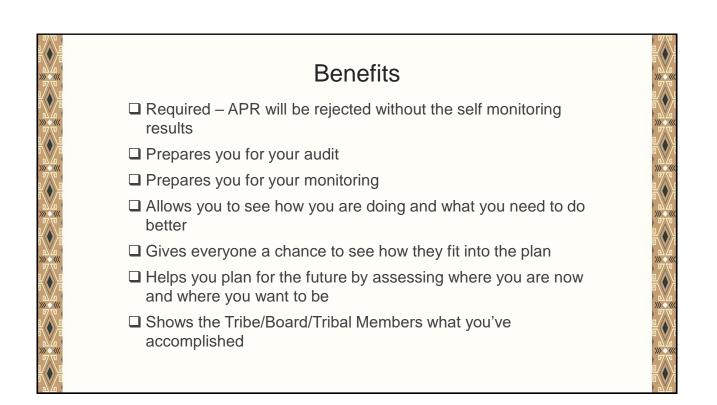
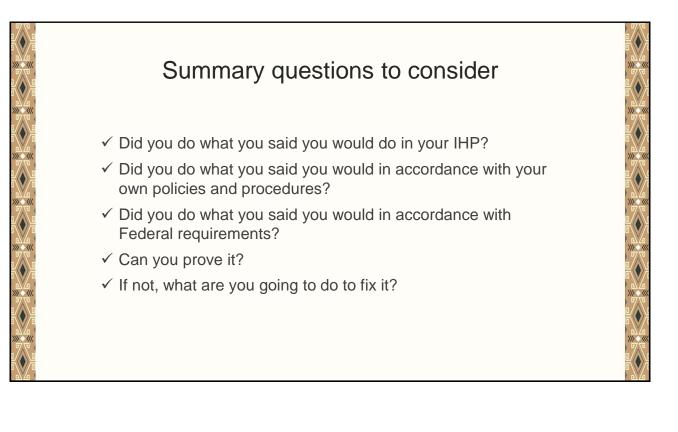


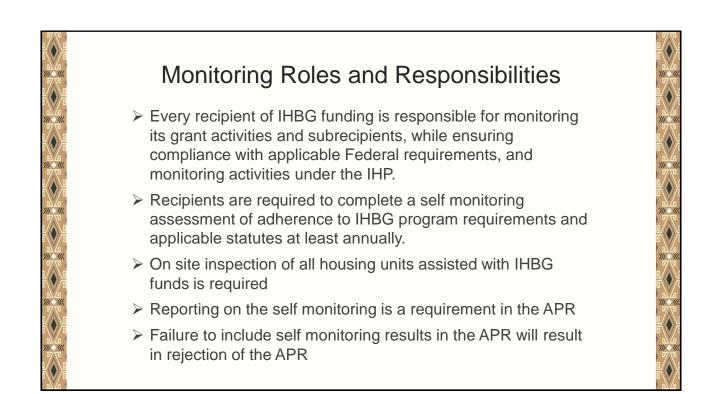
- Section 403(b) of NAHASDA requires a recipient of IHBG funds to complete a self monitoring assessment at least annually. The recipient will assess compliance with the requirements of NAHASDA. The results of the review will be included in the Annual Performance Report submitted to HUD
- 24 CFR 1000.502 requires the recipient to monitor grant activities to ensure compliance with applicable Federal requirements and monitoring performance goals under the IHP. The compliance assessment must be performed in accordance with Section 403(b) of NAHASDA

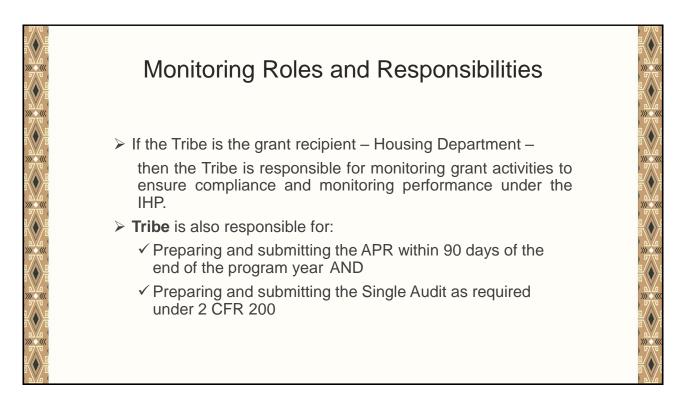


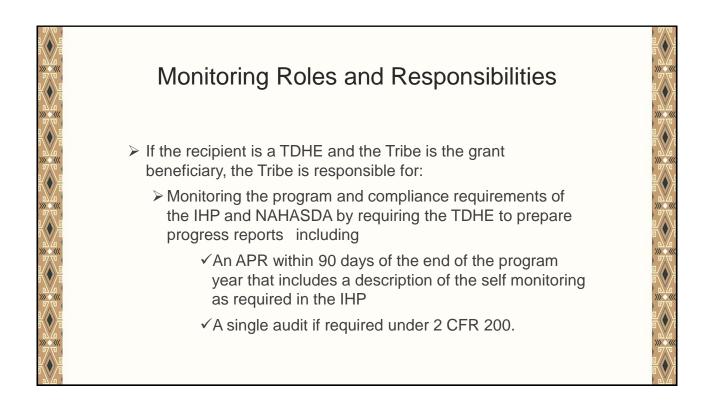
- 24 CFR 1000.502 also requires a performance report covering program progress and goal attainment under the IHP, and an audit as required under 2 CFR 200.
- If you are a TDHE, the grant beneficiary (Tribe) is responsible for monitoring and the IHP/APR by requiring the TDHE to prepare and submit periodic progress reports to the Tribe.
- HUD is responsible for reviewing the IHP/APR, including the summary of self monitoring results.

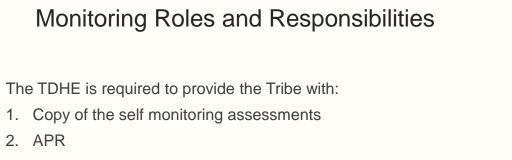






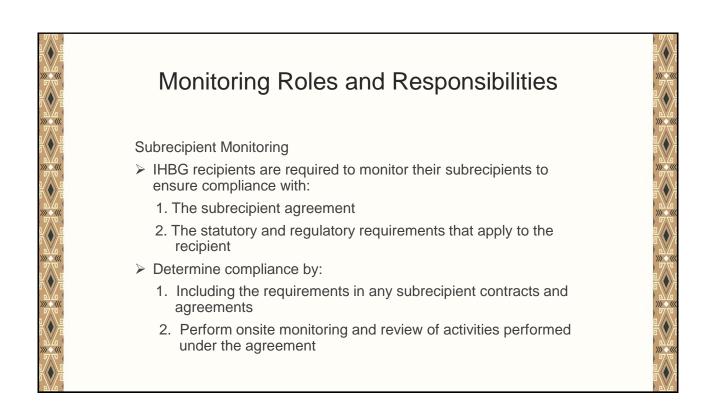


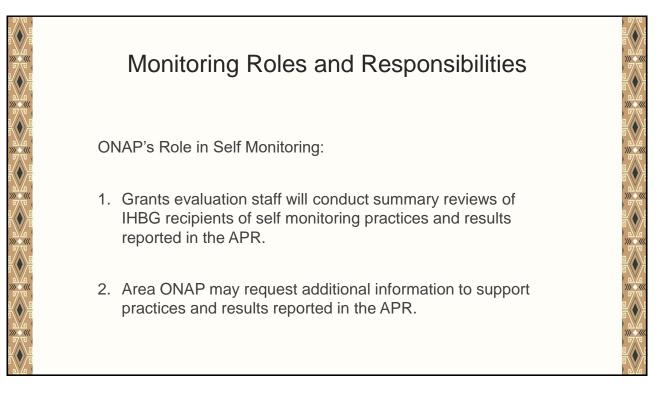


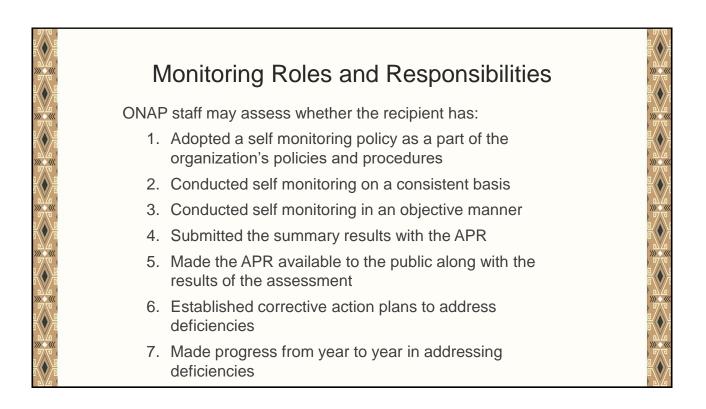


3. Single audit as required under 2 CFR 200.

The emphasis is to show that the TDHE is part of the Tribe and the Tribe is responsible for oversight of the funds







