



PERFORMANCE AUDIT • REPORT NUMBER 25-03B • JUNE 2026

Stable Housing Accountability Program - Supplemental Report

DCA generally followed its established reimbursement process

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DOAA

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Why we did this review

House Bill 1410, which passed during the 2024 legislative session, required the state auditor to conduct a performance audit of expenditures for the Stable Housing Accountability Program.

In December 2025, we released a report that evaluated whether the grant award process followed statute and best practices, whether funds were spent on eligible expenditures, and whether performance metrics were consistent with best practices. Due to delays in reimbursement processing, we evaluated reimbursements later for this addendum.

About the Stable Housing Accountability Program

In 2024, House Bill 1410 created a state-funded homelessness grant program known as the Stable Housing Accountability Program (SHAP). While statutorily under the State Housing Trust Fund for the Homeless (SHTF), SHAP is primarily administered by the Department of Community Affairs (DCA).

The General Assembly appropriated \$1 million to SHAP for fiscal year 2025 to cover the first year of grants and administrative expenses. DCA selected six providers to receive awards for calendar year 2025. All six were experienced providers already providing services similar to those required by SHAP.

Stable Housing Accountability Program

DCA generally followed its established reimbursement process for SHAP

What we found

The Department of Community Affairs (DCA) established a sufficient process to review reimbursement requests for the Stable Housing Accountability Program (SHAP). Staff followed this process to ensure SHAP funds were only used to reimburse providers for eligible expenses.

DCA generally followed its established process for SHAP reimbursements.

DCA established a review process for SHAP reimbursement requests, which generally aligned with best practices. The process included segregating staff duties, documenting explanations for decisions, reviewing the sufficiency of supporting documentation, and ensuring reimbursed expenses were for valid and eligible purposes. However, DCA has not formally documented its review process. Staff indicated the process would be included in a SHAP program manual, which is expected to be released by Summer 2026.

Within a sample of reimbursements, we found that DCA performed each stage of its established review process. This included ensuring expenses within each request were supported by the provider's documentation, as well as communicating to providers when submissions had deficiencies.

Our review of reimbursements found only minor issues.

Within our sample, we did not identify any instances in which DCA approved ineligible expenses for reimbursement. However, a small amount of expenses (less than 1% of the total dollar amount we reviewed) were questionable but approved by DCA without comment. For example, three weeks before the end of the grant period, one provider purchased items it would not be able to use in that timeframe (DCA policy indicates that all expenses must be incurred within the grant period). Additionally, several expenses from another provider were reimbursed as fuel from gas stations, but the receipts did not specify what was purchased.

DCA generally met its timeliness goals for communicating with providers and processing reimbursement requests. DCA set a goal of 10 business days to communicate deficiencies within requests (providers can typically correct and resubmit the request). DCA met this goal for 71% of the requests with deficiencies included in our review. For 88% of the requests we reviewed that were ultimately approved, DCA met its goal of processing payments to providers within 25 business days after receiving properly documented submissions. DCA pointed to limited staff and resources for the requests that did not meet the timeliness goal.

What we recommend

DCA should continue with plans to formally document the SHAP reimbursement review process for future grant years.

See **Appendix A** for a listing of the finding and recommendation.

Agency Response: *DCA agreed with the report finding and recommendation and indicated it had already addressed the issues raised.*

Table of Contents

Purpose of the Audit	1
Background	1
Findings and Recommendations	5
Finding 1: DCA generally followed its established reimbursement process for SHAP, and our review found only minor issues.	5
Appendices	8
Appendix A: Table of Findings and Recommendations	8
Appendix B: Objectives, Scope, and Methodology	9

Purpose of the Audit

This performance audit was conducted in accordance with House Bill 1410—effective July 1, 2024—which required a performance audit of all expenditures for the Stable Housing Accountability Program (SHAP). The bill also required a review of the state’s awarding of contracts and grants, the use of metrics associated with expenditures, and whether performance metrics are met. Most of these areas were addressed in a prior report (see text box on page 2). This report focuses on the following question:

- To what extent has the Department of Community Affairs (DCA) ensured that SHAP funds have only been spent on eligible, SHAP-related expenditures?

