



AKWESASNE HOUSING AUTHORITY

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Self Monitoring Compliance Assessment Summary Report

Program Year: January 1, 2015 to December 31, 2015

As part of its requirements of the Native American Housing Assistance and Self-determination Act of 1996 (NAHASDA), the Akwesasne Housing Authority's (AHA) Self Monitoring Policy requires the evaluation of areas specific to the administration of programs and services of the AHA. This is to ensure compliance with applicable Federal requirements and monitoring performance goals described in the AHA's Indian Housing Plan. Specifically, Section 403(b) of NAHASDA states: "Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this Act to assess compliance with requirements of this Act."

The Policy

The AHA Self-Monitoring Policy (adopted 11/16/2011) is in compliance with 24 CFR 1000 Subpart F (Recipient Monitoring Oversight, and Accountability) of NAHASDA.

This report and annually hereafter, the AHA will conduct an annual compliance assessment in allegiance to the new policy and will be fully compliant with federal self-monitoring requirements.

Comprehensive Self Monitoring

Completion of the following reports shall constitute the AHA's complete self-monitoring requirements for 2015:

1. The Self-Monitoring Compliance Assessment – submitted to Tribe upon completion.
2. The Annual Performance Report – scheduled to be submitted to HUD by March 30, 2016
3. The Annual Audit – scheduled to be submitted to HUD within 30 days after receipt of the final auditor's report or nine months after the audit period.

This report will be completed annually and kept on file with the Akwesasne Housing Authority compliance files and will be available for review by the US Department of Housing & Urban Development upon request.

Approach

The approach used was the housing assessment committee comprised of a staff members ensuring objectivity and impartiality with no one reviewing their own work.

Methods

The AHA utilized the one on one interviews with managers and/or program administrators to complete the self-monitoring checklist to gain insight into adherence to specific compliance topic areas.

Appendix A, "Self-Monitoring Checklist", was completed, areas of weaknesses were identified and added to Appendix B, "Performance Improvement Plan". This plan will serve as the tool to hopefully strengthen performance in the coming year, with target dates identified for each area.

This report will be presented to the St. Regis Mohawk Tribal Council in fulfilling self-monitoring requirements.



The Assessment

Introduction

Overall, the AHA has made progress over the past year and continues to fulfill its mission in providing safe and sanitary housing to eligible tribal members. In completing the checklist, have identified some areas of for improvement. 2015 was a year of changes and the AHA began developing new directions in Indian housing development. New ventures and grants were sought, work continued in the direction of supportive housing project planning.

The following areas of performance were assessed, and the following pages provide a detailed description of these areas monitored for the program year 2015, and their planned remedies, if problems were noted:

- (A) APR Development & IHP Monitoring
- (B) Organizational Control Environment
- (C) Resident Eligibility & Service Standards
- (D) Fiscal & Financial Management
- (E) Procurement & Contract Administration
- (F) Labor Standards & Contract Administration
- (G) Force Account Construction
- (H) Environmental Review Responsibilities
- (I) Tribe Declining Environmental Review Responsibilities
- (J) Audit Reports
- (K) Financial Health Assessment
- (L) Physical Assessment
- (M) Complaints Management
- (N) Other

A. APR Development & IHP Monitoring

During a review session in preparation for the 2015 APR, all open grants were reviewed and combined in the IHP/APR format. Internally the AHA still tracks annual allocations to stay within budget, and funds were carried over to the new fiscal/operating year. Generally, the AHA is on track for all grants program-wise and minimal funds remain, all of which are 100% obligated, as evidenced by the AHA's current submission of the HUD Form 425. Most funds were targeted for the

new Sunrise III supportive housing construction. This work is scheduled to be completed within the established time frames and in compliance with regulation.

It is noted that with the pursuit of grant funding in New York State we will be working towards building cooperative agreements with the appropriate local governments in Franklin County in 2016.

