OFFICE OF THE
INSPECTOR GENERAL
DISTRICT OF COLUMBIA GOVERNMENT

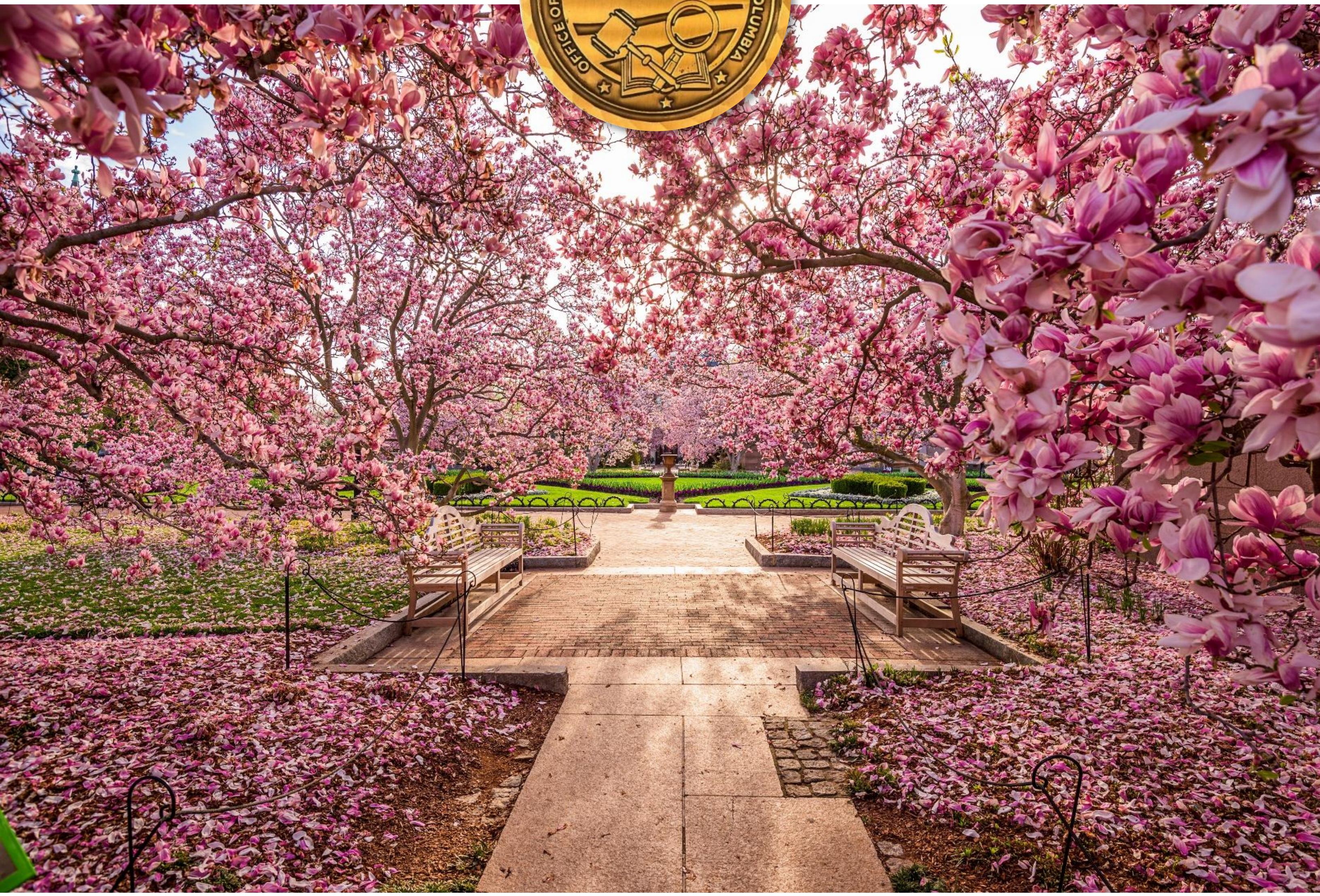
AUDIT REPORT

Community Vision, Inc.