A description of the objectives, scope, and methodology used in this review is included in **Appendix B**. A draft of the report was provided to DCA for review, and its response was incorporated into the report.

Background

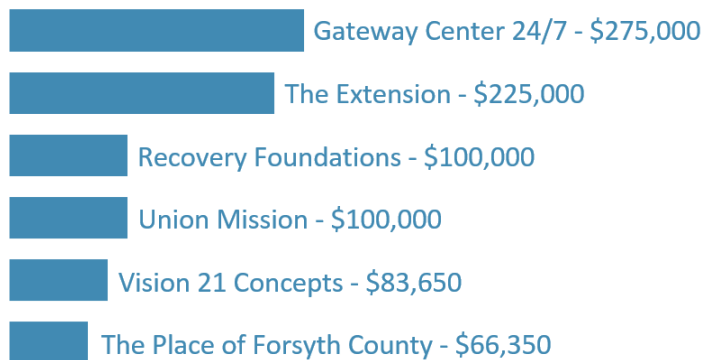
Stable Housing Accountability Program

Passed in 2024, House Bill 1410 established the Stable Housing Accountability Program (SHAP) as a fully state-funded grant program to address homelessness. The State Housing Trust Fund for the Homeless (SHTF) is statutorily responsible for SHAP and its funding. However, the Department of Community Affairs (DCA) administers the program through its contract with the SHTF Commission (as permitted by statute).

For the first grant year (2025), the General Assembly appropriated \$1 million to fund grants and administrative expenses. As shown in **Exhibit 1**, \$850,000 was awarded to six SHAP providers; the remaining \$150,000 was reserved for program administration.

Exhibit 1

Six providers received SHAP funds for the 2025 grant year¹



¹ The funds were appropriated for fiscal year 2025, but the grant period was based on the calendar year (January-December 2025). Funds appropriated to SHTF do not lapse.

Source: DCA records

DOAA previously conducted a performance audit of SHAP

In accordance with House Bill 1410, the Department of Audits and Accounts (DOAA) was required to conduct a performance audit of all SHAP expenditures for the 2025 grant year. The bill required a review of the state’s awarding of contracts and grants, the use of metrics associated with expenditures, and whether performance metrics were met.

We released a report in December 2025 that addressed most of these requirements, including the application, award, and certification phases of the SHAP grant cycle. However, program delays (as discussed in the earlier report) prevented a review of program reimbursements before the statutory reporting deadline of December 31, 2025. As a result, we delayed our review of reimbursement requests until DCA received all reimbursement requests for the 2025 grant year, necessitating this supplement to the original report.

The original SHAP audit (released in December 2025) can be found on the DOAA website at: <https://www.audits2.ga.gov/reports/summaries/stable-housing-accountability-program/>

SHAP Reimbursements

Like other programs administered by DCA, SHAP grantees receive reimbursements rather than all funds at once. As shown in **Exhibit 2**, DCA determined a variety of SHAP program costs are eligible for reimbursement. These include expenses related to transportation, housing, substance abuse treatment, and case management services.