B. Organizational Control Environment

This section addresses organizational structure, staffing, Board bylaws/meetings, policies, records management, self monitoring, etc. Overall the organization has a firm foundation for conducting its mission, with well established policies and procedures. There is the need to regularly review all policies and address the areas that may need updating. In 2016, the Board and Managers will conduct policy reviews, pass new policies and amend old ones to better clarify procedures and enhance NAHASDA compliance.

Regular reporting to the board and communication at most levels is maintained through the Executive Director and department managers, when necessary. An increase in financial reporting will include quarterly financial statement submissions and thorough review with the board by the CFO. The board is regularly engaged in all areas of the housing programs, receives regular information from each department, and is aware of housing trends in the community it serves. Organizational changes in the coming year will hopefully result in a more clear delineation of job duties and break down barriers to responsibility within a department as well as enhance policies that lack consistency.

A draft policy regulating information management will be submitted to the board for approval. The AHA saved all paper records since its beginning in 1984. Currently there is an effort to electronically save all tenant, construction, and finance records. This practice is being done daily. After the new "Records & Information Management Policy" passes, a good bit of information would have already been saved. AHA will need to carry out training on this policy, and all records will need to be catalogued as they become e-saved, then systematically destroyed. It will then be an annual practice to manage all types of records according to this policy.

AHA adopted a self-monitoring policy in 2011, conducted limited in-house training with department managers. The AHA will ensure sufficient training in self-monitoring and preparing for monitoring reviews in March, 2016.

The AHA will develop a written grievance policy for participating families in 2016. Although the elements set within each program's agreements imply that there should be remedies to disagreements, and there are provisions for violations by the participant, there is not a firm basis for a grieving tenant or homebuyer to lodge complaints. Construction complaints are managed through the AHA's work order system during its warranty period, and any complaints after warranty are handled on a one on one basis. The issue may go to the board level and the board determines the action steps to be taken within our policies. This will be addressed in the coming year.

AHA's internal controls are strong with verified documentation supporting its operational budgets, sub-recipient agreements, and has adequate staffing to complete its departmental responsibilities for the most part.

C. Resident Eligibility & Service Standards

This section addresses eligibility and services. The AHA manages the NAHASDA Homeownership Program, the Tenant Assistance Program, the Sunrise Acres Elderly Program, along with the Resident Opportunities and Self Sufficiency (ROSS).

The AHA provides adequate insurance coverage for its units under management, up to date income guidelines are utilized, and payments are based on move in certifications. The AHA's collection process is adequately documented and procedures are followed.

Ensuring the eligibility, admissions, and occupancy policies are readily available to the public, and located in the front lobby of the AHA administrative offices. Overall the checklist for this section addressed no major issues.

D. Fiscal & Financial Management

Reporting requirements in the area of finance are well established and adhered to by the AHA. Financial reports, audits, investments, LOCCS draw records, bank statements are adequately managed in accordance with the Finance, Investment, and Cash Management policies of the AHA. Audits are a major focus of the AHA, and the records for the annual audit are presented with great attention to precision and detail to prepare a smooth audit.

The audit company, Dragon, Benware, and Crowley, Inc. have conducted the AHA's annual audit for the fiscal years 2007 through 2014 and scheduled to conduct the 2015 audit.

The AHA's fiscal responsibilities branch out to the various departments, and all managers respond to regular planning meetings and submit timely budget requests. Their annual expense budgets are submitted and the CFO puts together department budgets according to awarded federal funds. As federal funds begin to see cutbacks, the AHA's challenges in future years will be to find ways to reduce spending and increase revenue. One focus must be future development. With the AHA's acquisition of two large parcels of tribal property, with work on one property to focus on supportive housing for seniors and veterans, the other for families in the future. It will be necessary to beef up all departments in their specific areas of expertise in supportive housing.

