

March 29, 2012

The Special Board Meeting of the Philadelphia Housing Authority Board of Commissioner for March was held on Thursday, March 29, 2012, 4:00 pm, at the Philadelphia Housing Authority, 12 S. 23<sup>rd</sup> Street, Philadelphia, Pennsylvania.

Present: Karen Newton Cole, Board of Commissioner  
Michael P. Kelly, Administrative Receiver  
Barbara Adams, Esq., General Counsel

The Board of Commissioner, Karen Newton Cole called the meeting to order, and asked the Administrative Receiver/Executive Director, Mr. Michael P. Kelly for remarks. Mr. Kelly announced the unveiling of the Martin Luther King marker to take place on April 4, 2012 at 13<sup>th</sup> & Fitzwater Streets. He then stated that PHA is on the verge of beginning a new fiscal year and one of the recommendations was to look at the voluntary severance incentive program which would allow employees to retire and move on to get incentive and lower staffing budget requirements. In addition PHA received a ninety five thousand dollar (\$95,000.00) grant for seventy five (75) youths to be involved in the Summer Youth Program. PHA reached a 200 milestone on our Ross resident grant, two hundred (200) residents are now homeowners based on our program efforts. The recovery effort has been extended for one year, and in the next month we're going to be having a revised financial and budgeting policy, a revised contract and procurement policy, a revised community resource going before the board. With that Mr. Kelly invited Kelvin Jeremiah to briefly update with the various HUD reviews and Office of Inspector General Office audit.

The next order of business was the approval of the minutes. Commissioner Karen Newton Cole moved for the adoption of the February 28, 2012 minutes. With that Mr. Kelly presided over the remaining agenda.

Commissioner Karen Newton Cole moved for the adoption of the following minutes.

**RESOLUTION NO. 11515**

**RESOLUTION APPROVING MINUTES OF THE BOARD OF COMMISSIONER MEETING HELD ON  
FEBRUARY 28, 2012**

**BE IT RESOLVED**, that the minutes of the Board Meeting of the Philadelphia Housing Authority Meetings held on February 28, 2012, copies of which have already been provided, be the same are hereby ratified, confirmed and approved.

Commissioner Karen Newton Cole thereupon declared the Minutes unanimously adopted.

I hereby certify that this was  
APPROVED BY THE BOARD ON 3/29/12  
Richard Adams, General Counsel  
ATTORNEY FOR PHA

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 11516**

**RESOLUTION APPROVING CERTAIN STANDARD OPERATING PROCEDURES RELATING TO THE AUTHORITY'S SCATTERED-SITE REHABILITATION PROGRAM AND PURSUANT TO HUD OIG'S AUDIT REPORT NO. 2011-PH-1010 AND RELATED MANAGEMENT DECISIONS**

**WHEREAS**, the United States Department of Housing and Urban Development (HUD) has sent to the Philadelphia Housing Authority (PHA) notice of its Management Decisions with respect to the HUD Office of Inspector General Report No. 2011-PH-1010 issued September 29, 2011; and

**WHEREAS**, the Management Decisions require PHA's Board to adopt a resolution approving the required Standard Operating Procedures for (i) Invoicing and Payments, (ii) Quality Control Procedure, and (iii) Board Oversight of the Scattered-Site Rehabilitation Program; and

**WHEREAS**, HUD's Philadelphia Field Office has reviewed PHA's draft Standard Operating Procedures for Invoicing and Payments, a Quality Control Procedure and a procedure for Board Oversight of the Scattered-Site Rehabilitation Program, and have determined that the draft documents address all of their concerns; and

**WHEREAS**, PHA is committed to ensuring conformance with all applicable federal, state, and local laws and regulations and all HUD requirements pertaining thereto;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Commissioner of PHA hereby approves the following Standard Operating Procedures in the form submitted to and approved by HUD:

- I. Scattered-Site Rehabilitation Program Invoicing and Payments.
- II. Quality Control Procedures for Scattered-Site Rehabilitation Program;
- III. Board of Commissioner(s) Oversight of the Scattered-Site Rehabilitation Program; and