Exhibit 2

A variety of costs are eligible for reimbursement under SHAP

Case Management & Ongoing Services	Assessments and coordination of housing and support services needed by clients
Long-Term Shelter & Residential Operations	Costs of operating a long-term shelter or residential facility, including maintenance, rent, security, fuel, equipment, insurance, utilities, food, furnishing, and supplies
Emergency Shelter	Provision of services essential to operating an emergency shelter for homeless families and individuals
Transportation	To/from medical care, employment, or childcare
Nutrition	Food costs for children under 18, not to exceed \$200 per month per child
Childcare	Costs for care at a childcare center licensed by the Department of Early Care and Learning
Mental Health Services	Direct outpatient treatment or in-house treatment by licensed professionals or certified peer specialists
Substance Abuse Treatment	Direct outpatient treatment or in-house treatment by licensed professionals or certified peer specialists
Capital Rehabilitation	Upgrades, repairs, or additions to property, including building renovations, upgrades, remodeling, and/or adding extra rooms

Source: 2025 SHAP Program Implementation Workshop

DCA also determined that the SHAP grant year would be based on the calendar year (January 1 to December 31) rather than the state fiscal year. According to DCA policy, awardees were expected to serve clients for the entire grant period and could only be

reimbursed for expenses that were incurred during that period. For the 2025 grant year, DCA accepted reimbursement submissions through February 2026.¹

Provider Submission Requirements

DCA established guidelines and policy requirements related to the reimbursement process for providers in the SHAP grant agreement (i.e., contract). Specifically, providers must use standardized forms to submit requests for reimbursement. These forms included a general invoice stating the requested amount, summary pages that describe each line item, and supporting documentation. DCA also requires providers to submit data quality reports with each reimbursement request, which helps ensure the accuracy of client data.²

When submitting reimbursement requests, providers must attest that the submission is accurate, complete, only for the benefit of eligible participants, and in compliance with the SHAP grant agreement.

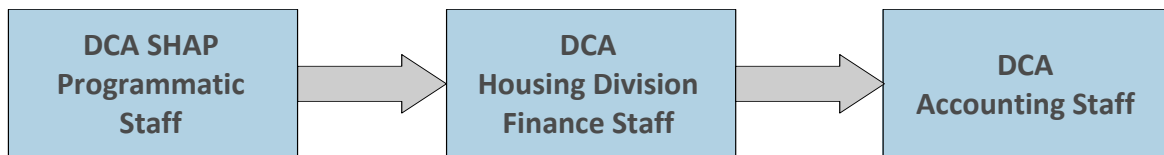
DCA’s Review Process

DCA established a process for the 2025 grant year that was used to review reimbursement requests submitted by SHAP providers. DCA indicated it would make changes to the process for future grant years, such as adding director-level review for all requests and executive management review for requests over the director’s signature authority limit of \$100,000.

As shown in **Exhibit 3**, DCA’s review process included three phases of review, which it manages using the eCivis grants management system. The provider first submits documentation through the system, which programmatic staff review for eligibility, accuracy, sufficient supporting documentation, and consistency with the provider’s program budget³ and award amount.

Exhibit 3

Each reimbursement request undergoes multiple phases of review



Source: DCA records and interviews

Once programmatic staff approve the request, it is forwarded to finance staff, who conduct a similar review for any unidentified deficiencies. Finally, accounting staff process the request for payment after verifying the total amount and signatures

¹ The original deadline was January 31, 2026. However, DCA indicated it extended the deadline due to problems with its grants management system, which prevented providers from submitting a budget amendment after a reimbursement request. DCA is attempting to address this issue for future grant years.

² Providers are required to submit data quality reports related to SHAP client data in the Homeless Management Information System (HMIS). DCA requires that the overall data error rate be below 5%.

³ When applying for the SHAP grant, providers are required to submit a program budget specifying how they intend to spend SHAP funds.

provided by the finance team. Throughout the process, the provider can view the status of its request in eCivis.

When DCA staff identify a deficiency during the review process, the request is either returned to the provider to make corrections or rejected altogether. If a request is returned to the provider, DCA provides comments regarding the identified deficiencies and how they should be addressed. Once deficiencies are resolved, providers must re-upload the reimbursement request. Regardless of which staff rejected the initial request, the review process returns to the programmatic review phase (the first of three) after the provider uploads the corrected reimbursement request.

