

United States Interagency Council on Homelessness Fiscal Year 2014 Performance and Accountability Report

November 2014



**“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

The U.S. Interagency Council on Homelessness (USICH) implements *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors)*, the nation's first comprehensive Federal strategic plan to prevent and end homelessness. *Opening Doors* has reduced homelessness by 10



percent overall, including a 25 percent reduction in unsheltered homelessness. Our progress ending homelessness extends to each of the goals set forth in *Opening Doors*. Since 2010, homelessness among people in family households declined by more than 15 percent and chronic homelessness fell by more than 21 percent. Additionally, homelessness among Veterans fell by 33 percent, including a 43 percent drop in the number of Veterans living on the streets, in cars, or in abandoned buildings. We have also seen a slight decrease in the number of unaccompanied youth experiencing homelessness; however, we know we have to improve our understanding of this vulnerable population and how we can better serve them.

The strategies in *Opening Doors* emphasize evidence-informed practices and policies built on data and performance measurement. The Plan focuses on innovation, which means valuing the adoption of new practices, policies, and technologies that more effectively advance work to prevent and end homelessness. *Opening Doors* also deploys the use

communication and convening tools to promote emerging practices and incentivize the implementation of evidence-based solutions to homelessness.

Our progress affirms that *Opening Doors* has the right strategies for ending homelessness. 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.

The implementation of the Plan has led to measurable progress and a clear sense of what is needed to fully realize the Administration's goals of ending homelessness and we expect to continue this work until everyone in this country has a safe and stable place to call home.

I. Introduction

USICH was established in 1987 by the Stewart B. McKinney Homeless Assistance Act (amended as the McKinney-Vento Homeless Assistance Act). 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." ¹

Pursuant to this mission, USICH launched *Opening Doors* in June 2010. The Plan serves as a roadmap for joint action by USICH and the 19 Federal departments and agencies that make up the Council, as well as national and community partners across the country. The central premise underlying *Opening Doors* is that no one in America should be without a safe and stable place to call home. The Plan provides a framework for achieving its goals, and through its implementation, forges strong and lasting partnerships with community leaders on the front lines in the fight to end homelessness. At the same time, *Opening Doors* is a living document and reflects the latest knowledge about what works, as well as the current state of progress on the Plan's goals. USICH is currently amending the Plan by changing the goal of ending chronic homelessness from 2015 to 2016. Work to amend the Plan began in FY 2014 and will continue into FY 2015.

USICH is a model of successful interagency collaboration (as highlighted in a 2014 GAO report²) and local engagement. Our ability to inform Federal policy is based on engagement with local stakeholders. USICH does not administer programs or have regulatory authority; rather, our tools for good governance come in the form of innovative collaborations and strategic engagements to drive smart, efficient systems change among our partners and stakeholders. Our focus on data and performance measurements seeks to maximize several billions of dollars in targeted homelessness funding by providing a foundation for evidence-informed practices.

USICH bridges siloed areas of government to achieve meaningful and effective collaborations. Our work is making a difference in communities. In Los Angeles, for example, over the past four years USICH and Federal partners at the Department of Veteran Affairs (VA), the Department of Housing and Urban Development (HUD), and the Department of Health and Human Services (HHS) generated an unprecedented culture of collaboration. Now, local HUD offices, VA medical centers, government entities, private enterprises, and nonprofit organizations are working together to address the problem of homelessness in smart and sustainable ways.

USICH recognizes that ending Veteran homelessness in Los Angeles, which represents the largest portion of homeless Veterans in the United States, would be an enormous victory for that community and for the nation. Since 2011, Los Angeles has achieved a 40 percent reduction in homelessness among Veterans and continues to make progress toward achieving the goal of ending Veteran homelessness in 2015. Now, the work being done in Los Angeles, especially around solving Veteran homelessness, serves as a model for the rest of the country. For example, analytic work USICH led with partners in Los Angeles resulted in the creation of a Gap Analysis report for VA Medical Centers. The

¹ Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009.

² GAO Report GAO-14-220, *Managing for Results, Implementation Approaches Used to Enhance Collaboration in Interagency Group*. February 2014. <http://www.gao.gov/assets/670/660952.pdf>

report analyzes housing and service resources necessary to end homelessness for every community in the United States.

USICH interagency collaboration also extends to breaking down silos between health care and housing sectors. Over the past few years, USICH worked closely with HHS to clarify the types of supportive services critical to supporting housing stability, but also to improving mental and behavioral health covered under Medicaid. In addition, USICH worked with HUD to encourage the prioritization of people with high Medicaid service utilization and increase provider capacity to receive Medicaid payment for supportive services. The alignment of health care coverage with stable housing and case management is a key strategy of *Opening Doors*.

II. The Council

USICH is comprised of the heads (or their designees) of 19 Federal departments and agencies. The Council meets four times each 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 these meetings, members review progress on *Opening Doors* population goals and sanction activities to support the Plan's implementation. Topics the Council have discussed in FY 2014 include: progress on ending homelessness among families and youth, reviewing progress on ending homelessness in priority communities, approving new strategies for leveraging Federal mainstream resources to end homelessness, and adopting an operational definition for an end to homelessness.