**BE IT FURTHER RESOLVED**, that these approvals shall become effective April 30, 2012.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 11517**

**RESOLUTION GRANTING THE OFFICE OF AUDIT AND COMPLIANCE THE POWERS HELD  
FORMERLY BY THE OFFICE OF INSPECTOR GENERAL**

**WHEREAS**, Resolution No. 0078, dated December 3, 1992, authorized the establishment of the Office of the Inspector General of the Philadelphia Housing Authority; and

**WHEREAS**, Resolution No. 9061, dated January 25, 1994 authorized the Executive Director to reorganize the Office of the Inspector General; and

**WHEREAS**, Resolution No. 9258, dated October 20, 1994 adopted the reorganization of the Office of Inspector General and rescinded Resolution No. 0078 in its entirety; and

**WHEREAS**, Resolution No. 11428, dated January 28, 2011 adopted the reorganization of the Office of Inspector General and renamed the Office of Inspector General the Office of Audit and Compliance (OAC) and rescinded Resolution No. 9258 in its entirety; and

**WHEREAS**, the purpose of this resolution is to further clarify the powers of OAC set forth in the prior resolutions;

**NOW THEREFORE, BE IT RESOLVED**, that:

1. The mission of the OAC shall be to ensure the integrity and efficiency in PHA's operations and services.
2. The OAC shall monitor, evaluate and provide oversight to ensure regulatory and operating compliance of PHA.
3. The OAC will have the authority to examine all offices, departments and divisions within PHA, including but not limited to the Housing Authority Police Department and any PHA subsidiary or component unit of PHA and all the records thereof.
4. The OAC shall have full and open access to any file, office, storage device, phone, P.D.A., computer and/or any other property that is owned and/or leased by PHA and may remove and/or seize said item for forensic analysis/evidentiary purposes with or without notification to the affected party.
5. The OAC shall be organized into an Internal Audit Department, the Investigation Division and the Compliance Department.
6. The objectives of the Internal Audit Department shall be to provide information to assist PHA and PHA management to promote economy, efficiency and effectiveness in the administration of programs, detect and deter fraud, waste and abuse in programs and operations; and ensure compliance with PHA's policies and procedures and other applicable laws, rules and regulations, meeting its responsibilities in an effective and cost efficient manner to identify areas where controls are needed to detect and prevent mismanagement, waste and fraud, and to recommend corrective action to management regarding the effectiveness of policies, procedures and controls with respect to PHA activities.

7. The Investigation Division shall, within its sole discretion, investigate allegations of fraud, corruption, official misconduct, conflicts of interest, abuse of authority, other criminal offenses and serious breaches of integrity with respect to employees and residents of PHA and any person or entity doing business with PHA. Furthermore, the Investigations Division shall conduct integrity checks of PHA's employees, residents of PHA and any person or entity doing business with PHA.
8. The objective of the Compliance Department shall be to evaluate the way that the PHA conducts business and PHA's business practices by ensuring transparency and accountability in its operations, services, and programs. The Compliance Department shall work to ensure the optimal efficiency and effectiveness in PHA's operations, programs and services by emphasizing on-going compliance with all applicable Federal, State and local rules and regulations.
9. The Director of OAC shall be appointed by the Executive Director in consultation with the Board of Commissioner(s) and shall serve at the pleasure of the Board of Commissioner(s) and the Executive Director. The Director of OAC shall report directly to both the Executive Director and the Chair of the Board of Commissioner(s) and shall cooperate and coordinate his/her activities with the Executive Director, provided that such cooperation or coordination does not jeopardize any active investigations, audits or reviews being conducted by OAC. With respect to all investigations concerning the Executive Director and/or his/her office, the Director of OAC shall report to the Chair of the Board of Commissioner(s) and/or other law enforcement authority the Director deems appropriate. With respect to all investigations involving a member of the Board of Commissioner(s) and/or the Executive Director, the Director of OAC shall, in his or her sole discretion, refrain from reporting to the Executive Director and the Chair of the Board of Commissioner(s) such information that if provided could jeopardize an active or ongoing investigation, whether or not such investigation is being conducted by OAC or some other law enforcement body.
10. The Director of OAC shall have the authority to subpoena the books and records of all individuals, including, but not limited to, employees of PHA and entities doing business with PHA, whether or not such business is for profit. The Director of OAC shall have unrestricted access to all PHA records and files and such access to books and records and subpoena power shall be necessary for the conduct of an official investigation.
11. The Director of OAC shall have the authority to compel the appearance of witnesses at closed hearings and to take the recorded testimony of such witnesses under oath or affirmation. Such testimony shall be necessary for official investigations. The Director of OAC, when he or she deems necessary, may also delegate that authority to the Deputy Director of the OAC and/or Chief Counsel of the OAC.
12. The Director of OAC may cooperate with and assist PHA in evaluating the integrity of current and prospective contractors as a condition to their contracting with the Authority. The Director of OAC may conduct a limited investigation to determine bidder responsibility and accuracy of information provided by the prospective contractor. The Director of OAC may coordinate these efforts with the Procurement Department so as not to delay the procurement process, or the awarding of contracts.
13. The Director of OAC will request information of, consult with and make referrals to any and all appropriate law enforcement agencies.

