

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011
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1.0	PHA Information PHA Name: <u>McCook Housing Authority</u> PHA Code: <u>NE123</u> PHA Type: <input checked="" type="checkbox"/> Small <input checked="" type="checkbox"/> High Performing <input type="checkbox"/> Standard <input checked="" type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): <u>07/01/2010</u>																										
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: <u>30</u> Number of HCV units: <u>73</u>																										
3.0	Submission Type <input checked="" type="checkbox"/> 5-Year and Annual Plan <input type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only																										
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)																										
	<table border="1"> <thead> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) Included in the Consortia</th> <th rowspan="2">Programs Not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td>PHA 1:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PHA 2:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PHA 3:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program		PH	HCV	PHA 1:						PHA 2:						PHA 3:					
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		PH	HCV																								
PHA 1:																											
PHA 2:																											
PHA 3:																											
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.																										
5.1	Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years: The Mission of the McCook Housing Agency is to provide and maintain safe, quality housing in a cost-effective manner for the families we serve, without discrimination.																										
5.2	Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. Current goals for 2010-2014 5 Year Plan: HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing: Continue with identified goals of previous 5 year plan by expanding the supply of assisted housing, improve the quality of assisted housing, and increase assisted housing choices. Continue to work with MEDC housing committee and identify possible opportunities for the housing agency to expand their portfolio. Increase assisted housing choices objectives: <ul style="list-style-type: none"> • Provide newsletters to the Housing Choice Voucher landlords regarding information that is relevant to the rental units on the voucher program. • Offer pre-inspections to landlords of units not on the voucher program so that landlords have the opportunity to maintain units in good repair to meet HQS. • Create expanded, detailed regulations for HQS to improve the quality of the existing housing stock. HUD Strategic Goal: Improve community quality of life and economic vitality: Continue with identified goals of previous 5 year plan by renovating units and grounds to promote unit occupancy longevity. Provide an improved living environment: <ul style="list-style-type: none"> • Create regulations for designated buildings for non-smoking tenants. • Devise a plan for providing an area for tenant activities in the B building. HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals: Promote self-sufficiency and asset development of assisted households: Continue with identified goals of previous 5 year plan by promoting use of providers to enhance and continue independent living. <ul style="list-style-type: none"> • Provide tenants with information on opportunities for participation in community programs for budgeting and basic living skills. • Contact community organizations and/or family members regarding tenants inability to maintain their independence. HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans: Ensure equal opportunity a affirmatively further fair housing: Continue with identified goals of previous 5 year plan by continuing education opportunities for Fair Housing/Civil Rights for staff. <ul style="list-style-type: none"> • Lead staff by example and involve staff with discussion opportunities regarding the rights of our tenants. 																										

Report for the previous 5 Year Plan

HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing:

Expand the supply of assisted housing: The McCook Housing Agency has reduced vacancies and advertised more often, the Executive Director continues to work with MEDC Housing Committee and our organization has received funding for various projects in the last 5 years and MHA has acquired an 8 unit market rate complex and is currently applying for funding for a tax credit project.

Improve the quality of assisted housing: The McCook Housing Agency has not improved the REAC score, but still maintains its designation of a high performer. HCV management has improved by maintaining SEMAP scores and training new employees, renovations of Public Housing Units has been ongoing with furnace and cook stoves replaced, some bathtubs have been replaced by walk in showers as well, and all windows have been replaced. Exterior awnings were installed on all but north facing windows.

Increase assisted housing choices: The McCook Housing Agency has supported MEDC Housing Committee endeavors in their goal to provide additional housing in the McCook area. The Housing Committee has purchased, rehabbed, and sold several houses in McCook, provided down payment assistance to homeowners which has helped to free up the rental market.

HUD Strategic Goal: Improve community quality of life and economic vitality:

Provide an improved living environment: Unit upgrades, exterior upgrades, and continued tenant activities have improved tenancy longevity and quality of life for our tenants.

HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals:

Promote self-sufficiency and asset development of assisted households: By promoting and helping to locate supportive services and providing additional services we have helped to decrease the need for formal assistive living/nursing home placement.

HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans:

Ensure equal opportunity and affirmatively further fair housing: The McCook Housing Agency has become a leader in the community for fair housing. MHA will hear complaints from other tenants and give referrals to organizations to help these tenants find solutions for their complaints. Additionally staff are encouraged to attend all available trainings regarding fair housing. Staff undertakes the responsibility to ensure that tenants are treated fairly and with respect not only from staff but also from their neighbors.

Other PHA Goals and Objectives:

To manage all programs of the McCook Housing Agency in an efficient, effective manner:

Staff are encouraged to attend all trainings that are affordable and within a reasonable distance of the housing agency. Staff evaluations address the code of ethics and accountability and all are required to review several policies adopted by the McCook Housing Agency each year which addresses employee conduct. The Executive Director and her designees have improved in the area of HUD submissions. The application of rules and regulations are consistent from tenant and program to program. The annual financial audit for the McCook Housing Authority showed no deficiencies for the last fiscal year.

