- USICH's website features blogs from nonprofit and community leaders, researchers, and Federal partners working in a variety of issue areas related to ending homelessness

Research

USICH provides easy access to research and outlines priority areas where Federal, local, and private investments should be focused towards additional research. A robust research base enables all those working to end homelessness to further implement best practices, and is a key element in changing the way the nation takes action. In setting forth a National Research Agenda, USICH hoped to catalyze researchers, policy professionals, and national, State and local leaders to improve the response to the crisis of homelessness. In addition, USICH launched a web-based Research Database that includes abstracts for approximately 200 studies conducted over the past decade, and which continues to help improve the knowledge base of the field.

Common Vocabulary and Data Standards

USICH works to develop and promote a common Federal vocabulary and data standard regarding housing status across all targeted homeless and key mainstream programs for low-income households. This work began in 2011 as part of a Congressional mandate in the HEARTH Act and is critical to identifying people served by government programs that are experiencing or at-risk of homelessness and to measure the impact of homelessness programs. USICH efforts in the area:

- Promote the common data standard through the shared use of HMIS
- Support HUD and HHS in progress towards integrating HHS's Runaway and Homeless Youth Management Information System with HUD's Homeless Management Information System (HMIS)

- Promote the use of HMIS for HHS's Projects for Assistance in Transition from Homelessness program, and participate in the process of integrating data from VA's homeless programs into HMIS

IV. Agency Operations

Human Capital

USICH's mission success is executed by highly skilled and expert staff who are essential to driving the changes the nation needs to move the needle on homelessness. Employees' performance tie directly to the mission, strategies, objectives, and overall performance of USICH. In FY 2013, USICH implemented its Office of Personnel Management-approved employee performance management system, which will support fair and objective measurement of job performance and regularly scheduled employee reviews and enable USICH to ensure it employs and maintains a high-level staff.

Contracting

In order to keep operational costs at a minimum and focus budgetary resources directly to accomplishment of the Agency's mission, USICH outsources several major components of its operations support to other entities, which in turn, support USICH and other government entities via cost-sharing arrangements. USICH maintains agreements with several divisions of the General Services Administration (GSA) to provide operational support for areas that would require additional, dedicated FTEs to perform. These support areas include HR, finance, payroll, legal counsel, EEO, and leasing. USICH also outsources its website and network support to private entities. The Director of Finance and Administration manages these areas, the contract support, and their work.

Financial Management

USICH has received consecutively clean audit opinions since its initial FY 2005 audit by an independent, outside CPA firm. For FY 2013, USICH received an unqualified audit opinion. USICH utilizes GSA's accounting system to track and report on its finances. No instances of improper payments occurred during FY 2013 or previous years.

V. Financial Statements and Auditor's Reports

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 financial health and performance. The following annual financial statements are prepared:

- Balance Sheet
- Statement of Net Cost
- Statement of Changes in Net Position
- Statement of Budgetary Resources

These statements are accompanied by corresponding notes. For FY 2013, the Council received an unqualified audit opinion that the financial statements were fairly stated in all material respects. USICH manages its finance and payroll support functions through GSA's Heartland Finance Center, in

Kansas City, MO. These transactions are supported by GSA's Pegasys accounting system, and other subsystems. During FY 2013, 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*, and other applicable guidance and are audited via the *Generally Accepted Auditing Standards* issued by the AICPA and the standards of financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, and other applicable guidance.

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 are \$268,821 and with the entire amount equal to the Agency's Fund Balance with Treasury. Fund Balance with Treasury is funding available for specific fiscal years through the Department of Treasury accounts from which USICH is authorized to make expenditures and pay amounts due.

For depreciation purposes, a threshold of \$5,000 per item is used in order to determine capitalization. Capitalized property, plant and equipment 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 \$178,203 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 USICH 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 2013 equal \$3,242,377.

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 2013 was \$90,618.

Statement of Budgetary Resources

This statement provides information on how budgetary resources were made available to USICH and the status of those budgetary resources at year-end. USICH was funded through a congressional appropriation totaling, after sequestration and a small rescission, \$3.13 million for FY 2013. Net outlays during FY 2013 totaled \$3,393,670, for activity attributable for FY 2013 and other fiscal years.

Limitations of the Financial Statements

As required by OMB Circular A-136, *Financial Reporting Requirements*, USICH discloses the following limitations on USICH's FY 2013 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.



INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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

Report on the Financial Statements

We have audited the accompanying balance sheets of the United States Interagency Council on Homelessness (USICH) as of September 30, 2013 and 2012, 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), and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 14-02, require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of USICH as of September 30, 2013 and 2012, and its net costs, changes in net position, and budgetary resources for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the information in the Management's Discussion and Analysis (MD&A), Required Supplementary Information (RSI), and Required Supplementary Stewardship Information sections be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board, who 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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered USICH's internal control over financial reporting (internal control) to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of USICH's internal control. Accordingly, we do not express an opinion on the effectiveness of USICH's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. 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, 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.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. In our fiscal year 2013 audit, we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether USICH's financial statements are free from material misstatement, we performed tests of its compliance with applicable provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or OMB Bulletin No. 14-02.

Management's Responsibility for Internal Control and Compliance

USICH's management is responsible for (1) evaluating effectiveness of internal control over financial reporting based on criteria established under the Federal Managers Financial Integrity Act (FMFIA), (2) providing a statement of assurance on the overall effectiveness of internal control over financial reporting, (3) ensuring USICH's financial management systems are in substantial compliance with FMFIA requirements, and (4) ensuring compliance with other applicable laws and regulations.

Auditor's Responsibilities

We are responsible for: (1) obtaining a sufficient understanding of internal controls over financial reporting to plan the audit, (2) testing compliance with certain provisions of laws and regulations that have a direct and material effect on the financial statements and applicable laws for which OMB Bulletin 14-02 requires testing, and (3) applying certain limited procedures with respect to the MD&A and other RSI.

We did not evaluate all internal controls relevant to operating objectives as broadly established by the FMFIA, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to testing controls over financial reporting. Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our audit results to future periods is subject to risk that controls may become inadequate because of changes in conditions or that the degree of compliance with controls may deteriorate. In addition, we caution that our internal control testing may not be sufficient for other purposes.

We did not test compliance with all laws and regulations applicable to USICH. We limited our tests of compliance to certain provisions of laws and regulations that have a direct and material effect on the financial statements and those required by OMB Bulletin 14-02 that we deemed applicable to USICH's financial statements for the fiscal year ended September 30, 2013. We caution that noncompliance with laws and regulations may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.

Purpose of the Report on Internal Control over Financial Reporting and the Report on Compliance and Other Matters

The purpose of the Report on Internal Control over Financial Reporting and the Report on Compliance and Other Matters sections of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of USICH's internal control or on compliance. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering USICH's internal control and compliance. Accordingly, these reports are not suitable for any other purpose.

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

Brown & Company

Largo, Maryland
December 6, 2013

U.S. INTERAGENCY COUNCIL ON HOMELESSNESS
BALANCE SHEET

As Of September 30, 2013 and 2012

		<u>2013</u>	<u>2012</u>
Assets:			
Intragovernmental:			
Fund Balance With Treasury	(Note 2)	\$ 266,468	\$ 532,799
Total Intragovernmental		<u>266,468</u>	<u>532,799</u>
Assets With The Public:			
Accounts Receivable, net	(Note 3)	2,353	2,266
General Property, Plant and Equipment	(Note 4)		
Total Assets With The Public		<u>2,353</u>	<u>2,266</u>
Total Assets		<u><u>\$ 268,821</u></u>	<u><u>\$ 535,065</u></u>
Liabilities:	(Note 5)		
Intragovernmental:			
Accounts Payable		25	
Other:			
Employee Benefits	(Note 6)	\$ 10,619	\$ 6,320
Total Intragovernmental		<u>10,644</u>	<u>6,320</u>
Liabilities With the Public:			
Accounts Payable		36,278	327,228
Other:	(Note 6)		
Accrued Funded Payroll and Leave		42,626	32,744
Employer Contributions and Payroll Taxes Payable		1,845	1,040
Unfunded Leave		86,809	47,836
Total Liabilities With the Public		<u>167,558</u>	<u>408,848</u>
Total Liabilities		<u><u>\$ 178,203</u></u>	<u><u>\$ 415,167</u></u>
Net Position:			
Unexpended Appropriations - Other Funds		175,074	165,468
Cumulative Results of Operations - Other Funds		<u>(84,456)</u>	<u>(45,570)</u>
Total Net Position		<u>90,618</u>	<u>119,898</u>
Total Liabilities and Net Position		<u><u>\$ 268,821</u></u>	<u><u>\$ 535,065</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
STATEMENT OF NET COST**

As Of And For The Years Ended September 30, 2013 and 2012

	2013	2012
Program Costs:		
USICH:		
Gross Costs	(Note 7) 3,242,377	3,333,551
Net Program Costs	3,242,377	3,333,551
Net Cost of Operations	\$ 3,242,377	\$ 3,333,551

