



**U.S. Department of Housing and Urban Development**  
Northwest Office of Native American Programs

October 18, 2013

**RECEIVED**

OCT 21 2013

**COQUILLE INDIAN  
HOUSING AUTHORITY**

Toni Ann Brend, Chairperson  
Board of Commissioners  
Coquille Indian Housing Authority  
2678 Mexeye Loop  
Coos Bay, OR 97420-7713

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Dear Ms. Brend:


**Subject: Final Monitoring Report**

Enclosed is the Final Monitoring Report for grants awarded to the Coquille Indian Housing Authority (CIHA) that are administrated through the Northwest Office of Native American Programs (NwONAP).

On June 25, 2013, NwONAP issued a Draft Monitoring Report (DMR). CIHA was provided a 90 day comment period. During this period, CIHA submitted documentation which demonstrated that a concern identified in the DMR had been adequately addressed. As a result, NwONAP deleted the concern from the Final Monitoring Report. No other substantive changes were made to the DMR. No findings or concerns are identified in the Final Monitoring Report.

The cooperation and courtesy that CIHA afforded the review team is appreciated. NwONAP looks forward to working with CIHA to bring many more affordable housing opportunities to members of the Coquille Indian Tribe. If you have any questions, please contact me at (206) 220-6204 or by email at Tom.Carney@hud.gov.

Sincerely,

  
Thomas H. Carney, Acting Director  
Grants Evaluation Division

Enclosure

cc: Brenda Meade, Tribal Chairperson  
Anne F. Cook, Executive Director

**Coquille Indian Housing Authority  
Final Monitoring Report  
October 18, 2013**

The purpose of the review was to determine whether the Coquille Indian Housing Authority (CIHA) was in compliance with NAHASDA and the regulations at 24 CFR Part 1000 and 24 CFR Part 1003, and other applicable laws and authorities in the implementation of its Indian Housing Block Grant (IHBG) and Indian Community Development Block Grant (ICDBG) programs. The performance measures at 24 CFR §1000.524 and 24 CFR §1003.700 were used to conduct the monitoring review.

The review focused on the Indian Housing Block Grant (IHBG) and Indian Community Development Block Grant (ICDBG) funded activities during the period of October 1, 2010 through January 31, 2013. The review involved examinations of selected files, policies and procedures; discussions with the executive director and staff; inspections of units; and on-site visits to American Recovery and Reinvestment Act Projects (ARRA). The on-site portion of the review was completed on April 26, 2013. The areas reviewed were:

- Indian Housing Block Grant (IHBG) Program:
  - Financial and Fiscal Managements Systems
  - Maintenance Policies and Procedures, and Inspections
  - Occupancy
  - Procurement and Contract Administration
  - Environmental Compliance
  - Self-Monitoring
  
- American Recovery and Reinvestment Act (ARRA) Program:
  - Program Progress
  - Compliance with Approved Application
  - Procurement
  - Financial Management
  - Environmental Compliance
  
- Indian Community Development Block Grant (ICDBG) Program:
  - Program Progress and Reporting
  - Compliance with Approved Application
  - Procurement
  - Environmental Compliance

NwONAP staff who participated in the review were:

- Tom Carney, Acting Director, Grants Evaluation Division
- Bryce Harper, Grants Evaluation Program Assistant
- Debbie Sutton, Grants Evaluation Specialist
- Bill Trombley, Grants Management Specialist

## REVIEW SUMMARY

No findings or concerns were identified in the Final Monitoring Report.

## ACCOMPLISHMENTS

**Award Winning Organization** – The CIHA was awarded 2<sup>nd</sup> place in the 2012 100 Best Nonprofits to Work for (Small Organization Category) by *Oregon Business* magazine. This award is an affirmation of the CIHA's commitment to excellence in organizational performance.

**Emergency Preparedness** – The CIHA promotes emergency preparedness by publishing articles on a regular basis, about preparing your own survival kit. The CIHA housing office serves as the emergency communication hub for the Tribe and is equipped with a backup generator. A supply of survival kits was purchased with non-program funds to store in the warehouse and distribute to the community in the event of an emergency.

