

# INDIAN AFFAIRS HOUSING IMPROVEMENT PROGRAM (HIP) HANDBOOK

70 IAM 7-H



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Division of Human Services  
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## FOREWORD

This handbook documents the procedures required to implement the Indian Affairs' (IA) Housing Improvement Program (HIP) policy, 70 IAM 7. It supersedes all procedures, handbooks, and other guidance related to the HIP that may have been created and/or distributed throughout IA previously.

This handbook is intended primarily for HIP professionals and managers who administer HIP policy, but it is also informative for other IA employees, Tribes, and government agencies seeking to fund housing projects in Indian country.

Darryl LaCounte

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## ***CHAPTER 1: GENERAL***

### **1.1 Purpose**

The Housing Improvement Program (HIP) is an extremely low-income grant program administered by Indian Affairs (IA) that offers housing assistance to disadvantaged American Indians and Alaskan Native families who live in substandard housing, are homeless, or have no other resources for housing assistance. Priority is extended to the elderly, disabled, low-income families with dependent children, veterans, or individuals living in overcrowded and unsafe conditions.

This handbook documents the practices and procedures necessary to manage HIP resources on Indian lands. The purpose of this handbook is twofold:

- (1) to provide guidance and procedures necessary to apply for, prepare, administer, and report on HIP projects; and
- (2) to reference the authorities related to the administration and implementation of other housing improvement management activities, including but not limited to, housing management planning; environmental compliance; monitoring; reporting; and documentation.

As stated in the related policy chapter (70 IAM 7: Housing Improvement Program), the procedures herein apply to all IA offices and programs participating in the management, accountability, utilization, and/or protection of housing. Additionally, these procedures apply only to Tribes/Tribal Servicing Housing Offices (TSHOs)/Tribal organizations (collectively referred to as “TSHOs” throughout the remainder of this handbook) with a contract, compact, or other written agreement in place with IA regarding the implementation of HIP.

For additional guidance on statutory, regulatory, and policy requirements, refer to 25 CFR 256 – Housing Improvement Program and 70 IAM 7: Housing Improvement Program.

### **1.2 Background**

IA’s housing policy is premised on the idea that every American Indian and Alaskan Native family should have the opportunity for a decent home and suitable living environment. Tribal involvement is necessary to ensure that services provided under the program are responsive to the needs of the Tribes and the program participants. Tribal participation in, and direct administration of, the HIP is encouraged to the maximum extent possible.

Individuals or families having income within program guidelines, and who are deemed eligible for HIP services, are not precluded from seeking supplemental assistance from other available resources. In an effort to increase program participation and extend assistance to additional eligible applicants, TSHOs are encouraged to partner and collaborate with other complementary housing programs to provide a variety of housing opportunities, such as those offered by the U.S. Department of Agriculture’s (USDA) Rural Development program, the U.S. Department of

Housing and Urban Development's (HUD) Section 184 Loan Program, and Native Community Development Financial Institutions.

## ***CHAPTER 2: APPLICATION AND SELECTION***

### **2.1 Forms and Documentation**

Every Native American and Alaskan Native who is a member of a federally recognized American Indian Tribe or Alaskan Native village is entitled to apply for HIP if they meet the criteria documented in 25 CFR 256.6.

The use of the following forms and/or documentation is ***mandatory for the TSHO or the servicing BIA agency***, and must be submitted to the BIA Regional Housing Office/Officer (RHO) for their region:

- Housing Assistance Application form (BIA Form 6407) (also referred to as the HIP Application form)
- Proof of land ownership (i.e., lease, allotment, assignment)
- Categorical Exclusion Exception Review (CEER) Checklist (this is used to ensure compliance with the National Environmental Policy Act (NEPA))

These forms and all other documents/checklists referenced throughout this handbook are located on the IA Online Forms website unless otherwise indicated:

<https://www.bia.gov/policy-forms/online-forms>.

**Note:** that there are two tabs on the referenced webpage, and HIP-related forms may be found on both tabs:

- Indian Affairs Specific Forms and Guidance
- Paperwork Reduction Act (PRA) Forms (HIP forms on this tab are under the Office of Management and Budget's (OMB) Control Number 1076-0184).

If a form, checklist, or document is not shown on the Online Forms webpage, the TSHO or the servicing BIA agency may be able to provide the document in question. In addition, the servicing BIA RHOs may have sample forms and letters available upon request.

When submitting a Housing Assistance Application to the TSHO, applicants must provide all necessary documentation supporting their application to fully establish their eligibility in accordance with 25 CFR 256.13.

