

GUIDE FOR REVIEW OF FLOOD INSURANCE PROTECTION			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that cover requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

Instructions: CPD Representatives for CPD Programs are to use this Exhibit in monitoring for flood insurance protection. Noncompliance with Sections 102(a) or 202(a) of the Flood Disaster Protection Act or Section 582(a) of the National Flood Insurance Act of 1994 is a finding. Examine a representative sample of Policy Declarations forms (or a paid receipt for the current annual premium and a copy of the application for flood insurance) to verify compliance with the statutorily-prescribed period and dollar amount of flood insurance coverage. The sampling is limited to the Special Flood Hazard Area (SFHA) and to any buildings therein that benefited from HUD financial assistance for acquisition or construction purposes (including rehabilitation) for which flood insurance protection is required. For loans, flood insurance is required for the term and dollar amount of the loan; for grants, flood insurance is required for the total cost (federal and non-federal portion) of the project (excluding the cost of the land) and for the term that is the life of the building regardless of the transfer of ownership. If findings of noncompliance are made, the HUD program providing funds needs to be identified because the flood insurance requirements are program requirements. Cite the program name and requirements as shown in Attachment 27-1, "List of Covered Programs."

Questions:

A. REVIEW FOR COMPLIANCE WITH SECTION 102(a).

1.

For the time period reviewed, did the program participant have on file a current <u>Policy Declarations</u> form (or a paid receipt for the current annual premium and a copy of the application for flood insurance) for all SFHA buildings that were provided HUD financial assistance for acquisition or construction purposes (including rehabilitation)? [Section 102(a) and 24 CFR 58.6(a); report finding below in Section D.9]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

2. If the answer to question 1 above is “no,” summarize the HUD Reviewer’s documentation for Question 1:

<p>a. Attach to Exhibit 27-1 a separate page that lists and describes each SFHA building that was provided HUD financial assistance for acquisition or construction purposes (including rehabilitation) for which the program participant lacks the current <u>Policy Declarations</u> form. The attachment is to provide the following information:</p> <ul style="list-style-type: none"> (1) Address of the SFHA building; (2) Type of building use (i.e., SFH, MFH, Commercial, Industrial, Public, etc.); (3) Type of HUD assisted activity (i.e., new construction, rehabilitation, acquisition of an existing building or mobile home, other-explain); (4) Amount, date, and type of HUD funds provided to the property owner; (5) The program participant’s explanation of its noncompliance; and (6) The program participant’s explanation of its record keeping procedures that resulted in the noncompliance.
<p>Describe Basis for Conclusion:</p>
<p>b. What steps (if any) is the program participant taking to prevent any further occurrence of violations of Section 102(a)?</p>
<p>Describe Basis for Conclusion:</p>
<p>c. What kind of technical assistance would most benefit the program participant at this time?</p>
<p>Describe Basis for Conclusion:</p>

3.

<p>For the time period reviewed, did the program participant ensure compliance with <i>the amount and duration</i> of flood insurance coverage prescribed by Section 102(a) as evidenced in a current <u>Policy Declarations</u> form for each SFHA building that was provided HUD financial assistance for acquisition or construction purposes (including rehabilitation)? [Section 102(a) & 24 CFR 58.6(a); report finding below in Section D.9.]</p>	<table style="margin: auto;"> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;">Yes</td> <td style="text-align: center;">No</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No
<input type="checkbox"/>	<input type="checkbox"/>				
Yes	No				
<p>Describe Basis for Conclusion:</p>					

4. If the answer to question 3 above is “no,” summarize the HUD Reviewer’s documentation for Question 3:

<p>a. Attach to Exhibit 27-1 a separate page that lists and describes each SFHA building for which the current <u>Policy Declarations</u> form shows coverage lacking the amount of or duration for flood insurance coverage prescribed by Section 102(a). The attachment is to provide the following information:</p> <ul style="list-style-type: none">(1) Address of the SFHA building;(2) Current amount of coverage compared to the legally prescribed amount of coverage;(3) Actual duration of coverage compared to legally prescribed duration of coverage;(4) Type of building use (i.e., SFH, MFH, Commercial, Industrial, Public, etc.);(5) Type of HUD assisted activity (i.e., new construction, rehabilitation, acquisition of an existing building or mobile home, other-explain);(6) Amount, date, and type of HUD funds provided to the property owner;(7) The program participant’s explanation of its noncompliance; and(8) The program participant’s explanation of its record keeping procedures that resulted in the noncompliance.
<p>Describe Basis for Conclusion:</p>
<p>b. What steps (if any) is the program participant taking to prevent any further occurrence of violations of Section 102(a) relating to the prescribed amount of coverage?</p>
<p>Describe Basis for Conclusion:</p>
<p>c. What kind of technical assistance would most benefit the program participant at this time?</p>
<p>Describe Basis for Conclusion:</p>

B. REVIEW FOR COMPLIANCE WITH SECTION 202(a).

5.

