



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
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OFFICE OF PUBLIC HOUSING

December 15, 2025

Mr. Joseph Villarreal
Executive Director
Housing Authority of the County Contra Costa
P.O. Box 2759
Martinez, CA 94553

SUBJECT: Management Decision Letter of Audit Findings for FYE March 31, 2025

Dear Mr. Villarreal:

This letter is to acknowledge receipt of the Housing Authority of the County Contra Costa Audit Report prepared by Novogradac & Company LLP for the for Fiscal Year End March 31, 2025. The auditor issued one (1) Finding under this office's purview:

Finding 2025-001 – Housing Voucher Cluster – Noncompliance – Eligibility – Tenant Files – Repeat Finding 2024-002

Criteria:

Tenant Files. The PHA must do the following: As a condition of admission or continued occupancy, require the tenant and other family member to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR sections 5.230, 5.609, and 982.516). These files are required to be maintained and available for examination at the time of audit.

Condition:

Based upon inspection of the Authority's files and on discussion with management, there were documents that were unavailable for examination at the time of audit.

Context:

There are approximately 11,032 units. Of a sample size of sixty-nine (69) tenant files, the following was noted:

- Declaration of Section 214 Status form was missing in one (1) file
- HUD-9886 Authorization for Release of Information was missing in six (6) files
- Lead based paint form was missing in one (1) file
- HUD-50058 Form applicable to the audit period was missing in seven (7) files

Questioned Costs:

\$168,325

Effect:

The Housing Voucher Cluster is in material non-compliance with the eligibility type of

compliance related to the maintenance of tenant files.

Recommendation:

We recommend the Authority design and implement internal control procedures that will assure compliance with the Uniform Guidance and the compliance supplement.

Corrective Action Response:

HACCC identified two primary causes of the deficiency and has outlined corrective measures to address them. First, HACCC recognized the need for improved training on supervisory tools used to monitor recertification deadlines. Management was retrained in November 2025 on the use of WorkQueue oversight tools and on conducting daily team stand-up meetings to reinforce production goals. Key performance indicators from these meetings flow to management reports and executive leadership for ongoing monitoring.

Second, HACCC's Housing Choice Voucher program partnered with Paul Edwards Management and Consulting (PEM) on May 1, 2024. This partnership provided HACCC's Housing Choice Voucher program with technical assistance and coverage of positions which had remained vacant from 2021 until recently.

Ingrid Layne, Director of Assisted Housing, will be responsible to implement this corrective action by March 31, 2026.

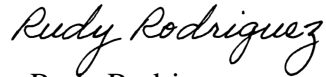
HUD Required Actions:

By January 15, 2026, the Authority will provide HUD the following as evidence of compliance:

- Confirm that a Declaration of Section 214 Status form was completed for the audited tenant file
- Confirm that a HUD-9886 Authorization for Release of Information form was completed for the six (6) audited tenant file.
- Confirm that a Lead based paint form was completed for the audited tenant file.
- Confirm that a HUD-50058 form was completed for the seven (7) audited tenant file.
- Provide a statement on the auditor noted Questioned Costs of \$168,325 and if they have been resolved.
- Provide a copy of implemented policies and procedures and a list of changes made to the internal controls policy to address the cause of the auditor identified deficiencies.
- Confirm that the actions stated in the Corrective Action Plan that was submitted as part of the audited submission have been implemented.

Please respond to the requested information by January 15, 2026. Upon receipt, we will review your submissions and make further decisions or recommendations as appropriate. If you disagree with the requested Corrective Actions and/or time frame, please respond with an explanation and documentation in support of your position. Please note that a Finding cannot be appealed through this process. Should you have any questions or concerns, please contact me by email at Rudy.Rodriguez@hud.gov.

Sincerely,



Rudy Rodriguez
Division Director
Office of Public Housing