## **2.2 Application Requirements**

The application process is documented in 25 CFR 256.13. Specifically, the applicant must do the following:

1. Fully complete and sign the Housing Assistance Application, which also includes the Privacy Act Statement.
2. Provide documentation verifying Tribal membership. Examples of acceptable documentation include a copy of a Certificate of Degree of Indian Blood (CDIB) or a copy of a Tribal membership card.
3. Provide documentation of **gross** income for all permanent members of the household. This includes signed copies of current 1040 tax returns, W-2 statement(s), and all other attachments. If any members of the household did not file a tax return, they must submit a signed notarized statement explaining why they did not file.
4. Provide proof of all other income for the applicant and all permanent members of the household. This includes unearned income such as social security, general assistance, retirement benefits, and unemployment benefits. If no income was received, a signed statement to that effect must be submitted by all applicable members.
5. Provide a copy of an annual trust income statement from Individual Indian Monies (IIM) accounts for all permanent household members. If no account exists for the applicant or any permanent member of the household, a statement to that effect from the individual's BIA home agency must be submitted. 25 U.S.C. 1408, Section 8, as amended, states up to \$2,000 of income from trust interests per year per individual and one-time payments from the CARES Act should not be considered as income in determining eligibility for HIP.
6. Provide proof of ownership of the residence and/or land:
  - a) For fee patent property: the applicant must provide a copy of a properly executed warranty deed.
  - b) For trust property: certification must be provided by the BIA's Office of Trust Services (OTS) in the form of a lease, a deed, or a Title Status Report (TSR).
  - c) For Tribally-owned land: the applicant must provide a copy of a properly executed Tribal assignment or a lease, or proof of the ability to acquire an undivided leasehold for a minimum of 25 years.
  - d) For multi-owner property: the applicant must provide a copy of a properly executed, undivided leasehold for not less than 25 years from the date housing assistance is received.
7. If a member of the household is disabled, 25 CFR 256.14 (b) (2) states that the member be able to meet the established definition of "disabled" as stated in 25 CFR 256.2. The proof of disability may include a physician's certification, Social Security or Veterans Affairs determination, or a similar determination. The regulations do not define what "similar

determination” means. A letter from a health care provider, such as the Indian Health Service (IHS), can also be provided to satisfy this requirement.

8. Down Payment Assistance Grants are grants to individuals and families pursuing affordable homeownership financing and are intended to provide affordable homeownership opportunities to improve the quality of life in Tribal communities. The Down Payment Assistance Grant may help with a down payment and closing costs and is designed to make home mortgage payments more affordable.

Grants may be used to assist borrowers who:

- a) are eligible to participate in HIP;
- b) are pursuing the purchase of an existing home;
- c) are constructing a new modest dwelling;
- d) are renovating or rehabilitating a current home;
- e) have inadequate income or limited financial resources available to meet lender requirements; and/or
- f) are able to obtain affordable mortgage financing.

For down payment assistance, a letter from the funding institution that specifies the down payment amount and the closing costs required to qualify for the loan must be provided to the BIA regional office.

For incomplete applications, the TSHO must notify the applicant in writing stating what is needed to complete the Housing Assistance Application. A reasonable amount of time should be allowed for the applicant to respond. It is at the discretion of the TSHO to establish a policy that sets timeframes for responses.

### **2.3 Eligibility Requirements**

Once the TSHO receives the Housing Assistance Application, it can begin the review process to determine the applicant’s eligibility in accordance with 25 CFR 256.6 and 256.13.

The BIA recommends that the TSHO use the Tribal Annual Performance Report (TAPR) as part of this process. The TAPR is an Excel workbook that consists of multiple worksheets (Instructions, Profile, Form, Priority List Form, Part I, Part II, and 150 Percent) contained within the file. The TAPR is found on the IA Online Forms webpage as discussed on page 2 of this handbook.

If the TSHO does not have computer/internet access available, then the Checklist for HIP Applications (see Attachment 1 for a sample) or similar checklist that is authorized should be used.

The applicant must meet the following eligibility requirements:

1. Is a member of a federally recognized Indian Tribe or Alaskan Native Village.
2. Lives in an approved Tribal service area (lands within a geographical area designated by a Tribe and approved by the BIA to which equitable services can be provided).
3. Annual household income does not exceed 150 percent of the current Federal Government's Poverty Income Guidelines (published annually by the U.S. Department of Health and Human Services (HHS)).

**Note:** The Poverty Income Guidelines change every year and are published annually in the Federal Register by the HHS. These guidelines can also be found online at: <https://www.govinfo.gov/> (Type in the 'Search' field: "annual update of HHS poverty guidelines [enter the current year]").