Financial Statements and Independent Auditor's Report for FY 2025

OIG No. 25-1-12HY(c)

July 15, 2026



MATTHEW WILCOXSON
INTERIM INSPECTOR GENERAL

OUR MISSION

We independently audit, inspect, and investigate matters pertaining to the District of Columbia government in order to:

- prevent and detect corruption, mismanagement, waste, fraud, and abuse;
- promote economy, efficiency, effectiveness, and accountability;
- inform stakeholders about issues relating to District programs and operations; and
- recommend and track the implementation of corrective actions.

OUR VISION

We strive to be a world-class Office of the Inspector General that is customer focused and sets the standard for oversight excellence!

OUR VALUES

Accountability: We recognize that our duty extends beyond oversight; it encompasses responsibility. By holding ourselves accountable, we ensure that every action we take contributes to the greater good of the District.

Continuous Improvement: We view challenges not as obstacles, but as opportunities for growth. Our commitment to continuous improvement drives us to evolve, adapt, and enhance our practices.

Excellence: Mediocrity has no place in our lexicon. We strive for excellence in every facet of our work.

Integrity: Our integrity is non-negotiable. We act with honesty, transparency, and unwavering ethics. Upholding the public's trust demands nothing less.

Professionalism: As stewards of oversight, we maintain the utmost professionalism. Our interactions, decisions, and conduct exemplify the dignity of our role.

Transparency: Sunlight is our ally. Transparency illuminates our processes, decisions, and outcomes. By sharing information openly, we empower stakeholders, promote understanding, and reinforce our commitment to accountability.

MEMORANDUM

To: Nicole Wickliffe, Interim Executive Director
District of Columbia Housing Authority

Isra A. Elkhazeen, Interim Chief Financial Officer
District of Columbia Housing Authority

Raymond Skinner, Board Chair
Stabilization and Reform Board of Commissioners

From: Matthew Wilcoxson *Matthew Wilcoxson*
Interim Inspector General

Date: July 15, 2026

Subject: **Community Vision, Inc. Annual Financial Statements and Independent Auditor's Report | OIG No. 25-1-12HY(c)**

This memorandum transmits the final *Community Vision, Inc. Annual Financial Statements and Independent Auditor's Report* for fiscal year 2025. CliftonLarsenAllen, LLP (CLA) conducted the audit and submitted these reports as part of our overall contract for the audit of the District of Columbia Housing Authority's basic financial statements for fiscal year 2025.

In this report, CLA noted one material weakness relating to the Authority's financial reporting. Due to the significance of this issue, CLA did not express an opinion on the agency's financial statements.

Should you have questions or concerns, please contact me or Dr. Slemo Warigon, Assistant Inspector General for Audits, at (202) 792-5684 or slemo.warigon@dc.gov.

COMMUNITY VISION, INC.
(A Component Unit of the
District of Columbia Housing Authority)

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2025

CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

COMMUNITY VISION, INC.
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YEAR ENDED SEPTEMBER 30, 2025

INDEPENDENT AUDITORS' REPORT

Mayor, Members of the Council of the Government of the District of Columbia,
the Inspector General of the Government of the District of Columbia, and the
Board of Commissioners of the District of Columbia Housing Authority and
Community Vision, Inc.
Washington, DC

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of Community Vision, Inc. (CVI), a component unit of the District of Columbia Housing Authority (DCHA), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise CVI's basic financial statements as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of Community Vision, Inc. referred to above. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements.

Basis for Disclaimer of Opinion

In the prior year, DCHA implemented a new computerized accounting system, and the process to reconcile implementation issues of the new accounting system continued into fiscal year 2025. This resulted in numerous misstatements and accounts that we could not obtain sufficient audit evidence to verify amounts included in the financial statements of DCHA and its component units, including Community Vision, Inc. As of the date of our audit report, management has not rectified its system deficiencies, corrected all misstatements, or provided support for certain balances related to assets, liabilities, net position, revenues, expenses, and cash flows. Although certain Community Vision, Inc. balances were adjusted based on available information, because of the significance and pervasiveness of these matters, we were unable to determine whether all amounts and disclosures included in the accompanying financial statements were materially correct or whether additional adjustments may have been necessary. Accordingly, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Emphasis of Matter