**Board Report** – The CIHA provides a comprehensive Resident Services report to the housing board on a monthly basis. The report includes sections on *Community Dynamics* (unit occupancy and vacancies by program, as well as community population and persons assisted, all broken down by Coquille and Non-Coquille members), *Status of Housing Changes* (move ins/outs), *Compliance* (payments, notices, inspections, recertifications, etc.), *Tenant Based Rental Assistance Units Off of Tribal Lands*, and *Waiting Lists* (by program and Coquille/Non-Coquille). This report provides a clear picture of the Coquille Tribe's current housing situation and their future housing needs.

### **Yard Maintenance –**

- Renter Front Yard Makeover – Renter Front Yard Makeover drawings are held each year. Winners of the drawing participate in the design and installation of their new front lawns with a focus on low maintenance, low-water landscaping, and the incorporation of indigenous plants and materials. The prize is valued at up to \$2 per square foot. Winners have to promise to continue to perform lawn maintenance in accordance with the lease agreement.
- Lawn Care – CIHA has a lawn care equipment lending program. Tenants may borrow weed eaters, lawn mowers, a wheel barrow, and shovels to help with lawn maintenance. If CIHA notices that a lawn needs cutting, they will call the tenant and ask them when they would like to schedule use of the lawn mower.

### **Rent Collection –**

- Rent Check Pickup – This service is available for elders and persons with disabilities. A CIHA employee will stop by and pick up the tenants' rent checks.
- CIHA runs a Resident Holiday Credits program where tenants receive points for on-time rent payments, compliant inspections, timely updating of tenant information, and no

actionable complaints. At the end of each year the points are accumulated and the tenants are provided with a credit of up to \$150 off their year-end housing payment.

**Newsletters** – Newsletters informing families of upcoming housing events and housing resources are published monthly. These newsletters keep the community informed of community activities, housing programs, job openings, exercise and health information classes as well as many other items of interest to residents.

**Self-Monitoring** – CIHA has an exemplary Self-Monitoring process, which is both well-coordinated and very comprehensive. The most recent Self-Monitoring did not have any findings or concerns, however, recommendations were provided where applicable. CIHA incorporates the entire Self-Monitoring report into their APR which is a first for NwONAP's grantees. The most recent Self-Monitoring report recommends that the CIHA consider entering into a Self-Monitoring Mutual Agreement Application with NwONAP. The agreement would allow CIHA to be monitored by NwONAP on a less frequent basis. NwONAP discussed the application process on-site and agreed that CIHA would be an excellent candidate for this agreement.

**Roofing Replacement** – CIHA replaced the roofs of 68 low-income housing units, increasing the energy efficiency and climate resistance of the units, and ensuring warm, safe, and dry winters for the families who occupy those homes. CIHA's procurement approach of grouping similar roof styles into individual bid packages, resulted in increased competition, reduced costs, expedited project completion, and positive economic impacts on roofing contractors in the Coos Bay area.

## **Indian Housing Block Grant (IHBG) Program**

### **Financial and Fiscal Managements Systems**

The purpose of the Financial and Fiscal Management Systems review is to determine compliance with IHBG program requirements. Program requirements are established through the regulations at 24 CFR §1000.26(a), which references the applicability of 24 CFR §85.20 and §85.21, and 24 CFR Part 225 (OMB Circular A-87) on allowable costs, 24 CFR §1000.544, which references the applicability of OMB Circular A-133 on audit requirements, and 24 CFR §1000.62 on program income. The current financial and fiscal management systems were assessed to determine if they comply with the specific standards for (i) financial reporting, (ii) accounting records, (iii) internal control, (iv) budget control, (v) allowable cost, (vi) source documentation, and (vii) cash management.

Based on a limited review, financial records for the IHBG grants were accurate; expenditures were supported by source documentation; internal controls over recording and cash receipts were in place; no unallowable costs were charged to the grants; and adequate insurance is being carried. No areas of noncompliance were identified.

## **Maintenance and Inspection Systems**

The purpose of the Maintenance and Inspection Systems review is to determine compliance with Sections 202, 203, and 403 of NAHASDA. These provisions require a recipient to identify the manner in which it will protect and maintain the viability of the housing inventory developed under a contract between HUD and an Indian Housing Authority pursuant to the U.S. Housing Act of 1937. The primary purpose of NAHASDA is to provide low-income housing in a safe and healthy environment. The continued maintenance and efficient operation of such housing must be provided for by the recipient. The significance of this requirement has been highlighted and incorporated into the Indian Housing Plan (IHP) and Annual Performance Report (APR) processes of the IHBG program. A requirement that new and certain rehabilitated dwelling units be protected by hard-wired or battery-operated smoke detectors is established by the Fire Administration Authorization Act of 1992, which is made applicable by Notice PIH 99-11.