4. Present housing is substandard, not meeting the definition of standard housing as defined in 25 CFR 256.2.
5. Meets the Ownership Requirements (house/land) as stated in 25 CFR 256.9 (b) and 256.10 (applicable to Category B and Category C, respectively). While ownership requirements are not specifically stated for Category A, the repair or renovation of any home must have the written consent and agreement by the homeowner; therefore, ownership requirements must also be met for Category A services.

House: The applicant must either own the house, or hold an undivided leasehold for 25 years from the date housing assistance is received.

Land: The applicant must either hold title to interest in the land, or hold an undivided leasehold for 25 years from the date housing assistance is received.

6. Has no other resource for housing assistance. This lack of other available resources must be documented by the TSHO before an applicant can be served, and the beneficiary must obtain a denial letter from the Tribal Housing Authority. A denial letter certifies that the applicant has been placed on the waiting list and has not been provided housing assistance to date.
7. Has not previously received assistance relating to the categories as defined in 25 CFR 256.9, 256.10, and 256.11 for repairs and renovation, replacement and new housing, or down payment assistance.
8. Did not acquire his/her present housing through past participation in a Federal Government-sponsored housing program over the previous 20 year period.
9. If present housing is located in a flood plain, the applicant must provide proof of flood insurance in accordance with P.L. 93-234, 87 Statute 977.



If an applicant is found ineligible, the TSHO must notify the applicant in writing within 45 days of receipt of the completed application.

## **2.4 Processing Applications**

1. Once the TSHO has reviewed the Housing Assistance Applications for eligibility, it then rates the eligible applications and assigns numeric values according to the factors and table provided in 25 CFR 256.14.
2. The TSHO then has two options for submitting their eligible applicant data to the servicing BIA RHO. This submission is done annually based on a due date provided by the BIA RHO.

**Option 1:** The application information is entered into the TAPR using the Priority Calculation Form worksheet. This worksheet automatically performs the needed calculations and can be electronically stored and shared via email with the servicing BIA RHO.

**Note:** The TAPR excel workbook is an automated software tool that is supplied annually by the BIA to assist the TSHO. The use of this workbook is strongly encouraged and is the preferred method of use when submitting Tribal HIP data.

**Option 2:** The application information is entered into the TAPR using the Priority Calculation Form - Manual Entry, and will be completed manually for each applicant.

3. The names of all eligible applicants who have submitted complete applications for assistance will be transferred automatically to the Priority List and Part I worksheets within the TAPR. Again, if not using Option 1, the TSHO will need to complete this function manually for each applicant.
4. The Priority Calculation Form and Priority List are additional tools that **must** be utilized by the TSHO to provide a profile of the applicant's needs according to the selection criteria defined in 25 CFR 256.14. The Priority Calculation form and Priority List **must** be utilized and accurate; if fields are left blank, the applicant will be considered *not eligible* in the TAPR.

On both the Priority Ranking List and Part I, the eligible applicants are ranked in order of need, from highest to lowest points calculated. In cases of a tie of ranking points, the family with the lower income per household member will be listed first as defined in 25 CFR 256.14 (c) (2). If additional tie breakers are required, other factors for consideration could be length of time the applicant has already been listed on the TAPR and has been "waiting"; condition of the house; availability of infrastructure; or other possible deciding factors according to the needs of the Tribe(s).

5. The TSHO ensures that all documentation noted in section 3.1 below (items 1 through 13) is complete and accurate *prior* to submitting the TAPR to its servicing BIA RHO.

6. Upon notification from the servicing BIA RHO of the TAPR due date, the TSHO should submit *only* its completed TAPR as requested. All other documents should remain in the applicant's file.

**Note:** There is an approximate 3 - 4 month waiting period between sending the TAPR to the servicing BIA RHO and receiving official notification from the BIA whether a project will receive funding.

7. The servicing BIA RHO then combines the TAPRs received in priority ranking order points to compile a Regional Workplan that will be sent to Central Office Housing Program Officer (HPO) in Washington, D.C.
8. Once the Central Office HPO receives all reports from its regions on a nationwide basis, it will then determine how much of the available HIP funds, as appropriated, will be allocated to each region based on the nationwide methodology distribution formula.
9. After the BIA RHOs are informed by the Central Office HPO as to how much HIP funding each region will receive, the servicing RHO will reference his/her Regional Workplans to determine the HIP funding levels for each eligible applicant (as received from the Tribes) within the HIP allocation provided to that region for project funding. The RHO will work down the list until he/she has exhausted all of the allocated funding.
10. The BIA RHO will send a funding notification letter to the TSHOs. It is incumbent upon the **TSHOs** to notify all applicants who have submitted applications if they will not receive HIP assistance in that funding cycle.