E. Procurement & Contract Administration

Various standards of procurement and contract administration have been maintained religiously by the AHA. This includes keeping impeccable bid log records, and managing various duties relating to information management. This includes ensuring contractors have adequate insurance coverage, filing properly executed payment requests, and letting out accurate contracts to responsive and responsible bidders.

F. Labor Standards & Contract Management

A review of the development and construction contract files was conducted to determine compliance with NAHASDA requirements related to labor standards. Overall, the records were organized in a manner that was sufficient to meet program requirements.

For NAHASDA projects, Davis Bacon wage rates are not required as the St. Regis Mohawk Tribe adopted its own prevailing wage rates and such are reviewed and revised on an annual basis. AHA adheres to overtime provisions and in general is in compliance with HUD Handbook 1344.1. Wage rates are reported and included in applicable contract documents, and payroll reviews are conducted on a regular basis.

G. Force Account Construction

The AHA has practiced force account construction since 1999 and built the better part of its NAHASDA housing stock with this method. This practice led to tighter controls over construction quality and lower overall costs (well under TDC).

There are controls and software that track the financial aspects of all Force Account activities, and there are policies in place to protect the AHA's work, such as business liability insurance and policies related to workplace safety.

Except for small renovation work, such as punch list completion and renovation of Sunrise Acres elderly units, the AHA did not see a large amount of force account construction activity in 2015.

H. Tribes Assuming Environmental Review Responsibilities

The AHA keeps a solid system of environmental review filing, maintains Environmental Review Records (ERRs) for each eligible housing activity by Fiscal Year, and processes its requests for environmental clearance to the Department of Housing & Urban Development (or other funding sources) in a consistent manner. There is a Master Environmental File (MEF) that holds the most current information on all applicable laws and authorities related to environmental review preparation. These MEFs are updated by the AHA on a periodic basis whenever laws and authorities are updated, changed, and would affect the activities of the Authority.

Individual ERRs maintain documentation pertinent to the activity, proof of the basis for the activity and the required ERR Guides that are recommended by HUD. In addition, the AHA also conforms to tribal environmental review requirements and fulfills the recommended guidelines set out by the St. Regis Mohawk Tribe Environmental Division, the tribally sanctioned entity that carries out all matters relating to environment for the tribe, and as authorized by NEPA (National Environmental Protection Agency). This may be considered double duty on the part of the AHA, but this method is thorough and covers all pertaining to the environment, both locally and nationally.

Within each file, a "memo to ERR" is done, prior to the HUD release of funds (when applicable). This establishes the date of finding, and signature of the Certifying Officer, which is a Tribal Chief for the St. Regis Mohawk Tribe.

This review confirms that the AHA routinely conducts environmental reviews in accordance with 24 CFR Part 58.

I. Tribes Declining Environmental Review (N/A)

J. Audit Reports

Audit regulations as per OMB Circular A-133 require that an annual audit take place and is submitted in its final form to the Federal Single Audit Clearinghouse, the tribe, and HUD by specified deadlines. The AHA has complied with this requirement since its beginning (1984) and continues to adhere to standards set out by NAHASDA regulation (24 CFR 1000).

AHA's 2014 audit was clear of findings, and at the publishing date of this report, are prepared to conduct its 2015 annual audit.

K. Financial Health Assessment

The AHA conducts a "Financial Health Assessment", as referenced in the Compliance Assessment Checklist (AHA Self Monitoring Policy, 11/2011). This is not a regulatory requirement, but a "good business practice", which will assess the overall financial health of the AHA. Improving on any of these factors will ensure its overall success.

The six indicators are:

- 1) Timely use of funds – a basic indicator which shows whether the recipient is obligating and expending NAHASDA grants without long delays.
- 2) Current Ratio – measures the liquidity of the organization and its ability to cover current liabilities.
- 3) Tenant Receivables Outstanding – shows the average number of days it takes the organization to collect payments from tenants and the amount of receivables.
- 4) Occupancy Loss – shows whether the organization is making the most of its units through high occupancy.
- 5) Management Expense Per Unit – shows how much overhead expense the organization incurs in the delivery of housing.
- 6) Net Operating Income – reflects the relationship between operating expenses and operating income – what's left over.

