

EXHIBIT B

DCHA RESPONSE TO DCOIG "SCHEDULE OF SUPPORTED AND UNSUPPORTED COSTS"

	PO #	Date	Vendor	Requests for Reimbursement	Date of Payment Request	Amount	DCOIG Description	DCOIG Notes	DCOIG Supported Payment	DCOIG Unsupported Payment	DCHA Explanation
66					2/4/2000	\$70,221.00	Unable to determine description for reimbursement	DCHA did not attach receipts/invoices to support request for reimbursement	\$0.00	\$70,221.00	Documentation is attached to support \$70,221. [REDACTED] certification for \$568,642 is prorated for \$68,237 for this invoice plus \$1,984 for overhead.
67					12/12/1999	\$117,783.00	Unable to determine description for reimbursement	DCHA did not attach receipts/invoices to support request for reimbursement	\$0.00	\$117,783.00	Documentation is attached to support \$117,783. [REDACTED] certification for \$965,456 is prorated for \$115,855 for this invoice plus \$1,924 for overhead.
68					4/13/2000	\$29,250.00	Unable to determine description for reimbursement	DCHA did not attach receipts/invoices to support request for reimbursement	\$0.00	\$29,250.00	Documentation is attached to support \$29,250. [REDACTED] certification for \$227,215 is prorated for \$27,266 for this invoice plus \$1,984 for overhead.
69	113422387	6/28/2000			6/14/2000	\$1,264,928.00	Unable to determine description for reimbursement	Invoices were attached that totaled approx. \$682,874.89. Many dated as far back as 1998.	\$682,874.89	\$582,053.11	Documentation is attached to support \$1,056,996. The total requisition amount for the vendor [REDACTED] is \$2,207,244. Of the total, \$648,873 is charged to HOPE VI and \$408,123 to HOME for a total of \$1,056,996.
70					3/23/2001	\$35,364.00	Unable to determine description for reimbursement	invoices totaled \$30,476.50	\$30,476.50	\$4,887.50	Documentation is attached to support \$35,364. The total requisition amount for the vendor [REDACTED] is \$638,539. Of the total, \$26,799 is charged to HOPE VI and \$8,565 to HOME for a total of \$35,364.

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71					7/21/2000	\$434,944.00	Unable to determine description for reimbursement	invoices totaled \$92,163.75	\$92,163.75	\$342,780.25	Documentation is attached to support \$434,944. The total invoice is for \$1,404,214, of which \$413,359 is allocated to HOME funds and \$21,585 is allocated to HOPE VI (total is \$434,944). For HOME: A [REDACTED] certification for \$909,777 is prorated for \$396,685; DCHA [REDACTED] is prorated at \$170; Permits is prorated at \$1,173; Marketing and sales is prorated at \$1,615; financing is prorated at \$12,789; Misc at \$ 927. For HOPE VI: DCHA [REDACTED] is prorated at \$2,327; Permits is prorated at \$4,389; Marketing and sales is prorated at \$4,277; financing is prorated at \$7,801; Misc at \$2,791. All receipts are attached

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72					9/19/2000	\$122,355.00	Unable to determine description for reimbursement	invoices totaled \$89,495.86	\$89,495.86	\$32,859.14	Documentation is attached to support \$122,355. The total invoice is for \$1,458,838, of which \$27,536 is allocated to HOME funds and \$94,819 is allocated to HOPE VI (total is \$122,355). For HOME: [REDACTED] is prorated at \$94; DCHA [REDACTED] is prorated at \$171; Permits is prorated at \$409; Settlement is prorated at \$4,697; financing is prorated at \$22,165. For HOPE VI: [REDACTED] is prorated at \$362; DCHA [REDACTED] is prorated at \$2,326; Permits is prorated at \$1,532; Self-sufficiency/CDC is \$77,079 (all charged to HOPE VI); financing is prorated at \$13,520. All receipts are attached