Applications not funded can be carried forward for an additional three years per 25 CFR 256.16. TSHOs should notify applicants who have applied in a program year but have not been provided with housing assistance that their application can be carried forward three years. TSHOs **must** resubmit an annual TAPR to the BIA RHO that includes all applications that are considered to be "carried forward" in the next program year.

#### **2.4 a. Eligible Applicant – Project Not Selected**

If an applicant is determined to be eligible, but his/her HIP project is not selected due to a lack of available funding, the TSHO will notify the applicant in writing, including how to update the application for the next program year. The applicant's name will be placed on the Priority Ranking List and the Part I worksheet of the TAPR, and the TSHO will retain and consider the application for three more years pursuant to 25 CFR § 256.16.

The applicant must ensure that the information on his/her submitted application remains accurate and must provide an annual written update if any information changes. The applicant can update his/her information by submitting the updated information by mailing a letter, via email, or by calling the TSHO.

## 2.4 b. Eligible Applicants – Project Selected

The TSHO will notify the applicant in writing of his/her selection, including any further instructions. At this point the applicant now becomes the “recipient.” The TSHO must now create a Recipient Case File, and the contracting and construction process may begin (see Chapter 3 for details).

## 2.5 Available Categories of Grant Service

There are five different categories of HIP grant services that are available to an applicant that meets the eligibility requirements. The categories are:

- Category A Minor Repairs
- Category B Major Repairs/Renovations
- Category C1 Replacement Home
- Category C2 New Housing
- Category D Down Payment Assistance.

These categories are further explained within this section. It should be noted that services/funding received by an applicant in categories B, C, or D is provided on a one-time basis for any assistance under the HIP.

### 2.5 a. Category A

The applicant must meet all of the eligibility requirements denoted in 25 CFR 256.8.

Under this category, a family qualifies for Category A interim housing assistance if the home in which they are living cannot be repaired to a standard condition (as defined in 25 CFR 256.2) and meet applicable building codes for a cost of \$60,000 or less; and, if *either* of the following is true:

- Other resources to meet the family’s housing needs exist but are not immediately available; or
- The family qualifies for replacement housing under Category C, but there are no HIP funds available.

The total cumulative cost must not exceed \$7,500.00 for any single dwelling.

No Grant Agreement is required, but the HIP Notice of Project Completion form must be signed by the grantee and become a part of the recipient’s HIP case file.

**Note:** A beneficiary that has received Category A services will not be required to repay any amount that they have received and **may** later apply for Category B or Category C services.

## 2.5 b. Category B

The applicant must meet all the eligibility requirements denoted in 25 CFR 256.9.

Category B repairs, renovations, and/or additions must bring a structurally sound dwelling to a standard condition, and meet applicable building codes for a cost of \$60,000.00 or less. The applicant must sign a Grant Agreement stating that if he/she sells the house within 10 years of the completion of repairs, then:

- the assistance grant under this part will be voided; and
- at the time of settlement, the applicant will repay the Tribe, Tribal organization, or the BIA the full cost of all repairs made under this part.

After 10 years, a Satisfaction of Grant Agreement will be issued by the TSHO to remove the requirements of the grant agreement. A sample New Grant Agreement and Satisfaction of Grant Agreement are provided on the IA Online Forms webpage.

The dwelling must become “standard” (as defined in 25 CFR 256.2) upon completion of repairs. To do this, HIP funding may be used for the following:

1. Electrical, plumbing, heating systems (may include an alternate heating system)
2. Roofs and gutter systems
3. Weatherization
4. Items necessary to meet seismic requirements of a region of the country in which the dwelling is located.
5. Foundations
6. Porches and landings; however, they will not exceed 25 square feet except as noted below:
  - a. For disabled access - porches and ramps must meet minimum codes as defined in the Uniform Federal Accessibility Standards.
  - b. In areas of severe weather conditions where a larger porch can be justified.
  - c. For existing porches, reasonable repair of porch surface and/or structural members is allowable.
7. Additions:
  - a. Must document need for an addition
  - b. When an addition involves a bedroom, the following criteria will apply:

- Up to two brothers or two sisters may share one bedroom of 100 square feet or larger.
  - Family composition will determine the number of bedrooms needed.
8. Exterior painting is allowable for the preservation of the home.
  9. Floor covering (must be documented with photographs that clearly illustrate that the existing floor covering is a safety and/or health hazard to the homeowner; or the planned renovation will cause damage to the existing floor covering).
  10. The repair to exterior surfaces and the roof of a garage, if it is part of the home's integral structure, may be included with the HIP cost.

If a mobile home/manufactured house has exterior walls of less than three inches, the family must be considered for Category C services.

HIP funds will **not** be used to purchase the following items:

1. Appliances, including dishwashers, freezers, washers, dryers, and microwave ovens, except when they are included in the purchase of a mobile or manufactured home price.