Findings and Recommendations

Finding 1: DCA generally followed its established reimbursement process for SHAP, and our review found only minor issues.

DCA has established a review process and criteria to determine the eligibility of SHAP reimbursements. Within a sample of reimbursement requests, we did not identify any ineligible expenses that were approved for reimbursement. However, we identified two approved requests that contained expenses of questionable eligibility.

As shown in **Exhibit 4**, DCA’s process for reviewing reimbursement requests generally aligned with best practices published by the Georgia Department of Administrative Services (DOAS) and State Accounting Office (SAO). For example, DCA segregated duties across multiple staff during the review and approval processes. This prevents one staff member from performing all duties and reduces the likelihood of fraud. In contrast with best practices, DCA has not formally documented its review process; however, we found evidence that staff followed the process as it was described to the audit team. DCA plans to document the review process for future grant years in an upcoming SHAP program manual, which should be completed by Summer 2026.

DCA has not yet documented the reimbursement review process for SHAP.

Exhibit 4

DCA’s SHAP review process generally aligned with best practices (2025 grant year)

DCA Review Process	
General Best Practices for Review Processes	
Segregating duties across multiple staff members during the review and approval processes	✓
Documenting explanations as to why reimbursement requests were rejected (when applicable)	✓
Documenting review procedures	✗
Best Practices for Reviewing Reimbursement Requests	
Reviewing the mathematical accuracy of amounts in each request	✓
Reviewing the presence and sufficiency of supporting documentation	✓
Reviewing whether expenses were incurred within the appropriate grant year	✓
Reviewing whether the goods and services incurred by providers were for valid purposes	✓

Source: DOAS and SAO best practices; DCA records and interviews

To assess DCA’s compliance with its review process, we selected a sample of SHAP reimbursement requests that were submitted for the 2025 grant year and reviewed DCA’s adherence to its compliance criteria.⁴ We also checked for consistency and

⁴ The results of this analysis represent only the sampled requests and were not projected to the full population.

reasonableness (e.g., correct dollar amounts, sufficiency of the supporting documentation provided).

We reviewed 455 line items across 20 reimbursement requests (see **Appendix B** for additional details on our methodology). Based on the requests we reviewed, DCA largely approved or rejected reimbursements in accordance with its established criteria. As shown in **Exhibit 5**, our analysis of the documentation submitted by providers, along with internal and external comments within the eCivis system, found that DCA staff evaluated submissions based on criteria such as completeness and the adequacy of supporting documentation. Ultimately, all of the items in our sample that were approved for reimbursement by DCA appeared to be eligible expenses.

Exhibit 5

DCA approved or rejected submissions based on its established criteria (2025 grant year)

DCA Review Process	
DCA’s Established Criteria for SHAP Reimbursement Reviews	
Completeness and mathematical accuracy of submissions	✓
Consistency between line items and supporting documentation	✓
Sufficiency and adequacy of supporting documentation	✓
Whether expenses were eligible based on established criteria	✓
Whether expenses were incurred within the grant period	✓
HMIS data quality reports contain error rates below 5%	✓

Source: DOAA analysis of reimbursement requests and DCA eCivis data

Of the 20 requests we reviewed, 14 were rejected or sent back to providers for corrections. These decisions appeared to be reasonable based on staff comments in eCivis; deficiencies identified by DCA included incorrect grant match amounts,⁵ inconsistency with the providers’ program budgets, and unexplained discrepancies within the documentation.

Within our sample, we did not identify any ineligible expenses that were approved for reimbursement by DCA. However, we did identify line items of questionable eligibility within two requests that were ultimately approved for reimbursement. The combined dollar amount of the questionable line items across both requests was \$1,565, representing less than 1% of the total dollar amount of all requests we reviewed. In both instances, DCA’s review documentation did not include any comments related to these specific expenses, and DCA did not request additional clarifying documentation to verify eligibility.