In January 2014, HUD Secretary Shaun Donovan was elected Chair of the Council and DOL Secretary Thomas Perez was elected Vice Chair. With Secretary Donovan's appointment as OMB Director, the Council elected Secretary Perez as Chair and HHS Secretary Sylvia Burwell as Vice Chair in July 2014.

In preparation for Council meetings, USICH meets with senior advisors to agency principals on a bi-monthly basis to set a strategic direction for the Council. USICH also provides a regular forum for member agencies to coordinate policies and programs, collect data, develop special initiatives, and prepare recommendations for consideration by Council members through its quarterly Council Policy Group (CPG) convening. CPG meetings this year focused on implementing *Opening Doors*, preparing for Council meetings, performance management, reviewing progress in priority communities, developing strategies to leverage mainstream resources, and discussing a proposed amendment to *Opening Doors*.

In addition to USICH member agencies, the White House Domestic Policy Council (DPC) and Joining Forces actively participate in Council activities. In June 2014, First Lady Michelle Obama launched the Mayors Challenge to End Veteran Homelessness, which gained commitments from mayors, governors, and county officials from all over the country to end Veteran homelessness in their communities by 2015. In July, First Lady Michelle Obama and USICH Executive Director Laura Zeilinger reaffirmed the Administration's commitment to achieving the Veterans goal at the Unite For Veterans event sponsored by the Federal Reserve Bank and the United Way of Greater Los Angeles. United for Veterans was an opportunity for top business, community, and civic leaders to discuss veteran support services and programs. At the event, Los Angeles Mayor Eric Garcetti announced his commitment to the Mayors Challenge to End Veteran Homelessness.

III. FY 2014 Discussion of Plan/Performance Goals and Objectives

Consistent with USICH's 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 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, as also noted above and which serve as the Agency's performance goals:

Opening Doors contains four 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 Plan was amended in September, 2012 to add more information about educational outcomes for children and unaccompanied youth experiencing homelessness and is currently being amended in four key areas:

- Change the timing on the goal of ending chronic homelessness from 2015 to 2016.
- Clarify the role of Medicaid in financing services that support housing stability.
- Provide a clearer vision and additional strategies on retooling homeless services into crisis response systems.
- Discuss the importance of data and metrics and include an operational definition of an end to homelessness.

The goal is also supported by 10 objectives that cover five joint action items by the Federal government and its partners at the State and local levels.

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 also demands a commitment to reassessment and the ability to alter course based on changing conditions and lessons learned.

FY 2014 Plan/Performance Goals Progress

The 2014 Point-in-Time (PIT) count shows a steady and significant decrease in national rates of homelessness since the launch of *Opening Doors*. This progress is evidence that the Obama Administration has significantly impacted the trajectory of homelessness. The progress is particularly remarkable given that much of it took place during an economic recession.

Annual Update to Opening Doors

Pursuant to the HEARTH Act, USICH is required to publish an annual update on progress towards *Opening Doors*. The report examines the accomplishments of Council member agencies, as well as barriers to implementation. While the report serves as an update to both Congress and the public, it is also an opportunity for Council member agencies to evaluate their performance and make necessary adjustments. The 2014 report is currently underway and will be published in FY 2015.

Goal 1: Finish the Job of Ending Chronic Homelessness in 2016

According to HUD's Annual Homeless Assessment Report (AHAR), 84,291 individuals experience chronic homelessness throughout the nation on a single night in January 2014. The human and fiscal toll of chronic homelessness is high. People experiencing chronic homelessness are extremely vulnerable and the longer they remain without housing, the more likely that their health will deteriorate. By ending chronic homelessness, the Federal government can demonstrate its ability to solve one of the most visible, costly, and seemingly intractable manifestations of homelessness.

Research indicates people experiencing chronic homelessness disproportionately contribute to public costs due to repeated encounters with publically funded systems such as shelters, jails, emergency rooms, hospitals, and behavioral health care services. Studies estimate that the average total annual public costs generated by each individual experiencing chronic homelessness ranges from \$40,000 to over \$70,000.³ Taking the lower estimate of the annual public costs and the total current population of people experiencing chronic homeless population, this suggests that allowing chronic homelessness to persist costs the American public nearly \$3.4 billion annually.

Interagency Working Group on Chronic Homelessness

Despite a 21 percent reduction in chronic homelessness since 2010, there is still work to do. In FY 2013, USICH launched an Interagency Working Group on Chronic Homelessness to develop key strategies needed to achieve the goal of ending chronic homelessness. The working group focuses on implementing activities to accelerate progress on ending chronic homelessness, including: increasing access to permanent supportive housing opportunities, aligning Federal policies, funding, messaging and technical assistance, and securing the requested resources in FY 2015 to bring permanent supportive housing to scale. During FY 2014, the working group:

- Increased the availability of permanent supportive housing for people experiencing chronic homelessness by 13,000 units, with an additional 14,000 units anticipated, through improved targeting and reallocation of existing resources.
- Published a tool to assist communities in reallocating Continuum of Care resources away from underperforming and less cost-effective transitional housing to permanent supportive housing.
- Published key guidance and resources on how states can use Medicaid to finance services in permanent supportive housing and provided technical assistance to several communities.
- Increased state engagement around ending chronic homelessness through SAMHSA's Policy Academies in Louisiana, California, Washington State, and Georgia.

