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**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing**

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

Notice PIH -2012-49 (TDHEs)

Issued: December 12, 2012

Expires: This notice remains in effect until  
amended, superseded or rescinded

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Cross Reference(s):  
24 CFR Part 1000  
OMB APPROVAL NUMBER  
2577-0218 (IHP/APR)  
PIH Notice 2002-24  
PIH Notice -2011-06

**SUBJECT:** Providing Interim Funding in Fiscal Year 2013 to Recipients of Indian Housing Block Grants

**BACKGROUND:** The Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) was enacted on October 26, 1996, and became effective on October 1, 1997. Under NAHASDA, grants are provided to Indian tribes to carry out affordable housing activities. Permanent Fiscal Year (FY) 2013 appropriations for HUD (and other federal departments and agencies) have not yet been enacted, but HUD programs have some funding under a Continuing Resolution. This may result in some administrative delay in allocating the 2013 Indian Housing Block Grant (IHBG) to recipients.

**PURPOSE:** The Department is concerned that the delay in allocating FY 2013 IHBG funding may have an adverse effect on some tribes. This Notice provides instructions to tribes and tribally designated housing entities (TDHEs) on the process for requesting an advance on IHBG funds for FY 2013. This Notice also provides instructions to Area Offices of Native American Programs (AONAPs) on how to review and process a request.

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

1. An Indian Housing Plan (IHP), form HUD-52737, for FY 2013 has been submitted and determined to be in compliance with NAHASDA; and
2. There are no unobligated development or modernization program funds or reserves available that were provided under the United States Housing Act of 1937 ("1937 Housing Act"); and

3. There are no unobligated IHBG funds available, excluding any funds invested in accordance with 24 CFR §1000.58.

The point of obligation is the time when a commitment is made to pay a particular sum of money for contract labor, supplies, materials or services. For obligation on 1937 Housing Act programs, please refer to *Federal Register*, Vol. 63, No. 17, "IHBG Program – Revised Notice of Transition Requirements," dated January 27, 1998, Question 23. For obligation of IHBG funds, please refer to PIH Notice 2002-24 (TDHEs), which indefinitely reinstated Notice PIH-2000-26, dated July 26, 2000.

**AMOUNT OF ADVANCE:** The amount of advance allowable will be limited to 25 percent of the FY 2013 IHBG estimated formula allocation amount for each tribe unless the AONAP approves a higher amount, based on justification submitted by the recipient and agreed to by the AONAP. These funds are intended to cover operating expenses for the first two quarters of FY 2013.

**ELIGIBLE EXPENSES:** Funds will be provided to a tribe/TDHE only for expenses for the first and second quarter of FY 2013. Eligible expenses include salaries, benefits, taxes, insurance, travel, training, emergency maintenance for 1937 Housing Act housing units, and renewal of tenant-based or project-based rental assistance. Funds also can be used for affordable housing activities, including modernization of 1937 Housing Act units, development, housing services, crime prevention and safety activities, and model activities as described in Section 202 of NAHASDA.

**SUBMISSION REQUIREMENTS:** To request an advance on FY 2013 formula funds, a tribe/TDHE must submit a letter from the recipient's authorizing official requesting an advance on FY 2013 IHBG funds. This letter must include a certification that no unobligated funds are available from 1937 Act reserves, 1937 Housing Act modernization or development program funds, or IHBG program funds. The letter should be sent to the AONAP Administrator.

**PROCESSING INSTRUCTIONS:** The following process will be followed to approve a request for advance funding:

AONAP:

1. Review the status of all open modernization, development, and IHBG grants in the Line of Credit Control System (LOCCS), and compare the information to the Annual Performance Report, form HUD-52737, to determine if there are any inconsistencies with the recipient's certification regarding obligated funds;
2. Contact the recipient regarding any inconsistencies noted within 5 working days, and resolve any issues; and
3. Verify that the requested amount does not exceed 25 percent of the FY 2013 estimated formula allocation amount for the recipient (unless a higher amount has been approved).

Headquarters ONAP:

1. Request Fund Assignment for the AONAPs from the PIH Office of Budget and Program Review Division.

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

AONAP:

1. Send Fund Commitment, form HUD 718-I, to the Fort Worth Accounting Office to reserve the funds.
2. Prepare and send a Funding Approval/Agreement, form HUD 52734-B, and compliance letter to the IHBG recipient.

IHBG Recipient:

1. Return the Funding Approval/Agreement, form HUD 52734-B, and other forms and certifications to access funding.

AONAP:

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

**FUTURE ACTIONS:** Once the formula allocation is determined for each tribe/TDHE, the funding documents, including form HUD-718-I and HUD 52734-B, must be amended for any recipient who has received advance funding. The recipient may also need to submit an amended IHP if the formula allocation amount differs from the amount in the previously submitted IHP.

If you have any questions, please contact your Area Office of Native American Programs.

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Sandra B. Henriquez, Assistant Secretary  
for Public and Indian Housing