As discussed in Note 1, the financial statements present only Community Vision, Inc and do not purport to, and do not, present fairly the financial position of DCHA as of September 30, 2025, the changes in its financial position, or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Vision, Inc.' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility was to conduct an audit of Community Vision, Inc.' financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are required to be independent of Community Vision, Inc. and to meet other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We were unable to apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America because of the matters described in the *Basis for Disclaimer of Opinion* section of our report. We do not express an opinion or provide any assurance on the information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 2, 2026, on our consideration of the Community Vision, Inc.' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Community Vision, Inc.' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Community Vision, Inc.' internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
July 2, 2026

Introduction

The District of Columbia Housing Authority (DCHA or the Authority) provides quality affordable housing to extremely low- through moderate-income households, fosters sustainable communities, and cultivates opportunities for residents to improve their lives.

The Authority presents this discussion and analysis of its nonprofit entity, Community Vision, Inc. (CVI), for the fiscal years ended September 30, 2025 and 2024 to assist the reader in focusing on significant financial issues of CVI. This entity was created for purposes of providing services to the residents and participants of DCHA affordable housing programs.

CVI's Financial Statements

CVI presents the financial results in three financial statements – the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. These financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The Statement of Net Position presents information on all of CVI's assets and liabilities. The difference between CVI's assets and liabilities is reported as net position. Increases or decreases in net position will serve as a useful indicator of whether the financial position of CVI is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position presents information which shows how CVI's net position changes during the fiscal years. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of any unrelated cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods (e.g., depreciation).

The Statement of Cash Flows reports CVI's net cash from operating, investing, capital and related financing activities, and noncapital and related financing activities.

CVI's Financial Highlights for Fiscal Year 2025 (FY 2025)

In summary, the CVI's FY 2025 financial highlights included the following:

- At September 30, 2025, total assets and liabilities were $849,296 and $1,017,034, respectively. Total net position was ($167,738).

- Total revenues and expenses were $24,599 and $10,038, respectively; thus total net position increased by $14,561.

- Cash flows used BY operating activities amounted to $221,972. After considering investing activities, total cash decreased by $221,345.

Summary of Net Position

CVI's FY 2025 and FY 2024 statement of net position reports all financial assets of the Limited Liability Company and are presented in a format where assets minus liabilities equal net position. Table 1 reflects a condensed summary of net position as of September 30, 2025 and 2024. The change between September 30, 2025 and September 30, 2024 should be read in conjunction with the financial statements.

Table 1
Summary of Net Position

	2025	2024	Increase (Decrease)
Current Assets	$ 849,296	$ 613,105	$ 236,191
Total Assets	849,296	613,105	236,191
Current Liabilities	1,017,034	795,404	221,630
Total Liabilities	1,017,034	795,404	221,630
Net Position			
Unrestricted	(167,738)	(182,299)	14,561
Total Net Position	$ (167,738)	$ (182,299)	$ 14,561

Analyses

- Current assets increased $236,191, primarily due to a $457,536 increase in Due from DCHA, partially offset by a $221,345 decrease in cash.
- Current liabilities increased $221,630, resulting from a $220,729 increase in other current liabilities and a $901 increase in accounts payable.

Summary of Revenues, Expenses, and Changes in Net Position

CVI's FY 2025 and FY 2024 Statement of Revenues, Expenses, and Changes in Net Position includes operating revenues such as donations and Laundry and Vending Income, operating expenses such as administrative, resident participation, tenant services, and scholarships, and nonoperating interest income. In FY 2025 and FY 2024, CVI experienced a change in net position of a positive $14,561 and a negative $41,129, respectively. Table 2 presents a condensed summary of data from CVI's Statement of Revenues, Expenses, and Changes in Net Position.

Table 2
Summary of Revenues, Expenses, and Changes in Net Position

	2025	2024	Increase (Decrease)
Revenues:			
Operating Revenues	$ 23,972	$ 7,097	$ 16,875
Nonoperating Revenues	627	2,121	(1,494)
Total Revenues	24,599	9,218	15,381
Expenses:			
Operating Expenses	10,038	50,347	(40,309)
Total Expenses	10,038	50,347	(40,309)
Change in Net Position	14,561	(41,129)	55,690
Total Net Position - Beginning of Year	(182,299)	(141,170)	(41,129)
Total Net Position - End of Year	$ (167,738)	$ (182,299)	$ 14,561

Analyses

- Operating revenues increased $16,875, reflecting higher donations of $3,000 and reimbursable activity revenue of $13,875.