During the on-site review, a total of 8 units were inspected [4 rentals, 3 Mutual Help/Home Go (MH/HGO), and 1 emergency assistance rental unit]. In addition, the maintenance/inspection policies and work order procedures were evaluated.

The maintenance/inspection policies are complete and well developed. Inspections are thorough and complete, and work orders are processed in a timely manner. Based on the on-site inspections, units were in good to excellent condition. No patterned maintenance deficiencies or health and safety issues were observed. All units had a minimum of one operating smoke detector; many units had four or more operating smoke detectors. No areas of noncompliance were identified.

The program participants and the CIHA are commended for setting and achieving high standards for the condition of their homes.

## **Occupancy**

The purpose of the Occupancy review is to determine compliance with the requirements of Sections 201, 203, 205, and 207 of NAHASDA, Subpart B of 24 CFR 1000, and compliance with the recipient's own policies and procedures. Staff was interviewed; and a random sample of occupant files were evaluated to determine whether the occupancy system was adequate, whether eligibility was determined correctly, and whether occupancy policies and procedures were adequate and were being followed.

Using random sampling techniques, a total of 11 files were selected to review for compliance with IHBG occupancy requirements. The sample included files from the Low Rent Program (5), Emergency Housing Assistance (1), and Monthly Housing Assistance Program (5). The policies associated with these programs were also reviewed.

Comprehensive and well written policies are established for each program assisted with NAHASDA funds. All occupants were determined to be eligible for NAHASDA assisted

programs; rent and homebuyer amounts were calculated correctly; waiting lists were enforced; and income re-certifications were conducted timely. No areas of noncompliance were identified.

### **Procurement and Contract Administration**

The purpose of the Procurement and Contract Administration review is to determine whether (i) purchasing procedures and practices comply with procurement regulations at 24 CFR §§85.35, 85.36, and 24 CFR §1000.44, and Indian Preference requirements at 24 CFR §1000.48 through 24 CFR §1000.54 and (ii) the contract administration practices comply with the regulations at 24 CFR §85.36(b)(2).

Regulations at 24 CFR §85.36 require that procurement transactions be conducted in a manner providing full and open competition and that procurement records sufficiently detail the history of the procurement. These records are to include, but are not necessarily limited to, documentation of: (i) the rationale for the method of procurement (small purchase, sealed bid, competitive or noncompetitive proposals), (ii) the selection of contract type, (iii) the contractor selection or rejection, (iv) the basis for the contract price, and (v) a cost or price analysis.

The regulations at 24 CFR §85.36(b)(2) require a contract administration system that ensures contractors perform in accordance with the terms, conditions, and specifications of their contracts. In addition, Indian Preference requirements set forth in 24 CFR §1000.48 through 24 CFR §1000.54 require preference in award of contracts to Indian organizations and Indian-owned economic enterprises. The regulations at 24 CFR §85.35 and 24 CFR §1000.44 require that no contract or sub-grant award may be made to any party that is debarred, suspended, or otherwise excluded from, or ineligible for, participation in federal assistance programs.

The review consisted of an evaluation of the procurement policy and a random sample of several procurements with a focus on the largest procurements during the review period. In addition, some selected procurements related to professional services were reviewed. The reviewed procurements included the following:

1. Roofing replacement for 71 units (14 separate procurements actions).
2. Housing rehabilitation (primarily siding replacement) for 26 units.
3. Professional services for an A-133 Audit, fee accountant services, and self-monitoring.

A concern in the area of procurement was identified during the review, however, documentation provided in response to the Draft Monitoring Report adequately addressed the issue. No areas of noncompliance are identified in the procurement system.

### **Environmental Compliance**

The purpose of the Environmental Compliance review is to determine the recipient's compliance with HUD's environmental review and clearance requirements as outlined at 24 CFR Part 58. It is required by the Indian Housing Block Grant (IHBG) program regulations at 24 CFR §1000.20(b)(3) that funds may not be committed to a grant activity or project before the

completion of the environmental review and approval of the request for release of funds, except as allowed under 24 CFR Part 58. These regulations are designed to ensure that a recipient does not limit itself to a particular course of action prior to satisfactorily addressing all applicable environmental considerations that may affect the design and construction of a facility or project.