To work with other organizations to provide seamless services to those in need:

The McCook Housing Agency partners with Mid-Nebraska Community Action, Health and Human Services, and the McCook Police and Fire Departments regularly to ensure that all tenants are receiving the services that they are eligible for and the help that they require to maintain their independence. Additional partners from the community are used as needed.

To continue to improve the physical property to promote prolonged tenancy and encourage good relationships with persons in the neighborhood and the city government:

The curb appeal for the units has improved, parking is now adequate to meet the needs of the tenants and their guests, and units have been upgraded with new windows, furnaces, carpeting, showers, stoves, and exterior awnings. Entrances were upgraded for better access by emergency personnel and provides for tenant access and departure with greater ease. Additional snow removal equipment and added staff make winter mobility safer for tenants and their guests.

To promote increased understanding of Public Housing Operations with Commissioners and Resident Advisory Board Members:

MHA hosted Commissioners Training which was provided to the MHA commissioners and available to commissioners from the surrounding area. Commissioners are encouraged to help write policies and procedures for MHA staff. Materials are provided to Commissioners as it becomes available to promote a better understanding of what the housing authority does and how it accomplishes its objectives.

6.0	<p>PHA Plan Update</p> <p>(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: The McCook Housing Agency has updated the following plan elements:</p> <ol style="list-style-type: none"> 1a) The Administrative Plan for the Housing Choice Voucher Program 1b) The Admissions and Continued Occupancy for the Public Housing Program 2) Financial Resources for the Housing Choice Voucher and Public Housing Programs 3) Rent Determination: No Change 4) Operation and Management: No Change 5) Grievance Procedures: No Change 6) Designated Housing for Elderly and Disabled Families: No Change 7) Community Service and Self-Sufficiency: No Change 8) Safety and Crime Prevention: No Change 9) Pet Policy 10) Civil Rights Certification 11) Fiscal Year Audit 12) Asset Management 13) Violence Against Women Act (VAWA): The Violence Against Women and Justice Department Reauthorization Act 2005 was incorporated into the Policies of the McCook Housing Agency and initial notification was given to tenants on January 23, 2007. Additionally the VAWA information is included in each move-in packet for all new tenants. <p>(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.</p> <p>The 5 Year and Annual PHA Plan including the elements as described above can be viewed at the McCook Housing Agency Office, 502 Missouri Ave. Circle, McCook, NE 69001 during regular business hours 8-5 Monday through Friday.</p>
7.0	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i></p> <p>The McCook Housing Agency is considering project basing a portion of their Housing Choice Vouchers at a Tax Credit Project that MHA would be a general partner and manager of. The objective of basing the vouchers is to provide to the citizens of McCook greater opportunities and a broader choice of rental units. Recently in McCook two apartment complexes closed with a total of 28 units. These buildings were in poor shape with little ability for rehabilitation and will probably be allowed to deteriorate. At these two complexes rents were very low and Section 8 Housing Choice Vouchers were being used. Eight Voucher tenants were displaced and finding accessible, suitable units was very time consuming and tough. The ability for the tax credit project to cash flow would be enhanced with the use of the vouchers, it could clear out some of the tenants from the voucher waiting list, and provide decent housing opportunities for interested persons.</p>
8.0	<p>Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.</p>
8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing.</p>
8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.</p>
8.3	<p>Capital Fund Financing Program (CFFP).</p> <p><input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p>
9.0	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>The waiting lists for on-site housing and the Housing Choice Voucher provides information regarding what low, very low, and extremely low income households are looking for in housing. Currently with 38 applicants on these lists the most (31) are extremely low income and most (13) are looking for a 2 bedroom unit for families with children. This is followed by 10 elderly and/or disabled persons looking for a 1 bedroom unit. There are a few looking for 3 and 4 bedroom units for larger families but the majority is small families or single persons. I have found through consultation with colleagues that the applicants at the housing authority show the trends for the entire area regardless of whether or not they have applied for housing. In addition to our own knowledge the Market Study prepared for the application for funding for the tax credit project discussed in 7.0 also shows a need for housing in the area of this bedroom size. Because of the rural area we serve we have found that families as well as older and/or disabled adults prefer to live in McCook because of the amenities offered such as grocery stores, Senior Center, medical services, etc. which are not always offered in the small surrounding communities. There is very little diversity in race and ethnic groups so I have not noticed an influx of persons of color applying for services and it appears they are following the housing need trends of the general population.</p>
9.1	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p> <p>The McCook Housing Agency has taken steps to help ease the housing shortage by working with a developer to build an additional 12 units and remodel an existing building to provide another 15 units with tax credits. While these units are designated 55+ a portion of the units could be leased to small families and it is our desire to base 10 Housing Choice Vouchers at the project.</p>

<p>10.0</p>	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>Progress in meeting the MHA mission and goals are outlined in 5.2, 7.0, 9.0 and 9.1</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"</p> <p>A significant amendment or substantial deviation/modification would be an important change or adjustment to the plan which may affect the original desired outcome.</p>
<p>11.0</p>	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

