

# INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 1

- 1.1 Purpose.** This chapter establishes Indian Affairs (IA) policy for the Housing Improvement Program (HIP), including the methodology for the distribution of HIP funds, and procedures for the submission of Tribal work plans and Bureau of Indian Affairs (BIA) regional work plans each fiscal year (FY). The work plans are a component of the funds distribution methodology. The HIP provides housing assistance to Native Americans/Alaska Natives residing in a service area approved by the Assistant Secretary - Indian Affairs.
- 1.2 Scope.** This policy applies to all IA offices and programs involved in the management and implementation of HIP funding.
- 1.3 Policy.** IA's policy is consistent with the specific objectives of the National Housing Policy (42 U.S. Code § 1441), which declares that every American family should have the opportunity for a decent home and a suitable living environment. To the maximum extent possible, the IA HIP is administered through Tribes/Consortium (Tribes), Tribal housing authorities, or other Tribal organizations, or by having Tribal officials participate in the applicant selection process.

The HIP offers Native Americans and Alaska Natives the opportunity to live in decent housing under safe and sanitary conditions. Technical support is provided to all Native Americans and Alaskan Natives who are seeking HIP housing assistance. HIP funding is allocated either directly, or through Tribes, Tribal housing authorities, or other Tribal organizations of Native Americans and Alaskan Natives living in an *approved service area*.

The methodology described herein is used to facilitate the fair and equitable distribution of HIP funds for all eligible applicants nationally.

Distributions to Tribes are made in accordance with each Tribe's self-determination contract or self-governance funding agreement.

**1.4 Authority.**

**1) Statutes and Regulations.**

- 1) P.L. 67-85, The Snyder Act
- 2) P.L. 93-638, Indian Self-Determination and Education Act of 1975, as amended (ISDEAA)
- 3) 25 CFR Part 256, Housing Improvement Program

# INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 2

## 2) **Guidance.**

- 1) Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Internal Control, Revised
- 2) 130 Department Manual (DM) 5, Office of the Deputy Director - Indian Services

## 1.5 **Responsibilities.**

- 1) **Deputy Bureau Director (DBD) and Associate Deputy Bureau Director, Office of Indian Services (OIS), BIA** are responsible for ensuring that IA processes and resources are in place to facilitate the provision of services to eligible Federally recognized Native Americans/Alaska Natives.
- 2) **Chief, Division of Human Services (DHS), OIS** is responsible for program oversight and the development of IA processes and procedures for Human Services. This includes coordination of programs with other Federal agencies.
- 3) **Central Office, Housing Program Officer (HPO)** is responsible for planning, monitoring, evaluating, coordinating, and controlling housing program activities, and providing technical assistance and training on program specific components. The activities are administered by the HPO, who reports to the Chief, DHS and acts as an advisor to the DBD, OIS in all phases of this activity. Additionally, the HPO assists the DHS Chief in the development of program standards and the delivery of services, completing OMB Circular A-123 reviews, and responding to congressional inquiries and data calls. The HPO is also responsible for the distribution of funds; processing and authorizing payments; interpretation of regulations, policies and procedures; and developing guidelines for Tribes in implementing the HIP in their Tribal housing contracts. The HPO may also assist with any program reviews and evaluations of ISDEAA Title I contracts and Title IV funding agreements undertaken to ensure compliance with applicable laws and regulations.
- 4) **Regional Directors** are responsible for the administration, monitoring, and oversight of the DHS programs by the Tribe/agency. They serve as the Officer in Charge (OIC) for supervised HIP accounts handled by the region.
- 5) **Regional Housing Officers (RHOs)** are responsible for implementing and managing Tribal/agency housing programs within their region. RHO duties include:
  - 1) annual distribution of the Housing Application Form to all Tribes within the region;
  - 2) providing technical assistance and training to Tribes and agencies, including

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## INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 3

ensuring accurate completion of the Tribal work plan based on the compilation of all the Tribal Housing Application forms;

- 3) collecting, reviewing, and consolidating all Tribal work plans in the region into the regional work plan, and submitting the regional work plan to the DHS, HPO;
- 4) awarding HIP funds in accordance with the methodology and each Tribe's ISDEAA Title I contract;
- 5) assisting Tribes in complying with Government Performance and Results Act (GPRA) reporting requirements;
- 6) providing technical assistance to Tribes within the region on the accurate completion of the Tribal Annual Performance Report on an annual basis;
- 7) conducting annual reviews of Tribe/agency programs and an annual review of HIP; and
- 8) case management for certain account holders.

The regional area housing activity is administered by the RHO, who reports to the Deputy Regional Director for Indian Services. The incumbent serves as the technical advisor to the Regional Director on housing matters.

- 6) **Director, Office of Self Governance (OSG)** is responsible for implementing Title IV of the ISDEAA. With regard to HIP funding, the OSG Director is responsible for awarding HIP funds in accordance with the HIP methodology and each Tribe's self-governance funding agreement.
- 7) **Tribal Housing Officers/Tribal staff/Tribal organizations authorized under a Self-Determination Act contract or Self-Governance funding agreement** are responsible for carrying out housing related duties previously administered by the Secretary of the Interior. They may administer programs authorized under 25 CFR Parts 256.

