

July 29, 2016

Coquille Tribal Council  
North Bend, OR 97459

Coquille Indian Housing Authority Board of Commissioners  
Coos Bay, OR 97420

## **SELF-MONITORING REPORT**

### **INTRODUCTION**

An Annual Compliance Assessment of the Coquille Indian Housing Authority's (CIHA) Indian Housing Block Grant (IHBG) program was completed on July 29, 2016 covering the program year 2016. The assessment was conducted as required by the Coquille Indian Tribe's Self-Monitoring Policy adopted by Tribal Council Resolution CY0254 and in accordance with the requirements of the implementing regulations of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) found at 24 Code of Federal Regulations (CFR) Part 1000.502. JWILLIS INC. and CIHA utilized the HUD Office of Native American Programs Monitoring Plan checklists to complete the assessment.

An outside consultant from JWILLIS INC. conducted the assessment with the assistance of the following individuals, who currently serve as the Monitoring Committee:

Anne Cook, Executive Director  
Lyman Meade, Deputy Director  
Debbie Dennis, Administrative Services Coordinator  
Dale Herring, Housing Programs Coordinator  
Marcy Chytka, Accounting Services Coordinator  
Scott Felton, Maintenance Coordinator

#### Areas Reviewed:

- |  |   |
|--|---|
| 1. APR and IHP                             | 8. Relocation and Real Property Acquisition |
| 2. Organization and Structure              | 9. Lead-Based Paint                         |
| 3. Environmental Review                    | 10. Section 504 Accessibility               |
| 4. Other Programs – ICDBG                  | 11. Maintenance and Inspection              |
| 5. Financial and Fiscal Management         | 12. IHBG Self-Monitoring                    |
| 6. Procurement and Contract Administration | 13. Admissions and Occupancy                |
| 7. Labor Standards                         | 14. Subrecipient Agreements                 |

The Monitoring Committee and reviewer chose to classify review results in three ways:

1. Recommendations – Suggested improvements to existing procedures which are not deficiencies but which could assist management and staff in improving the performance of the organization.
2. Concerns – Deficiencies in performance but not violations of statutory or regulatory requirements. Recommendations are provided for correcting any areas of concern.
3. Findings – Clear violations of statutory or regulatory requirements. Findings require corrective action.

## **ASSESSMENT RESULTS**

### **1. APR and IHP**

Jimmy Willis of JWILLIS INC (Consultant), an outside consulting firm, interviewed Anne Cook, Executive Director, to review the Authority's IHP and APR compliance. He also reviewed the files and documents which addressed this area. No recommendations, concerns, or findings were noted in this area.

### **2. Organization and Structure**

The Consultant interviewed Anne Cook, Executive Director, and Debbie Dennis, Administrative Services Coordinator, to review the organization and administration of the programs. He also reviewed the Authority's files and documents which addressed this area. No concerns or findings were noted in this area, but the following improvement is suggested:

#### **Recommendation**

##### **Authority's Policies Could Be Improved**

The Authority's policies are re-examined each year against any new statutory and procedural requirements to ensure they are compliant with current HUD rules and regulations. In all areas addressed by this self-monitoring assessment it was noted that procedures are followed that address the Authority's obligation to comply with NAHASDA rules and regulations.

While existing procedures are satisfactory and comply with statutory requirements, the Authority should continue to strive to achieve comprehensive revisions of its Financial and Fiscal Management and Admissions and Occupancy policies as time permits.

### **3. Environmental Review**

The Consultant interviewed Anne Cook, Executive Director, to review the Authority's environmental review compliance. He noted one environmental review item that was in process at the time of the report. The project appears to fall under the categorically excluded section found at 24 CFR 58.5 and will be documented before federal funds are committed. It will be reviewed in the subsequent Self-Monitoring engagement.

No recommendations, concerns, or findings were noted in this area.

### **4. Other Programs – ICDBG**

The Consultant interviewed Anne Cook, Executive Director, to determine the applicability of this section. The Authority had no other programs this year, therefore this section was not applicable.