THE RESIDENT ADVISORY BOARD MET ON MARCH 8, 2010 AT THE 502 COMMUNITY ROOM. THE PUBLIC HOUSING TENANTS WERE INVITED TO THE OPEN MEETING VIA THE MONTHLY NEWSLETTER. THE SMALL AGENCY PLAN FOR THE MCCOOK HOUSING AGENCY WAS PROVIDED TO THE TENANTS IN TWO PUBLIC AREAS PRIOR TO THE MEETING. THE PLAN WAS OUTLINED BY THE EXECUTIVE DIRECTOR TO THE RAB. THE TENANTS HAD NO COMMENTS OR ADJUSTMENTS TO THE PLAN.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Part I: Summary	
PHA Name: McCook Housing Agency	Grant Type and Number Capital Fund Program Grant No: NE26P12350107 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2007 FFY of Grant Approval:	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2009 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	7500	7500	7500	7500
3	1408 Management Improvements	2500	2500	2500	2500
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	1200	1200	1200	1200
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable	10290	7253.94	7253.94	7253.94
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment	8902	13064.06	13064.06	13064.06
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

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PHA Name: McCook Housing Agency	Grant Type and Number Capital Fund Program Grant No: NE26P12350107 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2007 FFY of Grant Approval: 2007			
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2009			<input type="checkbox"/> Final Performance and Evaluation Report		
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	30392	31518	31518	31518
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date 03/19/2010		Signature of Public Housing Director	
				Date	

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⁴ RHF funds shall be included here.

Part I: Summary	
PHA Name: McCook Housing Agency	Grant Type and Number Capital Fund Program Grant No: NE26P50108 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2008 FFY of Grant Approval: 2008	

Type of Grant
 Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2009
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	7500	7500	7500	7500
3	1408 Management Improvements	2500	2500	1808.27	1808.27
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	1200	1425	367.31	367.31
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable	12000	19135	0	0
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment	10611	10028	0	0
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary						
PHA Name: McCook Housing		Grant Type and Number Capital Fund Program Grant No: NE26P50108 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant:2008 FFY of Grant Approval: 2008	
Type of Grant						
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)		
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2009			<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	33811	40588	9675.58	9675.58	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities	2700	2700			
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs	1350	1350			
25	Amount of line 20 Related to Energy Conservation Measures	1000	1000			
Signature of Executive Director		Date 03/19/2010		Signature of Public Housing Director		
				Date		

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Part I: Summary	
PHA Name: McCook Housing Agency	Grant Type and Number Capital Fund Program Grant No: NE26P12350109 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2009 FFY of Grant Approval: 2009	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2009 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	7500	7700		
3	1408 Management Improvements	3000	2500		
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	5000	1245		
10	1460 Dwelling Structures	12000	19315		
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures	11868	0		
13	1475 Non-dwelling Equipment	1220	10820		
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
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PHA Name: McCook Housing Agency		Grant Type and Number Capital Fund Program Grant No: NE26P12350109 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2009 FFY of Grant Approval: 2009	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2009 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	40588	41580			
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director		Date 03/22/2010		Signature of Public Housing Director		
				Date		

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PHA Name: McCook Housing Agency	Grant Type and Number Capital Fund Program Grant No: NE26S12350109 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2009 FFY of Grant Approval: 2009	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2009 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	34464.60		34464.60	
11	1465.1 Dwelling Equipment—Nonexpendable	16911.40		16911.40	
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary						
PHA Name: McCook Housing Agency		Grant Type and Number Capital Fund Program Grant No: NE26S12350109 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant:2009 FFY of Grant Approval:	
Type of Grant						
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)		
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2009				<input type="checkbox"/> Final Performance and Evaluation Report		
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	51376		51376		
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director			Date 03/22/2010	Signature of Public Housing Director		
				Date		

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary	
PHA Name: McCook Housing Agency	Grant Type and Number Capital Fund Program Grant No: NE26P1235010 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2010 FFY of Grant Approval: 2010	

Type of Grant
 Original Annual Statement **Reserve for Disasters/Emergencies** **Revised Annual Statement (revision no: _____)**
 Performance and Evaluation Report for Period Ending: **Final Performance and Evaluation Report**

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds	0			
2	1406 Operations (may not exceed 20% of line 21) ³	8000			
3	1408 Management Improvements	3500			
4	1410 Administration (may not exceed 10% of line 21)	0			
5	1411 Audit	0			
6	1415 Liquidated Damages	0			
7	1430 Fees and Costs	0			
8	1440 Site Acquisition	0			
9	1450 Site Improvement	1500			
10	1460 Dwelling Structures	14000			
11	1465.1 Dwelling Equipment—Nonexpendable	6000			
12	1470 Non-dwelling Structures	0			
13	1475 Non-dwelling Equipment	8580			
14	1485 Demolition	0			
15	1492 Moving to Work Demonstration	0			
16	1495.1 Relocation Costs	0			
17	1499 Development Activities ⁴	0			