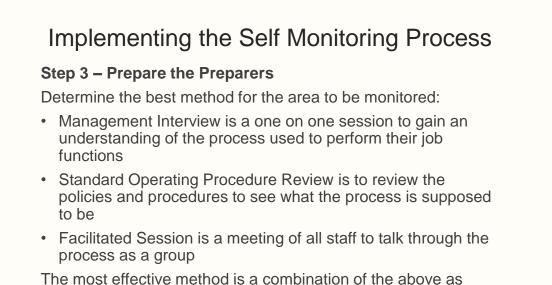




Step 2 - Determine who will perform the self monitoring assessment. *You cannot review your own work!!!*

Options:

- · Can use tribal staff, Housing staff, Board members
- · Can trade with other Housing Program in your area
- Hire an outside consultant to perform the self monitoring assessment
- Request Self Monitoring assistance from ONAP



well as a review of files and other supporting documentation



Step 4 – Review of Documentation and the Sample Monitoring Plans for Each Area

- You can develop your own plan or you can use the ones provided by ONAP, which are the same ones used by ONAP to do your monitoring
- You are not required to use the sample monitoring plans. You are required to have a plan.

Implementing the Self Monitoring Process

Each monitoring plan will require you to review:

- ✓ Current approved IHP
- ✓ IHP amendments
- ✓ Policies and Procedures
- ✓ Previous monitoring findings
- ✓ Previous self monitoring findings





- ✓ Previous audit findings
- \checkmark Corrective action status of the above
- ✓ Current enforcement actions
- ✓ Valid complaints in the area to be assessed
- ✓ Relevant correspondence

The better the preparation process, the smoother the assessment will go because everyone will understand their role in the process. Everyone in the area to be assessed should know what to expect



Step 5 – Determine the timing of the assessment

You are required to perform an assessment at least annually, You are not required to perform all of it at one time. As a part of the planning process, consider the timing of:

Audit

Inspections

Recertifications

IHP/APR due dates

Scheduled ONAP monitoring Major projects





What if you can't find the last self monitoring report?

- Look at the last APR and use the summary of finding reported
- Review Board Minutes for evidence of the report
- Ask the Tribe for their copy
- Go back 2 years and re-perform the required self monitoring

Implementing the Self Monitoring Process

Discuss the timing with the program managers and staff to allow everyone to be prepared. Give managers and staff an opportunity to review the Sample Monitoring Plans and ask for clarification. Those performing the assessments should have a chance to meet with the staff in the areas to be assessed so that everyone has an understanding of the process before it begins.

Communication is key for the best results!

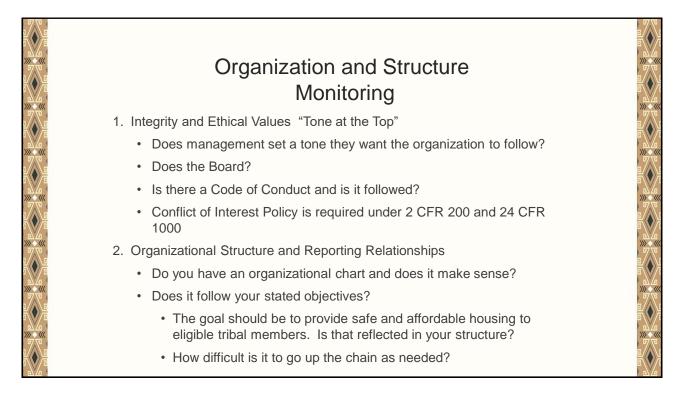


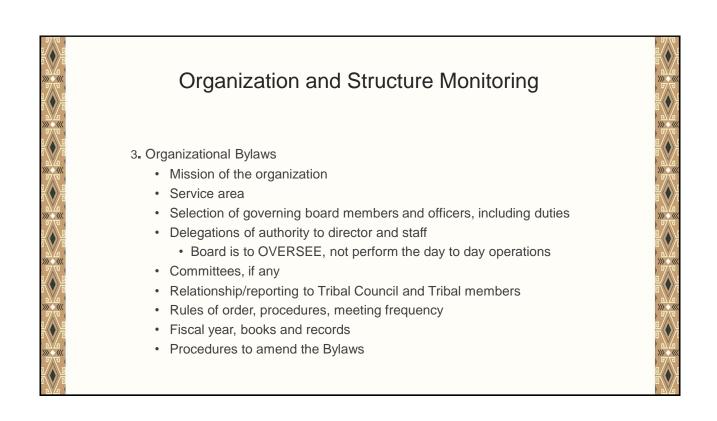


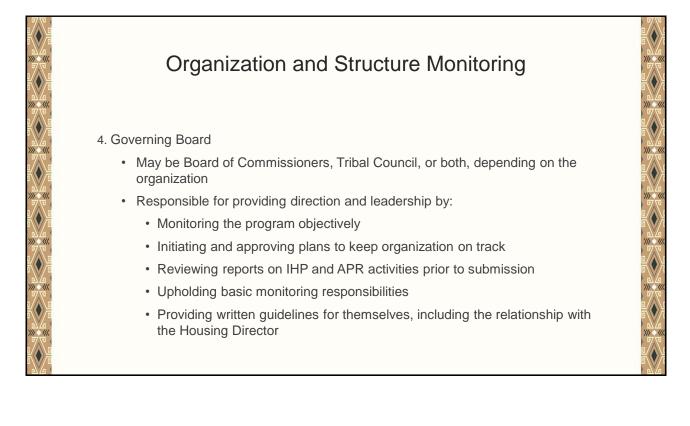
Organization and Structure Monitoring

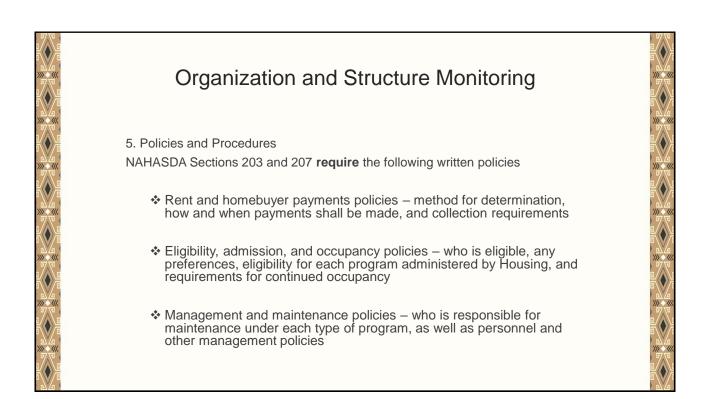
Purpose – address the day to day operation of the organization, structure, and administration. Areas to monitor include:

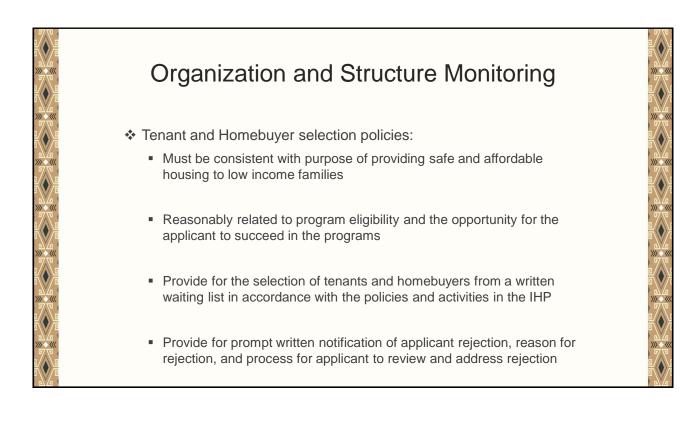
- 1. Integrity and Ethical Values
- 2. Structure and Reporting Relationships
- 3. Organizational Bylaws
- 4. Governing Boards
- 5. Policies and Procedures
- 6. Records Management
- 7. Internal Control Systems