³ Culhane, DP., Metraux, S., Hadley, T. (2002) "Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing." *Housing Policy Debate* 13(1): 107-163. Economic Roundtable (2009). "Where We Sleep: Costs When Homeless and Housed in Los Angeles." http://shnny.org/uploads/Where_We_Sleep.pdf

- Provided technical assistance and messaging around topics like Housing First, the prioritization of people experiencing chronic homelessness in permanent supportive housing, outreach and engagement, working with the criminal justice system, and systems change.

Reentry Council: Housing/Homelessness Sub-Committee

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

Goal 2: End Homelessness among Veterans in 2015

On November 8, 2014, President Obama stated, "Let's work together to end the tragedy of homelessness among Veterans once and for all, because anyone who has defended America deserves to live with dignity in America." Ending homelessness among Veterans by 2015 is a national priority and one that has widespread bi-partisan support. HUD's 2014 AHAR reported that 49,933 Veterans are experiencing homelessness. This figure reflects a 33 percent reduction since 2010, including a 43 percent reduction in Veterans living on the street, in cars, abandoned buildings, or otherwise unsheltered. In the final push to the 2015 goal, there is a need to ensure seamless coordination and capacity at the national and local level.

Solving Veteran Homelessness as One

Solving Veterans Homelessness as One (SVHO) is an interagency decision making body of USICH, HUD, and VA officials, tasked with implementing strategies to end homelessness among Veterans. SVHO plans and executes strategic actions through goal setting, policy gap identification, communication, and action. Some examples of SVHO's work this year include the following:

- Implemented the HUD-Veterans Affairs Supportive Housing (HUD-VASH) and Supportive Services for Veteran Families (SSVF) programs.
- Achieved 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.
- Identified and promoted ways communities can improve data sharing, analysis, and where feasible, data integration among VA-funded and HUD-funded providers.
- Fostered the development of local targets to meet the 2015 goal.
- Promoted 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.
- Finalizing national metrics for measuring an end to homelessness among Veterans.
- Implemented the 25 Cities effort to foster the creation of coordinated assessment and entry systems that align the resources of CoCs and local VA programs and services.

Goal 3: End Homelessness among Families and Children in 2020

Data from HUD indicates that 67,613 families were homeless at a point-in-time in 2014. Data from HUD's most recent 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.

The cost of family homelessness is high and impacts a number of systems; but more importantly families experiencing homelessness have lasting detrimental social impacts. When families become homeless the experience itself is traumatizing, especially for children. Specifically, children experiencing homelessness have high rates of acute and chronic health problems and exposure to violence. Homeless school-age children are also more likely to have emotional problems such as anxiety, depression, withdrawal, and manifestation of aggressive behavior. Moreover, repeated school mobility leads to decreased academic achievement. Ending family homelessness requires leveraging national priorities around closing the achievement gap, increasing graduation rates, and improving economic stability for future generations.

Working Group on Family Homelessness

During FY 2014, USICH 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 short-term and long-term strategies, including:

- 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 still difficult to pinpoint, tough efforts are underway to improve national estimates of youth through the Point-in-Time count. Due to barriers that exist for young people in accessing adult-only shelters and their lack of connection to most social services, many youth experiencing homelessness go uncounted. Research shows a high prevalence of depression, suicide initiations, and other mental health disorders among youth experiencing homelessness.

Chronic physical health conditions and high rates of substance abuse disorders are common among homeless youth. Many youth that become homeless have histories of academic difficulties including suspension and expulsion. They also are more likely to engage in risky behaviors and have higher rates of arrests and convictions. Youth that are lesbian, gay, bisexual, transgendered, or questioning (LGBTQ) disproportionately experience homelessness as a consequence of coming out. It is also established that homeless youth incur higher rates of medical and behavioral health care and incarceration costs; however, we need better data on the expense associated with youth homelessness. Notably, 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 be in the care of multiple systems. While family members can be a resource in resolving youth homelessness, there is lack of information regarding 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.

Working Group on Youth Homelessness

In FY 2014, USICH continued to lead an interagency working group on youth homelessness focused on assisting communities to implement the *Framework to End Youth Homelessness: A Resource Text for Dialogue and Action*. This Framework was developed for Federal, State, and local stakeholders as a resource to achieve 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).

During FY 2014, this group accomplished the following:

- Published a Point-in-Time count methodology guidance that incorporated lessons learned from Youth Count! to improve community strategies for counting unaccompanied youth experiencing homelessness.
- Held a regional West coast convening of youth providers and advocates around ways that the Framework can guide policy and practice around ending youth homelessness.
- Provided technical assistance and messaging around the Youth Framework and assessed programs around the four core outcomes.
- Continued to support the planning and implementation of a LGBTQ prevention pilot in collaboration with the True Colors Fund, HUD, HHS, ED, and USICH.
- Continued developing a sampling methodology for estimating the prevalence of youth homelessness .
- Compiled a list of evidence-based screening and assessment tools for youth experiencing homelessness.
- Advanced steps towards the integration of the RHYMIS and HMIS data systems.
- Published an Informational Memorandum on services for youth under age 18 who run away from foster care and come in contact with runaway and homeless youth programs.