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary						
PHA Name: McCook Housing Agency		Grant Type and Number Capital Fund Program Grant No: NE26P1235010 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant:2010 FFY of Grant Approval: 2010	
Type of Grant						
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)		
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report				
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA	0				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	0				
19	1502 Contingency (may not exceed 8% of line 20)	0				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	41580				
21	Amount of line 20 Related to LBP Activities	0				
22	Amount of line 20 Related to Section 504 Activities	0				
23	Amount of line 20 Related to Security - Soft Costs	0				
24	Amount of line 20 Related to Security - Hard Costs	5000				
25	Amount of line 20 Related to Energy Conservation Measures	0				
Signature of Executive Director Rebecca Dutcher 03/09/2010			Date	Signature of Public Housing Director		
				Date		

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: McCook Housing Agency		Grant Type and Number Capital Fund Program Grant No: NE26P1235010 CFFP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2010			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
PHA-Wide NE123001	Operations	1406	5 staff	8000				
PHA-Wide NE123001	Training	1408	3 staff	3500				
PHA-Wide NE123001	Landscaping	1450	2 areas	1000				
PHA-Wide NE123001	Roof Replacement	1460	2 buildings	10000				
PHA-Wide NE123001	Interior and Exterior Painting	1460	2 buildings	4000				
PHA-Wide NE123001	Carpet & Vinyl Replacement	1465.1	3 apts	2280				
PHA-Wide NE123001	Kitchen Renovations	1465.1	7apts	3300				
PHA-Wide NE123001	Bathroom Renovations	1465.1	1 apt	2500				
PHA-Wide NE123001	Maintenance Storage Systems	1475	1	500				
PHA-Wide NE123001	Maintenance Equipment	1475	1	1500				
PHA-Wide NE123001	Security Cameras	1475	10	5000				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Part I: Summary						
PHA Name/Number		Locality (City/County & State)McCook, NE			<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
A.	Development Number and Name NE123 McCook Housing Agency	Work Statement for Year 1 FFY ___2010__	Work Statement for Year 2 FFY ___2011_____	Work Statement for Year 3 FFY ___2012_____	Work Statement for Year 4 FFY ___2013_____	Work Statement for Year 5 FFY ___2014_____
B.	Physical Improvements Subtotal	Annual Statement	10588	15700	0	0
C.	Management Improvements		2992	3000	3000	3000
D.	PHA-Wide Non-dwelling Structures and Equipment		20000	14880	30580	30580
E.	Administration		0	0	0	0
F.	Other		0	0	0	0
G.	Operations		8000	8000	8000	8000
H.	Demolition		0	0	0	0
I.	Development		0	0	0	0
J.	Capital Fund Financing – Debt Service		0	0	0	0
K.	Total CFP Funds		41580	41580	41580	41580
L.	Total Non-CFP Funds		0	0	0	0
M.	Grand Total		41580	41580	41580	41580

McCOOK HOUSING AGENCY

January 23, 2007

To: All Voucher Holders

From: Rebecca Dutcher
Executive Director

Below is an excerpt from the Violence Against Women and Justice Department Reauthorization Act 2005.

Basically what this Act does is to protect tenants from being terminated from the Housing Choice Voucher Program if someone commits a violent act or threatens to commit a violent act against them. Now, the McCook Housing Agency has no control over a private landlord's actions but if you were evicted because of disturbances that would fall in these guidelines your subsidy would not be terminated. To keep your continued eligibility you would have to complete a certification form at the office describing the event or provide the office with domestic violence, attorney, medical provider, police or court documentation showing the incident was an act of domestic violence.

If you have questions regarding this act or want a copy of the whole act please call or stop by the office and I will be happy to help you.

The Violence Against Women and Justice Department Reauthorization Act of 2005 protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

In general, the law provides in part that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse. The law also provides that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be "good cause" for termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

...(Public Housing Authorities) to request in writing that an individual complete, sign, and submit, within 14 business day of the request, a HUD-approved certification form. On the form, the individual certifies that he/she is a victim of domestic violence, dating violence, or stalking, and that the incident or incidences in question are bona fide

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(308) 345-3605

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incidences of such actual or threatened abuse. On the certification form, the individual shall provide the name of the perpetrator.

In lieu of a certification form, or in addition to the certification form, a tenant may provide to PHAs, managers or owners, (1) a Federal, State, tribal, territorial, or local police record or court record; (2) documentation signed and attested to by an employee, agency or volunteer or a victim service provider, an attorney or a medical professional, from who the victim has sought assistance in addressing domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents or abuse, and the victim of domestic violence, or stalking has signed or attested to the documentation.

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**McCOOK HOUSING AGENCY
FISCAL/INTERNAL CONTROL POLICY**

1. ACCOUNTING METHODS

The McCook Housing Agency (MHA) uses Generally Accepted Accounting Principles (GAAP) for governmental entities. The Enterprise Fund method of accounting per the Governmental Accounting Standards Board (GASB) will be maintained as recommended by the United States Department of Housing and Urban Development (HUD). This method of accounting requires full accrual of revenues and expenditures within the accounting period as they are earned or expended. The depreciation of capitalized assets will be recorded on a straight line basis over the useful life as recommended and allowed by the Internal Revenue Service Code or as may be required by HUD. The McCook Housing Agency utilizes a fee accountant to compile financial data on a monthly basis.