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73					11/16/2000	\$18,919.00	Unable to determine description for reimbursement	DCHA did not attach receipts/invoices to support request for reimbursement	\$0.00	\$18,919.00	Documentation is attached to support \$18,919. The total invoice is for \$865,591, of which \$6,049 is allocated to HOME funds and \$12,870 is allocated to HOPE VI (total is \$18,919). For HOME: Admin is prorated at \$68; DCHA [REDACTED] is prorated at \$171; marketing and sales is prorated at \$3,305; financing is prorated at \$2,505. For HOPE VI: Admin is prorated at \$261; DCHA [REDACTED] is prorated at \$2,327; marketing and sales is prorated at \$8,755; financing is prorated at \$1,527.

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	PO #	Date	Vendor	Requests for Reimbursement	Date of Payment Request	Amount	DCOIG Description	DCOIG Notes	DCOIG Supported Payment	DCOIG Unsupported Payment	DCHA Explanation
74					7/7/2000	\$1,056,996.00	Unable to determine description for reimbursement	DCHA did not attach receipts/invoices to support request for reimbursement	\$0.00	\$1,056,996.00	Documentation is attached to support \$1,056,996. The total invoice is for \$2,207,242, of which \$408,123 is allocated to HOME funds and \$648,873 is allocated to HOPE VI (total is \$1,056,996). For HOME: [REDACTED] certification for \$443,348 is prorated for \$210,905 for this invoice; Demolition is prorated for \$25,093; Admin is prorated at \$12,803; DCHA project admin is prorated at \$170; A&E is prorated at \$93,018; Permits is prorated at \$29,206; contingency is prorated at \$1,789; misc is prorated at \$6,858; acquisition is prorated at \$29,000. For HOPE VI: Admin is prorated at \$46,299; DCHA project admin is prorated at \$2,327; A&E is prorated at \$342,416; Permits is prorated at \$109,326; contingency is prorated at \$14,602; misc is prorated at \$20,659; acquisition is prorated at \$113,244.

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	PO #	Date	Vendor	Requests for Reimbursement	Date of Payment Request	Amount	DCOIG Description	DCOIG Notes	DCOIG Supported Payment	DCOIG Unsupported Payment	DCHA Explanation
75					1/12/2001	\$21,876.00	Unable to determine description for reimbursement	invoices totaled \$10,896.05	\$10,896.05	\$10,979.95	Documentation is attached to support \$21,876. The total invoice is for \$958,002, of which \$176 is allocated to HOME funds and \$21,700 is allocated to HOPE VI (total is \$21,876). For HOME: Admin is prorated at \$5; DCHA project admin is prorated at \$171. For HOPE VI: [REDACTED] certification for \$258,694 is prorated for \$160,390 for this invoice, of which \$79872 is charged to HOPE VI; Admin is prorated at \$21; DCHA project admin is prorated at \$2,326; Self-sufficiency is \$19,353 (all charged to HOPE VI).

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76					12/7/2000	\$76,268.00	Unable to determine description for reimbursement	invoices totaled \$68,104	\$68,104.13	\$8,163.87	Documentation is attached to support \$76,268. The total invoice is for \$900,345, of which \$13,420 is allocated to HOME funds and \$62,848 is allocated to HOPE VI (total is \$76,268). For HOME: Admin is prorated at \$41; DCHA project admin is prorated at \$171; Permits is prorated at \$2,595; marketing and sales is prorated at \$2,687; financing is prorated at \$7,926. For HOPE VI: Admin is prorated at \$154; DCHA project admin is prorated at \$2,327; Permits is prorated at \$9,711; self-sufficiency is charged at \$38,706; marketing and sales is prorated at \$7,116; financing is prorated at \$4,834. All receipts are attached.