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

Affordable Care Act (ACA)

The implementation of the Affordable Care Act (ACA) offers States the opportunity to design health care benefits and delivery systems to support permanent supportive housing. As such, ACA offers an unprecedented opportunity to scale up supportive housing and target it toward people experiencing homelessness for long periods of time with chronic health conditions.

During FY 2014, USICH provided technical assistance to several states around ways to leverage Medicaid to finance services in permanent supportive housing. USICH also provided a training for states participating in the National Governors Association's Policy Academy on Medicaid Super-utilizers on permanent supportive housing. In October 2014, HHS released two new documents that provide guidance on how States can cover services in permanent supportive housing under Medicaid. Council agencies are now working to disseminate these tools and exploring a technical assistance initiative to assist States and communities in adopting the options outlined in the documents.

Increase Access to Mainstream Housing, Income, and Employment Resources

Targeted homeless resources alone will not end homelessness. Accessing mainstream resources, including education, employment, housing, health care, and financial supports are critical for all populations and the overall success of *Opening Doors*. Leveraging mainstream resources to end homelessness has been a major Council priority during FY 2014. Key accomplishments in 2014 included the following:

- Engaged public housing authorities to end homelessness through engagement with industry groups and targeted technical assistance.
- Lead 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.
- Engaged workforce systems to better connect people experiencing homelessness to jobs.
- Improved coordination between schools and local educational agencies and Continuums of Care.
- Encouraged the use of TANF to fund housing stabilization services and short-term rental assistance.
- Encouraged coordination between Head Start programs, homeless services, and housing.

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. USICH provides a range of targeted community engagement and technical expertise in communities through the implementation of place-based work, partnerships, and strategic communications.

USICH has five full time employees (FTEs) based in communities throughout the United States serving National Initiatives team. USICH uses the majority of its travel funding to enable members the National

Initiatives team and other USICH staff to travel to communities and provide on-the-ground support and guidance, to facilitate important meetings, deliver presentations and training sessions, and help ensure that local communities are using Federal, State, and local resources in alignment with best practices. USICH's staff is also resourceful in leveraging virtual technology to support these communities. The focus in States and local communities in 2014 included the following:

- Built 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.
- Fostered collaboration at the local and State levels to implement a coordinated approach to homelessness, both by directly convening stakeholders to foster new partnerships and by supporting leadership who are trying to implement approaches in alignment with Federal priorities and strategies.
- Assisted communities to analyze data and use those analyses to drive decisions regarding resources and practices.
- Disseminated tools, reports, and other materials developed by USICH and Federal agencies to ensure that documents are being used effectively within local communities.
- Provided technical assistance and capacity building by sharing solutions and resources to support local implementation.

Priority Communities

USICH conducts strategic and proactive engagement in twenty-five (25) priority communities, selected by USICH based on an analysis of the Point-in-Time (PIT) Count and other relevant data sources. Progress on homelessness nationwide is dependent on progress in these communities, which accounted for 37 percent of all people experiencing homelessness according to the 2014 PIT Count. USICH is strengthening local collaboration, helping communities target resources, and providing technical assistance and strategic messaging to these communities that are home to the majority of people experiencing homelessness in this country. USICH activities in 2014 included the following:

- Continued to implement a partnership with HUD to engage Federally-funded mainstream affordable 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 housing interventions, and identifying opportunities where mainstream housing could meaningfully contribute to local efforts to reach the goals in *Opening Doors*. Currently, HUD is implementing technical assistance on preferences and prioritization for people experiencing homelessness within housing funded through HUD's Multifamily housing programs.
- The National Initiative Team recently convened representatives from State governments in thirteen (13) States to discuss strategies for strengthening State-local coordination, opportunities for using mainstream resources to end homelessness, outcomes from SAMHSA-led Policy Academies to reduce the rate of chronic homelessness, and other topics. USICH will continue to provide information and guidance for these State partners, fostering increased understanding of Federal priorities and programs and peer-to-peer learning opportunities.

- USICH supported 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 homelessness activities.
- USICH hosted and facilitated sessions in nine (9) of the priority communities and gathered input and ideas for amending *Opening Doors*. USICH also hosted an input session on the amendment at the National Alliance to End Homelessness Conference in July 2014.

Partnerships

USICH advances the implementation of *Opening Doors* by fostering strategic partnerships on initiatives, amplifying key messages, and identifying opportunities for collaboration. In FY 2014, the Council saw considerable success from partnership activities.

Philanthropic Partners & Advocates

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. In an effort to foster greater public-private partnerships, 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 and convened funder networks around opportunities for collaboration.
- Engaged local leaders on ways to involve philanthropy and coordinate efforts with funders at the community planning table.
- Provided guidance and technical assistance to United Way agencies within communities as they seek to implement new strategies 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.

Additionally, 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 of the quarterly advocates meetings planned a series of topics to facilitate ongoing opportunities for public-private collaboration. In FY 2014, the meeting dealt with topics such as: ending homelessness among families, Council priorities for the year, the Amendment, chronic homelessness, Medicaid and permanent supportive housing, the Work Force Investment and Opportunity Act, and crisis response and coordinated assessment.

Local Partnerships for Creation of Coordinated Assessment and Entry Systems

USICH works closely with VA, HUD, and technical assistance providers on the implementation of the 25 Cities effort. 25 Cities is an initiative that provides technical assistance and mobilizes local planning efforts and partnerships to create effective systems for aligning housing and service interventions through coordinated systems. The aim of this effort is to assist communities in the alignment of coordinated assessment and entry systems. If a community is already developing a coordinated system

that targets specific populations experiencing homelessness (e.g., families with children, single adults, and/or youth), this initiative works to enhance that system to address the housing needs of all populations.

Leaders and teams from each community optimize access to existing housing opportunities, with support from technical assistance providers, in turn accelerating the number of permanent housing placements each month for Veterans experiencing homelessness and individuals experiencing chronic homelessness. 25 Cities supports community teams in setting aggressive 100-day goals and uses these goals to stimulate innovation and increase collaboration.

Local teams made significant progress in implementing standardized assessments of large segments of the population and are increasingly focused on using the data gathered to drive policy and funding decisions in order to better align housing and services. Continued implementation of the 25 Cities efforts will remain an important emphasis of USICH's work throughout FY 2015.

Mayoral Partnerships

Mayors are critical partners in local community efforts to prevent and end homelessness, and in FY 2014 USICH expanded its strategies for engaging these local leaders. This year USICH's partnerships with mayors included the following:

- Worked with HUD and Joining Forces to launch the Mayors Challenge to end Veteran Homelessness, engaging a growing coalition of mayors, governors, and county officials that signed on to the challenge and committed to ending Veteran homelessness in their communities by the end of 2015. Through the Mayors Challenge, mayors and other State and local leaders are marshalling Federal, local, and nonprofit resources to end Veteran homelessness in their communities. To aid the mayors in pursuit of this goal, USICH, HUD, and VA provided resources and enforced programs to strengthen homeless assistance programs. Currently, more than 250 Mayors and jurisdictional leaders have signed on.
- Engaged in numerous individual mayoral meetings to provide guidance and resource ideas based on specific community needs and organized peer learning conversations between policy advisors to mayors.
- Leveraged expertise from mayors 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 non-partisan U.S. Conference of Mayors (USCM) to participate in USCM's semi-annual meetings and deliver presentations at several difference committee meetings, including USCM's Hunger and Homelessness Task Force, Housing and Community Development Committee, and Veterans Task Force.

Amendment to *Opening Doors*

In FY 2014, USICH undertook a critical examination at *Opening Doors* to assess if the Plan needed any amendments. Through this process, USICH determined that the Plan contains the right strategies to end homelessness. At the same time, USICH identified a few places where amendments were needed to ensure that the Plan remains a living document, containing the most current knowledge and practices for ending homelessness. In particular, USICH determined that amendments were needed in the following four areas:

- Amending the timing of the goal of ending chronic homelessness from 2015 to 2016, consistent with our understanding of when this goal can be achieved;
- Providing clarification on the role of Medicaid in financing services in permanent supportive housing;
- Providing clearer direction and updated Federal strategies on retooling homeless services into crisis response systems; and
- Highlighting the importance of data in ending homelessness, including articulating an operational definition for an end to homelessness.

To obtain stakeholder input on the Amendment, USICH convened listening sessions in 11 communities. These sessions enabled USICH to get a sense of the current progress and challenges with implementing *Opening Doors* at the community level. USICH also solicited input through an online crowd-sourcing platform. USICH and Council agencies incorporated stakeholder input in revising the Plan in the key areas identified. USICH also updated the Plan with more current data and also carried forward the changes made in the 2012 Amendment. The draft 2014 Amendment to *Opening Doors* was submitted into intergovernmental clearance in November 2014.

Communications

Communications activities are an essential way USICH supports the broad implementation of *Opening Doors*. The USICH Communication Department provides tools, information, and resources to enhance the capacity of these communities to implement solutions to homelessness. These activities seek to build capacity, share best practices, and highlight the successes of communities moving people moving from homelessness to stability. In FY 2014, USICH expanded capacity, producing and sharing more tools and resources than ever before.

Through the USICH website, USICH's Communications Department constantly engages the audience with emails publications, blogs, social media, webinars, and videos, in order to disseminate information and build capacity and political will to implement *Opening Doors*. USICH's website is a go-to resource for best practices to end homelessness, Federal requests for proposals, new funding opportunities, and linkages to key Federal agency partners' programs and initiatives. For example, the USICH Solutions Database provides a searchable source of up-to-date information drawn from around the country offering short profiles, tips for replicating successful practices, as well as links to supplemental information. USICH's website features blogs and articles from nonprofit and community leaders, researchers, and Federal partners working in a variety of issue areas related to ending homelessness. USICH is currently undergoing a website redesign project that will help our audience better find the information and resources most helpful to their needs.

USICH's social media engagement has significantly improved the accessibility of information on promising practices, successful community solutions, and relevant research, and has further strengthened our connection and engagement with partners in communities. USICH email publications, including newsletters, digests, and news alerts, reinforce policy priorities and promote stakeholders understanding of the Administration's efforts and commitments to prevent and end homelessness.

