

**KITSAP COUNTY CONSOLIDATED HOUSING AUTHORITY**  
**NOTES TO SCHEDULE OF FEDERAL, STATE, AND LOCAL AWARDS**  
**June 30, 2000**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Schedules of Expenditures of Federal, State and Local awards present the activities of the federal, state, and local assistance programs administered by the Housing Authority.

From time to time, the Housing Authority may assist others in managing assistance programs. These programs would not be included as part of the Housing Authority for financial reporting purposes, and therefore would also not be included in the Schedules of Expenditures of Federal, State and Local Awards.

**Basis of Accounting**

The Schedules of Federal, State and Local Awards are prepared on the same basis of accounting as the Housing Authority's financial statements. The Housing Authority uses the accrual basis of accounting for all proprietary funds, the modified accrual basis of accounting for all governmental funds.

**NOTE 2 - PROGRAM COSTS**

The amounts shown as current year expenditures represent only the federal, State or Local portion of the program costs. Actual program costs, including the Housing Authority's portion, may be more than shown.

**NOTE 3 - PROGRAM INCOME**

The Housing Authority has a revolving loan program for low-income housing. Under this federal grant, repayments to the Housing Authority are considered program revenues (income) and loans of such funds to eligible recipients are considered expenditures.