Exception: The purchase of a refrigerator and range may be allowed when: (a) the renovation under this category includes a kitchen, and (b) if it can be established and documented that the applicant does not have the resources to purchase a refrigerator and a range on his/her own.

2. Furniture, bedding, and televisions.
3. Fences and clothes lines.
4. An alternate heating system is not allowed unless there is evidence that a secondary system is necessary to maintain a temperature of 70° during the winter months.
5. Driveways and roads, except when American Disabilities Act of 1990 (ADA) compliance is applicable.
6. Carports or unattached garages.
7. Separate roofs over mobile homes are not allowed. Roofs must be attached and be a part of the home's structural unit.

Another beneficial complementary housing program to increase program benefits is the Section 504 Loan and Grants program administered by the USDA, Rural Development division. The Section 504 program is a Rural Repair and Rehabilitation Loan and Grant program that may enhance the HIP Category B. This is an extremely low-income repair program which provides loans and grants to repair, improve, and modernize a dwelling; or to

make the dwelling more safe and sanitary; or to remove health and safety hazards. The homeowner must be at least 62 years old. Grants are up to a maximum of \$7,500; if a loan is also necessary, then the maximum loan is \$20,000 up to 20 years at 1% interest pursuant to USDA guidelines.

### **2.5 c. Category C**

The applicant must meet all the eligibility requirements denoted in 25 CFR 256.10.

A family qualifies for housing assistance under Category C if **one** of the following circumstances exist:

1. The family owns the house in which they live in, and the house cannot be repaired to meet applicable building codes for a cost of \$60,000 or less.
2. The family holds an undivided lease on the house for not less than 25 years and the house cannot be repaired to meet applicable building codes for a cost of \$60,000 or less.
3. The family does not own a house, but owns land that is suitable for housing construction and has adequate ingress and egress rights. Or,
4. The family does not own a house but holds an undivided 25 year lease of land that has adequate ingress and egress rights, and the land is suitable for housing construction.

Homes will be built or delivered complete to meet applicable building codes; plans must meet regional standards for weatherization and seismic codes.

The applicant must sign a written Grant Agreement stating that if the house is sold within 10 years of assuming ownership, then the grant will be voided and, at the time of settlement the full cost of the house will be repaid to the Tribe, Tribal organization, or BIA.

If the house is sold after 10 years, the applicant may retain 10 percent of the grant received per year beginning in the 11th year up to the full 20 years. The remaining grant amount will be repaid back to the Tribe, Tribal organization, or BIA that provided the initial funding.

The 20-year Grant Agreement will be recorded against title upon completion of the home. After 20 years, a Satisfaction of Grant Agreement will be issued by the TSHO to remove the lien. Total square footage of the home must be in accordance with 25 CFR 256.10 (d).

HIP funding may be used for the following:

1. Reasonable site preparation
2. Concrete parking pad for disabled access
3. Ramps and porches for disabled access

4. Smoke alarms and fire extinguishers
5. Woodstove chimneys (metalbestos) from ceiling to exterior of home
6. Removal of home.

**Note:** The applicant must agree in writing that upon completion and acceptance of a new home, the original home will be demolished and removed.

7. Modest/standard appliances at the servicing region's discretion.
8. Reference other allowable items in Category B as noted above.

HIP funds will **not** be used for the following items:

1. Garages and carports
2. Decks
3. Appliances, except for a refrigerator, stove, or oven (reference Category B)
4. Window coverings
5. Landscaping (i.e., grass, shrubs). Final grading of a site is acceptable.

#### **2.5 d. Category D**

The HIP Down Payment Assistance Program (HDPA) is a grant that may be used with Tribal housing programs and other participating lenders. HDPA grants are available to eligible HIP applicants who cannot afford the full cost of a loan.

Tribal members seeking down payment assistance have the responsibility to contact the various Tribal, federal, and/or state programs that offer the necessary literacy in homebuyer education and counseling.

Category D provides a "one time" grant for individuals or families that meet the program's income requirements. The applicant must occupy the property as their primary residence.

HIP applicants with low to very low-income seeking HDPA must complete the Housing Assistance Application and submit it to the local TSHO with supporting documentation for eligibility determination. All applicants must meet the basic eligibility criteria as defined in 25 CFR 256.

The lender will determine the borrower's creditworthiness and whether the borrower will qualify for mortgage financing. What level of financing is available and what financing options would be most suitable for the applicant is based on affordability.

If approved for financing by a third party lender, a letter of commitment from the lender must be provided to the TSHO to determine the grant amount available. The grant should not exceed 15 percent of the contract sales price (with a maximum allowable amount of \$20,000, or whichever is less. In the case of Alaska, \$75,000, or whichever is less.)