14. In the case of absence or incapacity of the Director of OAC, the Deputy Director shall have the powers of the Director of OAC.
15. The Board of Commissioner(s) recognizes the importance of an independent Office of Audit and Compliance and, therefore, the budget of the Office of Audit and Compliance shall not be diminished during any calendar year unless specifically approved by resolution of the Board of Commissioner(s).
16. The office of OAC shall be situated in an area with restricted access. Access to such area shall be limited to OAC staff and authorized visitors only. Furthermore, OAC's files and records, including but not limited to databases, networks, and other computerized records shall be restricted.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 11518**

**RESOLUTION AUTHORIZING THE PHA ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR OR HIS AUTHORIZED DESIGNEE TO CONCLUDE AND TO EXECUTE A CONTRACT FOR MEDICAL AND HUMAN SERVICES CAREERS TRAINING (SOLICITATION NO. P-004116)**

**WHEREAS**, the Philadelphia Housing Authority (PHA) has identified a need for medical and human services careers services; and

**WHEREAS**, Solicitation No. P-004116 was developed according to established procedures and all applicable laws regarding public contracts and was advertised in the Philadelphia Inquirer and several community newspapers; and

**WHEREAS**, the Request for Proposals was mailed to the appropriate companies on PHA Bidders' List, and distributed to those who responded to the invitation through the publications; and

**WHEREAS**, eight (8) offerors responded to the solicitation by submitting a proposal as follows:

P & A Nurse Aid Training Program and Services  
Pathways PA Inc.  
Professional Healthcare Institute (PHI)  
ResCare/Center for Innovative Training and Education (CITE)  
JEVS Human Services  
Congreso de Latinos Unidos  
**Metropolitan Career Center**  
Pampering Plus; and

**WHEREAS**, the proposals were reviewed and evaluated by the evaluation committee appointed for such purpose (the "Evaluation Committee") and the supporting documents were reviewed by the Contracting Officer; and

**WHEREAS**, based upon the evaluation, it was recommended that a contract be awarded to P & A Nurse Aide Training, Pathways PA, Professional Healthcare Institute (PHI), ResCare/Center for Innovative Training and Education (CITE) and JEVS Human Services; and

**WHEREAS**, the Board of Commissioner awarded contracts to P & A Nursing Aide Training, Pathways PA, Professional Healthcare Institute (PHI), ResCare/Center for Innovative Training and Education (CITE) and JEVS Human Services at the January 6, 2012 Board meeting by Resolution No. 11497; and

**WHEREAS**, a contract could not be negotiated and executed with ResCare/Center for Innovative Training and Education (CITE); and

**WHEREAS**, the Evaluation Committee reconvened and agreed that based on the prior evaluations and scoring, Metropolitan Career Center should be recommended for the award of a contract to provide medical and billing and coding training services; and