- **Purchases not fully used by SHAP clients during grant period** – DCA approved a reimbursement for 371 public transportation day passes that were purchased on December 11, 2025. While this purchase was made during the grant period, only 20 days remained in the year. Since the provider was serving SHAP clients in only five of its more than 400 beds, the SHAP clients

⁵ Per DCA requirements, providers must match 10% of their total grant award using their own funding, other available funding, or in-kind services.

would have been unable to use all of the passes purchased before the end of the grant period.

When asked about this purchase, DCA indicated that the provider was likely carrying the cost of participant transportation throughout the grant year. As a result, DCA staff determined this was an “eligible and appropriate expense.” Additionally, it should be noted that DCA policy only requires that SHAP expenses be incurred during the grant period.

- **Unclear and illegible receipts provided as supporting documentation** – DCA approved a request that included 10 line items categorized as fuel purchases, each with a supporting receipt from a gas station. Receipts for five of the line items indicated a “prepaid” transaction but did not specify what was purchased. Additionally, receipts for the remaining five line items were faded or illegible, with two including handwritten total amounts.

DCA stated that while all the relevant receipts in the request appeared to be for fuel purchases from local gas stations, it was considering adding requirements for more detailed receipts related to fuel purchases.

DCA generally met its timeliness goals⁶ when processing reimbursement requests. In 10 of the 14 requests we reviewed where DCA identified deficiencies, the agency met its goal of notifying providers of the deficiencies within 10 business days after receiving the request. Additionally, in 14 of the 16 sampled requests that were ultimately approved, DCA met its goal of processing payments to providers within 25 business days after receiving properly documented submissions. DCA indicated that limited staffing and resources resulted in instances where requests were not returned within desired timeframes. DCA has hired an additional staff member and plans to determine whether these timeframes should be modified in future grant years.

Recommendation

1. DCA should continue with plans to formally document the SHAP reimbursement review process for future grant years.

DCA Response: *In its response, DCA stated, “In May 2026, DCA shared documented reimbursement guidance with all SHAP awardees. DCA will continue to publish supportive guidance for program participants and make process improvements to the SHAP award program, as the agency does with all other grant cycles.”*

⁶ DCA described its timeliness goals in the SHAP grant agreement, which acts as the contract for the SHAP program.

Appendix A: Table of Findings and Recommendations

	Agree, Partial Agree, Disagree	Implementation Date
Finding 1: DCA generally followed its established reimbursement process for SHAP, and our review found only minor issues. (p. 5)	Agree	N/A
1.1 DCA should continue with plans to formally document the SHAP reimbursement review process for future grant years.	Agree	May 2026

Appendix B: Objectives, Scope, and Methodology

Objectives

This report examines the reimbursement process for the Stable Housing Accountability Program (SHAP), which is under the State Housing Trust Fund for the Homeless and is administered by the Department of Community Affairs (DCA). Specifically, our review set out to determine the following:

- To what extent has DCA ensured that SHAP funds have only been spent on eligible, SHAP-related expenditures?

Scope

This audit covered activity related to the Stable Housing Accountability Program (SHAP) that occurred from January 2025 to February 2026, with consideration of earlier or later periods when relevant. A separate report was released December 2025⁷ to meet the statutory deadline created by SHAP's enabling legislation. That report addressed the state's awarding of contracts and grants, the use of metrics associated with expenditures, and whether DCA established performance metrics.

Government auditing standards require that we also report the scope of our work on internal control that is significant within the context of the audit objectives. Our objective addresses aspects of DCA's internal control structure related to SHAP provider reimbursements. Specific information related to the scope of our internal control work is described in the methodology section below.

Methodology

Information used in this report was obtained by interviewing agency officials and staff from the Department of Community Affairs (DCA); reviewing DCA guidance documents and provider information related to the reimbursement process; reviewing statewide best practices for processing and issuing payments; and analyzing data and reports from the eCivis grants management system⁸ and Homeless Management Information System (HMIS).⁹ We did not assess the reliability of eCivis or HMIS as a whole but did assess the relevant SHAP data and determined it was sufficiently reliable for the purposes of our analyses.