Additionally, the USDA's Rural Development Housing Section 502 Loan Program may be beneficial for HIP Category D applicants. The USDA's 502 Loan Program is used to assist very low-income households build, repair, renovate, purchase, and improve home sites, including providing water and sewage facilities. Interest is generally very low and can be modified even lower by a payment assistance subsidy as low as 1 percent. The applicant must still meet all the eligibility requirements in Part 256.6.



## ***CHAPTER 3: ADMINISTRATION AND COMPLETION OF SELECTED HIP PROJECTS***

As stated previously, once an eligible applicant's project is selected for funding, they become a "recipient." A recipient's project is then classified under one of the Categories of Grant Service (described in section 2.5), which determines how the project proceeds.

A Recipient Case File must be created by the TSHO as the HIP process proceeds and should include the additional items discussed below beginning with item 14. A Recipient Case File becomes the official file and must follow the applicable Indian Affairs Record Schedule (IARS).

The funding for the recipient's project is transferred to the recipient's Tribe on their behalf, to be serviced by one of the following: the TSHO through a P.L. 93-638 contract; a self-governance Tribal compact (overseen by the IA's Office of Self Governance (OSG)); or by direct services from the servicing BIA office. The project will be completed using the Tribe's procurement process or using the Tribe's labor force for purchase and/or construction of the project.

### **3.1 Recipient Case File**

The Recipient Case File must contain the following documentation at a minimum, fully completed and signed by the applicant, where applicable:

1. Checklist for HIP Applications (reference Attachment 1 for a sample).
2. Housing Assistance Application
3. HIP Authorization to Release Information form (reference Attachment 2 for a sample; the TSHO may use their own version).
4. Proof of enrollment (as defined previously) in a federally recognized Tribe or Alaska Native Village.
5. Verification of prior year income (earned and unearned) and current 1040 tax return, including W-2 statements and all other attachments, filed with the Internal Revenue Service for all permanent members of the household.
6. Copies of annual IIM income statements for all permanent members of the household. If no account exists for any permanent household member, a statement to that effect from the individual's home BIA agency must be included in the file.
7. Proof of ownership of the residence and/or the land, or the ability to obtain assignment or leasehold.

8. If a member of the household is awarded points for a disability, each person who files a disability claim is responsible for providing medical evidence showing he or she has an impairment(s) and the severity of the impairment(s). Evidentiary proof from the Veterans Administration or Social Security is acceptable.
9. Verification that the applicant has no other source for housing assistance, such as a denial letter from the local housing authority stating that the applicant is on its waiting list but has not been provided housing assistance to date.
10. Proof of veteran status to be awarded veteran points
11. Letter of credit approval for Category D, Down Payment Assistance points
12. Priority Calculation Form
13. Copies of Priority List Form and TAPR
14. Certification of Preliminary Site Evaluation form
15. Grant Agreement (signed twice, during application and upon project completion)
16. NEPA CEER Checklist
17. IHS application and/or approval for water and sewer services installation
18. Project Scope of Work, Plans, Specifications (signed by applicant), and Cost Estimate
19. Approved Change Orders (if any) to original Scope of Work
20. Bid Solicitations, Bid Summary, Awarded Bid, and Construction Contract
21. Progress inspections, Final Inspection/Punch List, and a Certificate of Final Inspection
22. Letters or other documents pertaining to the project development and completion, including financial documents showing actual costs.

Additional guidance is provided below regarding certain case file requirements.

### **3.1 a. Preliminary Inspection (item 14)**

A preliminary inspection of the home will involve a thorough inspection of all systems of the house. This serves as the basis for the cost estimate needed to complete the TAPR *prior* to submission to the servicing BIA RHO. Preliminary inspections may also include photographs of the site and/or areas to be repaired, including front, rear, and side elevations.

The Certification of Preliminary Site Evaluation form should be completed for this purpose and should be signed by the official conducting the inspection as well as by the applicant and at least one witness.

### **3.1 b. Grant Agreement (item 15)**

A Grant Agreement is required and may be pre-signed prior to the start of work on the project. Upon completion of the project, the original Grant Agreement will be completed and notarized, and will include the actual cost of the project before being sent to the appropriate office for recordation.

### **3.1 c. NEPA CEER Checklist (item 16)**

The TSHO must ensure that the NEPA CEER Checklist is completed, signed by the responsible party for the project, and submitted to the BIA Branch of Environmental and Cultural Resources Management (BECRM) NEPA Coordinator.