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DCHA RESPONSE TO DCOIG "SCHEDULE OF SUPPORTED AND UNSUPPORTED COSTS"

	PO #	Date	Vendor	Requests for Reimbursement	Date of Payment Request	Amount	DCOIG Description	DCOIG Notes	questioned cost	DCHA Explanation
77	112927	8/20/2001	[REDACTED]	[REDACTED]	5/2/2000	\$48,443.50	For the month of March 2000, [REDACTED] is requesting reimbursement in expenses and fixed asset purchases	Invoices/receipts attached were well over the amount requested for reimbursement; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$48,443.50	Documentation is attached to support \$48,443.50. [REDACTED] provided unnecessary duplication for each expense. For example an expnse may be documented with a store receipt, a petty cash receipt as well as a bank transaction record. Without a careful review of the documentation, it would seem the documentation is in excess of the request. It is not.
78	11343185	10/20/2000	[REDACTED]	[REDACTED]	2/27/2001	\$15,253.00	pre-occupancy management services	Invoices/receipts attached totaled \$38,189.68, well over the amount requested for reimbursement; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$15,253.00	Documentation is attached to support \$15,253. The total requisition is for \$1,177,368, of which \$5,529 for self-sufficiency is charged to HOPE VI ; \$9,724 is charged to DCHA funds (construction \$95; Admin \$2,579; overhead \$3657; contingency \$5,215.
79				[REDACTED]	10/17/2001	\$6,684.00	pre-occupancy management services	Invoices/receipts attached total more than \$6,684; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$6,684.00	Documentation is attached to support \$6,684. The total requisition is for \$23,449, of which \$5,529 for self-sufficiency is charged to HOPE VI ; \$1,155 is charged to DCHA funds for portion [REDACTED]

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	PO #	Date	Vendor	Requests for Reimbursement	Date of Payment Request	Amount	DCOIG Description	DCOIG Notes	questioned cost	DCHA Explanation
80				[REDACTED]	6/11/2001	\$8,529.00	reimbursement for lease to purchase services	Invoices/receipts indicating they were lease to purchase components totaled \$14,081.21, well over the request; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$8,529.00	Documentation is attached to support \$8,529. The total requisition is for \$97,788, of which \$5,529 for self-sufficiency is charged to HOPE VI ; \$3,000 is charged to DCHA funds (\$1,130 contingency & \$1,855 for portion [REDACTED]).
81				[REDACTED]	9/8/2000	\$3,603.00	pre-occupancy management services general/site overhead	Invoices/receipts indicating they were lease to purchase components totaled \$128,324.21, well over the request; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$3,603.00	Documentation is attached to support \$3,603. The total requisition is for \$457,483, of which \$3,603 is charged to DCHA funds (\$55 construction; contingency & \$747 for portion [REDACTED]) \$1,835 for overhead; \$966 for admin).
82				[REDACTED]	10/4/2000	\$1,947.00	pre-occupancy management services general/site overhead	no invoices or receipts were attached. However attached letter from [REDACTED] for reimbursement for overhead for \$3657 was more than requested amount	\$1,947.00	Documentation is attached to support \$1,947. The total requisition is for \$391,531, of which \$1,947 is charged to DCHA funds (\$112 construction; \$1,822 for overhead).

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	PO #	Date	Vendor	Requests for Reimbursement	Date of Payment Request	Amount	DCOIG Description	DCOIG Notes	questioned cost	DCHA Explanation
83				[REDACTED]	10/24/2000	\$16,793.00	unable to determine description for reimbursement	invoices/receipts attached are questionable. Receipts totaled well over \$80,000. Additionally, receipts were from the [REDACTED]. Invoices and receipts were already reviewed. The total amount will be questioned.	\$16,793.00	Documentation is attached to support \$16,793. The total requisition is for \$1,961,549, of which \$10,595 for self-sufficiency is charged to HOPE VI; \$6,198 is charged to DCHA funds (\$388 construction; \$5,810 for portion of [REDACTED]).
84				[REDACTED]	10/24/2000	\$214,650.00	unable to determine description for reimbursement	invoices/receipts attached are questionable. Receipts date back to 1998 and were indicated that they were paid. Some receipts indicated that they were to be charged to the Site and other portions of the project. The entire amount claimed is questionable.	\$214,650.00	Documentation is attached to support \$214,650. The total requisition is for \$678,788, of which \$150,000 is charged to DCHA mod funds (\$132,634 construction; \$17,366 admin); \$64,650 is charged to DCHA funds (\$71 construction; \$15,047 demolition; \$17,157 contingency; \$19,501 overhead; \$3,250 project office; \$9,624 admin). The notation that invoices are paid are made by the developer, who are then reimbursed by DCHA for out of pocket expenses allocated to HOPE VI or other DCHA funds. DCHA does not stamp paid on receipts so the paid notation would not indicated duplicate payment by DCHA. As indicated above, the total requisition is for \$678,788, a portion of which is prorated between all vendors. Receipts to support entire \$678,788 are included in payment package for each vendor with proration amounts clearly noted.

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85	11339861 & 11339861 mod. 1	8/12/1999 & 10/31/2001	[REDACTED]	[REDACTED]	7/9/2001	\$69,450.00	reimbursement for a revenue bond	Invoices/receipts attached total more than \$105,002; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$69,450.00	Documentation is attached to support \$69,450. The total requisition is for \$202,450, of which \$69,450 for HOPE VI (\$23,775 construction; [REDACTED] \$44,664 & \$1,000; \$11 [REDACTED].
86				[REDACTED]	10/14/1999	\$913,274.00	unable to determine description for reimbursement	review of invoices found that these invoices were used at least on another request for payment dated 6/7/00. none of these invoices will be accepted.	\$913,274.00	Documentation attached to support \$913,274. This represents the first draw request for \$2,841,373, of which \$287,166 was paid from FHA funds and \$626,108 was paid from HOPE VI funds. [REDACTED] certifications are attached for \$271,680, \$156,212 & \$96,019 (\$523,911); [REDACTED] change order for \$141,642; misc start up costs for \$484,699; FHA receipt for closing costs \$238,000 & \$58,000; [REDACTED] for \$1,975 & \$7675; [REDACTED] overhead for \$488,023 (for 30 months); legal bills for \$533,500; misc admin costs for \$3,900. Note the reference to an invoice 6/7/00 appears to be invoice #47 on DCHA's version of Exhibit B (as there is no other invoice with that date). A review of the supporting documentation outlined for invoice #47 demonstrates no relationship to this invoice.

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87					7/20/2001	\$8,790.00	unable to determine description for reimbursement	Invoices/receipts attached total more than \$33,689; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$8,790.00	Documentation is attached to support \$8,790. The total requisition is for \$311,996, of which \$8,790 is charged to HOPE VI (\$6 Admin; \$2,326 project admin; \$6,458 self-sufficiency).
88					5/15/2001	\$26,225.00	unable to determine description for reimbursement	Invoices/receipts attached total more than \$52,964.09; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$26,225.00	Documentation is attached to support \$26,225. The total requisition is for \$626,602, of which \$21,680 is charged to HOPE VI (\$2,327 project admin; \$19,353 self-sufficiency); \$4,545 is charged to HOME (\$171 project admin; \$4,374 overhead).
89					2/22/2001	\$33,444.00	unable to determine description for reimbursement	Invoices/receipts attached total more than \$81,669.57; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$33,444.00	Documentation is attached to support \$33,444. The total requisition is for \$813,331, of which \$21,101 is charged to HOPE VI (\$56 admin; \$2,327 project admin; \$19,353 self-sufficiency; \$4,365 financing); \$7,343 is charged to HOME (\$15 admin; \$171 project admin; \$7,157 financing).
90					6/19/2001	\$21,857.00	unable to determine description for reimbursement	Invoices/receipts attached total more than \$33,520; therefore unable to make determination of invoices pertaining to the request for reimbursement	\$21,857.00	Documentation is attached to support \$21,857. The total requisition is for \$398,696, of which \$21,658 is charged to HOPE VI (\$6 admin; \$2,326 project admin; \$19,353 self-sufficiency); \$172 is charged to HOME (\$1 admin; \$171 project admin).