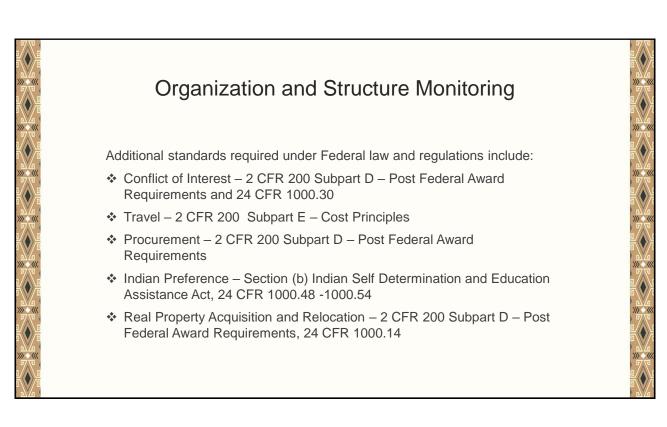


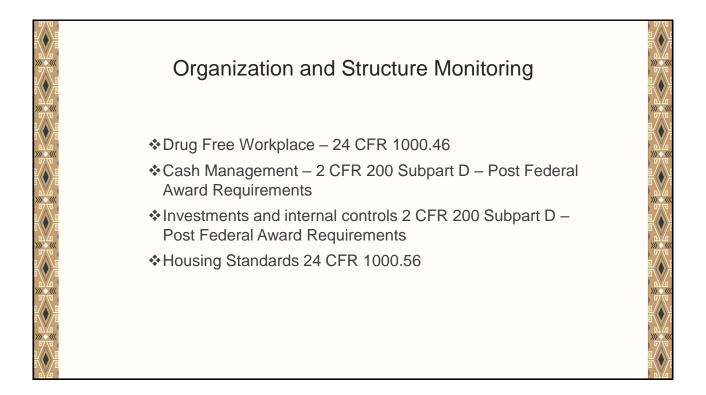










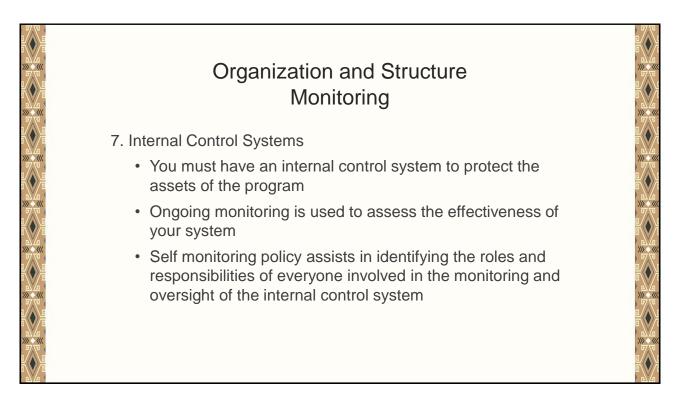




Organization and Structure Monitoring

6. Records Management – IHBG recipients must maintain financial and program records, supporting documents, and statistical records of assisted families for 3 years from the date of the APR covering the expenditures for the grant funds supported by those documents.

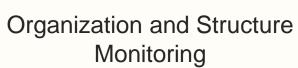
- If there are any claims, litigation, negotiation, or audit started before that 3 year period expires, the records must be maintained until any issues are resolved
- · HUD, GAO, and your auditors have the right to access the documents
- · Recipient information is considered confidential





Organization and Structure Monitoring

Documentation – completed checklist, observation, interview, areas for follow up, and any corrective actions required



Organization/Structure Report Sample

The current Organization and Structure of the Housing Authority was compared to the ONAP Organization and Structure Compliance Monitoring Plan As part of our review, we compared the required policies to the self monitoring checklists, interviewed staff on current practices, and discussed the requirements with the Executive Director and the Board. The following exceptions are noted.

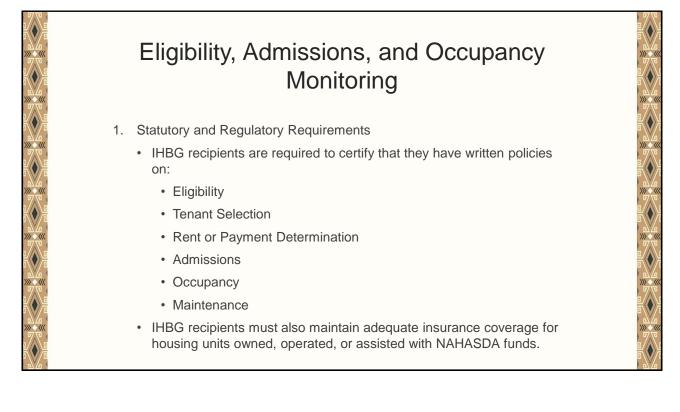
Rent and homebuyer policies are combined with other policies. We recommend that the policies be separated because the requirements for admission, continued occupancy, and maintenance are different for each program. The policy for Financial and Fiscal Management is not current. Self Monitoring, and the Maintenance Policy do not meet all HUD requirements. The corrective action plans for those sections include additional information.





Purpose – Ensure compliance with NAHASDA Sections 203 and 207, as well as compliance with the recipient's own policies and procedures. Areas to monitor include:

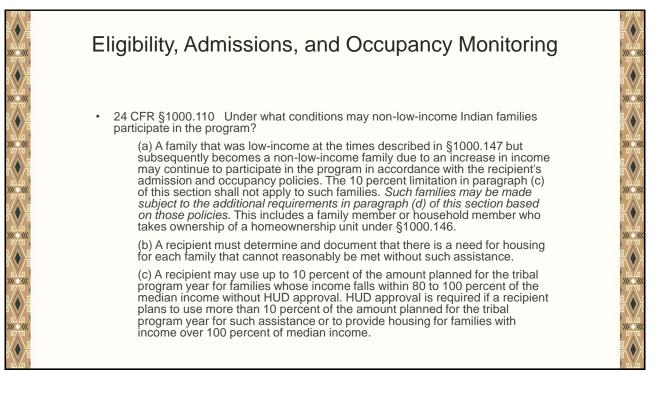
- 1. Statutory and Regulatory requirements
- 2. Eligibility
- 3. Selection
- 4. Rent and Payment Determination
- 5. Occupancy
- 6. Maintenance and Inspections also covered in Maintenance and Inspection of Assets
- 7. Lead based paint
- 8. Temporary relocation and/or Acquisition
- 9. Public Dissemination and Complaint Review





2. Eligibility

- IHBG families must be income eligible at the time of admission. Files **must** contain the documents used to determine eligibility.
- · If families are non low income at the time of admission -
 - Is there documentation to support the Tribe/TDHE has determined that the need for housing cannot be reasonable met without assistance AND
 - Has the Tribe/TDHE used less than 10% of its annual grant to assist those families?
 - If families are over income, is there documentation that the Tribe/TDHE received HUD approval BEFORE admission?





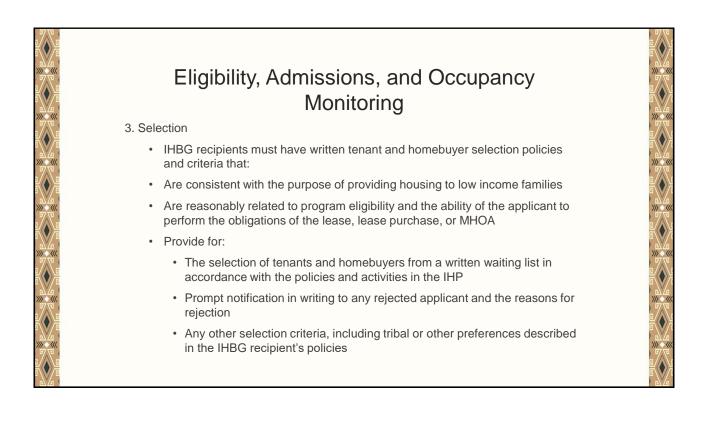
• 24 CFR §1000.110 Under what conditions may non-low-income Indian families participate in the program?

(d) Non-low-income families cannot receive the same benefits provided low-income Indian families. The amount of assistance non-low-income families may receive will be determined as follows:

(1) The rent (including homebuyer payments under a lease purchase agreement) to be paid by a non-low-income family cannot be less than: (Income of non-low-income family/Income of family at 80 percent of median income) × (Rental payment of family at 80 percent of median income), but need not exceed the fair market rent or value of the unit.

(2) Other assistance, including down payment assistance, to non-low-income families, cannot exceed: (Income of family at 80 percent of median income/Income of non-low-income family) × (Present value of the assistance provided to family at 80 percent of median income).