- Nonoperating revenues decreased $1,494 due to a corresponding decline in bank interest income.

- Operating expenses decreased $40,309, primarily due to a $50,000 decrease in resident participation funding expenditures and a $309 decrease in bank fees, partially offset by a $10,000 increase in sponsorship expenses.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing CVI's budget for the year ended September 30, 2025:

- The Washington DC Metro area economy continued with a steady performance during 2024, and the expected growth will continue with a steady pattern of growth during fiscal year 2025.

- Our budget for 2026 took into consideration the continued growth pattern, despite our projections for federal funding reductions in FY 2026 that may also impact CVI's funding.

Request for Information

This financial report is designed to provide a general overview of CVI's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to:

The Office of the Director of Finance
District of Columbia Housing Authority
1133 N. Capitol Street, N.E., Suite 329
Washington, D.C. 20002-7599
(202) 535-2878

COMMUNITY VISION, INC.
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

ASSETS

CURRENT ASSETS		
Cash and Cash Equivalents - Unrestricted	$	195,206
Due from Affiliates		654,090
Total Assets	$	849,296

LIABILITIES AND NET POSITION

CURRENT LIABILITIES		
Accrued Liabilities	$	306,021
Other Current Liabilities		711,013
Total Liabilities		1,017,034
NET POSITION		
Unrestricted		(167,738)
Total Net Position		(167,738)
Total Liabilities and Net Position	$	849,296

See accompanying Notes to Financial Statements.

COMMUNITY VISION, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2025

OPERATING REVENUES	
Donation Revenue	$ 6,000
Other Revenue	17,972
Total Operating Revenues	23,972
OPERATING EXPENSES	
Administrative and General	38
Scholarship Expenses	10,000
Total Operating Expenses	10,038
OPERATING INCOME	13,934
NONOPERATING REVENUES	
Interest Income	627
Total Nonoperating Revenues	627
CHANGE IN NET POSITION	14,561
Net Position - Beginning of Year	(182,299)
NET POSITION - END OF YEAR	$ (167,738)

See accompanying Notes to Financial Statements.

COMMUNITY VISION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Tenant and Donation Revenue	$ (433,564)
Payments to Vendors and Affiliates	(10,038)
Funding from Affiliate	221,630
Net Cash Used by Operating Activities	(221,972)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	627
NET DECREASE IN CASH	(221,345)
Cash and Cash Equivalents - Beginning of Year	416,551
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 195,206
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Income	$ 13,934
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
Other Current Liabilities	221,630
Net Cash Used by Operating Activities	$ (221,972)

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Community Vision, Inc. (CVI) supports the District of Columbia Housing Authority (DCHA) by engaging in activities that may include, without limitation, developing, financing, managing, monitoring, and engaging in social service programming; and providing technical assistance to social service governmental and nongovernmental agencies that provide social service and other types of assistance that will enhance, expand, and foster self-sufficiency for low- and moderate-income individuals and families residing in DCHA properties.

Basis of Presentation and Accounting

CVI's financial transactions are accounted for as a blended component unit in DCHA's financial statements. CVI is presented as a blended component unit in the DCHA report because of fiscal dependency and because of common members of the Board of Commissioners/Directors who serve on the respective boards. The accompanying financial statements are only those of CVI and are not intended to present the financial position, changes in financial position, and cash flows of DCHA taken as a whole.

CVI uses the accrual basis of accounting in accordance with accounting principles generally accepted in the Unites States of America (GAAP). Under this method, income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time. As a component unit of DCHA, CVI presents the financial statements in accordance with the Governmental Accounting Standards Board (GASB).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

CVI recognizes donations as they are pledged. Any unearned revenue is reflected as unearned revenue in the statement of net position.

Income Taxes

CVI is a District of Columbia limited liability company and is treated as a disregarded entity for tax purposes. Because CVI is not a taxpaying entity for federal or state income tax purposes, no income tax expense or provision has been recorded in the financial statements. Income of CVI is passed through to its sole member, DCHA.