### **3.1 d. Coordinating with IHS (item 17)**

BIA representatives should assist the Tribe with coordinating with the nearest servicing IHS office on HIP projects that require water and sewage facilities to ensure that the sanitation facilities for each project are constructed in a timely manner. The Tribe is responsible for assisting the grantee with applying to the IHS for installation of water and sanitation services. The IHS has the primary responsibility and authority to provide American Indian and Alaska Native homes and communities with the necessary water and sanitation facilities when a BIA HIP home is built or repaired.

### **3.1 e. Scope of Work and Cost Estimate (item 18)**

The TSHO will prepare a Scope of Work, drawings/specifications, and a Cost Estimate for the project. The TSHO will also provide a written notice and a copy of the Scope of Work to the grantee. The grantee will be asked to concur with the scheduled work by signing a copy of the notice and returning it to the TSHO.

The TSHO can proceed with the project once the applicable contracting mechanism has been awarded between the Tribe and IA. This includes soliciting bids, awarding a sub-contract, monitoring the sub-contract, performing progress inspections, and approving payments to the sub-contractor for the completion of the project.

### **3.1 f. Vacating the Dwelling**

If it is necessary to vacate the dwelling while it is being repaired or replaced, the TSHO must notify the homeowner in writing. The homeowner must be notified that he/she is responsible for locating other lodging, paying all costs associated with vacating and living away from the dwelling, and removing all personal belongings and furnishings prior to the scheduled work start date. A copy of the letter must be included in the case file.

### **3.1 g. Completion of the Project (item 21)**

At the completion of the project, the TSHO must notify the homeowner in writing of the project completion and of the scheduled final inspection of the work. The homeowner will be asked to be present at the final inspection. The homeowner will also be asked to verify that he/she has received the Notice of Completion by signing a copy of the notice and returning it to the TSHO. A Certification of Final Inspection (see Attachment 3 for a sample) needs to be included in the project file.

### **3.2 Reporting**

- 1) The TAPR provides vital information that is used by IA to make program allocations. The HIP applicant data collected via the TAPR must be submitted by the TSHO to the servicing BIA RHO every year by December 31<sup>st</sup>. Similarly, the Regional Workbook (or summary of Tribal applicant data) must be submitted by the BIA RHO to the Central Office HPO every year by February 1<sup>st</sup>.
- 2) The TSHO will also prepare an Annual Report of Accomplishments. The report template is one of the worksheets within the TAPR and is titled “Part II – Report of Accomplishments” (the Excel tab is labeled “Part II”). This report identifies all recipient projects undertaken and completed during the current fiscal year (FY) (October 1 - September 30) regardless of when the funding was received. The report should contain:
  1. Total amount of eligible applicants
  2. Total amount of applicants that were provided with housing services
  3. The names of applicants that received housing services
  4. For each project:
    - a. Start date
    - b. Completion date
    - c. Total cost of the project
    - d. Category of service
- 3) In accordance with the Government Performance and Results Act (GPRA), all Tribes/Tribal organizations that utilize IA’s HIP funds are required to submit quarterly GPRA results data to their servicing BIA RHO. This is done through the Indian Affairs-Performance Management System (IA-PMS). The HIP measures identified in IA-PMS are:  
  
1830 – Percent of funding going to actual construction or repair of housing  
1874 – Number of Families Served

The BIA RHO will ensure that quarterly performance information is entered into the IA-PMS and certified in time to meet the OMB’s due dates, as instructed by the IA’s Office of Budget and Performance Management (OBPM). These reports are generally due as follows (estimated dates):

First Quarter (Oct. – Dec.)	January 4
Second Quarter (Jan. – March)	April 4
Third Quarter (April – June)	June 4
Fourth Quarter (July – Sept.)	October 4

Additionally, each BIA RHO is responsible for providing narrative substance in IA-PMS that explains the activities and accomplishments of the prior year appropriations. This information is provided as an accompaniment to further explain not only the accomplishments during the FY, but the setbacks/challenges encountered as well. For example, in FY 2023, the BIA RHO will enter performance data for projects that were funded in FY 2022.

The quarterly reports submitted through IA-PMS from the BIA’s 12 regions and IA’s OSG is submitted to the Central Office HPO to meet GPRA reporting requirements. These reporting requirements influence OMB funding recommendations for programs during the annual budget process.

A sample HIP GPRA Report form is included on the IA Online Forms webpage.