(e) The requirements set forth in paragraphs (c) and (d) of this section do not apply to non-low-income families that the recipient has determined to be essential under §1000.106(b).





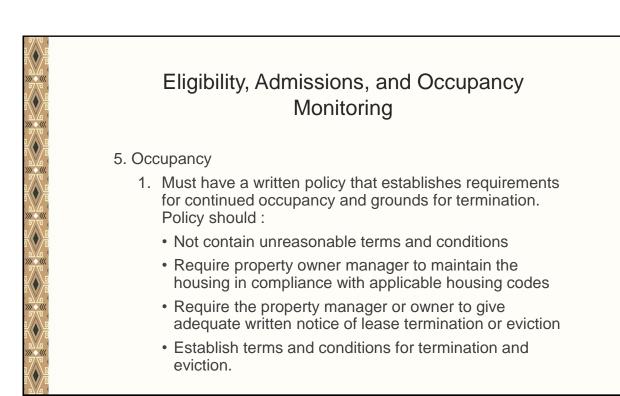
4. NAHASDA Section 203. Program Requirements

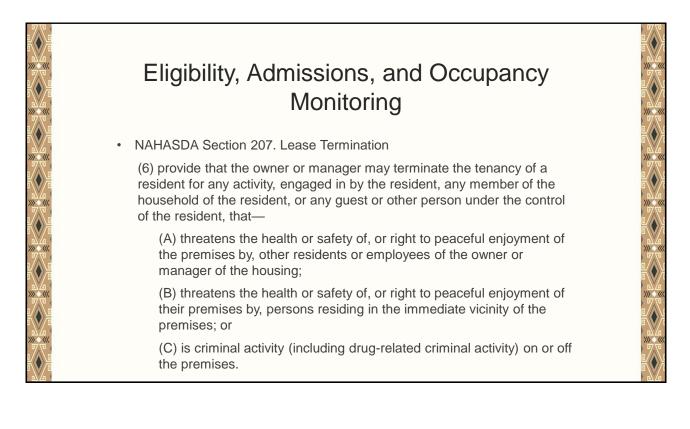
RENTS-

(1) ESTABLISHMENT- Subject to paragraph (2), each recipient shall develop written policies governing rents and homebuyer payments charged for dwelling units assisted under this Act, including the methods by which such rents and homebuyer payments are determined.

(2) MAXIMUM RENT- In the case of any low-income family residing in a dwelling unit assisted with grant amounts under this Act, the monthly rent or homebuyer payment (as applicable) for such dwelling unit may not exceed 30 percent of the monthly adjusted income of such family.







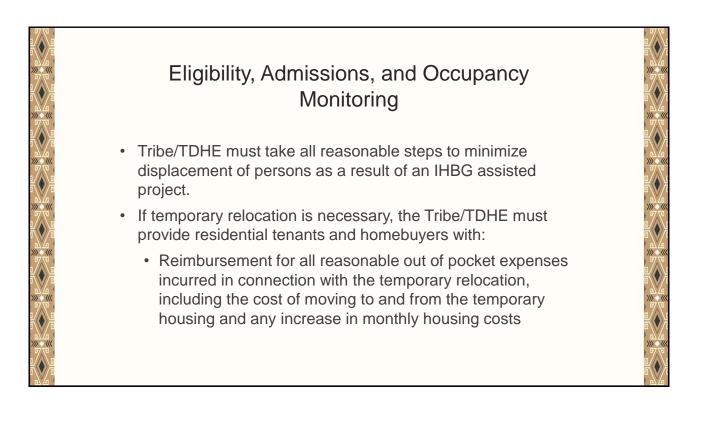


- 6. Maintenance and Inspection
 - Recipients are required to develop written policies that define the responsibilities of homebuyers, tenants, and the Tribe/TDHE for maintenance of units assisted with IHBG funds.
 - NAHASDA Section 403(b) requires annual inspection of all NAHASDA assisted units
- Additional requirements for Maintenance and Inspection will be discussed in the Maintenance and Inspection section of the Self Monitoring Assessment

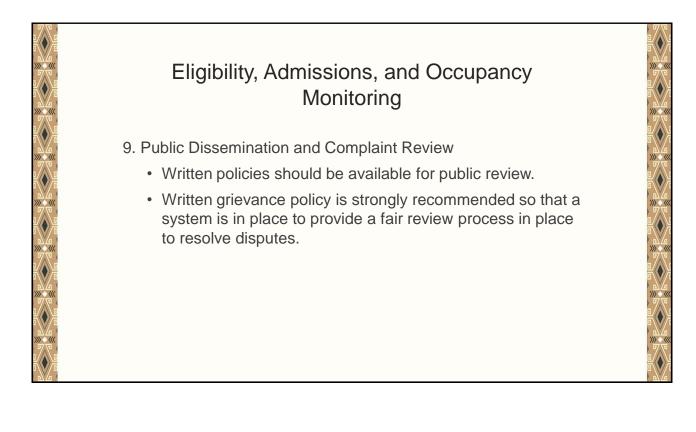


- 7. Lead Based Paint
 - If IHBG funds are used for rehabilitation, acquisition, tenant based rental assistance, or provision of assistance to households to acquire existing housing (Downpayment and Homeowner Rehab) and the housing to be acquired or occupied was built before January 1, 1978, the Tribe/TDHE must follow all regulations on lead based paint in 24 CFR 35.

- 8. Temporary Relocation/Acquisition
 - If the Tribe/TDHE does not have the authority to acquire the property through condemnation, before discussing the purchase price, the Tribe/TDHE must inform the own of the amount believed to be the fair market value of the property
 - The amount must be based on at least one appraisal prepared by a qualified appraiser.
 - The Tribe/TDHE must tell the property owner that the property will not be acquired if negotiations do not result in an amicable agreement
 - Tribe/TDHE must request HUD approval of the proposed acquisition price before entering a firm commitment to purchase the property.



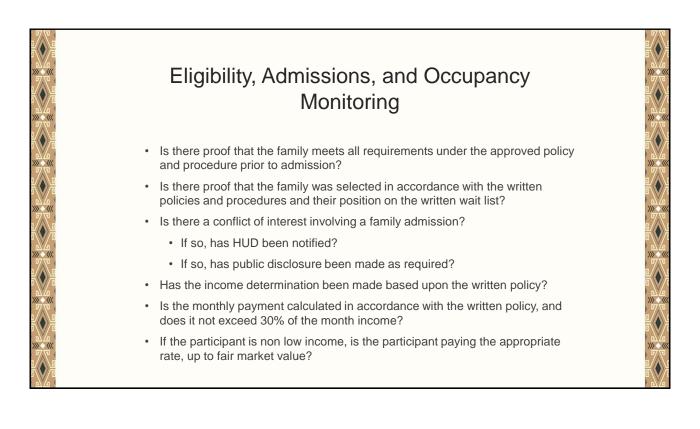
Eligibility, Admissions, and Occupancy Monitoring Appropriate advance written notice of: Date and expected duration of the temporary relocation Location of suitable, decent, safe, and sanitary dwelling to be made available for the temporary period Terms and conditions under which the tenant may occupy a suitable, decent, safe, and sanitary dwelling following completion of the work Provisions for reimbursement If relocation is necessary, the Tribe/TDHE must provide relocation assistance for displaced persons as described under the Uniform Relocation and Real Property Acquisition Policies Act, regulations at 49 CFR Part 24, and 24 CFR 1000.14

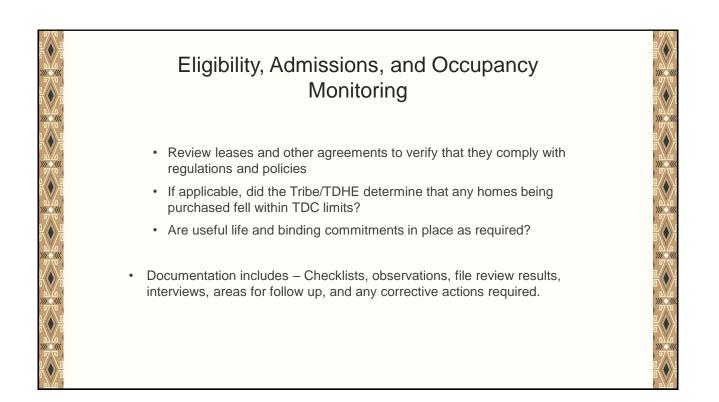




Areas to review under the Self Monitoring Assessment include:

- · On site review of all programs funded by NAHASDA
- Each program will likely have different requirements, so each program must be assessed separately.
 - If there are fewer than 10 total files in a program, test them all.
 - If there are more than 10, test at least 10% but no fewer than 10
- All program files must show proof that the family was low income at time of admission.
- If the participant is non low income at time of admission, must have proof that the need for housing could not be reasonable met without assistance or that the family meets the definition of Essential Family







Eligibility, Admissions and Occupancy Report Sample

The current Eligibility, Admissions, and Occupancy Policies and Procedures of the Housing Authority were compared to the ONAP Eligibility, Admissions, and Occupancy Compliance Monitoring Plan As part of our review, we compared the required policies to the self monitoring checklists, interviewed staff on current practices, and reviewed participant files for compliance, as well as discussed the requirements with the Executive Director and the Board. The following exceptions are noted.

