



OFFICE OF THE COUNTY AUDITOR

COUNTY OF MAUI
2145 WELLS STREET, SUITE 303
WAILUKU, MAUI, HAWAII 96793
<http://www.mauicounty.gov/auditor>

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COUNTY CLERK

September 6, 2022

Honorable Alice L. Lee, Chair
and Members of the Council
County of Maui
200 South High Street
Wailuku, HI 96793

Dear Chair Lee and Members:

**SUBJECT: FINANCIAL DATA SCHEDULES FOR SECTION 8 AND
FAMILY SELF-SUFFICIENCY PROGRAMS OF THE
COUNTY OF MAUI FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

We are transmitting 10 sets of the following reports from N&K CPAs, Inc., the County's contractor:

1. COUNTY OF MAUI DEPARTMENT OF HOUSING AND HUMAN CONCERNS: INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION, Fiscal Year Ended June 30, 2021; and
2. COUNTY OF MAUI DEPARTMENT OF HOUSING AND HUMAN CONCERNS: INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES, Fiscal Year Ended June 30, 2021.

The County's Department of Housing and Human Concerns (DHHC) submits these reports to the U.S. Department of Housing and Urban Development. At the request of the DHHC, these reports were prepared in conjunction with N&K CPAs, Inc.'s audit of the financial statements for Fiscal Year Ended June 30, 2021. The DHHC will cover the cost of these reports.

COUNTY COMMUNICATION NO. 22-233

Honorable Alice L. Lee, Chair
and Members of the Council
September 6, 2022
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These reports are transmitted for your information and no further action is required by the Council.

Sincerely,

A handwritten signature in black ink, appearing to read "Lance Taguchi", with a stylized flourish at the end.

LANCE T. TAGUCHI, CPA
County Auditor

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Enclosures

cc: w/o enc: Director of Housing and Human Concerns

COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

Fiscal Year Ended June 30, 2021



N&K CPAs, Inc.
ACCOUNTANTS|CONSULTANTS

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**COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS**

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Chair and Members of the County Council
County of Maui, Hawai'i

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Maui, Hawai'i (County), as of and for the fiscal year ended June 30, 2021, and the related notes to the basic financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 31, 2022, which contained unmodified opinions on those financial statements. 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The Financial Data Schedule (FDS) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the FDS is fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of the County of Maui Department of Housing and Human Concerns, the County Council of the County of Maui, and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than these specified parties.

N&K CPAs, Inc.

Honolulu, Hawai'i
August 24, 2022

County of Maui
Department of Housing and Human Concerns
FINANCIAL DATA SCHEDULE
June 30, 2021

Line Item	Account Description	PIH Family Self-Sufficiency Program	Section 8 Housing Choice Vouchers Program	HCC HCV CARES Act Funding	Total
111	Cash-unrestricted	\$ --	\$ 973,521	\$ --	\$ 973,521
113	Cash-other restricted	--	168,209	415,200	583,409
115	Cash-restricted for payments of current liabilities	--	--	2,785	2,785
100	Total cash	--	1,141,730	417,985	1,559,715
128	Fraud recovery	--	1,011,371	--	1,011,371
128.1	Allowance for doubtful accounts-fraud	--	(776,013)	--	(776,013)
120	Total receivables, net of allowances for doubtful accounts	--	235,358	--	235,358
131	Investments-unrestricted	--	4,326,989	--	4,326,989
132	Investments-restricted	--	139,535	--	139,535
150	Total current assets	--	5,843,612	417,985	6,261,597
290	Total assets and deferred outflow of resources	\$ --	\$ 5,843,612	\$ 417,985	\$ 6,261,597
312	Accounts payable ≤ 90 days	\$ --	\$ --	\$ 2,785	\$ 2,785
322	Accrued compensated absences-current portion	--	81,669	--	81,669
331	Accounts payable - HUD PHA programs	--	4,004	--	4,004
342	Unearned revenue	--	--	415,200	415,200
310	Total current liabilities	--	85,673	417,985	503,658
353	Non-current liabilities-other	--	168,209	--	168,209
354	Accrued compensated absences-non-current	--	92,095	--	92,095
350	Total non-current liabilities	--	260,304	--	260,304
300	Total liabilities	--	345,977	417,985	763,962
511.4	Restricted net position	--	135,531	--	135,531
512.4	Unrestricted net position	--	5,362,104	--	5,362,104
513	Total equity - net assets/position	--	5,497,635	--	5,497,635
600	Total liabilities, deferred inflows of resources and equity/net position	\$ --	\$ 5,843,612	\$ 417,985	\$ 6,261,597