2. INDEPENDENT AUDIT

The McCook Housing Agency's fiscal year-end is June 30. An independent audit of the McCook Housing Agency operations occurs yearly. The auditor utilizes governmental auditing standards, which includes financial information, internal control of assets, operations and compliance with all Federal, State and Local government laws and regulations. The final audit report is sent to HUD, the State of Nebraska Treasurer, the Housing Agency Commissioners, as well as Financial Institutions and other third parties as requested of the Agency. The Audit contract contains verbiage to allow the Agency to cancel the contract at any time for any reason or no reason. In addition the Independent Auditor must be certified with HUD and Licensed in the State of Nebraska. The independent auditor is expected to follow all federal, state and local laws and regulations during the audit period. The McCook Housing Agency may procure an audit proposal for a three-year period. Procurement is handled by the Executive Director with Board approval of the proposal/bid.

Audit Review: Upon receipt of the McCook Housing Agency's fiscal year-end audit report, the Executive Director shall review the audit for accuracy. A copy of the audit shall be provided to each Board member prior to the next scheduled Board meeting. The Board and Executive Director shall review and discuss the audit at its meeting. The Board will accept/reject the audit report by motion. The information obtained from the audit will be used for future financial planning and policy changes for the McCook Housing Agency.

3. COST ALLOCATION

The Housing Agency prepares yearly budgets as required by HUD regulations. The yearly budgets contain a cost allocation that includes all Agency operations. This allocation is necessary to ensure that costs of operating each program are charged to the correct fund in our general ledger. Each program and individual grants have a separate fund number to record direct and allocated revenues and expenditures. Allocation methods are reviewed and changed periodically as necessary. Allocations of costs traceable to grants that do not provide administrative fee are allocated on a basis that is the best for the financial needs of the Agency. The general allocation process is as follows:

- A. Direct cost by fund and project or grant.

- B. Cost of support services and support staff are allocated based on a time study/review, number of units per program, any other reasonable and fair methods and goals of the Agency as stated in the Annual and Five Year Agency Plan.

4. INTERNAL CONTROL

The Agency shall maintain a system of internal, administrative and accounting controls consisting of all economically feasible measures necessary to protect the Housing Agency assets and operations. Internal controls are for:

1. Safeguarding the MHA resources against waste, fraud, mismanagement and inefficiency.
2. Promoting accuracy and reliability in accounting and operating data, including Financial Reports prepared by the fee accountant.
3. Encouraging and measuring compliance with Housing Agency policy.
4. Evaluating the efficiency of financial operations in all departments and programs operated by the Agency.
5. To assist in verifying that standards of operating procedures established for each department are followed.
6. To provide creditability of sound operating standards to third Parties such as independent auditors, Housing and Urban Development (HUD), the state and local government.
7. To ensure that ethical practices are followed.
8. To ensure that the Agency is in compliance with federal, state and local laws and regulations.
9. Staff job descriptions are written so that, as much as possible, the same person collecting and receipting rent is not the same person who makes the deposits.

5. BUDGETS AND BUDGET CONTROL

The McCook Housing Agency defines a budget as a realistic estimate of the operating revenue and expenditures to be incurred in connection with the prudent operation of any project or program during a specified period, broken down according to a classification of accounts as recommended by HUD and as required by Generally Accepted Accounting Principles.

Budgets shall be prepared on a program or grant basis. Each program, grant or project administered by the Agency shall have a separate operating budget. The Executive Director is primarily responsible for all functions of the budget preparation and obtaining approval by Resolution from the Board of Commissioners.

The budgets shall be by program, grant or project and shall include adequate justification of revenues and expenditures. The Executive Director will then recommend the budgets to the Board of Commissioners. The Board of Commissioners shall review the recommended budget, request any additional information they desire, and make such changes to the proposed budget as they determine appropriate. The Board of Commissioners must adopt the budgets each year. Revisions in the budget document necessitated by changes in circumstances or estimates during the fiscal year shall be processed in the same manner as the original budget. Approval of program budgets shall be obtained from the United States Department of Housing and Urban Development (HUD).

The Executive Director and/or his/her designee shall be responsible for the efficient and effective use of budget appropriations and control of costs in relation to each program budget. No expenditure shall be

made that exceeds an appropriation for a major expenditure category of a program/department budget except in emergency situations as determined by the Executive Director.

Documentation of receipts and expenses shall be provided to the fee accountant. Monthly financial reports for all McCook Housing Agency programs shall be prepared by the Fee Accountant and submitted to the Executive Director. The Executive Director shall review all reports for accuracy and financial stability. Copies of the financial reports shall be provided to all Board members prior to the Board meeting. This information will be reviewed with the Board of Commissioners at its regular Board meeting and approved/rejected by motion.

6. PROCUREMENT

This Procurement Policy complies with the Annual Contributions Contract (ACC) between McCook Housing Agency (MHA) and the Department of Housing and Urban Development (HUD), Federal Regulations at **24 CFR 85.36**, the procurement standards of the Procurement Handbook for PHAs, HUD Handbook 7460.8, Rev 2, and applicable State and Local laws.