Admissions and Occupancy Policy does not state that families can still participate in the Homeownership programs if they subsequently become non-low income. Per HUD policy, the participant must be low-income to be admitted to the program, but is not required to stay low-income to remain in the program. See Corrective Action Plan for additional information.

Other recommendations:

Files should be standardized to make the review process easier for staff. Currently the files are organized in different ways depending on when the admission occurred. Using a standard approach will make it easier for staff to verify all items are included.

Because the Housing Authority policy states that only certain family sizes are eligible for certain sized homes, we recommend adding the home size information to the file. Using a checklist with all the required elements for each file will help staff ensure that all information is included.





Maintenance and Inspection Monitoring

Purpose is to determine compliance with Section 203 of NAHASDA. Areas to monitor include:

1. Tribe/TDHE's manner of maintaining and protecting its HUD funded housing inventory by offering continued maintenance and efficient operation of the housing

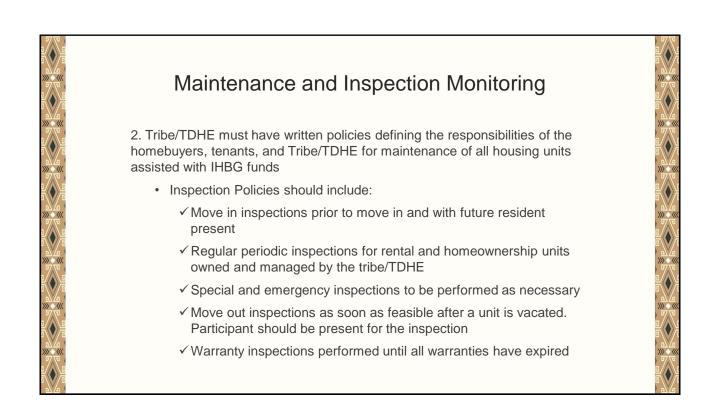
2. Tribe/TDHE must have written policies defining the responsibilities of the homebuyers, tenants, and Tribe/TDHE for maintenance of all housing units assisted with IHBG funds

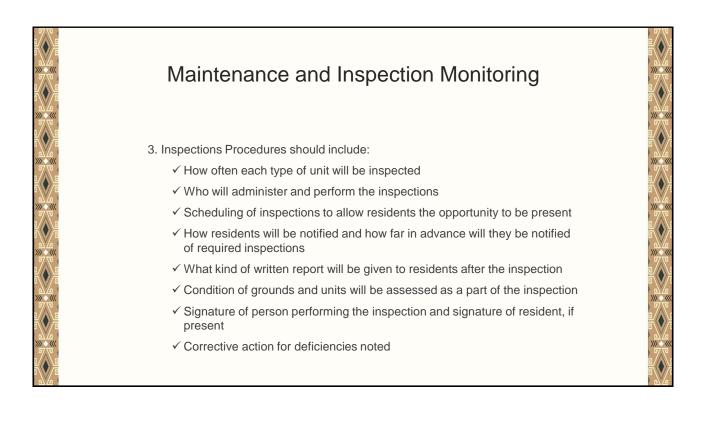
3. Section 403(b) requires annual on site inspection of all NAHASDA assisted units and a report to HUD on the results of the inspection

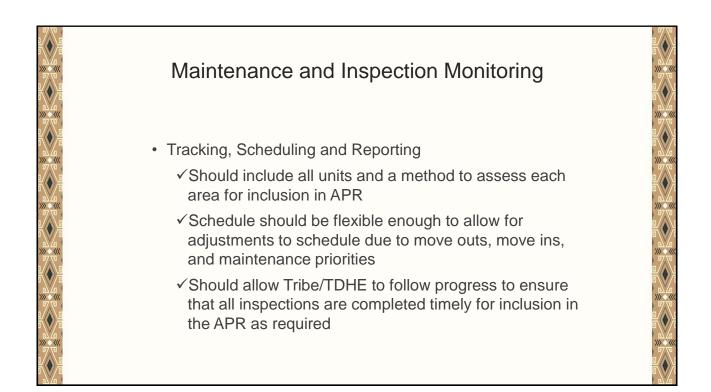


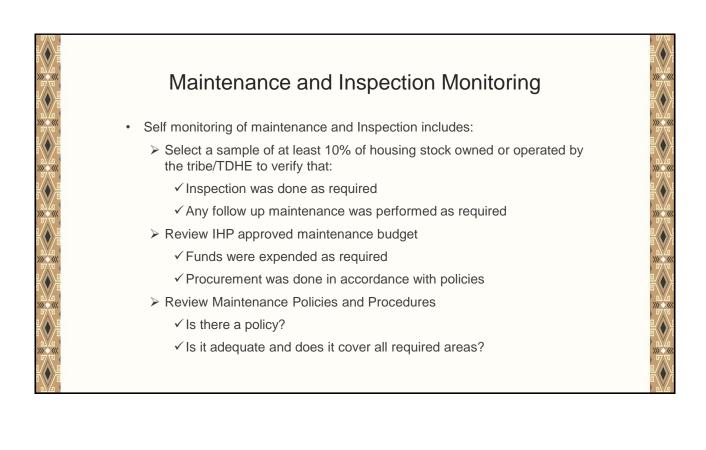
1. Tribe/TDHE's manner of maintaining and protecting its HUD funded housing inventory by offering continued maintenance and efficient operation of the housing

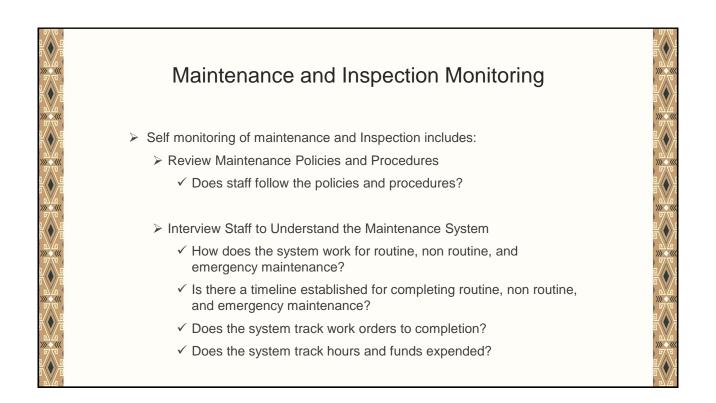
- ✓ Inspection Policies and Procedures to make physical assessment part of the Tribe/TDHE's management
- ✓ Inspection Standards to assess condition and deficiencies the same way every time so that maintenance priorities can be developed
- ✓ Tracking Mechanism and Inspection Schedule to allow all units to be inspected in an efficient manner
- ✓ Maintenance Follow Up to make sure deficiencies are corrected in a timely manner

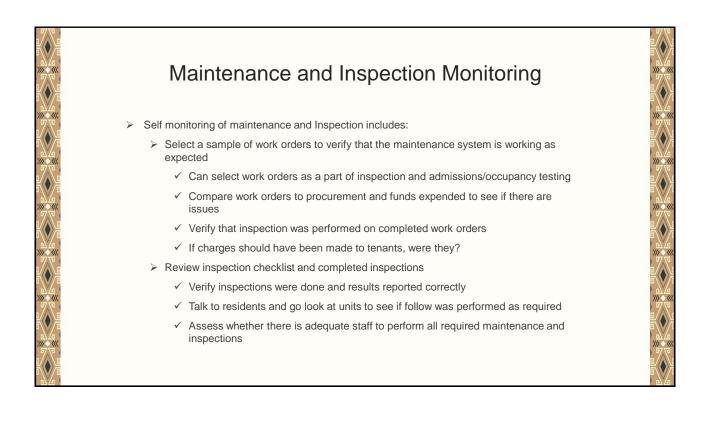














Maintenance and Inspection Monitoring

Documentation for self monitoring will include – checklists, observation, interviews, areas for follow up, and any corrective actions required

Maintenance and Inspection Monitoring

Maintenance and Inspection Report Sample

The current Maintenance and Inspection Policies and Procedures of the Housing Authority were compared to the ONAP Maintenance and Inspection Compliance Monitoring Plan As part of our review, we compared the required policies to the self monitoring checklists, interviewed staff on current practices, sampled work orders and inspections, as well as discussed the requirements with the Executive Director and the Board. The following exceptions are noted.