Cash and Cash Equivalents

Cash and cash equivalents includes all monies in the bank and on hand as well as highly liquid investments with original maturity of three months or less.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net Position is displayed in three components:

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted assets when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted – This component consists of net position that does not meet the definition of "Net Investment in Capital Assets," or "Restricted Net Position."

It is CVI's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. As of September 30, 2025, CVI had no net investments in capital assets or restricted net position.

NOTE 2 CONCENTRATION OF CREDIT RISK

CVI maintains its cash at one financial institution. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 in 2025. Cash at the financial institution occasionally exceeds the federally insured limits. However, CVI's cash is collateralized with securities at the Federal Reserve Bank. At September 30, 2025, the bank balance was $195,206, the carrying amount was $195,206, and all deposits were fully collateralized.

NOTE 3 RESTRICTED CASH

Restricted cash represents funds restricted for future use. As of September 30, 2025, $195,206 of cash was restricted for resident participation funds held for use for the benefit of the residents.

NOTE 4 RELATED PARTY TRANSACTIONS

In fiscal year 2025, CVI transferred $150,000 resident participation funding to DCHA. As of fiscal year end, $156,560 of resident participation funding was due to CVI and is included within due from affiliates on the Statement of Net Position. The unspent amount of these funds is held for the benefit of the residents and included in other current liabilities on the Statement of Net Position. Although these funds are no longer federally restricted, the Authority has limited the use of these funds to be consistent with 24 C.F.R §964.150.

NOTE 5 OTHER LIABILITIES

At September 30, 2025, other current liabilities totaled $1,017,034 for resident participation funds and section 3 funds received but not used.

NOTE 6 MEMBER DISTRIBUTIONS

In fiscal year 2025, CVI made no distributions to its Member, DCHA.

NOTE 7 ECONOMIC DEPENDENCY

CVI is economically dependent on DCHA which provides staff, services, property, equipment, and supplies necessary to operating the organization.

CVI owed $-0- to DCHA at September 30, 2025.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Mayor, Members of the Council of the Government of the District of Columbia,
the Inspector General of the Government of the District of Columbia, and the
Board of Commissioners of the District of Columbia Housing Authority and
Community Vision, Inc.
Washington, DC

We were engaged to audit, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Community Vision, Inc. (CVI), as of and for the year ended September 30, 2025, and the related notes to the financial statements, and have issued our disclaimer of an opinion dated July 2, 2026. Our report disclaims an opinion on such financial statements because we were not able to obtain sufficient audit evidence on certain revenues, expenses, assets, liabilities and net position to form an opinion.

Report on Internal Control Over Financial Reporting

In connection with our engagement to audit the financial statements of CVI, we considered Community Vision, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Vision, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Vision, Inc.'s internal control.

Our consideration of internal controls was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal controls that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of finding and response, we identified a certain deficiency in internal controls that we consider to be a material weakness.

A *deficiency in internal controls* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of Community Vision, Inc.'s financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of finding and response as item 2025-001 to be a material weakness.

Mayor, Members of the Council of the Government of the District of Columbia,
the Inspector General of the Government of the District of Columbia, and the
Board of Commissioners of the District of Columbia Housing Authority and
Community Vision, Inc.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CVI's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

CVI's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the CVI's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. CVI's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CVI's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
July 2, 2026

Section II – Financial Statement Findings

2025 – 001

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting – Financial Statement Closing Process and Verification of Balances

Condition: CVI did not have adequate controls in place to ensure that revenue and liability accounts were properly recognized, classified, reviewed, and recorded in the correct period. During our audit, we noted that certain laundry and vending proceeds were improperly recognized as revenue instead of liabilities, although the funds were held on behalf of the Resident Council until disbursed. An adjustment of approximately $64,168 was required to reclassify these amounts to other current liabilities.

In addition, resident participation funds due to CVI from DCHA were not recorded in FY2024 or FY2025 due to management oversight. Management subsequently proposed an adjustment to record the cumulative amount of approximately $156,560 in FY2025.