*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

As Of And For The Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cumulative Results of Operations:		
Beginning Balances	\$ (45,570)	\$ (50,639)
Budgetary Financing Sources:		
Appropriations Used	3,117,733	3,249,610
Other Financing Resources (Non-Exchange):		
Imputed Financing	85,759	89,009
Total Financing Sources	<u>3,203,492</u>	<u>3,338,619</u>
Net Cost of Operations (+/-)	<u>3,242,377</u>	<u>3,333,551</u>
Net Change	<u>(38,886)</u>	<u>5,069</u>
Cumulative Results of Operations	<u><u>\$ (84,456)</u></u>	<u><u>\$ (45,570)</u></u>
Unexpended Appropriations:		
Beginning Balances	\$ 165,468	\$ 116,518
Budgetary Financing Sources:		
Appropriations Received	3,300,000	3,300,000
Other Adjustments	(172,661)	(1,440)
Appropriations Used	<u>(3,117,733)</u>	<u>(3,249,610)</u>
Total Budgetary Financing Sources	<u>9,606</u>	<u>48,950</u>
Total Unexpended Appropriations	<u>175,074</u>	<u>165,468</u>
Net Position	<u><u>\$ 90,618</u></u>	<u><u>\$ 119,898</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
STATEMENT OF BUDGETARY RESOURCES

As Of And For The Years Ended September 30, 2013 and 2012

	<u>2013</u> <u>Budgetary</u>	<u>2012</u> <u>Budgetary</u>
BUDGETARY RESOURCES		
Unobligated balance brought forward, October 1	\$ 148,624	\$ 110,668
Unobligated balance brought forward, October 1, adjusted	148,624	110,668
Recoveries of prior year unpaid obligations (unobligated balances)	95,981	3,702
Other changes in unobligated balance	<u>(51)</u>	<u>(1,440)</u>
Unobligated balance from prior year budget authority, net	244,554	112,930
Appropriations (discretionary and mandatory)	3,127,390	3,300,000
Spending authority from offsetting collections	<u>28,698</u>	<u>2,245</u>
Total budgetary resources	<u>\$ 3,400,642</u>	<u>\$ 3,415,175</u>
 STATUS OF BUDGETARY RESOURCES		
Obligations incurred	(Note 8) \$ 3,225,758	\$ 3,266,551
Apportioned	38	33,984
Unapportioned	<u>174,846</u>	<u>114,640</u>
Unobligated balance brought forward, end of year	174,884	148,624
Total budgetary resources	<u>\$ 3,400,642</u>	<u>\$ 3,415,175</u>
 CHANGE IN OBLIGATED BALANCE		
Unpaid obligations, brought forward, October 1 (gross)	\$ 384,175	\$ 187,831
Obligations incurred	3,225,758	3,266,551
Outlays (gross) (-)	<u>(3,422,368)</u>	<u>(3,066,505)</u>
Recoveries of prior year unpaid obligations (-)	(95,981)	(3,702)
Unpaid obligations, end of year	(Note 9) 91,584	384,175
Obligated balance, start of year (net)	384,175	187,831
Obligated balance, end of year (net)	<u>\$ 91,584</u>	<u>\$ 384,175</u>
 BUDGET AUTHORITY AND OUTLAYS, NET		
Budget authority, gross (discretionary and mandatory)	\$ 3,156,088	\$ 3,302,245
Actual offsetting collections (discretionary and mandatory) (-)	<u>(28,698)</u>	<u>(2,245)</u>
Budget authority, net (discretionary and mandatory)	3,127,390	3,300,000
Outlays, gross (discretionary and mandatory)	3,422,368	3,066,505
Actual offsetting collections (discretionary and mandatory) (-)	<u>(28,698)</u>	<u>(2,245)</u>
Outlays, net (discretionary and mandatory)	<u>\$ 3,393,670</u>	<u>\$ 3,064,260</u>
Agency outlays, net (discretionary and mandatory)	<u>\$ 3,393,670</u>	<u>\$ 3,064,260</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 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, 2013, 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 five annual funds (910: FY 2009, FY 2010, FY 2011, FY 2012, and FY 2013) and one no-year fund (910X). The annual fund for FY 2008 was cancelled and the remaining fund balance of \$51 was given back to US Treasury during fiscal year 2013.