10 of 100 NAHASDA Homeownerships homes, 10 of 60 Mutual Help Homes, and 5 of 5 Rental homes were reviewed for compliance with move in, move out, and annual inspection requirements. 15 of 25 files selected had the required inspection reports. See Corrective Action Plan for additional information.

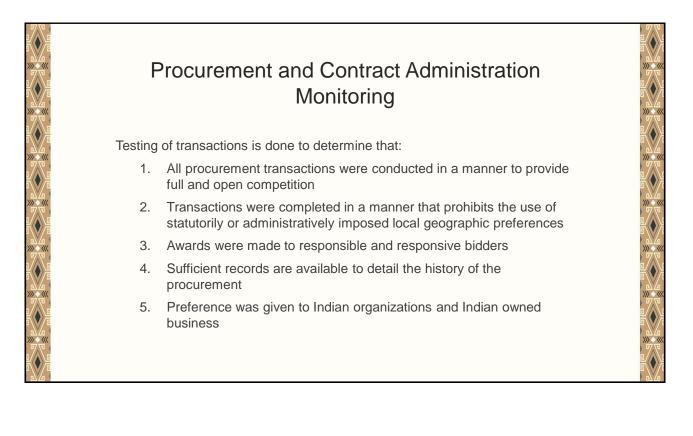
Maintenance and Inspection policy does not include all HUD requirements. See Corrective Action Plan for additional information



Purpose – Determine that tribe/TDHE policies are in compliance with applicable regulations covering:

- 1. Procurement
- 2. Indian Preference in procurement
- 3. Conflict of Interest in Procurement

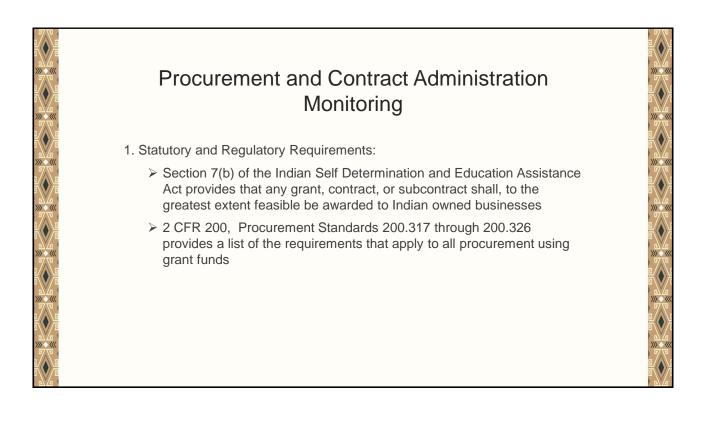
4. Compliance is determined by sampling procurement transactions covering all types of procurement including Micropurchases, Small Purchases, Sealed Bids, Competitive Proposals, and Sole Source/Noncompetitive Purchases





In addition to the above requirements, The Tribe/TDHE must have a contract administration system to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts

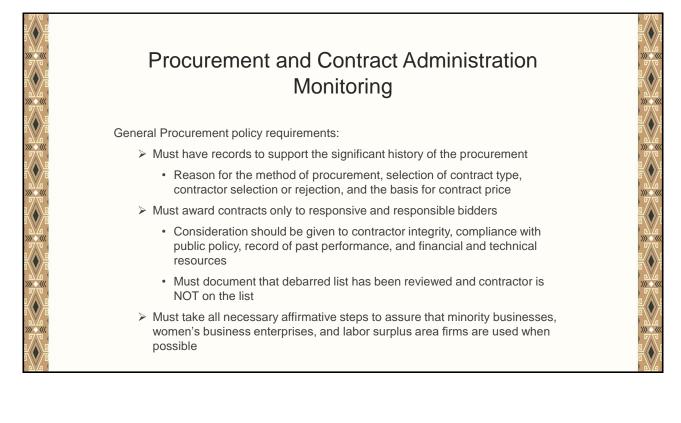






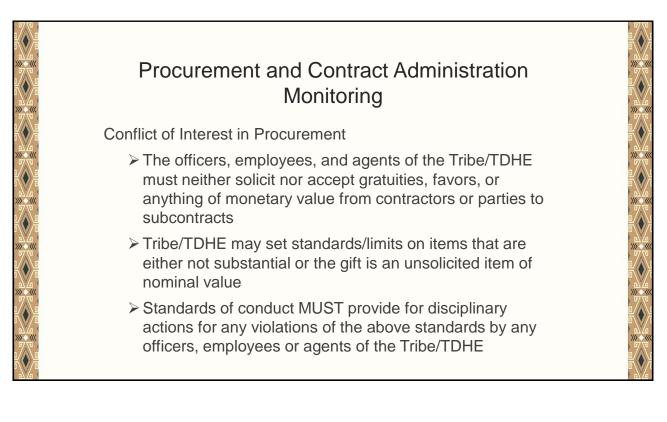
General Procurement policy requirements:

- > You are required to have a written procurement policy
- Must have written standards of conduct covering conflicts of interest for any employees, officers, and agents involved in the selection, award, and administration of contracts.
- Policy must have procedures to avoid the purchase of unnecessary or duplicative items
- Policy should encourage the use of state and local inter government agreements where appropriate for the procurement of common goods and services
- Policies should include methods to settle complaints and other issues that may arise from procurement





- 2. Conflict of Interest in Procurement
- No employee, officer, or agent can participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.
- Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated above, has a financial or other interest in or a tangible personal benefit from a firm considered for contract





Procurement Types and Compliance Requirements

- 1. Micro Purchase
 - Must have a policy stating the amount used (Up to \$10,000)
 - Must document selection of vendor and purchase order as required
- 2. Small Purchase
 - Applies to purchases up to \$250,000
 - · Must receive adequate number of quotes and document the quotes
 - · Must document selection of vendor and purchase order as required
 - Indian preference applies



Procurement Types and Compliance Requirements

- Sealed Bids usually construction
- Requirements:
 - ✓ Invitation for Bids (IFB) must be publicly advertised and solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for bid openings
 - ✓ IFB must include any specifications and pertinent attachments, and must clearly identify items and services for the bidder to respond
 - \checkmark All bids must be publicly opened at the time and place stated in the IFB
 - \checkmark All bids should be assessed against the same criteria

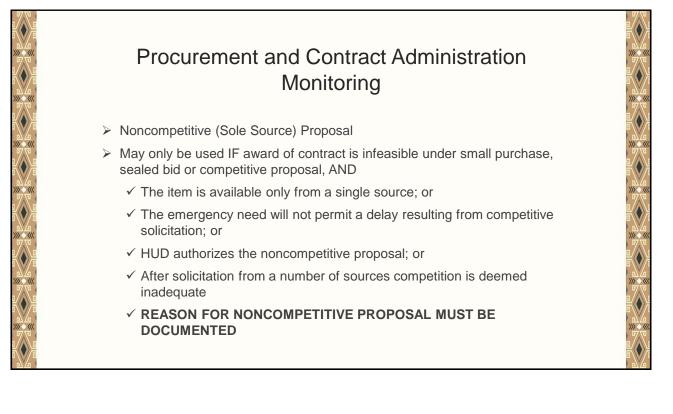
Procurement and Contract Administration Monitoring > Sealed Bid Requirements:

- ✓ A firm fixed price contract must be made in writing to the lowest responsive and responsible bidder
- ✓ Any and all bids may be rejected for sound, documented reason
- ✓ Indian preference applies
- \checkmark Must have evidence that debarred list was checked
- ✓ Must have a cost or price analysis

- > Competitive Proposal usually professional services
- Requirements:
 - ✓ Price must be included in the evaluation criteria, but is not the only criteria.
 - ✓ Price is not required to be a criteria for A/E professional services
 - \checkmark Any and all bids may be rejected for sound, documented reason
 - ✓ Indian preference applies
 - \checkmark Must have evidence that debarred list was checked
 - ✓ Must have a price analysis

