



Legislation Details (With Text)

File #: 13-0013 **Version:** 1 **Name:** DHHS - Refund prior year grants to HUD
Type: Agenda Item **Status:** Approved
File created: 12/19/2012 **In control:** City Council
On agenda: 1/8/2013 **Final action:** 1/8/2013

Title: Recommendation to authorize Department of Health and Human Services to refund prior-year grant funds to the Department of Housing and Urban Development, totaling \$158,643 plus interest. (Citywide)

Sponsors: Health and Human Services

Indexes: Reimbursement Agreement

Code sections:

Attachments: 1. 010813-C-14sr.pdf

Date	Ver.	Action By	Action	Result
1/8/2013	1	City Council	approve recommendation	Pass

Recommendation to authorize Department of Health and Human Services to refund prior-year grant funds to the Department of Housing and Urban Development, totaling \$158,643 plus interest. (Citywide)

The Department of Health and Human Services, Homeless Services Division received a whistleblower-type letter in November 2006 regarding a project sponsor, Atlantic Recovery Services (ARS) and subsequently ceased reimbursements during an audit of those allegations. The City held \$158,643 in reimbursements to ARS until the audit and ensuing legal processes had come to a close. The ARS ceased operation of the contracts and, in the 2007 Continuum of Care competition, these contracts were combined through reallocation to create a permanent housing program for homeless families at the Villages at Cabrillo, Family Commons, which has been fully operational since 2008.

The Code of Federal Regulations stipulate that local governments must return any remaining funds associated with a federal grant that arise due to refunds or technical corrections, even if the grant has already been closed out.

The following chart summarizes the grant refunds to the Department of Housing and Urban Development, by contract number:

CA16B106-009	Transitional Housing	\$ 46,317
CA16B206-001	Permanent Housing	37,456
CA16B206-002	Transitional Housing	40,802
CA16B306-002	Permanent Housing	34,068
	Total:	\$158,643

This matter was reviewed by Deputy City Attorney Barry Meyers on December 13, 2012 and by

Budget Management Officer Victoria Bell on December 17, 2012.

City Council action is requested on January 8, 2013 in order to facilitate processing of the required refund with interest accrual.

Subject refund monies due to the Department of Housing and Urban Development have been set aside in the Health Fund (SR 130), in the Department of Health and Human Services (HE). There is no impact to the General Fund and no local job impact associated with this action.

Approve recommendation.

S. MICHAEL JOHNSON
SUPPORT SERVICES BUREAU MANAGER
HEALTH AND HUMAN SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER