

GAO Highlights

Highlights of [GAO-16-758](#), a report to congressional committees

Why GAO Did This Study

The U.S. population of persons age 65 and older is expected to grow to 73 million by 2030. With age, people are increasingly likely to face physical and cognitive limitations. HUD's Section 202 program funds supportive rental housing for very low-income elderly households. Section 202 property owners are expected to coordinate the provision of services to help residents live independently and age in place.

GAO was asked to review how Section 202 properties connect residents to services and HUD's related monitoring efforts. This report examines (1) the extent to which Section 202 properties have service coordinators, (2) how properties without coordinators connect residents with services and why they may not use coordinators and (3) HUD's monitoring of Section 202 properties' efforts to connect residents with supportive services, among other objectives. GAO analyzed HUD's fiscal year 2014 data (the latest available) on Section 202 properties and service coordinators; surveyed a generalizable sample of Section 202 properties not identifiable in HUD data as having service coordinators; reviewed monitoring policies, program descriptions, and agency notices; and interviewed HUD officials from each of HUD's five Multifamily Housing regions and stakeholders.

What GAO Recommends

GAO recommends that HUD (1) improve the accuracy of its data on Section 202 properties with service coordinators, (2) develop written guidance on assessing compliance with supportive services requirements, and (3) develop procedures for verifying and analyzing performance data. HUD concurred with GAO's recommendations.

View [GAO-16-758](#). For more information, contact Daniel Garcia-Diaz at (202) 512-8678 or garciadiazd@gao.gov.

September 2016

ELDERLY HOUSING

HUD Should Do More to Oversee Efforts to Link Residents to Services

What GAO Found

While limitations in the Department of Housing and Urban Development's (HUD) data make an accurate assessment difficult, GAO estimates that roughly half of the 7,229 Section 202 Supportive Housing for the Elderly (Section 202) properties have HUD-funded service coordinators—staff who link residents to supportive services such as transportation assistance or meals. HUD's data indicate that 38 percent of Section 202 properties have a HUD-funded service coordinator, but these data likely underestimate the true number. GAO surveyed a generalizable sample of Section 202 properties not identifiable in HUD's data as having a service coordinator and, on this basis, estimates that an additional 12 percent of Section 202 properties actually had one—bringing the actual total of Section 202 properties with service coordinators to about 50 percent. Federal internal control standards note that it is important for management to obtain relevant data from reliable sources. Properties with service coordinators are subject to additional monitoring, but without accurate information, HUD risks not taking steps to monitor Section 202 properties with service coordinators to help ensure they are connecting residents to supportive services.

Properties without service coordinators connect residents to services in a variety of ways—for example, property managers may serve this function themselves, or they may utilize other local organizations. Several stakeholders told GAO that property managers are well-positioned to know their residents, and have some insight into their needs. Others noted that property managers generally lack the time and expertise to effectively manage this responsibility, and that the manager's role can conflict with that of the service coordinator. Through GAO's survey and site visits, managers of Section 202 properties without service coordinators cited a variety of reasons for not employing them, including lack of funding and having too few units to justify hiring someone to focus on supportive services for the elderly residents.

HUD requires its staff to monitor Section 202 properties' adherence to program requirements. However, HUD lacks written policies and procedures that describe how its staff should monitor the requirement for Section 202 property managers to coordinate the provision of supportive services. Available guidance describes general monitoring procedures for multifamily properties but does not address Section 202 specifically. HUD officials told GAO they plan to develop guidance on monitoring Section 202 properties with service coordinator grants by December 2016. Federal internal control standards note the importance of documenting responsibilities through policies. Without written policies and procedures, HUD cannot be assured that elderly residents are receiving assistance obtaining services. In addition, HUD collects performance data, such as the number of services provided, from Section 202 properties that have service coordinators but does not have policies or procedures in place to verify the accuracy of the data or for analyzing the data collected. Federal internal control standards also note the importance of evaluating data for reliability and processing data into quality information to evaluate performance. Until HUD takes steps to assess service coordinator performance data for reliability and analyze the data reported, its ability to use that information to monitor whether service coordinators are performing effectively and helping to fulfill the goals of the Section 202 program will likely be limited.