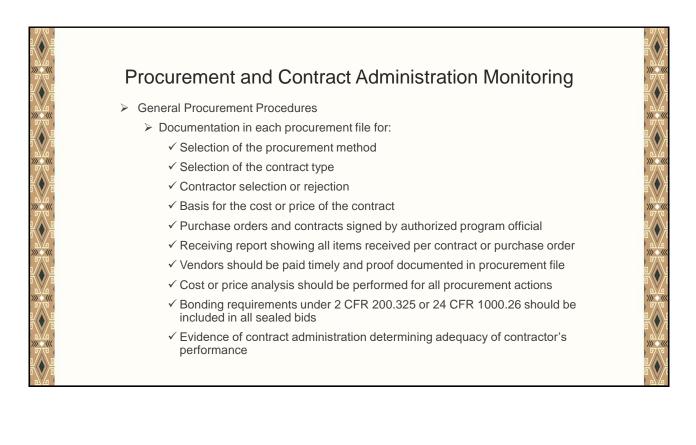


- Competitive Proposal usually professional services
- > Requirements:
 - ✓ Statement of Work must be prepared describing the procurement needs
 - ✓ Request for Proposal (RFP) must be publicized and identify all evaluation factors and their relative importance
 - Proposals must be solicited from an adequate number of qualified sources
 - Recipient must have a method for conducting technical evaluations of the proposals received and documenting the selection of awardees.
 - ✓ Awards must be made to the responsible firm whose proposal is most advantageous to the program with price and other factors considered





- Sole Source/Noncompetitive Requirements
 - ✓ Must have a cost/price analysis
 - ✓ Indian preference applies
 - ✓ Must have evidence that debarred list was checked

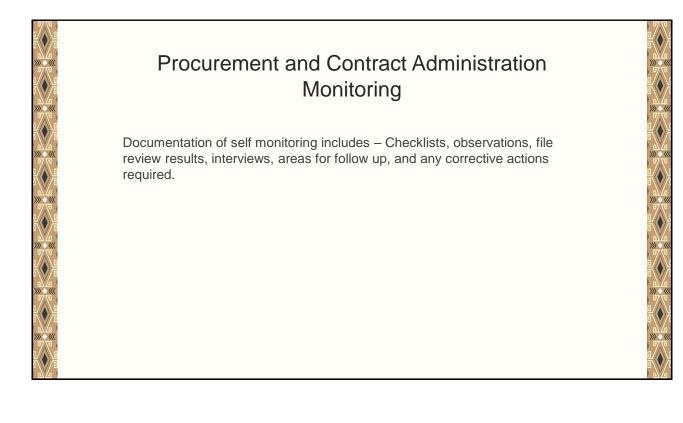


- Construction Contract Administration
- Procurement files should include:
 - ✓ Construction start dates
 - ✓ Contract award dates
 - ✓ Contract bid specifications and labor standards provisions
 - ✓ Pre construction conference minutes
 - ✓ Records pertaining to violations and wage restitution if applicable
 - ✓ Apprentice/trainee registration records
 - ✓ Record of employee interviews
 - ✓ Certified payroll records and review



- Construction Contract Administration
- Procurement files should include:
 - ✓ Proper wage decision in contract/specifications
 - \checkmark Labor standards provisions in the contract/specifications
 - ✓ Evidence of contractor eligibility verification
 - ✓ Additional classification and wages rates as needed
 - ✓ The signed contract, including:

Procurement and Contract Administration Monitoring Procurement files should include: The signed contract, including: Project number Name of contractor Description of work Bid opening date Contract award date Contract amount Start of construction date Contract completion Inspection results Payment information





Procurement and Contract Administration Report Sample

The current Procurement and Contract Administration Policies and Procedures of the Housing Authority were compared to the ONAP Procurement and Contract Administration Compliance Monitoring Plan As part of our review, we compared the required policies to the self monitoring checklists, interviewed staff on current practices, sampled procurement files, as well as discussed the requirements with the Executive Director and the Board. The following exceptions are noted.

Procurement documentation is inconsistent. There is no way to tell if the Housing Authority used a small purchase or micro purchase, and bid documentation is inconsistent. See Corrective Action Plan for additional information.

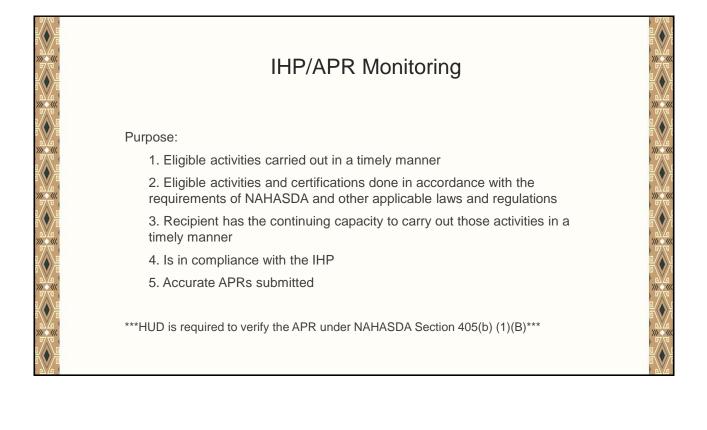
No sealed bid procurement noted during the period

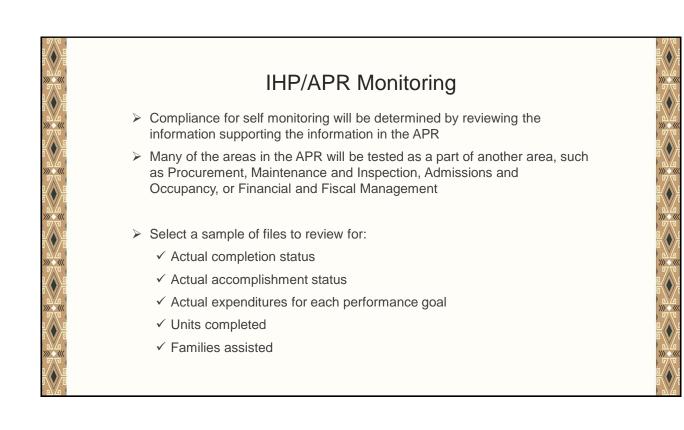
Two noncompetitive procurements were noted. Documentation is not sufficient to determine whether this was appropriate. See Corrective Action Plan for additional information.

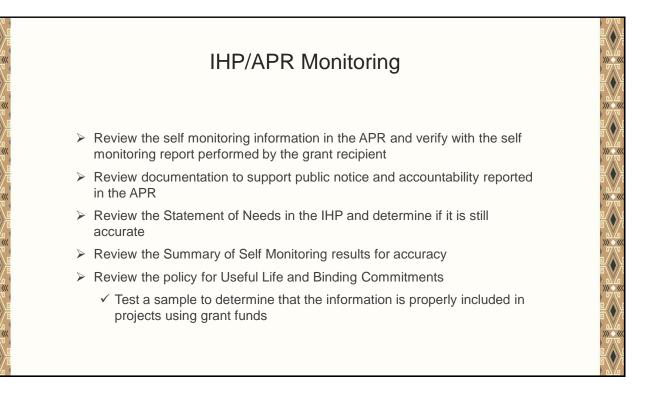
Indian Preference was not used as required for small and noncompetitive purchases. See Corrective Action Plan for additional information.

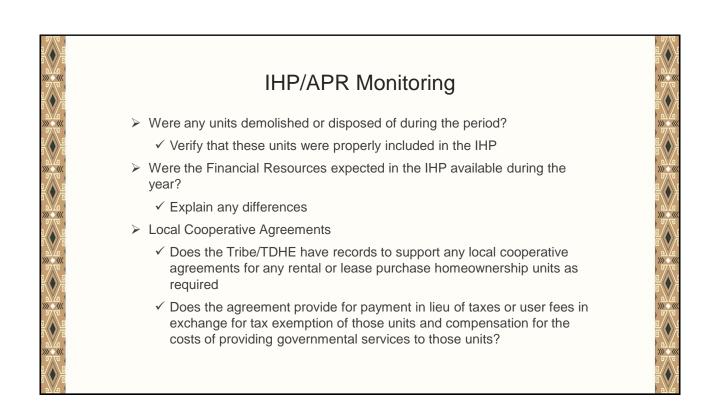
All financial preparation is currently outsourced to Fee Accountant. The financial information provided by Fee Accountant meets the requirements established by HUD. We did note instances where the information reported in the audit does not tie to the information in the current financials. See corrective action plan for additional information.