Criteria or specific requirement: The Internal Control-Integrated Framework (COSO Report) requires adequate internal controls over financial reporting to ensure that transactions are properly recorded and accounted for to permit the preparation of reliable financial statements and demonstrate compliance with laws, regulations and other compliance requirements. Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP. According to GASB Cod. Sec. 1100.101, a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

Effect: Audit adjustments were necessary to ensure the financial statements are properly stated. The lack of controls in place over the financial reporting function increases the risk of misstatements, fraud, or errors occurring and not being detected and corrected on a timely basis. Ineffective controls over the financial reporting and close process could result in inaccurate account balances, a significant number of audit adjustments or restatements or a lack of timely financial information.

Cause: CVI lacked adequate controls over the financial statement closing process to ensure that year end balances are accurate and all transactions during the year were properly recorded.

Repeat Finding: Yes; 2024-001

Recommendation: We recommend that CVI establish a formal closing process that reconciles and analyzes all account balances. This process should include specific timelines, defined responsibilities, appropriate supervisory reviews, and the necessary standard journal entries. This process should also ensure all transactions of the entity are properly included in the year-end balances.

Views of Responsible Officials: There is no disagreement with the finding.

COMMUNITY VISION, INC.
CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2025

U.S. Department of Housing and Urban Development

Community Vision, Inc. (CVI), a component unit of the District of Columbia Housing Authority, respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2025.

Audit period: October 1, 2024 – September 30, 2025

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2025-001 Material Weakness in Internal Control over Financial Reporting - Financial Statement Closing and Verification of Balances

Recommendation: We recommend that CVI establish a formal closing process that reconciles and analyzes all account balances. This process should include specific timelines, defined responsibilities, appropriate supervisory reviews, and the necessary standard journal entries. This process should also ensure all transactions of the entity are properly included in the year-end balances.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken or planned in response to finding:

CVI Management acknowledges the finding and agrees that improvements are needed in the formal financial statement closing and reconciliation process.

A checklist was created and implemented as a result of the FY2024 finding. However, due to a miscommunication regarding the segregation of duties between the internal staff and fee accountants several functions were not completed timely and accurately.

The following steps will be taken immediately:

a. Revise month end close checklist.
b. Create and formalize SOPs.
c. Train staff on new SOPs and revised checklist.
d. Strengthen controls by implementing a formal review and approval process of work performed by third-party fee accountants.
e. Create a monthly comprehensive financial report for the Executive team's review.

Name(s) of the contact person(s) responsible for corrective action: Isra Elkhazeen and Zewdneh Shiferaw.
Planned completion date for corrective action plan: August 31, 2026.

COMMUNITY VISION, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2025

U.S. Department of Housing and Urban Development

Community Vision, Inc. (CVI), a component unit of the District of Columbia Housing Authority, respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2025.

Audit period: October 1, 2024 – September 30, 2025

The finding from the prior audit's schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2024-001 Material Weakness – Financial Closing Process and Verification of Balances

Condition: SBC noted that CVI lacks an adequate closing process. Additionally, there was no validation to ensure that all material account balances in the general ledger were supported and accurate. The deficiencies in the close process resulted in SBC being unable to obtain sufficient audit evidence to verify or determine the proper accounting for balances related to the statement of net position.

Status: See current year finding 2025-001.

Reason for finding's recurrence: A checklist was created and implemented as a result of the FY2024 finding. However, during FY2025, responsibilities between the DCHA finance team and the fee accountant were not sufficiently defined and communicated. As a result, certain closing procedures, account reconciliations, and balance sheet reviews were not completed timely and consistently. This led to delays in validating and supporting certain account balances and contributed to the recurrence of the finding. Management has since clarified responsibilities, revised the closing process, and strengthened review procedures to ensure all material account balances are reconciled, supported, and reviewed timely.

Corrective Action: The following steps will be taken immediately:

a. Revise month end close checklist.
b. Create and formalize SOPs.
c. Train staff on new SOPs and revised checklist.
d. Create a monthly comprehensive financial report for the Executive team's review.

REPORT WASTE, FRAUD, ABUSE, AND MISMANAGEMENT

(202) 724-TIPS (8477) and (800) 521-1639

https://oig.dc.gov

oig@dc.gov

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