GENERAL PROVISIONS

General

The MHA shall: provide for a procurement system of quality and integrity; provide for the fair and equitable treatment of all persons or firms involved in purchasing by the MHA; ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable prices available to the MHA; promote competition in contracting; and assure that MHA purchasing actions are in full compliance with applicable Federal standards, HUD regulations, State, and local laws.

Application

This Procurement Policy applies to all procurement actions of the Agency, regardless of the source of funds, except as noted under “exclusions,” below. However, nothing in this Policy shall prevent the MHA from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.

Definition

The term “procurement,” as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) goods, supplies, equipment, and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A/E) services, (4) Social Services, and (5) other services.

Exclusions

This policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program, or non-program income, e.g., fee-for-service revenue under 24 CFR Part 990. These excluded areas are subject to applicable State and local requirements.

Changes in Laws and Regulations

In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies.

Public Access to Procurement Information

Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the Nebraska Freedom of Information Act.

ETHICS IN PUBLIC CONTRACTING

General

The MHA hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct, etc., is consistent with applicable Federal, State, or local law.

Conflicts of Interest

No employee, officer, Board member, or agent of the MHA shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

- A. An employee, officer, Board member, or agent involved in making the award;
- B. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);
- C. His/her partner; or
- D. An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent shall ask for or accept gratuities, favors, or items of more than \$25 in value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

Prohibition Against Contingent Fees

Contractors wanting to do business with the MHA must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

PROCUREMENT PLANNING

Planning is essential to managing the procurement function properly. Hence, the MHA will periodically review its record of prior purchases, as well as future needs, to: find patterns of procurement actions that could be performed more efficiently or economically; maximize competition and competitive pricing among contracts and decrease the MHA's procurement costs; reduce MHA administrative costs; ensure that supplies and services are obtained without any need for re-procurement, e.g., resolving bid protests; and minimize errors that occur when there is inadequate lead time. Consideration should be given to storage, security, and handling requirements when planning the most appropriate purchasing actions.

PURCHASING METHODS

Petty Cash Purchases

Purchases under \$50 may be handled through the use of a petty cash account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the MHA shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically.

Small Purchase Procedures

For any amounts above the Petty Cash ceiling, but not exceeding \$100,000, the MHA may use small purchase procedures. Under small purchase procedures, the MHA shall obtain a reasonable number of quotes (preferably three); however, for purchases of less than \$2,000, also known as Micro Purchases, only one quote is required provided the quote is considered reasonable. To the greatest extent feasible, and to promote competition, small purchases should be distributed among qualified sources. Quotes may be obtained orally (either in person or by phone), by fax, in writing, or through e-procurement. Award shall be made to the qualified vendor that provides the best value to the MHA. If award is to be made for reasons other than lowest price, documentation shall be provided in the contract file. The MHA shall not break down requirements aggregating more than the small purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to: (1) permit use of the small purchase procedures or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.

Sealed Bids

Sealed bidding shall be used for all contracts that exceed the small purchase threshold and that are not competitive proposals or non-competitive proposals, as these terms are defined in this document. Under sealed bids, the Public Housing Agency (PHA) publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming with all the material terms and conditions of the IFB, is the lowest in price. Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed \$100,000.

- A. **Conditions for Using Sealed Bids.** MHA shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work (SOW), specification, or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.

- B. **Solicitation and Receipt of Bids.** An Invitation for Bids (IFB) is issued which includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place for both receiving the bids and the public bid opening. All bids received will be date and time-stamped and stored **unopened** in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.
- C. **Bid Opening and Award.** Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, and then made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall **not** be made unless the price can be determined to be reasonable, based on a cost or price analysis.
- D. **Mistakes in Bids.** Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the MHA or fair competition shall not be permitted.

Competitive Proposals

Unlike sealed bidding, the competitive proposal method permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to the PHA, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.

- A. **Conditions for Use.** Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold.

- B. **Form of Solicitation.** Other than Architect/Engineer (A/E) services, competitive proposals shall be solicited through the issuance of a Request for Proposals (RFP). The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established **before** the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. The MHA may assign price a specific weight in the evaluation criteria or the MHA may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.
- C. **Evaluation.** The proposals shall be evaluated only on the criteria stated in the RFP. Where not apparent from the evaluation criteria, the MHA shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.
- D. **Negotiations.** Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offeror shall be given any information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations. Negotiations are exchanges (in either competitive or sole source environment) between the PHA and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal, and shall be conducted by the contracting officer with each offeror within the competitive range. The primary object of discussions is to maximize the MHA's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The contracting officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as cost, price, technical approach, past performance, and terms and conditions) that could, in the opinion of the contracting officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the contracting officer's judgment. The contracting officer may inform an offeror that its price is considered by the PHA to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also permissible to indicate to all offerors the cost or price that the government's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price in an attempt to get another offeror to lower their price) is prohibited.

- E. **Award.** After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to the MHA provided that the price is within the maximum total project budgeted amount established for the specific property or activity.
- F. **A/E Services.** The MHA must contract for A/E services using Qualifications-Based Selection (QBS) procedures, utilizing a Request for Qualifications (RFQ). Sealed bidding shall not be used for A/E solicitations. Under QBS procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures **shall not** be used to purchase other types of services, though architectural/engineering firms are potential sources.