**WHEREAS**, it is further recommended that the contract, if awarded shall be for a one (1) year base period with an additional four (4) one-year option periods in an amount not to exceed **EIGHTY-TWO THOUSAND DOLLARS AND FIVE CENTS (\$82,000.05)** for base year one (1); **EIGHTY-FOUR THOUSAND SIX HUNDRED NINETY DOLLARS (\$84,690.00)** if PHA exercises option year one (1); **EIGHTY-SEVEN THOUSAND TWO HUNDRED ONE DOLLARS AND TEN CENTS (\$87,201.10)** if PHA

exercises option year two (2); and **EIGHTY-NINE THOUSAND SEVEN HUNDRED NINETY DOLLARS (\$89,790.00)** if PHA exercises option year three (3); **NINETY-TWO THOUSAND FOUR HUNDRED FIFTY-SIX DOLLARS AND FIFTEEN CENTS (\$92,456.15)** if PHA exercises option year 4; for a total contract amount not to exceed **FOUR HUNDRED THIRTY-SIX THOUSAND ONE HUNDRED THIRTY-SEVEN DOLLARS AND THIRTY CENTS (\$436,137.30)** to Metropolitan Career Center.

**NOW THEREFORE BE IT RESOLVED**, by and for the Philadelphia Housing Authority, that, based on the recommendation of the Evaluation Committee, the Administrative Receiver/Executive Director or his designee is hereby authorized to conclude and to execute contract with Metropolitan Career Center (for medical billing and coding training) consistent with the "Whereas" clauses above; and

**BE IT FURTHER RESOLVED**, that (1) the Administrative Receiver/Executive Director and all other appropriate personnel of PHA are authorized to take all actions necessary to implement this resolution in accordance with the "Whereas" clauses above; (2) the contract is subject to the availability of funds; (3) no contract shall exist until signed by the Administrative Receiver/Executive Director or his designee; and (4) if PHA and the offeror have not mutually agreed on the terms of a contract within ninety (90) days following the next regularly scheduled Board meeting, then this resolution shall be void and the authority of the Administrative Receiver/Executive Director shall cease.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.



Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

**RESOLUTION NO. 11519**

**RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY THROUGH ITS AUTHORIZED DESIGNEE TO TAKE ALL NECESSARY STEPS TO SUBMIT AND IMPLEMENT A CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT AS A CO-APPLICANT, WITH THE CITY OF PHILADELPHIA AS THE LEAD APPLICANT, TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT IN CONNECTION WITH THE PLAN FOR THE REVITALIZATION OF THE NORRIS HOMES CONVENTIONAL SITE, ADJACENT SCATTERED SITES, AND THE NORTH CENTRAL PHILADELPHIA COMMUNITY**

**WHEREAS**, the Department of Housing and Urban Development (“HUD”) Appropriations Act approved as part of the Consolidated Appropriations Act (Public Law 111-117) and Section 24 of the United States Housing Act of 1937, as amended, (42 U.S.C *et seq*) authorizes HUD to make funds available for implementation grants as a part of HUD’s Choice Neighborhoods Initiative (“CNI”); and

**WHEREAS**, the City of Philadelphia desires to submit a grant application and will be the lead applicant for CNI funds; and

**WHEREAS**, the Philadelphia Housing Authority (“PHA”) desires to be the co-applicant on the City of Philadelphia’s grant application; and

**WHEREAS**, the City of Philadelphia and PHA must comply with the Notice of Funding Availability for Choice Neighborhood Implementation Grants Fiscal Year 2012, published on January 10, 2012 (“NOFA”) in its submission of a Choice Neighborhood Planning Grant Application; and

**WHEREAS**, the community of the proposed planning is primarily bordered by North 3rd Street to the East, North Carlisle Street to the West, Lehigh Avenue to the North and Cecil B. Moore Avenue to the South.