	<u>FY 2013</u>	<u>FY 2012</u>
A. Fund Balance with Treasury		
Appropriated Fund	\$266,468	\$532,799
B. Status of Fund Balance with Treasury		
1) Unobligated Balance		
(a) Available	38	33,984
(b) Unavailable	174,846	114,640
2) Obligated Balance not yet Disbursed	<u>91,584</u>	<u>384,175</u>
Total	\$266,468	\$532,799

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>FY2013</u>	<u>FY2012</u>
A/R Claims- Non- Federal	\$2,353	\$2,266
Total	\$2,353	\$2,266

Note 4 - General Property, Plant and Equipment, Net

As of September 30, 2013 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.

	Furniture &			
<u>FY2013</u>	<u>Equipment</u>	<u>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>

	Furniture &			
<u>FY2012</u>	<u>Equipment</u>	<u>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, 2013, U.S. Interagency Council on Homelessness showed liabilities covered by budgetary resources of \$91,394 and liabilities not covered by budgetary resources of 86,809.

Liabilities covered by budgetary resources is composed of Accounts Payable \$32,788; Disbursements in Transit \$3,515; Employer Contributions and Payroll Taxes Payable \$12,465; and Accrued Funded Payroll and Leave \$42,626.

	<u>FY2013</u>	<u>FY2012</u>
With the Public		
Other	86,809	47,836
Total liabilities not covered by budgetary resources	86,809	47,836
Total liabilities covered by budgetary resources	91,394	367,331
Total Liabilities	<u>\$178,203</u>	<u>\$415,167</u>

Note 6 – Other Liabilities

Other liabilities with the public consist of Accrued Funded Payroll and Leave of \$42,626; Unfunded leave of \$86,809; and Employer Contributions and Payroll Taxes Payable – TSP of \$1,845. Other Intragovernmental liabilities consist of Employer Contributions and Payroll Taxes Payable \$10,619.

	<u>With the Public</u>	<u>Non-Current</u>	<u>Current</u>	<u>Total</u>
FY2013 Other Liabilities		86,809	44,471	\$131,280
FY2012 Other Liabilities		47,836	33,784	\$81,620

	<u>Intragovernmental</u>	<u>Non-Current</u>	<u>Current</u>	<u>Total</u>
FY2013 Other Liabilities		0	10,619	\$10,619
FY2012 Other Liabilities		0	6,320	\$6,320

Note 7 – Intragovernmental Costs and Exchange Revenue

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

	<u>Total FY2013</u>	<u>Total FY2012</u>
Program A		
Intragovernmental costs	1,068,788	1,049,153
Public costs	2,173,589	2,284,398
Total Program A costs	<u>3,242,377</u>	<u>3,333,551</u>
Total Program A	<u><u>3,242,377</u></u>	<u><u>3,333,551</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 FY2013</u>	<u>Total FY2012</u>
Direct		
Category B	<u>3,225,758</u>	<u>3,266,551</u>
Total Obligations	<u><u>3,225,758</u></u>	<u><u>3,266,551</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
FY2013	190	91,394	\$91,584
FY2012	16,844	367,331	\$384,175

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

Liabilities not covered by budgetary resources total \$86,809 and the change in components requiring or generating resources in future period shows \$38,973. The \$38,973 is the net increase of future funded expenses – leave between appropriations of annual fund 2012 and annual fund 2013. 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.

	FY2013	FY2012
Liabilities not covered by budgetary resources	\$ 86,809	\$ 47,836
Change in components requiring/generating resources	\$ 38,973	\$ (2,803)

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

	FY2013	FY2012	
Budgetary Resources Obligated	\$ 3,225,758	\$ 3,266,551	
Spending Authority from Recoveries and Offsetting Collections	(124,680)	(5,947)	
Imputed Financing from Costs Absorbed by Others	85,759	89,009	
Changes in Budgetary Resources Obligated for Goods, Services, and Benefits Ordered but Not Yet Provided	16,654	(10,994)	
Resources that Finance the Acquisition of Assets	(87)	(2,266)	
Financing Sources Yet to be Provided	38,973	(2,803)	
Net Cost of Operations	\$ 3,242,377	\$ 3,333,551	*
<i>*Rounding</i>			

Note 11 – Operating Lease and Future Lease Payments

USICH occupies office space under a lease agreement that is accounted for as an operating lease. USICH moved office locations in November, 2013, with greatly reduced, new office space rent amounts effective October 1, 2013. The current office lease term began on October 1, 2013 and expires on October 31, 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 expenses as of September 30, 2013 and 2012 were \$440,320 and \$438,058, respectively.

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

Fiscal Year	Office Space Costs
2014	\$ 217,000
2015	\$ 234,316
2016 (only covers October 1-October 31)	\$ 17,934
Total future payments	\$ 469,250