In addition to USICH's website, publications, and social media presence, USICH leverages partnerships to provide webinars and interactive learning opportunities to support the implementation of systems-level work. USICH webinar topics are increasingly identified by the interagency working groups on chronic

homelessness and Veteran homelessness, and already part of USICH efforts to disseminate the family framework and support efforts on youth.

Common Vocabulary and Data Standards

USICH is working to develop and promote a common Federal vocabulary and data standard across all targeted homeless and key mainstream programs for low-income households. Work to develop a vocabulary began in 2011 as part of a Congressional mandate in the HEARTH Act and is critical to identifying and measuring the impact of people served by government programs. USICH efforts in this area in FY 2014 included the following:

- Promoted the common data standard through the shared use of HMIS.
- Supported HUD and HHS in progress towards integrating HHS's Runaway and Homeless Youth Management Information System with HUD's Homeless Management Information System (HMIS).
- Promoted the use of HMIS for HHS's Projects for Assistance in Transition from Homelessness program, and participated in the process of integrating data from VA's homeless programs into HMIS.
- Supported HHS to provide guidance and tools to assist TANF agencies to identify families experiencing homelessness.

V. Agency Operations

The success of *Opening Doors* is dependent on USICH's ability to maintain a highly skilled staff. USICH employee performance is tied directly to the Agency's mission, strategies, objectives, and overall performance.

In order to keep operational costs at a minimum and focus budgetary resources directly on accomplishing the Agency's mission, USICH outsources several major components of work to other government entities, namely the General Services Administration (GSA), via cost-sharing arrangements. These support areas include HR, finance, payroll, legal counsel, and EEO processing. USICH maintains control of the work and authorization processes, and GSA executes transactions and performs other operations support work as directed by USICH. USICH also outsources its website and network support to private entities. These mission support areas fall under the responsibility of the Agency's Director of Finance and Administration.

For FY 2014, USICH received an unmodified or clean audit opinion. USICH utilizes GSA's accounting system to track and report on its finances. No instances of improper payments occurred during FY 2014 or previous years.

VI. 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 undertakes an independent annual audit to ensure reliability in assessing the Council's financial health and performance. Each year, USICH prepares the following financial statements:

- 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 2014, the Council received an unmodified or clean 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 2014, 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 dollar amounts available for use by USICH (assets) against the amounts owed (liabilities) and amounts that comprise the difference (net position). Total Assets for USICH total \$637,333 -- \$636,448 and are attributable to the Agency's Fund Balance with the Department of Treasury (Treasury), and \$885 attributable to Accounts Receivable. 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, plants, 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 \$462,693, including accounts payable, which consists 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 is obtained from future appropriations.

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 2014 equals \$3,448,271.

Statement of Changes in Net Position

The State of Changes in Net Position presents 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 2014 is \$174,640.

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 is funded through a congressional appropriation totaling \$3,500,000 for FY 2014. Net outlays for activity during FY 2014 totaled \$3,041,762.

Limitations of the Financial Statements

As required by OMB Circular A-136, *Financial Reporting Requirements*, USICH discloses the following limitations on USICH's FY 2014 financial statements, which are contained in this Report. The financial statements are prepared to report the financial position and results of operations of USICH, pursuant to the requirements of 31 U.S.C. § 3515 (b). The statements are 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. These 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, 2014 and 2013, 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*. 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.

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 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, (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 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 No. 14-02 requires testing, and (3) applying certain limited procedures with respect to the MD&A and other RSI.

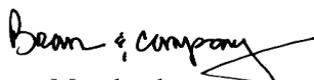
We did not evaluate all internal controls relevant to operating objectives as broadly established by the FMFIA, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to testing controls over financial reporting. Because 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 No. 14-02 that we deemed applicable to USICH's financial statements for the fiscal year ended September 30, 2014. 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.



Largo, Maryland
November 17, 2014

U.S. INTERAGENCY COUNCIL ON HOMELESSNESS
BALANCE SHEET

As Of September 30, 2014 and 2013

		2014	2013
Assets:			
Intragovernmental:			
Fund Balance With Treasury	(Note 2)	\$ 636,448	\$ 266,468
Total Intragovernmental		636,448	266,468
Assets With The Public:			
Accounts Receivable, net	(Note 3)	885	2,353
Total Assets		\$ 637,333	\$ 268,821
Liabilities:	(Note 5)		
Intragovernmental:			
Accounts Payable		\$ 116,218	\$ 25
Other:	(Note 6)		
Employer Contributions and Payroll Taxes Payable		11,373	10,619
Total Intragovernmental		127,591	10,644
Liabilities With the Public:			
Accounts Payable		199,991	36,279
Other:	(Note 6)		
Accrued Funded Payroll and Leave		43,884	42,626
Employer Contributions and Payroll Taxes Payable		1,957	1,845
Unfunded Leave		89,270	86,809
Total Liabilities		\$ 462,693	\$ 178,203
Net Position:			
Unexpended Appropriations - All Other Funds (Consolidated Totals)		\$ 292,044	\$ 175,074
Cumulative Results of Operations - All Other Funds (Consolidated Totals)		(117,404)	(84,456)
Total Net Position - All Other Funds (Consolidated Totals)		174,640	90,618
Total Net Position		174,640	90,618
Total Liabilities and Net Position		\$ 637,333	\$ 268,821