It is required by the regulations at 24 CFR Part 58 that Environmental Review Records (ERR) contain all the environmental review documents, public notices, Request for Release of Funds (HUD 7015.15), and Removal of the Grant Condition(s) (HUD 7015.16) from HUD, if applicable. The ERR must evaluate the effects of the project or the activities on the human environment, contain verifiable source documentation supporting the determinations made, and address compliance with 24 CFR §58.5 authorities and 24 CFR §58.6 requirements. Determinations can only be made after consulting a qualified data source. Any member of the public reviewing the ERR should be able to understand the conclusion of the Responsible Entity by considering the documentation in the ERR.

Environmental review responsibilities under 24 CFR Part 58 for all IHBG projects was assumed by the Coquille Indian Tribe. The ERRs for the following activities and projects were reviewed:

- Program Administration & Operations.
- Housing Rehabilitation Project - 71 substandard 1937 Housing Act units.
- Accessibility modifications to the CIHA office and various rental units.

No areas of noncompliance were identified during the review of environmental systems. Overall, the review of the ERRs determined that they were accurate and appropriate for the activities planned within the review period. In addition, CIHA's ERR planning approach is considered a best practice because of the comprehensive analysis of the timing and nature of future environmental reviews in conjunction with their five year plan for housing activities. This approach allows CIHA to schedule environmental review activities in a timely and efficient manner. The Tribe and CIHA are commended for their performance in this area.

### **Self-Monitoring**

The purpose of the Self-Monitoring review is to determine compliance with NAHASDA Section 403(b), which requires recipients to review, at least annually, the activities they have undertaken and the housing they have assisted to assess compliance with the requirements of the Act. Further, the regulations at 24 CFR §1000.502(a) state that recipients of IHBG funds are responsible for monitoring their grant activities, ensuring compliance with applicable federal requirements, and monitoring performance goals under their Indian Housing Plans. Preparation, at least annually, of a compliance assessment is the responsibility of the recipient.

Based on a review of the Self-Monitoring Policy and Self-Monitoring Reports, CIHA's self-monitoring process is exemplary. The policy is solid and the practices are very strong. The self-monitoring program is very well coordinated and comprehensive. Detailed Self-Monitoring Reports from Fiscal Years 2011 and 2012 identified no findings or concerns, and provided recommendations for improvement where applicable. In addition, IHBG program and financial

updates are provided to the Board of Commissioners and Tribal Council, and annual A-133 audits are performed.

### **American Recovery and Reinvestment Act Projects (ARRA)**

A performance review of the American Recovery and Reinvestment Act (ARRA) project was conducted. ARRA was enacted on February 17, 2009, as Public Law 111-5. The key milestones for NAHBG recipients are (i) the obligation of 100% of grant funds one year after the funds became available, (ii) the expenditure of 50% of funds no later than two years after funds became available; and (iii) the expenditure of 100% of the funds no later than three years after funds became available. If a recipient fails to comply with the two-year expenditure requirement, funds will be subject to recapture and reallocation. If a recipient fails to comply with the three-year expenditure requirement, the balance of the funds originally awarded to the recipient are also subject to recapture.

Section 1512 of the Recovery Act requires submission of reports on the use of Recovery Act funding no later than the 10th day after the end of each quarter. In addition, under Section 1609 of the Recovery Act, recipients of ARRA funding that assume environmental review responsibilities, in accordance with 24 CFR Part 58, must submit quarterly reports on the status of National Environmental Protection Act (NEPA) reviews. The review was designed to determine if the recipient:

- Complied with the requirements of the NAHBG regulations, ARRA regulations, the grant agreement, and other applicable laws and regulations;
- Carried out its activities substantially, as described in its application;
- Made substantial progress in carrying out its approved program; and
- Has a continuing capacity to carry out the approved activities in a timely manner.

Grant No. 08SH4102770 was awarded for \$380,088 for the rehabilitation of 1937 Act housing units. No findings or concerns were identified during the ARRA review.

### **Program Progress**

The requirement to expend 50% of the grant funds by May 27, 2011, was met almost two months early. The grant was full expended by June 30, 2011, (per the June 30, 2011, Federal Financial Report marked as final) nearly one year ahead of the required 100% expenditure date. No areas of noncompliance were identified during this part of the review.

### **Compliance with Approved Application**

While the 08SH4102770 grant was originally for the modernization and rehabilitation of ten 1937 Act housing units, 26 units were actually rehabilitated by this grant. No areas of noncompliance were identified during this part of the review.