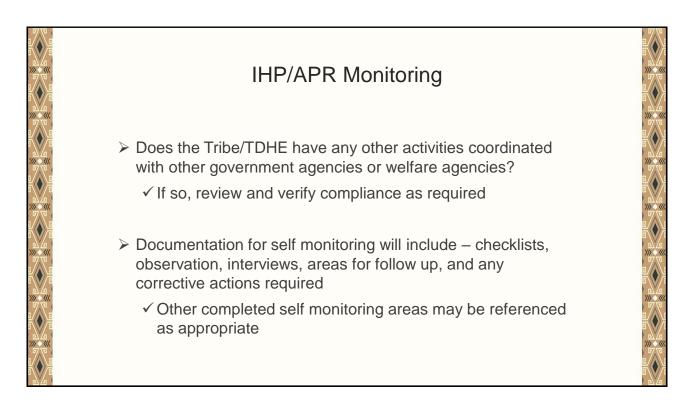
We do recommend updating the policy to clarify responsibilities and procedures for the staff and fee accountants











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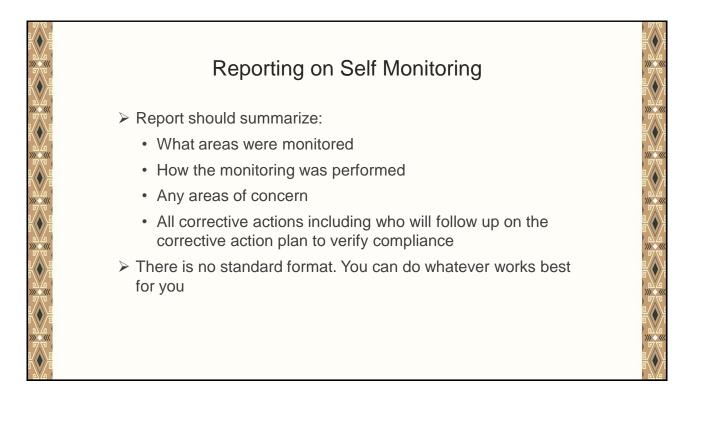
IHP/APR Monitoring

IHP/APR Report Sample

The current IHP/APR of the Housing Authority was compared to the ONAP IHP/APR Compliance Monitoring Plan As part of our review, we compared the required reports to the self monitoring checklists, interviewed staff on current practices, sampled files to document reported totals, compared the financials to the report, as well as discussed the requirements with the Executive Director and the Board. The following exceptions are noted.

APR amounts were compared to the completed 2018 audit report to verify that the numbers reported in the APR were materially the same as the amounts in the audit report. During the assessment, it was noted that the total federal funds reported expended in the audit are \$800,000 but the APR amount is \$900,000. See corrective action plan for additional information.

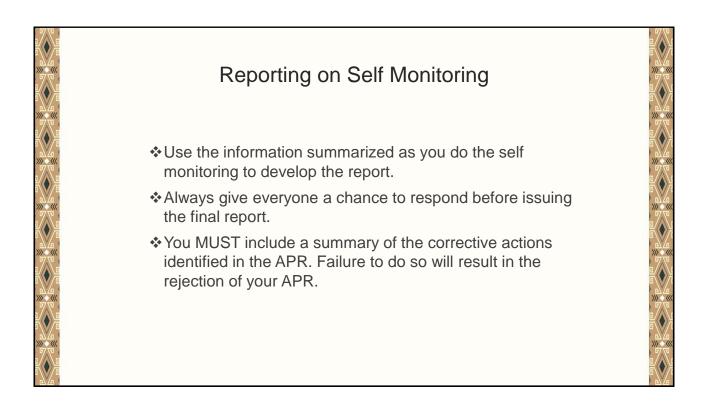
The Housing Authority does not have the useful life documentation for each individual property as required. See Corrective Action Plan for additional information.





Reporting on Self Monitoring

- Sample Corrective Action Plan:
- Financial System Corrective Action Plan
- Issue identified The financial and fiscal management policy does not meet the requirements of NAHASDA and 2 CFR 200
- Cause Board has not adopted an updated policy and procedure manual
- Effect There is no guidance for staff and management regarding appropriate policies and procedures for finance.
- Corrective Action Planned Management and the Board will work to develop a comprehensive financial policy and procedure manual for Housing Authority by the end of December 2019.
- Responsibility for follow up is designated to both the Executive Director and the Board of Commissioners





Reporting on Self Monitoring

The following report provides detailed information by assessment area. This information is to be used solely by Housing Authority of My Tribe's senior staff and decision makers in evaluating performance and identifying potential areas of weakness. Findings and concerns related to compliance with the approved Policies & Procedures of the Housing Authority are noted. An exception is an area of non compliance with the approved policies and procedures or requirements of the Self Monitoring questionnaire, or an area of weakness or technical issue identified that may potentially result in a finding if not adequately addressed and corrected. Concerns may not represent noncompliance with NAHASDA requirements, but they could be detrimental to the overall performance of the grant requirements. Any exception considered significant is addressed in the Corrective Action Plan.

As a part of the assessment, the Housing Authority is required to develop a corrective action plan to address any significant exceptions. The Housing Authority is also responsible for follow up on all items addressed in the corrective action plan. The Housing Authority and the contractor have agreed that the review will cover the areas of: Admissions/Occupancy, APR/IHP, Financial Management, Environmental Monitoring, Maintenance & Inspection, Procurement, and Organization/Structure.

Reporting on Self Monitoring

Sample Summary report:

As required under Section 403(b) of NAHASDA and its implementing regulations at 24 CFR 1000.502(a), all recipients of IHBG funds must complete an annual self monitoring assessment to ensure that the Housing Authority is in compliance with IHBG and other applicable Federal requirements and the Housing Authority is demonstrating performance and progress in implementing the Indian Housing Plan approved by ONAP. The purpose of this report is to assist in compliance with the above requirements.

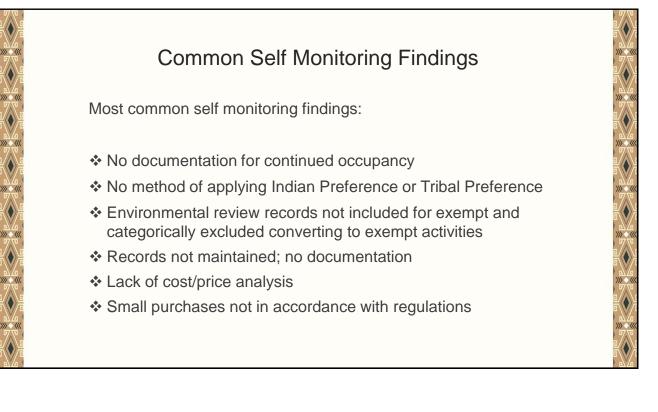
The Self Monitoring assessment was conducted by, an independent contractor who has been contracted to assist the Housing Authority in performing the required Self Monitoring Assessment. A variety of sources were used to conduct the assessment, including interviews with staff, review of files, records, and transactions, and the self monitoring questionnaires recommended for use by ONAP per Program Guidance 2012-03 issued January 19, 2012. The assessment was conducted at the Housing Authority's offices in Anywhere, America on October 30-November 1, 2018. While the self monitoring assessment is meant to be comprehensive in nature, this assessment is only one instrument the Housing Authority may use in carrying out its self monitoring responsibilities under NAHASDA.

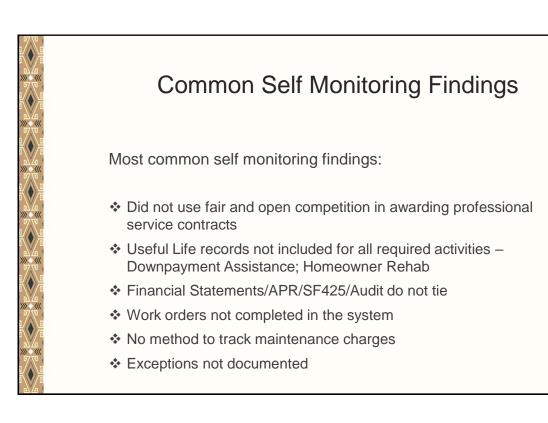


Common Self Monitoring Findings

Most common self monitoring findings:

- Self monitoring not done in accordance with policy/no policy
- Conflict of Interest policy is inadequate or not followed
- Policies not updated to comply with 2 CFR 200
- Policies not updated to comply with NAHASDA
- Policies do not comply with actual procedures
- Admissions information documenting eligibility at time of admission is not included in the current file







Thank you!

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