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, 2014 & 2013

	2014	2013
Program Costs:		
USICH:		
Gross Costs	\$ 3,448,271	\$ 3,242,377
Net Program Costs	(Note 7) 3,448,271	3,242,377
Net Cost of Operations	\$ 3,448,271	\$ 3,242,377

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, 2014 & 2013

FY 2014 (CY)

	<u>Funds From Dedicated Collections (Consolidated Totals)</u>	<u>All Other Funds (Consolidated Totals)</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
Cumulative Results of Operations:				
Beginning Balances	\$ -	\$ (84,456)		\$ (84,456)
Budgetary Financing Sources:				
Appropriations used	-	3,294,772		3,294,772
Other Financing Sources (Non-Exchange):				
Imputed financing	-	120,551		120,551
Total Financing Sources	-	3,415,323	-	3,415,323
Net Cost of Operations	-	3,448,271		3,448,271
Net Change	-	(32,948)		(32,948)
Cumulative Results of Operations	-	(117,404)		(117,404)
Unexpended Appropriations:				
Beginning Balance	-	175,074		175,074
Budgetary Financing Sources:				
Appropriations received	-	3,500,000		3,500,000
Other adjustments	-	(88,257)		(88,257)
Appropriations used	-	(3,294,772)		(3,294,772)
Total Budgetary Financing Sources	-	116,970		116,970
Total Unexpended Appropriations	-	292,044		292,044
Net Position	-	\$ 174,640		\$ 174,640

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, 2014 & 2013

FY 2013 (PY)

	<u>Funds From Dedicated Collections (Consolidated Totals)</u>	<u>All Other Funds (Consolidated Totals)</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
Cumulative Results of Operations:				
Beginning Balances	\$ -	\$ (45,571)		\$ (45,571)
Budgetary Financing Sources:				
Appropriations used	-	3,117,733		3,117,733
Other Financing Sources (Non-Exchange):				
Imputed financing	-	85,759		85,759
Total Financing Sources	-	3,203,492	-	3,157,921
Net Cost of Operations	-	3,242,377		3,242,377
Net Change	-	(38,885)		(38,885)
Cumulative Results of Operations	-	(84,456)		(84,456)
Unexpended Appropriations:				
Beginning Balance	-	165,468		165,468
Budgetary Financing Sources:				
Appropriations received	-	3,300,000		3,300,000
Other adjustments	-	(172,661)		(172,661)
Appropriations used	-	(3,117,733)		(3,117,733)
Total Budgetary Financing Sources	-	9,606		9,606
Total Unexpended Appropriations	-	175,074		175,074
Net Position	-	\$ 90,618		\$ 90,618

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, 2014 & 2013

	<u>2014</u>		<u>2013</u>
	Budgetary		Budgetary
BUDGETARY RESOURCES			
Unobligated balance brought forward, October 1	\$ 174,884	\$	148,624
Unobligated balance brought forward, October 1, adjusted	174,884		148,624
Recoveries of prior year unpaid obligations (unobligated balances)	-		95,981
Other changes in unobligated balance	<u>(88,258)</u>		<u>(51)</u>
Unobligated balance from prior year budget authority, net	86,626		244,554
Appropriations (discretionary and mandatory)	3,500,000		3,127,390
Spending authority from offsetting collections	11,423		28,698
Total budgetary resources	<u>\$ 3,598,049</u>	\$	<u>3,400,642</u>
 STATUS OF BUDGETARY RESOURCES			
Obligations incurred	(Note 8) \$ 3,355,546	\$	3,225,758
Apportioned	157,372		38
Unapportioned	<u>85,131</u>		<u>174,846</u>
Unobligated balance brought forward, end of year	242,503		174,884
Total budgetary resources	<u>\$ 3,598,049</u>	\$	<u>3,400,642</u>
 CHANGE IN OBLIGATED BALANCE			
Unpaid obligations, brought forward, October 1 (gross)	\$ 91,584	\$	384,175
Obligations incurred	3,355,546		3,225,758
Outlays (gross) (-)	(3,053,185)		(3,422,368)
Recoveries of prior year unpaid obligations (-)	-		(95,981)
Unpaid obligations, end of year	<u>393,945</u>		<u>91,584</u>
Obligated balance, start of year (net)	91,584		384,175
Obligated balance, end of year (net)	(Note 9) <u>\$ 393,945</u>	\$	<u>91,584</u>
 BUDGET AUTHORITY AND OUTLAYS, NET			
Budget authority, gross (discretionary and mandatory)	\$ 3,511,423	\$	3,156,088
Actual offsetting collections (discretionary and mandatory) (-)	<u>(11,423)</u>		<u>(28,698)</u>
Budget authority, net (discretionary and mandatory)	3,500,000		3,127,390
Outlays, gross (discretionary and mandatory)	3,053,185		3,422,368
Actual offsetting collections (discretionary and mandatory) (-)	<u>(11,423)</u>		<u>(28,698)</u>
Outlays, net (discretionary and mandatory)	<u>3,041,762</u>		<u>3,393,670</u>
Agency outlays, net (discretionary and mandatory)	<u>\$ 3,041,762</u>	\$	<u>3,393,670</u>

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, 2014, 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 comes from appropriations. This fund balance with treasury is a consolidated balance of five annual funds (910: FY 2010, FY 2011, FY 2012, FY 2013 and FY 2014) and one no-year fund (910X). The annual fund for FY 2009 was cancelled and the remaining fund balance of \$88,257 was given back to U.S. Treasury during fiscal year 2014.

