

# U.S. Department of Housing and Urban Development

## Public and Indian Housing

Special Attention of:  
Administrators, Offices  
of Native American Programs;  
Tribes, Tribally Designated  
Housing Entities

Notice PIH 2003-4 (TDHEs)

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Cross References: 24 CFR 1000

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2577-0218 (IHP/APR)

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**SUBJECT:** Native American Housing Assistance and Self-Determination Act (NAHASDA) Funding for Tribes or Tribally Designated Housing Entities (TDHE) in Fiscal Year (FY) 2003

**BACKGROUND:** The Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) was enacted on October 26, 1996, and became effective on October 1, 1997. Under NAHASDA, grants are provided to Indian tribes to carry out affordable housing activities. The Department is presently operating under a Continuing Resolution and, therefore, there is no appropriation for the Indian Housing Block Grant (IHBG) Program for Fiscal Year (FY) 2003. This will delay funding to tribes in FY 2003.

**PURPOSE:** The Department is concerned that the delay in FY 2003 IHBG funding may have an adverse effect on some tribes. This Notice provides instructions to tribes and tribally designated housing entities (TDHE) on the process for requesting an advance of IHBG funds for FY 2003. It also provides instructions to Area Offices of Native American Programs (AONAP) on how to review and process a request.

**ELIGIBILITY:** Tribes/TDHEs are eligible for an advance of funds if the following conditions apply:

1. An Indian Housing Plan (IHP) has been submitted for 2003 and determined to be in compliance with NAHASDA; and
2. There are no unobligated 1937 Act development or modernization program funds or reserves available; and
3. There are no unobligated IHBG funds available excluding any funds invested in accordance with 24 CFR 1000.58.

The point of obligation is the time when a commitment is made to pay a particular sum of money for contract labor, supplies, materials or services. For obligation on 1937 Act Programs, please refer to IHBG Program – Revised Notice of Transition Requirements dated January 27, 1998, Question 23. For obligation of IHBG funds, please refer to PIH

Notice 2000-26 (TDHEs) dated July 26, 2000, and reinstated indefinitely on November 29, 2002.

**AMOUNT OF ADVANCE:** The amount of advance allowable will be limited to 10% of the FY 2002 IHBG formula allocation amount for each tribe unless the Denver Program Office, based on justification submitted by the recipient and agreed to by the AONAP, approves a higher amount. These funds are intended to cover expenses for the first two quarters of FY 2003. Tribes eligible only for minimum funding in accordance with 24 CFR 1000.328 will not be eligible to receive an advance until an Interim regulation is published extending minimum funding to Federal Fiscal Year 2003.

**ELIGIBLE EXPENSES:** Funds will be provided to a tribe/TDHE only for necessary expenses for the first and second quarter of FY 2003. (This Notice also authorizes funding for the third quarter of FY 2003, if necessary.) Eligible expenses include salaries, benefits, taxes, insurance, travel, training, emergency maintenance for 1937 Act housing units and renewal of tenant-based or project-based rental assistance. Until FY 2003 IHBG funds are appropriated and the final formula is determined, advanced FY 2003 IHBG funds **may not** be used for any other affordable housing activities, including modernization of 1937 Act units, development, housing services, crime prevention and safety activities and model activities as described in Section 202 of NAHASDA.

**SUBMISSION REQUIREMENTS:** In order to request an advance of FY 2003 formula funds, a tribe/TDHE must submit a letter from the recipient's authorizing official requesting an advance of FY 2003 IHBG funds. This letter must include a certification that no unobligated funds are available from 1937 Act reserves, 1937 Act modernization or development program funds or IHBG program funds. The letter should be sent to the AONAP Administrator with a copy to the Director, Office of Grants Management, Denver Program Office, 1999 Broadway, Denver, CO 80202.

#### **PROCESSING INSTRUCTIONS:**

The following process will be followed to *review a request* for advanced funding:

##### AONAP:

1. Review the status of all open modernization, development and IHBG grants in the Line of Credit Control System (LOCCS) and compare the information to the Annual Performance Report to determine if there appears to be any inconsistencies with the recipient's certification regarding obligated funds;
2. Contact the recipient regarding any inconsistencies noted within 5 working days and resolve any issues; and
3. Request funds from the Denver Program Office. An e:mail should be sent to Deborah Lalancette and provide the following information: recipient name and the amount of IHBG advance funds requested.

##### Denver Program Office:

4. Verify that the requested amount does not exceed 10% of the FY 2002 formula allocation amount for the recipient; and
5. Request a Fund Assignment for the AONAP from the PIH Office of Budget and Finance.

Once the Fund Assignment, is received by the AONAP, the following process will be followed to *reserve the funds*:

AONAP:

1. Send the form HUD 718 to the Fort Worth Accounting Office to reserve the funds.
2. Prepare a Grant Agreement, form HUD 52734-B and compliance letter. A sample letter will be distributed to the AONAPs.

IHBG Recipient:

3. Return the grant agreement and other forms and certifications in order to access funding.

AONAP:

4. Upon receipt of the documents from the recipient, the AONAP should follow the established procedures outlined in the Grants Management Business Process Guidebook to establish a recipient in LOCCS. This includes sending one copy of the grant agreement to Fort Worth and spreading the funds in LOCCS.

**FUTURE ACTIONS:** Once the Department has received the FY 2003 appropriation for the IHBG Program and the formula allocation is determined for each tribe, the funding documents, including the form HUD-718 and Grant Agreement, will need to be amended for any recipient who has received advanced funding. The recipient may also need to submit an amended IHP if the formula allocation amount differs from the amount in the IHP previously submitted.

\_\_\_\_\_/s\_\_\_\_\_  
Michael Liu  
Assistant Secretary for Public and Indian Housing