County of Maui
Department of Housing and Human Concerns
FINANCIAL DATA SCHEDULE (Continued)
Fiscal Year Ended June 30, 2021

Line Item	Account Description	PIH Family Self-Sufficiency Program	Section 8 Housing Choice Vouchers Program	HCC HCV CARES Act Funding	Total
70600	HUD PHA operating grants	\$ 43,135	\$ 22,580,794	\$ 1,135,746	\$ 23,759,675
71100	Investment income-unrestricted	--	3,710	--	3,710
71400	Fraud recovery	--	120,132	--	120,132
71500	Other revenue	--	333,013	--	333,013
70000	Total revenue	43,135	23,037,649	1,135,746	24,216,530
91100	Administrative salaries	--	652,940	221,839	874,779
91600	Office expenses	--	205,593	124,252	329,845
91800	Travel	--	8	--	8
91900	Other	--	19,567	--	19,567
91000	Total operating-administrative	--	878,108	346,091	1,224,199
92100	Tenant services-salaries	43,135	--	--	43,135
92500	Total tenant services	43,135	--	--	43,135
93200	Electricity	--	25,378	--	25,378
93000	Total utilities	--	25,378	--	25,378
96200	Other general expenses	--	21,374	--	21,374
96210	Compensated absences	--	37,696	--	37,696
96000	Total other general expenses	--	59,070	--	59,070
96900	Total operating expenses	43,135	962,556	346,091	1,351,782
97000	Excess of operating revenue over operating expenses	--	22,075,093	789,655	22,864,748
97300	Housing assistance payments	--	21,271,384	789,655	22,061,039
97350	HAP portability-in	--	357,652	--	357,652
90000	Total expenses	43,135	22,591,592	1,135,746	23,770,473
10000	Excess (deficiency) of total revenue over (under) total expenses	\$ --	\$ 446,057	\$ --	\$ 446,057
11030	Beginning equity	\$ --	\$ 5,051,578	\$ --	\$ 5,051,578
11170	Administrative fee equity	\$ --	\$ 5,362,104	\$ --	\$ 5,362,104
11180	Housing assistance payments equity	\$ --	\$ 135,531	\$ --	\$ 135,531
11190	Unit months available	--	17,988	--	17,988
11210	Number of units months leased	--	17,796	--	17,796

COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Fiscal Year Ended June 30, 2021



N&K CPAs, Inc.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Department of Housing and Human Concerns
County of Maui, Hawai'i

We have performed the procedure described in the second paragraph of this report on whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. The Department of Housing and Human Concerns, County of Maui, Hawai'i (the Housing Authority) is responsible for the accuracy and completeness of the electronic submission.

The Housing Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to determine whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. Additionally, the U.S. Department of Housing and Urban Development Real Estate Assessment Center (REAC) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The associated findings from the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

The Housing Authority is a department of the County of Maui, Hawai'i (the Reporting Entity). We were engaged by the Reporting Entity to perform this agreed-upon procedure engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the

electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Reporting Entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

We were engaged to perform an audit in accordance with the *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance)* by the Reporting Entity, as of and for the fiscal year ended June 30, 2021, and have issued our reports thereon dated August 12, 2022. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated August 24, 2022, was expressed in relation to the basic financial statements of the Reporting Entity taken as a whole.

A copy of the reporting package required by the OMB Uniform Guidance, which includes the auditor's reports, is available in its entirety from the Reporting Entity. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

The purpose of this report on applying the agreed-upon procedures is solely to describe the procedure performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

N&K CPAs, Inc.

Honolulu, Hawai'i
August 31, 2022

**ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

UFRS Rule Information	Hard Copy Document(s)	Findings
Balance Sheet and Revenue and Expense (data line items 111 to 11210)	Financial Data Schedules of the Housing Authority	Agrees
Footnotes (data element G5000-010)	Footnotes to Audited Basic Financial Statements of the Reporting Entity	Agrees
Type of Opinion on FDS (data element G3100- 040)	Auditor's Supplemental Report on FDS	Agrees