The Tribal Housing Office is responsible for the oversight of the Tribal HIP program, including:

- 1) providing the Housing Application Form to eligible applicants within the community;
- 2) providing technical assistance for the accurate completion of the Housing Application Form;
- 3) collecting, reviewing, and consolidating all eligible housing application data into a Tribal work plan;
- 4) submitting the Tribal work plan to the RHO; and,

# INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 4

- 5) submitting the Tribal Annual Performance Report on an annual basis.

The RHO will notify the Tribal Housing Servicing Office of a HIP award, and request a Categorical Exclusion Exception Review (CEER) checklist in order to comply with the National Environmental Protection Act (NEPA). The Tribal Housing Servicing Office will submit the CEER checklist to the BIA NEPA coordinator for a BIA representative signature. The representative signature must come from the person responsible for signing the Categorical Exclusion document for each ISDEAA Title I contract and Title IV funding agreement.

## 1.6 Definitions.

Definitions applicable to this chapter and to Human Services functions can be found in 25 CFR 256.2.

## 1.7 National Methodology for the Distribution of HIP Funding.

The HIP distribution methodology is a four-part process:

### Part I: Tribal Data Collection & Tribal Work Plan

The process begins with the BIA Director issuing an annual Dear Tribal Leader letter regarding the required data collection for the upcoming FY for the HIP.

Eligible applicant data is collected from the approved Housing Assistance Application Form, BIA Form 6407. To access this form, please visit the IA Online Forms website at: <http://www.bia.gov/WhoWeAre/AS-IA/ORM/OnlineIAForms/index.htm>

Tribal members interested in applying for HIP must do so through their local, Tribal HIP office or Tribal Designated Housing Entity (TDHE), and must complete the application. The Tribe or TDHE is responsible for working with the applicant and determining eligibility for HIP based on the information each applicant provides on the application and in accordance with HIP regulations, 25 CFR 256.14. Eligibility does not guarantee funding for services.

Annually, the Tribal HIP office is responsible for compiling all eligible Tribal application data from the application into a single Tribal work plan. The Tribal work plan summarizes all eligible applicant data into a priority list from high to low based on the scoring factors from the application. The Tribal work plan must be submitted for a Tribe to be considered in the distribution of HIP funding. The Tribe must submit the Tribal work plan to the RHO by close-of-business, December 31st, annually, unless otherwise notified by the BIA Director



## INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 5

### **Part II: RHO Regional Work Plan**

The second step of the process begins with the RHO reviewing and summarizing the data collected in Part I, and submitting a regional work plan to the HPO.

The RHO collects all the Tribal work plans submitted by each Tribe within the region. The RHO then converts the Tribal work plans into a single regional work plan comprised of all eligible applicants and their Individual Estimated Project Costs (EPCs). Note: the EPCs are based on the list of improvements of repairs to be done, and are based on locally available services and product costs, or other regional-based, industry-recognized cost data (25 CFR 256.17). The purpose of the regional work plan is to summarize and prioritize all applicant data across all Tribes within the respective region from high to low.

The RHO must verify the accuracy of eligible applicant data submitted on the Tribal work plan from each Tribe by:

- 1) verifying the type of program service needed for each applicant either by category B (Repair/Renovation) and/or category C (Housing Replacement/Provision of Housing):
  - Category B (Lower 48 states @ \$ 60,000; Alaska @ \$ 75,000);
  - Category C (Initially Based on the U.S. Department of Housing and Urban Development's (HUD) Total Development Costs (TDCs) for two bedroom units); and,
- 2) verifying the preliminary regional distribution project costs.

The RHO must submit the regional work plan to the HPO. The work plan must include the number of eligible applicants and the category(ies) of assistance needed. As stated in Part I, the regional work plan must be submitted by each regional office to the HPO by close-of-business, January 31<sup>st</sup>. This deadline applies each FY unless a Dear Tribal Leader letter from the BIA Director is issued with a different submission date.

### **Part III: Distribution of HIP funding by HPO (Tier I)**

In the third part of the process, the HPO consolidates the regional work plans into one national work plan by entering the number of eligible applications requiring Category B (Repair/Renovation) program services; Category C-1 (Housing Replacement) program services; and Category C-2 (Provision of Housing).

The HPO enters the data for each region by Tribe, and then calculates the projected costs of program services based on Category B limits and Category C; this is called "Tier I".

## INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 6

There are six steps the HPO follows to calculate the Tier I distribution of HIP funding:

**Step #1:** The HPO calculates the total national "Housing Need":

- a) The HPO identifies the national need for the eligible number of applicants by adding the total number of eligible applicants across all regions and Tribes as reported in the regional work plan; and,
- b) The HPO identifies the national funding need by adding the total amount of projected program costs across all regions and Tribes as reported in the regional work plan.