	<u>FY 2014</u>	<u>FY 2013</u>
A. Fund Balance with Treasury		
Appropriated Fund	\$636,448	\$266,468
B. Status of Fund Balance with Treasury		
1) Unobligated Balance		
(a) Available	157,372	38
(b) Unavailable	85,131	174,846
2) Obligated Balance not yet Disbursed	<u>393,945</u>	<u>91,584</u>
Total	\$636,448	\$266,468

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>FY 2014</u>	<u>FY 2013</u>
A/R Claims- Non- Federal	<u>\$885</u>	<u>\$2,353</u>
Total	\$885	\$2,353

Note 4 - General Property, Plant and Equipment, Net

As of September 30, 2014 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 FY 2003 and received in FY 2005, the useful life is 3 years. A \$5,000 threshold is used to determine whether items are capitalized.

FY 2014	Equipment	Furniture & Fixtures	Software	Total
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>

FY 2013	Equipment	Furniture & Fixtures	Software	Total
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, 2014, U.S. Interagency Council on Homelessness showed liabilities covered by budgetary resources of \$344,405 and liabilities not covered by budgetary resources of \$118,288.

Liabilities covered by budgetary resources is composed of Accounts Payable \$287,190, Employer Contributions and Payroll Taxes Payable \$13,331; and Accrued Funded Payroll and Leave \$43,884.

	FY 2014	FY 2013
With the Public		
Accounts Payable	29,018	
Other	89,270	86,809
Total liabilities not covered by budgetary resources	<u>118,288</u>	<u>86,809</u>
Total liabilities covered by budgetary resources	<u>344,405</u>	<u>91,394</u>
Total Liabilities	<u>\$462,693</u>	<u>\$178,203</u>

Note 6 – Other Liabilities

Other liabilities with the public consist of Accrued Funded Payroll and Leave of \$43,884, Unfunded leave of \$89,270, and Employer Contributions and Payroll Taxes Payable – TSP of \$1,957. Other Intragovernmental liabilities consist of Employer Contributions and Payroll Taxes Payable \$11,373.

	<u>Intragovernmental</u>	<u>Non-Current</u>	<u>Current</u>	<u>Total</u>
FY 2014 Other Liabilities		0	11,373	\$11,373
FY 2013 Other Liabilities		0	10,619	\$10,619

Note 7 – Intragovernmental Costs and Exchange Revenue

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

	<u>Total FY 2014</u>	<u>Total FY 2013</u>
Program A		
Intragovernmental costs	1,044,898	1,068,788
Public costs	2,403,373	2,173,589
Total Program A costs	<u>3,448,271</u>	<u>3,242,377</u>
Total Program A	<u><u>3,448,271</u></u>	<u><u>3,242,377</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 FY 2014</u>	<u>Total FY 2013</u>
Direct		
Category B	3,355,546	3,225,758
Total Obligations	<u><u>3,355,546</u></u>	<u><u>3,225,758</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 Delivered Orders, Unpaid (amounts owed at the end of the year for goods and services received).

	Undelivered Orders	Delivered Orders, Unpaid	Unpaid Obligated Balance Net
FY 2014	49,541	344,404	\$393,945
FY 2013	190	91,394	\$91,584

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

Unfunded leave totals \$89,270. The change in components requiring or generating resources in future period is \$2,462; the net increase of future funded expenses – leave between appropriations of annual fund 2013 and annual fund 2014. 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.

	FY 2014	FY 2013
Liabilities not covered by budgetary resources	\$ 118,288	\$ 86,809
Change in components requiring/generating resources	\$ 31,480	\$ 38,973

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

	FY 2014		FY 2013	
Budgetary Resources Obligated	\$ 3,355,546		\$ 3,225,758	
Spending Authority from Recoveries and Offsetting Collections	(11,423)		(124,680)	
Imputed Financing from Costs Absorbed by Others	120,551		85,759	
Changes in Budgetary Resources Obligated for Goods, Services, and Benefits Ordered but Not Yet Provided	(49,351)		16,654	
Resources that Finance the Acquisition of Assets	1,468		(88)	
Financing Sources Yet to be Provided	31,480		38,973	
Components Not Requiring or Generating Resources				
Net Cost of Operations	\$ 3,448,271		\$ 3,242,377	*
<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, 2014 and 2013 were \$230,367 and \$440,320, respectively.

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

Fiscal Year	Office Space Costs
2015	\$ 217,604
2016 (only covers October 1-October 31)	\$ 17,934
Total future payments	\$ 235,538