### **5. Financial and Fiscal Management**

The Consultant interviewed Marcy Chytka, Accounting Services Coordinator, and Anne Cook, Executive Director, to determine present procedures. The Consultant noted that the Authority's financial auditors performed extensive testing of the financial and fiscal management area this year and reported no exceptions; that the Consultant in performing his monthly reading of the financial statements reported no adverse comments concerning their accuracy; and, that the Consultant further found no exceptions in his sampling of the types of individual transactions that no additional testing was necessary.

The Authority during this period was successful in securing a large bond funding at a very attractive rate. The Authority should be commended not only on the acquisition of this bond, which to the Consultant's knowledge is the only one secured by an Indian housing authority in Oregon, but also for its implementation efforts for this very complex program. Many long hours have been spent securing this funding at an interest rate that is substantially below regular market rate and that it will result in savings to the Authority of at least \$200,000 during the repayment period of the bond.

No concerns or findings were noted in this area, but the following management improvements are suggested:

#### **Recommendations**

##### **Requirement to Calculate Program Income on the Cash Basis**

The FY 2012 Self-Monitoring Report noted that HUD requires that the cash basis method be used in calculating program income for 1937 Housing Act rental units.

The Authority calculates its program income allocation on the accrual basis rather than the cash basis. Because of the excellent record the Authority has with collection of its receivables each month, the difference between these two amounts for purposes of computing program income is not material. The Accounting Services Coordinator is aware of this requirement and continues to monitor this area for significant changes. Accounting for this area will be converted to the cash basis if tenant receivable balances warrant such a change.

#### **One Financial Presentation Item Could Be Improved**

During his reading of the Authority's FY 2015 audited financial statements, the Consultant noted one item that may not have been presented properly. This was brought to the attention of the authority's auditor who felt that while a change might be justified, that it was of such an immaterial nature that it was unnecessary to make the change in the current fiscal year as he could still issue an unqualified opinion on the statements. The change, however, will be incorporated into the FY 2016 statements.

### **6. Procurement and Contract Administration**

The Consultant interviewed Executive Director Anne Cook, Administrative Services Coordinator Debbie Dennis, and Deputy Director Lyman Meade to determine present procedures. The outside auditors also review this area during their audit engagement. The consultant reviewed a test of all procurements over \$5,000 to determine if proper procedures were used for expenditures in excess of the Authority's micro purchase policy.

These tests revealed that all expenditures over this threshold were properly documented and contained the required solicitation of bids required by the Authority. In addition, based on the Consultant's tests of those purchases made within the micro purchase policy, it was evident that if warranted, solicitation of bids or documentation of price searches were also made. The Authority should be commended on this practice as it reflects the realization that the \$5,000 requirement is mandated, but the conscientious practice of getting the best price for the Authority's funds is the real goal.

No concerns, findings or recommendations were noted in this area.

### **7. Labor Standards**

The Consultant interviewed Deputy Director Lyman Meade and Administrative Services Coordinator Debbie Dennis to determine present procedures. Mr. Meade indicated that the Authority uses HUD-determined or Davis-Bacon wage rates as dictated by the type of work. Ms. Dennis provided documentation for one case of a required certified payroll

during the year to indicate the Authority is following required procedures in this area. She stated that the extensive testing performed by the Consultant in prior years essentially covered this area as no significant additional work was done in the current year. The Consultant has determined that no additional review is warranted.

No recommendations, concerns, or findings were noted in this area.

#### **8. Relocation and Real Property Acquisition**

The Consultant interviewed Dale Herring, Housing Programs Coordinator, and Anne Cook, Executive Director, to review the Authority's compliance with relocation and property acquisition requirements.

No recommendations, concerns, or findings were noted in this area.