**Step #2:** Subject to enactment, the HPO then identifies the amount of HIP funding available for distribution nationally, as appropriated by Congress.

If the annual appropriation for HIP funding is greater than the national funding need identified in Step #1 b), and as determined by the regional work plans, then HIP funds will be disbursed pro rata based on the final calculated housing need across all regions and Tribes. A pro rata distribution ensures that the total distribution does not exceed the funding amount enacted by Congress.

**Step #3:** The HPO calculates the pro rata proportion for each region by calculating the following:

- a) Pro rata proportion for eligible applicants per region is calculated by dividing the total number of eligible applicants per region, by the total number of eligible applicants nationally across all regions. This results in a proportional number.
- b) Pro rata proportion for projected program costs per region is calculated by dividing the total projected costs per region, by the total projected program costs nationally across all regions. This results in a proportional number.

**Step #4:** The HPO calculates the final pro rata proportion for each region. The calculation for determining the pro rata distribution for each region is the sum of the pro rata proportion for eligible applicants plus the pro rata proportion for projects costs divided by two:

The final pro rata proportion =  $(A + P) / 2$

A = regional pro rata proportion for eligible applicants (Amount calculated in Step #3, part a)

P = regional pro rata proportion for project program costs (Amount calculated in Step #3, part b)



## INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 7

Note: This is the only step where HUD's TDCs are used in the distribution process. HIP funds are not provided for project costs based on TDCs.

**Step #5:** The HPO calculates the final distribution of funding by multiplying the final pro rata proportion per region from Step #4, by the total national available HIP funding in Step #2.

**Step #6:** The final step in the methodology for the distribution of Tier I HIP funds is the sub-allocation of funds to the regions. HPO notifies each RHO and the OSG of the total amount of HIP funds available. The HPO distributes funding to each region and the OSG. The RHO and OSG are responsible for allocating funding in accordance with each Tribe's ISDEAA Title I contract or self-governance funding agreement. Subject to the enactment of full year appropriations, the distribution of HIP funds will occur no later than June 1st of each FY.

### **Part IV: Distribution of HIP Funding by RHO (Tier II)**

As outlined in Part II, the RHO consolidates each Tribal work plan into a single regional work plan which ranks all eligible tribal applicants and their EPCs. Using the amount identified by the HPO, the RHO takes the regional work plan and identifies the projects and associated recipients that can be funded based on the EPCs. The RHO must start with the EPC for the highest ranked eligible applicant in the region and work down the list until all available funding is exhausted; this is called "Tier II".

The RHO must then identify each recipient's servicing Tribal Housing Office and funding category.

If the RHO identifies a recipient whose Tribal Housing Office operates under a self-governance funding agreement, the following will occur:

- 1) The RHO will advise the HPO of the amount of funding for the OSG Tribe.
- 2) The HPO will then advise OSG of the recommended self-governance project, the amount, and recipient name(s).
- 3) Then the HPO will prepare the funding document to move funding between the regional office and OSG, as necessary.
- 4) Existing law enacted in 1993 requires four self-governance stable base Tribes to be provided a fixed amount of recurring HIP funds.

## INDIAN AFFAIRS MANUAL

Part 70  
Chapter 7

Human Services  
Housing Improvement Program

Page 8

### 1.8 Reporting Requirements for HIP Funds.

#### Quarterly Performance Data

All Tribes/Tribal organizations that utilize IA's HIP funds are required to submit quarterly performance management data. RHO's will ensure that quarterly performance information is entered into the IA Performance Management System (IA-PMS) and certified in time to meet the IA Office of Budget and Performance Management due dates. The IA-PMS quarterly report is a compilation of information gathered from the regions and submitted to the Central office to meet GPRA reporting requirements. These reporting requirements influence OMB funding recommendations for programs during the annual budget process.

The Housing Program performance measures are identified in IA-PMS as:

- 1830 - Percent of funding going to actual construction or repair of housing
- 1874 - Percent of construction schedules met within the established project timeframe

Each regional office is responsible for providing narrative substance that explains the activities and accomplishments of the prior year appropriations. For example, in FY 2017, regional offices will enter performance data for projects that were funded in FY 2016. Regional offices must provide the number of applications received and the number of applicants served in the previous year.


For example,

- In FY 2016, the total number of HIP applications received in the region is \_\_\_\_.
- In FY 2016, the total number of applicants served; B \_\_, C-1 \_\_, C-2 \_\_, and D \_\_.

#### Tribal Annual Performance Report

The Tribal Annual Performance Report provides vital information that is used by IA to make program allocations. The report is submitted through the appropriate regional office to the Central Office, where it is compiled into a complete annual report. The Tribal Annual Performance Report is located on the IA Online Forms webpage here:  
<http://www.bia.gov/WhoWeAre/AS-IA/ORM/OnlineIAForms/index.htm>

#### Approval

  
Weldon Loudermilk  
Director, Bureau of Indian Affairs

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Date