The AHA conducts this financial health assessment on an annual basis, after the annual audit.

L. Physical Assessment

The area of regular maintenance inspections has been an ongoing challenge for the AHA in recent years, but has turned this around for the last two fiscal years, indicating nearly all houses in the AHA's stock received an annual inspection. Part B of conducting maintenance inspections relate to appropriate follow up. This includes official referrals to the AHA's Housing Services Department where serious occupancy violations are noted. These violations typically address health and safety issues. Many of the severe cases had a 100% turn around and currently maintain their units in a healthy manner.

The policies relating to inspections are integrated with the individual program agreements between tenant/homebuyer and the AHA. Homebuyer Maintenance Policy and Sunrise Acres Maintenance Policy were adopted in April, 2012. AHA staff is thoroughly trained in carrying out needed inspections, including having proper formats for these inspections that list all safety and health items to watch for. The process in carrying these out exist with the appropriate Development personnel, with administrative support in keeping track of scheduling and follow up appointments. These are maintained on a regular basis and as long as the tenant complies with the scheduled appointment, all goes well, and reports are filed in the tenant file. There is a very low instance of violation of safety and health standards noted.

Follow up on inspections is noted as a concern, this will be addressed through additional training for appropriate staff.

M. Complaints Management

The AHA manages an internal system of complaints processing with use of HDS software.

The area of opportunities for resident feedback is not optimum. Even though the AHA prepares and sends out periodic (quarterly) newsletters, letters and new policy updates, and publishes its IHP and APR on its website, there has been no "town meeting" type events to get feedback from residents. The reason may be past experience with resident participation, which is minimal. It is recommended that specific program evaluations get tailored into the program design, i.e. homeownership program administration, the Tenant Assistance Program, Sunrise Acres, etc.

Overall complaints are managed on a case by case basis, with very few issues going to the board for resolution. In most cases, however, the board of commissioners attempt to offer solutions or assistance to come to an amicable solution.

The AHA will obtain local training in the area of customer service for listening and responding to complaints in 2016.

N. Other

This area addresses building codes, maintenance standards, design and development, management of proceeds of sale, and other general business practices. Overall there are no issues in this area as addressed in the Checklist, however, the area of service orientation should be considered for improvement.

The AHA practices orientations to an incoming homebuyer or tenant. The AHA hosts an annual public meeting of the Board of Commissioners where presentations are made in areas of programs, services and future planning. The AHA assesses the need periodically to hold an informational sessions to present the products and services AHA provides.

Conclusion

The Akwesasne Housing Authority maintains good progress towards serving its tribal members with housing opportunities. The practice of identifying areas of weakness is just one step in improving progress in its overall mission. This report summarizes those areas with recommendations and a plan to improve in the coming year. Along with the AHA's Annual Performance Report (2015) and Annual Audit (2015), this summary shall complete requirements pertaining to 24 CFR 1000.502 and NAHASDA Section 403(b). The AHA's newly Self Monitoring Policy, the subsequent Compliance Checklist, and the Performance Improvement Plan are on file at the administration offices of the AHA, and are available for agency review at request.

The AHA is encouraged by the support of its board in all its endeavors and hopes to have much growth, both in services to the community of Akwesasne (St. Regis Mohawk Tribe) and success in continuing self-determination through its economic ventures in the future.

Board of Commissioner Certification of Approval

This Self Monitoring Compliance Assessment Summary for FY 2015 is hereby approved by board vote at a duly called meeting of the AHA Board of Commissioners.



Noah Ransom, Jr, Chairman

2/18/16
Date



Diane Boots, Secretary

2/18/16
Date

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