#### **9. Lead-Based Paint**

The Consultant interviewed Dale Herring, Housing Programs Coordinator, to determine present procedures. He also tested files for compliance with applicable laws and regulations concerning this area. The units of all participants in the Monthly Housing Assistance Payments (MHAP) tenant-based rental assistance program that had children under the age of six in the household and lived in homes built before 1978 were tested for lead-based paint issues by a qualified inspector. It was necessary for a few of these tenants to relocate as the unit's landlord refused to perform the remediation necessary for them to pass inspection. In these cases, the Authority provided funding for tenants to move to another residence that could pass inspection. For all new applicants, research is done to determine if a unit requires inspection and, if so, is inspected prior to admitting the applicant to the program.

Based on the tests performed and the new procedures instituted in this area, no recommendations, concerns, or findings were noted.

#### **10. Section 504 Accessibility**

In prior self-monitoring engagements, it was noted that the Authority has compliance issues with respect to its conformity with Section 504 accessibility rules. A legal review revealed that in the initial construction of the reservation units in the 1990s, the Authority did not build the required number of Section 504 compliant units to meet the requirements of this statute.

During the current fiscal year, the Authority continued its efforts toward achieving full compliance with these rules. The residential unit identified in prior reports, that had the need of a minor adjustment to the width of the closet to bring it into compliance, was

completed after the tenant vacated the unit. Also, during the current fiscal year, work begun the prior year to bring another unit into compliance was completed.

It is the Authority's intent to continue to work toward full compliance as units that can be converted at a reasonable cost are identified. In the interim, in accordance with 24 CFR 8.4 (b) (1), other actions will be taken to ensure residents with needs under the Act receive specific modifications to their units as necessary.

#### **11. Maintenance and Inspection**

The Consultant interviewed Administrative Services Coordinator Debbie Dennis, Maintenance Coordinator Scott Felton, and Projects and Maintenance Technician Scott Platter to determine present procedures. Files were reviewed for compliance with laws and regulations concerning this area. The Consultant commends the Authority for its work to integrate and computerize the entire area of work orders, annual inspections, and preventive maintenance activities into one comprehensive and controlled system. The process has promoted efficient time management, the use of available manpower, helped to insure prompt attention to resident's service requests, and increased the overall effectiveness of this important function of the organization.

No concerns or findings were noted in this area

#### **12. IHBG Self-Monitoring**

The Consultant interviewed Anne Cook, Executive Director, to review the Authority's self-monitoring program. Three years ago HUD monitored the Authority's self-monitoring program and noted that the program was exemplary. No changes have been made to the program and its comprehensive approach addresses all compliance mandated by HUD.

No recommendations, concerns, or findings were noted in this area.

#### **13. Admissions and Occupancy**

The Consultant interviewed Dale Herring, Housing Programs Coordinator, to determine present procedures. The Authority's outside auditors examined at least  $\frac{1}{3}$  of the files from each category and their testing found no exceptions, therefore the Consultant felt that additional testing could be limited in this area. In the testing of randomly selected files from the various housing programs, no exceptions were noted. The Consultant also noted that the Coordinator made significant changes that have greatly enhanced and coordinated the move out procedures required of all Authority staff members when a rental unit becomes vacant.

No recommendations, concerns, or findings were noted in this area.

**14. Subrecipient Agreements**

The Authority has no subrecipient agreements.

**CONCLUSION**

JWILLIS INC. and the Monitoring Committee concur that the IHBG program is well managed and substantially in compliance with the requirements of NAHASDA. There is one item of special interest that should be noted. The Authority has continued to exert exemplary control over resident receivables. In the current fiscal year, the increase in Tenant Accounts Receivable (TARs) was 2.66%, which is an exceptional accomplishment in subsidized housing.

It is suggested that CIHA consider any recommended improvements provided by JWILLIS INC. and the Committee for possible implementation. JWILLIS INC. and the Committee thank all those that participated for their cooperation and assistance in completing the annual compliance assessment.

Respectfully submitted,

*JWILLIS INC. and the Monitoring Committee*