To determine whether DCA ensured SHAP funds were only spent on eligible, SHAP-related purposes, we reviewed DCA processes for SHAP reimbursement requests, as well as a sample of reimbursement requests from the 2025 grant year. To identify best practices for state agencies, we reviewed the Georgia Procurement Manual from the Department of Administrative Services and the State Accounting Office's Policy and Procedure document for Payment Processes. To identify the reimbursement processes established by DCA, we reviewed DCA documents related to SHAP grant administration and reporting from the eCivis system. However, as noted in the finding, DCA has not formally documented the review process for SHAP reimbursements, so we largely relied on descriptions provided by DCA staff members.

To determine whether DCA only approved eligible expenses for reimbursement and followed the review process it established for the 2025 grant year, we evaluated a judgmental sample of SHAP reimbursement requests. The sample was not statistically valid and cannot be used to project to the entire population.

⁷The original SHAP audit can be found on the DOAA website: <https://www.audits2.ga.gov/reports/summaries/stable-housing-accountability-program/>

⁸ eCivis is a grants management software that allows DCA to manage the performance of grants through the entire grant lifecycle.

⁹ HMIS is a federally required homelessness tracking system which allows service providers to collect client-level data on the provision of housing and services to homeless individuals and families, as well as persons at risk of homelessness.

We reviewed a sample of the reimbursement requests submitted and a sample of individual line items within the selected requests. Of the 43 requests submitted by SHAP providers for the 2025 grant year, we selected a nonrandom sample of 20 requests. Our sample included approximately half of the requests and half of the total funds requested by each provider. For some providers, we increased the sample beyond these amounts due to the large dollar amounts of individual requests or to examine submissions rejected by DCA.

For each reimbursement request, we randomly selected at least 20 line items (or all of the line items if there 20 or fewer), and their relevant supporting documentation, for review; the number selected was increased based on the total number of line items. For each request reviewed, we expanded the sample if we identified a questionable expense. In total, we reviewed 455 line items from our sample of 20 reimbursement requests; these covered \$427,486 of the \$850,000 paid to providers, as well as \$83,080 in requests that were ultimately rejected.

For each selected line item, we reviewed the expense and the relevant supporting documentation to assess DCA's approval/rejection based on the eligibility and documentation criteria set for grant year 2025. This included verifying whether the documentation was adequate and appropriate, the amounts shown matched the request, and the expense type and date qualified for reimbursement. For the overall reimbursement request, we assessed whether DCA ensured providers met the established criteria. This included submitting required forms to demonstrate provider board approval for the request, line item summary sheets with all expenses in the request, and a general invoice sheet stating the total amount, as well as ensuring the provider had an HMIS data quality error rate of 5% or less. We also verified that no payout was made unless DCA's programmatic, finance, and accounting staff had all approved the reimbursement request.

In addition, we used data from DCA's grants management system (eCivis) to determine whether the agency had met its timeliness goals for reviewing and paying out reimbursement request submissions and communicating documentation deficiencies to the providers. Because we only had access to the final submission by the provider, we could not verify the documented reasons for the initial rejection if the request was resubmitted. For these resubmissions, we relied on the comments staff had entered into eCivis, such as improper formatting, grant matching data entry, and program budget consistency, all of which were listed as rejection reasons in eCivis.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

If an auditee offers comments that are inconsistent or in conflict with the findings, conclusions, or recommendations in the draft report, auditing standards require us to evaluate the validity of those comments. In cases when agency comments are deemed valid and are supported by sufficient, appropriate evidence, we edit the report accordingly. In cases when such evidence is not provided or comments are not deemed valid, we do not edit the report and consider on a case-by-case basis whether to offer a response to agency comments.

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