## Attachment 1: Checklist for HIP Application

### CHECKLIST FOR HIP APPLICATION

**Name:** \_\_\_\_\_ **Category:** \_\_\_\_\_

**Tribe:** \_\_\_\_\_ **FY:** \_\_\_\_\_

HOUSING IMPROVEMENT PROGRAM (HIP) individual ELIGIBLE APPLICANTS ARE required to have the following documents on file with their application, per 25 CFR 256.13:

1. BIA form 6407, completed APPLICATION signed and dated by each applicant. \_\_\_\_\_
2. PRIVACY ACT STATEMENT form signed and dated by applicant. \_\_\_\_\_
3. Each applicant shall furnish (copy) documentation of the following:
  - a) Proof of Tribal Membership – examples of acceptable documentation; enrollment certificate, tribal membership card, and/or Certificate of Degree of Indian Blood (CDIB). \_\_\_\_\_
  - b) Proof of earned and unearned INCOME for all permanent members of the household – examples of documentation; current 1040 tax return, W-2's, Check Stubs, Social Security, retirement benefits, unemployment, general assistance, also any IIM account, royalty, lease and other recorded monies. \_\_\_\_\_
  - c) Provide proof of ownership of the residence and/or LAND. Fee patent provides executed Warranty Deed and tribally owned land a copy of executed tribal assignment. \_\_\_\_\_
  - d) Disability Claims, please provide a Doctor's statement or other documents verifying disability. \_\_\_\_\_
  - e) Proof of Veterans status, provide a copy of Veterans Card, Discharge papers, etc. \_\_\_\_\_
  - f) Denial Letter, please provide a denial letter from your Housing Authority, Bank Loan Institution or Credit Union showing you have been denied housing or loan. \_\_\_\_\_
  - g) HIP CERTIFICATION form signed and dated, attesting to the effect that the applicant has never received any HIP funds. \_\_\_\_\_
  - h) NEPA Clearance, please provide status of home site on C.E. or E.A. \_\_\_\_\_

Map showing HOME SITE location, provided by Servicing Office. \_\_\_\_\_

SCOPE OF WORK (SOW), DRAWING, COST ESTIMATE, provided by Servicing Office. \_\_\_\_\_

GRANT AGREEMENT form signed and dated by each applicant, before construction Proceedings begin and/or at the start of direct grant agreement. \_\_\_\_\_

Ensure the home is not in a FLOOD ZONE area. \_\_\_\_\_

Servicing Office is responsible for preparing and awarding project bids, progress inspections, Final inspection, photo documentation before and after construction, maintaining clients file, Punch list items, construction costs, any change orders and grant close out. \_\_\_\_\_

**REVIEWED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**REASON:** \_\_\_\_\_

**Attachment 2: HIP Authorization to Release Information**

**AUTHORIZATION TO RELEASE INFORMATION**

To Whom It May Concern:

I/We hereby authorize you to release to \_\_\_\_\_  
for verification purposes, any and all information concerning the following:

Employment history dates, title, income, hours worked, etc.

Banking, savings, and IIM accounts of record.

General Assistance income.

Any other information requested as deemed necessary to verify our application.

This information is for the CONFIDENTIAL use of \_\_\_\_\_,  
in  
evaluating your application for Housing Improvement Program (HIP) financial assistance.

A photographic or carbon copy of this authorization (being a photographic or carbon copy of the signature (s) of the undersigned) may be deemed to be equivalent of the original and may be used as a duplicate original.

FULL NAME: \_\_\_\_\_ PARENT/GUARDIAN \_\_\_\_\_  
(SIGNATURE) (IF REQUIRED - SIGNATURE)

FULL NAME: \_\_\_\_\_ SOCIAL SECURITY NUMBER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_

SUBSCRIBED AND SWORN TO ME, THE UNDERSIGNED NOTARY PUBLIC

THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

MY COMMISSION EXPIRES: \_\_\_\_\_

Attachment 3: Certification of Final Inspection



United States Department of the Interior  
Bureau of Indian Affairs  
[Insert] Region  
[Insert address]  
[Insert city, state and zipcode]

In Reply Refer To:  
Housing-  
T:  
F:

CERTIFICATION OF FINAL INSPECTION

I hereby certify that I have evaluated the \_\_\_ bedroom home (renovated/construction) for \_\_\_\_\_ of the \_\_\_\_\_ Tribe and find the house to have passed all final inspections, including exterior structures, interior wall finish, electrical wiring and entry panel, interior plumbing, heating stove, floor covering, kitchen cabinets, paint and trim finish.

ADDITIONAL COMMENTS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Inspector

I, \_\_\_\_\_, do hereby acknowledge that the above evaluation has taken place and concur with its findings.

Signed: \_\_\_\_\_  
Owner

I have been informed of the BIA policy which states that the recipient of a HIP funding assistance grant must return the entire amount of the HIP grant if he or she sells the house for profit: Category A (no restriction), Category B (ten years), Category C (1<sup>st</sup> ten years and prorated thereafter up to 20 years), after accepting the house from the BIA and I agree to the terms and conditions set forth in the HIP Regulations, 25 CFR 256.9, .10 and .11.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Owner

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Witness