



**HOUSING AUTHORITY AND
CITY OF RICHMOND**

JOINT MEETING AGENDA REPORT

Economic Development

DATE:	July 26, 2022
TO:	Richmond Housing Authority (RHA) Board of Commissioners and Members of the City Council
FROM:	Shasa Curl, City Manager Nannette J. Beacham, Richmond Housing Authority (RHA) Executive Director Delmy Cuellar, Director of Finance Rita Martinez, Senior Accountant Gabino Arredondo, Project Manager
Subject:	Contract Amendment with Financial Consultant Anthony Ma Regarding RHA Financial Matters
FINANCIAL IMPACT:	The cost of the contract in the amount of \$90,000 will be funded by the RHA Capital Fund Program account and City of Richmond (42141191-400836).
PREVIOUS COUNCIL ACTION:	N/A
STATEMENT OF THE ISSUE:	RHA and the City of Richmond Finance Department have an immediate need for a qualified Public Housing financial services consultant to assist with the completion of audits and the incomplete Internal Revenue Service (IRS) tasks.
RECOMMENDED ACTION:	ADOPT a resolution approving a first contract amendment with Anthony Ma to provide financial consulting services (including Federal, State and Internal Revenue Service Audits) for the Richmond Housing Authority, in the amount of \$90,000, for a total amount not to exceed \$100,000, and extending the term to June 30, 2023 - Richmond Housing Authority/Finance Department (Nannette J. Beacham 621-1300/Delmy Cuellar 620-6740).

DISCUSSION:

The Richmond Housing Authority (“RHA”) and City of Richmond (“City”) have made positive advancements to address the actions identified in the Public Housing Authority Recovery and Sustainability (PHARS) agreement with the U.S. Department of Housing and Urban Development (HUD). A key task was to analyze RHA’s accounting systems, financial management systems, and its financial position.

Although the City manages RHA’s finances, RHA has an immediate, additional need for qualified Public Housing-related financial services expertise. RHA requires expertise in the following: (1) addressing short-term, routine, and critical needs; and, (2) evaluating and improving the longer-term, organizational structure of its financial system(s).

Outstanding matters include both audits and Internal Revenue Service (IRS) tasks as well as RHA’s normal, ongoing business operations necessary to complete present and future audits.

Services under this contract include, but are not limited to:

- Determination of exact issues related to the IRS 1099 reporting issue and cure them. Collaboration with the City and RHA to minimize and mitigate current and future penalties;
- Supporting auditors in completing FYs 2017-2018, 2018-2019, 2019-2020, and 2020-2021 annual audits;
- Determination and support of auditors in obtaining approval to file both unaudited and audited HUD Financial Data Schedule (FDS) schedules; and,
- Providing technical assistance and training to the City’s Finance Staff on RHA finance-related topics as-needed.

RHA and City staff are recommending that the RHA Board and the City approve a Resolution to amend a contract with Public Housing financial expert, Anthony Ma, who is a former Oakland Housing Authority (OHA) Finance Director, for a limited engagement proposed through June 30, 2023, for an amount of \$90,000, not to exceed a total of \$100,000. In the past, HUD contracted with Anthony Ma, via CVR Associates, to examine RHA’s financial matters, so his familiarity with RHA operations will facilitate his task completion.

DOCUMENTS ATTACHED:

Attachment 1 - Resolution

Attachment 2 - Contract Amendment #1

Attachment 3 – Original Contract