

**Table D**  
**Audit Objectives and the Methods Used to Address Them**

AUDIT OBJECTIVE	METHOD
<p>1 Review and evaluate the laws, rules, and regulations significant to the audit objectives.</p>	<p>Reviewed relevant laws, rules, and regulations significant to the audit objectives.</p>
<p>2 Review HCV applications processed by Orange and the housing agencies for two comparable counties during the past three years and determine the following:</p> <p>a. The number of HCV vouchers HUD issued to Orange and the other housing agencies.</p> <p>b. The number and rate of applications Orange and the other two housing agencies approved and denied and the time it took each housing agency to make the determination and secure housing for the approved applicants. To the extent possible, determine the demographic breakdown of each housing agency's approved and denied applications and the reasons for the denied applications.</p>	<ul style="list-style-type: none"> <li>• Reviewed HUD documentation to determine the number of HCV vouchers and the amount of HCV funding HUD awarded to the three housing agencies during our audit period of 2022 through 2024. Reviewed HUD documentation to determine the number of vouchers used and funding spent by the three housing agencies.</li> <li>• Obtained application data from Orange, Riverside, and Sacramento.</li> <li>• Calculated the amount of time it took for the housing agencies to evaluate applications and for the approved applicants to obtain housing.</li> <li>• Determined the demographic attributes of application heads of households for approved and denied applications and the reasons that applicants did not receive vouchers.</li> <li>• Reviewed Orange documentation and Riverside data systems to determine the reasons for denied applications.</li> <li>• Riverside did not provide data related to the demographic breakdown of all evaluated applicants, so we do not present this information. Instead, we present the demographic breakdown of approved applicants who found housing through HCV.</li> <li>• Sacramento's data did not consistently include when Sacramento approved or denied HCV applications. As a result, we are not able to present the number and rate of applications that it approved and denied, the time it took for Sacramento to make this determination, and the reasons Sacramento denied applications. Instead, we present the demographic breakdown of approved applicants who found housing through HCV.</li> </ul>
<p>3 Review and assess Orange's waiting list administration procedures by evaluating the following:</p> <p>a. The extent to which Orange's policies and procedures for administering its waiting list comply with HUD fair housing requirements and are comparable to those of the other two housing agencies.</p> <p>b. Orange's September 2023 notice about briefly re-opening the waiting list, the notice's compliance with relevant waiting list requirements, and whether Orange specifically informed potential applicants and organizations that assist those in need of such housing.</p> <p>c. The size of Orange's waiting list and the reasons that the list had been closed for more than a decade. Compare the size of Orange's waiting list and the length of time it was closed to that of the other two housing agencies.</p>	<ul style="list-style-type: none"> <li>• Reviewed state law, federal regulations, and HUD guidance to identify fair housing requirements. Reviewed the three housing agencies' administrative plan policies and procedures. Interviewed staff and reviewed documentation to determine if housing agencies' policies and procedures comply with fair housing requirements.</li> <li>• Interviewed staff and reviewed documentation to determine if the three housing agencies followed their administrative plan policies and procedures for their HCV waiting list.</li> <li>• Interviewed staff and reviewed internal controls for HCV at the three housing agencies.</li> <li>• Identified requirements and best practices for public notices from federal regulations, federal guidance, HUD guidance, and state law. Identified standards for public notices from administrative plans. Reviewed documentation and interviewed staff to determine if the housing agencies' public notice outreach and content complied with requirements, best practices, and standards. Interviewed staff and reviewed documentation to determine whether housing agencies specifically informed potential applicants and organizations that assist those in need of such housing.</li> <li>• Interviewed staff and reviewed available documentation regarding the housing agencies' reasons for opening and closing their waiting lists. Compared reasons against federal guidance.</li> <li>• Obtained waiting list data from Orange, Riverside, and Sacramento. Determined the number of applicants on the three housing agencies' waiting lists.</li> </ul>

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AUDIT OBJECTIVE	METHOD
<p>4 Review Orange’s EHV and application process and, to the extent possible, determine the time it takes Orange to review applications and find secure housing for approved applicants. Compare Orange’s EHV to the application processes and timelines of the other two housing agencies.</p>	<ul style="list-style-type: none"> <li>• Interviewed staff, reviewed documentation, and reviewed internal controls over EHV at Orange, Riverside, and Sacramento.</li> <li>• Compared Orange’s EHV to EHV at Riverside and Sacramento.</li> <li>• Obtained EHV application data from Orange, Riverside, and Sacramento.</li> <li>• Calculated statistics on the amount of time it took for the housing agencies to evaluate applications and for the approved applicants to obtain housing.</li> <li>• Reviewed HUD documentation to determine the number of EHV vouchers and amount of funding HUD awarded to the three housing agencies during the audit period. Reviewed HUD documentation to determine the number of vouchers used and funding spent by the three housing agencies.</li> <li>• Sacramento’s data did not consistently include the date or reason that Sacramento did not issue a voucher for EHV. As a result, we are not able to present the time it took for Sacramento to make all its determinations and the reasons Sacramento denied EHV applications.</li> </ul>
<p>5 Determine whether Orange has a process for housing foster youth or former foster youth and identify the time required to find secure housing for them. Compare Orange’s foster youth housing processes and timelines to the other two housing agencies.</p>	<ul style="list-style-type: none"> <li>• Interviewed staff, reviewed documentation, and reviewed internal controls over FUP and the FYI program at Orange, Riverside, and Sacramento.</li> <li>• Compared Orange’s FUP and FYI program to FUP and the FYI program at Riverside and Sacramento.</li> <li>• Obtained FUP and FYI program application data from Orange, Riverside, and Sacramento.</li> <li>• Calculated statistics on the amount of time it took for the housing agencies to evaluate applications and for the approved applicants to obtain housing.</li> <li>• Interviewed staff and reviewed HUD’s website and available documentation to identify the number of FUP and FYI program vouchers awarded to the three housing agencies during the audit period.</li> <li>• Sacramento’s data did not include the date or reason that Sacramento did not issue a voucher for the FYI program. As a result, we are not able to present the time it took for Sacramento to make all of its determinations and the reasons Sacramento denied FYI program applications.</li> </ul>
<p>6 Review and assess any other issues that are significant to the audit.</p>	<ul style="list-style-type: none"> <li>• Using publicly available HUD data, estimated the amount of funding the three housing agencies would need to issue vouchers to all the applicants on their waiting lists.</li> <li>• Interviewed staff and reviewed documents regarding the end of EHV funding and plans to transition EHV households to HCV at Orange, Riverside, and Sacramento.</li> <li>• Using publicly available HUD data, identified housing agencies in California that may be in shortfall and the number of EHV households they serve, and estimated the amount of funding needed to continue serving those households.</li> </ul>

Source: Audit workpapers.