



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lieutenant Governor ♦ Jennifer D. Maddox, Undersecretary

**Addendum #1 to PHN 2020-08  
Additional Deadline Extensions**

To: All Local Housing Authorities

From: Ben Stone, Associate Director, Division of Public Housing

Re: Temporary Changes to DHCD Oversight Activities to Mitigate Spread of Coronavirus (COVID-19)

- Agreed Upon Procedures (AUP) Annual Financial Review
- Annual Plan Rollout
- Subsidy Agreement

Date: March 18, 2020

**WHAT YOU NEED TO KNOW NOW – KEY POINTS:**

**Agreed Upon Procedures (AUP) Financial Review:** Site visits delayed, deadlines for review & submission of reports to DHCD extended by **60 days** beginning with the 9/30/2019 fiscal year end submissions.

**Annual Plan Rollout:** Annual Plan training webinars and deadlines for first cohort of LHAs (FYE 9/30) will be **postponed at least 30 days** from date of this notice.

- **Annual Plans for FYE 9/30 LHAs:** Cybersense training on the Annual Plan for these LHAs will be delayed at least 30 days, to mid- or late-April. The deadline for submittal of Annual Plans to DHCD will also be delayed at least 30 days, to August 31, 2020.

**Operating Subsidy Agreement:** Deadline for returning the 5 year (FY21-25) subsidy agreement extended to May 30, 2020. Signed forms can be scanned and emailed to [ayo.yakubu-owolewa@mass.gov](mailto:ayo.yakubu-owolewa@mass.gov).

This addendum to PHN 2020-08 extends several additional DHCD reporting and oversight deadlines in order to allow LHAs to focus on adjusting business practices and working with residents and staff to respond to the COVID-19 emergency. DHCD is looking at all of our reporting and oversight requirements, and there may be additional guidance on deadlines in near future. Additionally, any deadlines in PHN 2020-08 and this addendum may be changed further as events evolve.

## Agreed Upon Procedures

As you know, CPA firms can access LHA financial statement via DHCD housing applications in the “read only” mode; however, the AUP review requires the CPA firm to conduct an on-site visit at the LHA that involves the review of randomly selected documents (i.e., bank statements, invoices, check registers, payroll records, etc.) and discussions with the LHA staff, which takes approximately one (1) day to complete.

In an effort to avoid the spread of the Coronavirus, from person-to person, who are in close contact with one another, DHCD authorizes LHAs to delay the scheduling of on-site AUP reviews; and extend the deadlines for the review and submission of AUP Reports. Going forward, DHCD will adjust the timeline for the AUP financial review process. (See chart below):

<b>LHA FYE</b>	<b>FYE Reports Due</b>	<b>Schedule AUP Site Visit (On a Date After)</b>	<b>AUP to LHA (for Response) *Extended 60 Days</b>	<b>AUP Report Due to DHCD &amp; LHA *Extended 60 days</b>
6/30/2019	8/29/2019	Should already be Completed	1/31/2020	2/29/2020
9/30/2019	11/29/2019	Should already Be Completed	<b>6/30/2020*</b>	<b>7/31/2020*</b>
12/31/2019	2/29/2020	<b>6/30/2020</b>	<b>9/30/2020*</b>	<b>10/31/2020*</b>
3/31/2020	5/30/2020	<b>7/31/2020</b>	<b>12/31/2020*</b>	<b>1/31/2021*</b>

Please note that DHCD understands that conditions surrounding the Coronavirus are fluid. LHAs may need to close their offices and/or work remotely. These deadlines may be further extended based on the duration of the Governor’s declared state of emergency. Please contact Laura Taylor at [Laura.Taylor@mass.gov](mailto:Laura.Taylor@mass.gov), if your LHA is unable to adhere to these new deadlines.

## Annual Plan

DHCD recently rolled out training on the Annual Plan for all LHAs with 9/30 FYEs. All of these LHAs signed up with Cybersense for training, which many of them have completed. However, effective immediately, we are suspending further training for at least 30 days to allow LHAs to focus on more urgent matters. We tentatively anticipate completing the training in the latter half of April, as all training can be done remotely, but this is entirely dependent upon conditions as they develop.

The deadline for submission of the completed Annual Plan to DHCD has been extended from July 31, 2020 to August 31, 2020. Again, this deadline could be further extended; LHAs will be notified in future Public Housing Notices. DHCD will also look at how the public meeting component of the annual plan will be adjusted to comply with social distancing recommendations, including possible virtual meetings.

The Annual Plan training and deadline schedules for all other LHAs is currently unchanged from the time periods set out in PHN 2020-06, with training for 12/31 FYE LHAs scheduled for June 2020. LHAs will be updated if these dates are revised. Please contact Paul McPartland at [paul.mcpartland@mass.gov](mailto:paul.mcpartland@mass.gov) with any questions about the Annual Plan deadlines or process.

## **Subsidy Agreements**

The deadline for returning the 5-year extension to subsidy agreements will be extended from April 30 to May 30, 2020, as we understand LHAs are working through the transition to remote board meetings. Please scan and email the signed agreement [ayo.yakubu-owolewa@mass.gov](mailto:ayo.yakubu-owolewa@mass.gov). If you ARE able to email the subsidy agreements before the deadline, please do so. We strongly recommend that LHAs retain the originals in case DHCD needs to them for documentation in the near future