Noncompetitive Proposals

- A. **Conditions for Use.** Procurement by noncompetitive proposals (sole-source) may be used **only** when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, **and** if one of the following applies:
 - 1. The item is available only from a single source, based on a good faith review of available sources;
 - 2. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the MHA, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;
 - 3. HUD authorizes the use of noncompetitive proposals; or
 - 4. After solicitation of a number of sources, competition is determined inadequate.
- B. **Justification.** Each procurement based on noncompetitive proposals shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the responsible Contracting Officer. Poor planning or lack of planning is not justification for emergency or sole-source procurements. The justification, to be included in the procurement file, should include the following information:
 - 1. Description of the requirement;
 - 2. History of prior purchases and their nature (competitive vs. noncompetitive);
 - 3. The specific exception in **24 CFR 85.36(d)(4)(i)(A)** through **(D)** which applies;
 - 4. Statement as to the unique circumstances that require award by noncompetitive proposals;
 - 5. Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);

6. Statement as to efforts that will be taken in the future to promote competition for the requirement;
7. Signature by the Contracting Officer's supervisor (or someone above the level of the Contracting Officer); and
8. Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

Cooperative Purchasing/Intergovernmental Agreements

The MHA may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The MHA may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with **24 CFR 85.36**.

INDEPENDENT COST ESTIMATE (ICE)

For all purchases above the Micro Purchase threshold, the MHA shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased.

COST AND PRICE ANALYSIS

The MHA shall require assurance that, before entering into a contract, the price is reasonable, in accordance with the following instructions.

Petty Cash and Micro Purchases

No formal cost or price analysis is required. Rather, the execution of a contract by the Contracting Officer (through a Purchase Order or other means) shall serve as the Contracting Officer's determination that the price obtained is reasonable, which may be based on the Contracting Officer's prior experience or other factors.

Small Purchases

A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes is not obtained to establish reasonableness through price competition, the Contracting Officer shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the Contracting Officer's personal knowledge at the time of purchase, comparison to the ICE, or any other reasonable basis.

Sealed Bids

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is substantially more than the ICE, and where the MHA cannot reasonably determine price reasonableness, the MHA must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.

Competitive Proposals

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, the MHA must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, the MHA must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.

Contract Modifications

A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of \$100,000.

SOLICITATION AND ADVERTISING

Method of Solicitation

- A. **Petty Cash and Micro Purchases.** The MHA may contact only one source if the price is considered reasonable.
- B. **Small Purchases.** Quotes may be solicited orally, through fax, or by any other reasonable method.
- C. **Sealed Bids and Competitive Proposals.** Solicitation must be done publicly. The MHA must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.
 1. Advertising in newspapers or other print mediums of local or general circulations.
 2. Advertising in various trade journals or publications (for construction).
 3. E-Procurement. The MHA may conduct its public procurements through the Internet using e-procurement systems. However, all e-procurements must otherwise be in compliance with **24 CFR 85.36**, State and local requirements, and the Agency's procurement policy.

Time Frame

For purchases of more than \$100,000, the public notice should run not less than once each week for two consecutive weeks.

Form

Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact who can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

Time Period for Submission of Bids

A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.

Cancellation of Solicitations

- A. An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:
 - 1. The supplies, services or construction is no longer required;
 - 2. The funds are no longer available;
 - 3. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
 - 4. Other similar reasons.
- B. A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:
 - 1. The supplies or services (including construction) are no longer required;
 - 2. Ambiguous or otherwise inadequate specifications were part of the solicitation;
 - 3. All factors of significance to the MHA were not considered;
 - 4. Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
 - 5. There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or
 - 6. For good cause of a similar nature when it is in the best interest of the MHA.
- C. The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.
- D. A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any resolicitation or future procurement of similar items.
- E. If all otherwise acceptable bids received in response to an IFB are at unreasonable prices an analysis should be conducted to see if there is a problem in either the specifications or the MHA's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Contracting Officer may cancel the solicitation and either
 - 1. Re-solicit using an RFP; or
 - 2. Complete the procurement by using the competitive proposal method. The Contracting Officer must determine, in writing, that such action is appropriate, must inform all bidders of the MHA's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.
- F. If problems are found with the specifications, MHA should cancel the solicitation, revise the specifications and resolicit using an IFB.

Credit (or Purchasing) Cards

Credit card usage should follow the rules for all other small purchases. For example, the Contracting Officer may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the Contracting Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card.

When using credit cards, the MHA should adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards).

BONDING REQUIREMENTS

The standards under this section apply to construction contracts that exceed \$100,000. There are no bonding requirements for small purchases or for competitive proposals. The MHA may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

- A. Bid Bonds. For construction contracts exceeding \$100,000, offerors shall be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price.
- B. Payment Bonds. For construction contracts exceeding \$100,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:
 1. A performance and payment bond in a penal sum of 100% of the contract price; or
 2. Separate performance and payment bonds, each for 50 % or more of the contract price; or
 3. A 20 % cash escrow; or
 4. A 25 % irrevocable letter of credit.
- C. These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State where the work is to be performed. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory.