<p>For the time period reviewed, did the program participant ensure that HUD financial assistance was not provided to a building for acquisition or construction purposes (including rehabilitation) in a Special Flood Hazard Area during the period that the community was suspended from or not participating in the National Flood Insurance Program (NFIP)? [Section 202(a) and 24 CFR 58.6(a); report finding below in Section D.10.]</p>	<table border="0"> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;">Yes</td> <td style="text-align: center;">No</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No
<input type="checkbox"/>	<input type="checkbox"/>				
Yes	No				
<p>Describe Basis for Conclusion:</p>					

6. If the answer to question 5 above is “no,” summarize the HUD Reviewer’s documentation for Question 5:

<p>a. What were the beginning and ending dates of the period of suspension or nonparticipation in the NFIP?</p>
<p>Describe Basis for Conclusion:</p>
<p>b. How many SFHA buildings were assisted by the program participant during this period and what was the total amount of HUD funds used for these buildings? Attach to Exhibit 27-1 a separate page that lists and describes each SFHA building that was provided HUD financial assistance for acquisition or construction purposes (including rehabilitation). The attachment is to provide the following information:</p> <ul style="list-style-type: none"> (1) Address of the SFHA building; (2) Type of building use (i.e., SFH, MFH, Commercial, Industrial, Public, etc.); (3) Type of HUD assisted activity (i.e., new construction, rehabilitation, acquisition of an existing building or mobile home, other- explain); (4) Amount, date, and type of HUD funds provided to the property owner; (5) The program participant’s explanation of its noncompliance; and (6) The program participant’s explanation of its record keeping procedures that resulted in the noncompliance.
<p>Describe Basis for Conclusion:</p>

c. What steps (if any) is the program participant taking to prevent any further occurrence of violations of Section 202(a)?
Describe Basis for Conclusion:
d. What steps (if any) is the program participant taking to support the community in overcoming its suspension or non-participation in the NFIP?
Describe Basis for Conclusion:
e. What kind of technical assistance would most benefit the program participant at this time?
Describe Basis for Conclusion:

C. REVIEW FOR COMPLIANCE WITH SECTION 582(a).

7.

For the time period reviewed, did the program participant ensure that HUD flood disaster relief assistance was not provided to a SFHA building to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property if: (1) the person has previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) the person failed to maintain flood insurance? [Section 582(a) and 24 CFR 58.6(b); report finding below in Section D.11.]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

8. If the answer to question 7 above is “no,” summarize the HUD Reviewer’s documentation for Question 7:

<p>a. Attach to Exhibit 27-1 a separate page that lists and describes each SFHA building for which a payment from HUD flood disaster relief assistance was made to a person for repair, replacement, or restoration of flood damage where the person previously received Federal flood disaster assistance requiring flood insurance and the person failed to maintain flood insurance. The attachment is to provide the following information:</p> <ul style="list-style-type: none">(1) Address of the SFHA building;(2) Type of building use (i.e., SFH, MFH, Commercial, Industrial, Public, etc.);(3) Type of HUD assisted activity (i.e., new construction, rehabilitation, acquisition of an existing building or mobile-home, other- explain);(4) Amount, date, and type of HUD funds provided to the property owner;(5) The program participant’s explanation of its noncompliance; and(6) The program participant’s explanation of its record keeping procedures that resulted in the noncompliance.
<p>Describe Basis for Conclusion:</p>
<p>b. What steps (if any) is the program participant taking to prevent any further occurrence of violations of Section 582(a)?</p>
<p>Describe Basis for Conclusion:</p>
<p>c. What kind of technical assistance would most benefit the program participant at this time?</p>
<p>Describe Basis for Conclusion:</p>

D. **CONCLUSION.** For resolving findings of noncompliance, see section 27-9. Obtain a listing of assisted SFHA buildings in noncompliance with Sections 102(a), 202(a), or 582(a).

9.

Based on the results of the review in Section A above, is the program participant in compliance with Section 102(a) of the Flood Disaster Protection Act?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

10.

Based on the results of the review in Section B above, is the program participant in compliance with Section 202(a) of the Flood Disaster Protection Act?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

11.

Based on the results of the review in Section C above, is the program participant in compliance with Section 582(a) of the National Flood Insurance Reform Act of 1994?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

12.

Is the program participant in compliance with monitoring flood insurance coverage for affected property owners beyond its HUD closeout agreement and in compliance with Section 102(a) of the Flood Disaster Protection Act?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	