### **Procurement**



Procurements were primarily for the rehabilitation of existing homes. The review of procurement is more fully discussed under the “Procurement and Contract Administration” section of the IHBG review above. No areas of noncompliance were identified during this part of the review.

### **Financial Management**

A comparison of the accounting records to Federal Reporting and SF-425s disclosed that reporting was accurate, and reports were submitted timely. The most recent audit for FY2011 did not identify any findings. The review of “Financial Management” is more fully discussed under the “Financial and Fiscal Managements Systems” section of the IHBG review above. No areas of noncompliance were identified during this part of the review.

### **Environmental Compliance**

The review of the ERR is more fully discussed under the “Environmental Compliance” section of the IHBG review above. No areas of noncompliance were identified during this part of the review.

### **Indian Community Development Block Grant (ICDBG) Program**

The purpose of the Indian Community Development Block Grant (ICDBG) review is to evaluate a recipient’s performance in complying with the requirements of the Housing and Community Development Act of 1974, the Consolidated Appropriations Act of 2004, the program regulations at 24 CFR Part 1003, the approved applications, the applicable Notices of Funding Availability, the grant agreements, and other applicable laws and regulations. The performance measures at 24 CFR §1000.524 and 24 CFR §1003.700 were used to conduct the monitoring review.

The review primarily covered ICDBG funds expended and activities undertaken from January 1, 2011 to January 1, 2013, on ICDBG grant B-11-SR-41-0277. This grant of \$500,000 was awarded to fund the replacement of 26 single family and 22 multi-family 1937 Housing Act unit roofs. The number of roofs to be replaced was reduced to 68 from the original 71 planned due to changes in residents’ income. No findings or concerns were identified during the ICDBG review.

### **Program Progress and Reporting**

The purpose of this portion of the review is to evaluate the progress toward accomplishing the objectives outlined in the grant agreement and to determine whether the required progress reports were adequate and submitted timely. The program requirements at 24 CFR §1003.506 require that recipients submit an Annual Status and Evaluation Report (ASER) on project performance within 45 days of the end of the federal fiscal year. In accordance with the ICDBG NOFA,

projects are to be completed in accordance with the approved Implementation Schedule, but cannot exceed 5 years from when the funds become available.

Reporting – During the period under review, ASER report submissions have been consistently timely, complete, detailed, and responsive to reporting requirements.

Program Progress – Although there was an original delay, work on the project resumed and was ahead of schedule and under budget and was completed by April 30, 2013. The CIHA requested and subsequently received an extension to the completion and close-out date for this grant, in order to fully utilize the remaining funds. The revised grant should be completed and closed out by December 30, 2013.

No areas of noncompliance were identified during this part of the review.

### **Compliance with Approved Application**

The purpose of this portion of the review is to determine if the recipient carried out its activities substantially as described in its application as required by 24 CFR Part 1003.

Review of program reports, financial reports, and the onsite assessment indicated that project activities were consistent with the activities approved in the original applications or in successive project amendments or modifications.

No areas of noncompliance were identified during this part of the review.

### **Procurement**

The purpose of the procurement review is to ensure that the purchasing procedures for materials, supplies, and services follow the basic procurement requirements at 24 CFR §85.36 (made applicable by 24 CFR §1003.501 and the NOFA).

A limited review of the procurement policy, purchasing practices and grant expenditures identified no areas of noncompliance during this part of the review.

### **Environmental Compliance**

The purpose of the Environmental review is to determine the recipient's compliance with HUD's environmental review and clearance requirements as outlined at 24 CFR Part 58. The regulations at 24 CFR Part 58 are designed to ensure that a recipient does not limit itself to a particular course of action prior to satisfactorily addressing all applicable environmental considerations that may affect the design and construction of a facility or project. These regulations also require that Environmental Review Records (ERR) contain all the environmental review documents, public notices, Request for Release of Funds (HUD 7015.15), and Removal of the Grant Condition(s) (HUD 7015.16) from HUD, if applicable. The ERR must evaluate the effects of the project or the activities on the human environment, contain verifiable source

documentation supporting the determinations made, and address compliance with 24 CFR §58.5 authorities and 24 CFR §58.6 requirements.

A limited review was conducted of the environmental review records (ERR) for B-11-SR-41-0277. No areas of noncompliance were identified.