**WHEREAS**, PHA believes that the City’s application for funds through the CNI program can be utilized in order to renovate, demolish, or dispose, in whole or in part, PHA’s Norris Apartments, and may include the development of more than 200 new mixed income rental units, community and supportive services, a new community center, a pocket park and a workforce development center; and

**WHEREAS**, as co-applicant to the CNI grant, PHA will provide the housing services required by the terms of the CNI grant; and

**NOW THEREFORE BE IT RESOLVED**, that the Board of Commissioner hereby authorizes the Administrative Receiver/Executive Director or his designee, to execute and submit any reasonable documentation needed in order to participate in the City of Philadelphia’s CNI grant application; and

**BE IT FURTHER RESOLVED** that the Board of Commissioner also authorizes the Administrative Receiver/Executive Director and all other appropriate personnel of PHA to take all actions necessary to implement this resolution in accordance with the “Whereas” clauses above to complete the CNI grant application submission to HUD.

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 11520**

**RESOLUTION AUTHORIZING THE ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR OR HIS AUTHORIZED DESIGNEE TO TRANSFER DELINQUENT TENANT ACCOUNTS RECEIVABLE BALANCES FOR TENANTS WHO HAVE VACATED PHA PROPERTY TO THE PHA COLLECTION SYSTEM**

**WHEREAS**, the Philadelphia Housing Authority (PHA) determined that there is a need to write-off Tenant Accounts Receivables (TARS) balances in the amount of **EIGHT HUNDRED NINETY THOUSAND FIVE HUNDRED NINETY-SIX DOLLARS AND FIFTY-THREE CENTS (\$890,596.53)** for tenants that have vacated PHA property; and

**WHEREAS**, pursuant to HUD Publication 7510.1, it is acceptable accounting policy to write-off TARS balances for vacated tenants; and

**WHEREAS**, PHA will make every effort to collect these TARS; and

**WHEREAS**, HUD Publication 7510.1 requires the approval of the Board for write-offs of TARS balances; and

**WHEREAS**, the TARS balances will be maintained by PHA in its accounting records for future collection where possible;

**BE IT RESOLVED**, by and for the Philadelphia Housing Authority, that the Administrative Receiver/Executive Director or his designee is hereby authorized to write-off Tenant Accounts Receivable balances in the amount of **EIGHT HUNDRED NINETY THOUSAND FIVE HUNDRED NINETY-SIX DOLLARS AND FIFTY-THREE CENTS (\$890,596.53)** for tenants who have vacated PHA property.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 11521**

**AMENDMENT OF RESOLUTION NO. 11481  
APPROVED AT THE BOARD MEETING OF SEPTEMBER 29, 2011  
FOR THE EXECUTION OF CONTRACTS FOR GENERAL LEGAL SERVICES  
(SOLICITATION NO. P-004026)**

**WHEREAS**, The Philadelphia Housing Authority (PHA) had identified a need for general legal services; and

**WHEREAS**, Solicitation No. P-004026 was developed according to established procedures and all applicable laws regarding public contracts for the provision of general legal services and proposals were reviewed by an evaluation committee appointed for such purpose and based upon evaluation, it was recommended that contracts be awarded to the following companies: Reno & Cavanaugh PLLC, Margolis Edelstein, Archer & Greiner, P.C., Kelly, Monaco & Naples, Fox Rothschild LLP, Pepper Hamilton LLP and Dilworth Paxson LLP (collectively, the "Firms"); and

**WHEREAS**, Contract No. P-004026 for general legal services was approved by Resolution (the "Resolution") at the September 29, 2011 Board of Commissioner Meeting and such Resolution included a restriction upon the period of time during which the contracts authorized pursuant to such resolution may be executed; and

**WHEREAS**, HUD must approve all legal services contracts that contemplate the provision of litigation services; and

**WHEREAS**, PHA has determined that the restricted period of time for the execution of legal services contracts as currently written is not beneficial;;

**BE IT RESOLVED**, that Resolution 11481 of the September 29, 2011 Board of Commissioner Meeting is hereby amended at subparagraph four (4) of the "Be It Resolved" paragraph to read "(4) if PHA and the offeror have not executed a contract within ninety (90) days after the receipt by PHA of the approval of such contract in writing by HUD, but in no event later than December 31, 2013, then this resolution shall be void and the authority of the Administrative Receiver/Executive Director shall cease." All other provisions of Resolution 11481 remain in full force and effect.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.