

December 17, 1998

**TO: All Tribal Government Leaders and Tribally Designated Housing Entities (TDHE)**

**FROM: Karen Garner-Wing, Acting Deputy Assistant Secretary, 8APIN**

**TOPIC: Line of Credit Control System**

**SUBJECT: Process For Setting Up A New Recipient Accessing The Funds and Assets Held By A Former Indian Housing Authority In The Line Of Credit Control System.**

**Purpose: This guidance outlines the procedures that a tribe, or its authorized tribally designated housing entity (TDHE), will use as a new recipient with the implementation of the Native American Housing and Self Determination Act of 1996 (NAHASDA) to access the funds held by the former Indian housing authority (IHA).**

**Background: Under the United States Housing Act of 1937 (USHA), the instrument used to establish a new recipient in the Program Accounting System was the Annual Contributions Contract (ACC). Section 502(b) of NAHASDA terminates ACCs. This outlines the documents that are needed to establish a recipient for the Indian Housing Block Grant program under NAHASDA.**

**Applicability: This guidance applies to a tribe that has decided not to designate the IHA as the recipient for the new Indian Housing Block Grant Program, the tribe or a TDHE will be the recipient.**

**Examples of the resources held by the former IHA may include but are not limited to: reserves, investments, funds provided by Fiscal Year 1997 (FY 97) operating subsidy, modernization funds, funds granted but not obligated for Traditional Indian Housing Development program (TIHD) in FY 97, units developed under the USHA, etc.**

**Procedure: To establish a tribe, or its authorized TDHE, as the recipient for the purpose of accessing LOCCS, the following documentation must be submitted to the Area Office of Native American Programs (AONAP):**

- 1. A copy of the enabling tribal resolution demonstrating that the tribe, or its designated TDHE, will be the recipient for purposes of implementing NAHASDA. If a tribe is dissolving its Indian Housing Authority (IHA), the tribe must provide to the AONAP a copy of the tribal ordinance dissolving the IHA or other documentation that the governing body of the tribe has dissolved the IHA. The ordinance or other documentation must indicate if the tribe or TDHE is assuming the assets and liabilities of the IHA.**
- 2. A copy of the grant agreement developed between HUD and the recipient for implementation of NAHASDA. The grant agreement will be sent to the tribe or TDHE by the Area Office of Native American Programs (AONAP). After the authorizing official has signed the grant agreement, the tribe or TDHE will return it to the AONAP for the Administrator's signature.**

**3. Standard Form 1199A and Form HUD-27054 - If the tribe has not been set up in LOCCS through participation in other HUD programs; e.g. Community Development Block Grant, HOME, Emergency Shelter Grants, etc., form HUD-27054, LOCCS Voice Response System, Access Authorization and Standard Form 1199A, Direct Deposit Sign-up form must be sent to the AONAP for purposes of draw down privileges.**

**Form HUD-27054 is to be submitted by each staff person who will perform draw down or query functions. Once this form has been received and reviewed by HUD, a user identification number and step-by-step instructions for accessing the LOCCS-VRS system will be sent to the user designated for this purpose. The LOCCS program area code for the new Indian Housing Block Grant program under NAHASDA is IHBG (to be inserted in block 5a of form HUD-27054).**

**If a tribe has been established in LOCCS for other HUD programs, form HUD-27054 must be revised to reflect the addition of the programs that will be assumed from the housing authority:**

**Program LOCCS Code**

**Comprehensive Grant Program COMP**

**Comprehensive Improvement**

**Assistance Program CIAP**

**Family Investment Center FIC**

**Family Self Sufficiency Program FSS**

**Lead-Based Paint Risk Assessment LBP**

**Traditional Indian Housing Development TIHD**

**Tenant Opportunities Technical Assistance TOP**

**Youth Apprenticeship Program YAP**

**Youth Development Initiative YDI**

**Youth Sports Program YSP**

**Note: In those cases where the tribe will be the recipient, or the TDHE is different from the former IHA, the banking information originally set up by the former IHA under USHA must be canceled in LOCCS, and a Standard Form 1199A completed to establish the new recipient.**

**Responsibilities: As the recipient under NAHASDA, the tribe or the TDHE will assume the responsibilities and obligations required to effectively carry out the new block grant program. A list of the documents that are necessary to acquaint the new recipient with the requirements of NAHASDA are:**

**- H.R. 3219 (the Act)**

**- Transition Notice**

**- Final Rule**

**(\*neither the Transition Notice nor the Final Rule have been published as of the date of this bulletin)**

**- Procurement requirements as listed under 24 Part 85**

**- Environmental requirements as listed under 24 CFR Part 58**

**- Labor requirements of Sec. 104(b) of the Act**

**- Tenant or homebuyer selection requirements contained in the recipients' HUD approved admissions policy or which comply with Sections 203, 205 and 207(b) of NAHASDA**

**- Financial controls requirements specified at 24 CFR Part 85**

**- any other applicable documents governing the use of the grant funds under NAHASDA.**

**Copies of Notices and forms can be obtained on the Internet at <http://www.hud.gov>, by contacting the HUD Customer Service Center at 1-800-767-7468 or by contacting the Area Office of Native**

## **American Programs.**