CONTRACTOR QUALIFICATIONS AND DUTIES

Contractor Responsibility

PHAs shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:

- A. Have adequate financial resources to perform the contract, or the ability to obtain them;
- B. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the bidder's/offeror's existing commercial and governmental business commitments;
- C. Have a satisfactory performance record;
- D. Have a satisfactory record of integrity and business ethics;
- E. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

- F. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and,
- G. Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended, debarred or under a HUD-imposed LDP.

If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

Suspension and Debarment

Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations (**24 CFR Part 24**) or by other Federal agencies, e.g., Dept of Labor for violation of labor regulations, when necessary to protect housing authorities in their business dealings.

Vendor Lists

All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

CONTRACT PRICING ARRANGEMENTS

Contract Types

Any type of contract which is appropriate to the procurement and which will promote the best interests of the MHA may be used, **provided the cost -plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used**. All solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and MHA.

For all cost reimbursement contracts, MHA must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

Options

Options for additional quantities or performance periods may be included in contracts, provided that:

- A. The option is contained in the solicitation;
- B. The option is a unilateral right of the Agency;
- C. The contract states a limit on the additional quantities and the overall term of the contract;
- D. The options are evaluated as part of the initial competition;
- E. The contract states the period within which the options may be exercised;
- F. The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- G. The options may be exercised only if determined to be more advantageous to MHA than conducting a new procurement.

CONTRACT CLAUSES

All contracts should identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the MHA.

Additionally, the forms HUD-5369, 5369-A, 5369-B, 5369, 5370, 5370-C, and 51915-A , which contain all HUD-required clauses and certifications for contracts of more than \$100,000, as well as any forms/clauses as required by HUD for small purchases, shall be used in all corresponding solicitations and contracts issued by this Agency.

CONTRACT ADMINISTRATION

The MHA shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in HUD Handbook 2210.18.

SPECIFICATIONS

General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying MHA needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

Limitation

The following types of specifications shall be avoided:

- A. geographic restrictions not mandated or encouraged by applicable Federal law (except for A/Econtracts, which may include geographic location as a selection factor if adequate competition is available);
- B. brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use).

Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

APPEALS AND REMEDIES

General

It is MHA policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

Informal Appeals Procedure

The MHA shall adopt an informal bid protest/appeal procedure for contracts of \$100,000 or less. Under these procedures, the bidder/contractor may request to meet with the appropriate Contract Officer.

Formal Appeals Procedure

A formal appeals procedure shall be established for solicitations/contracts of more than \$100,000.

- A. **Bid Protest.** Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the contract receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.
- B. **Contractor Claims.** All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of its appeal rights to the next higher level of authority in MHA. Contractor claims shall be governed by the Changes clause in the form HUD-5370.

ASSISTANCE TO SMALL AND OTHER BUSINESSES

Required Efforts

Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, women's business enterprises, and other individuals or firms located in or owned in substantial part by persons residing in the area of the MHA project are used when possible. Such efforts shall include, but shall not be limited to:

- A. Including such firms, when qualified, on solicitation mailing lists;
- B. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- E. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;
- F. Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in **24 CFR Part 135** (so-called Section 3 businesses); and
- G. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.

Goals shall be established periodically for participation by small businesses, minority-owned businesses, women-owned business enterprises, labor surplus area businesses, and Section 3 business concerns in MHA prime contracts and subcontracting opportunities.

Definitions

1. A **small business** is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in **13 CFR Part 121** should be used to determine business size.
2. A **minority-owned business** is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.
3. A **women's business enterprise** is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
4. A **"Section 3 business concern"** is as defined under **24 CFR Part 135**.
5. A **labor surplus area business** is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as Department of Labor (DOL) in **20 CFR Part 654**, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

BOARD APPROVAL OF PROCUREMENT ACTIONS

Other than approval of this Procurement Policy, approval by the Board of Commissioners is not required for any procurement action, as permitted under State and local law. Rather, it is the responsibility of the Executive Director to make sure that all procurement actions are conducted in accordance with the policies contained herein.

DELEGATION OF CONTRACTING AGENCY

While the Executive Director is responsible for ensuring that the MHA's procurements comply with this Policy, the Executive Director may delegate all procurement authority as is necessary and appropriate to conduct the business of the Agency.

Further, and in accordance with this delegation of authority, the Executive Director shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in Section III below, consistent with Federal, State, or local law.

DOCUMENTATION

The MHA must maintain records sufficient to detail the significant history of each procurement action. These records **shall** include, but **shall not** necessarily be limited to, the following:

- A. Rationale for the method of procurement (if not self-evident);
- B. Rationale of contract pricing arrangement (also if not self-evident);
- C. Reason for accepting or rejecting the bids or offers;
- D. Basis for the contract price (as prescribed in this handbook);

- E. A copy of the contract documents awarded or issued and signed by the Contracting Officer;
- F. Basis for contract modifications; and
- G. Related contract administration actions.

The level of documentation should be commensurate with the value of the procurement.

Records are to be retained for a period of three years after final payment and all matters pertaining to the contact are closed.

DISPOSITION OF SURPLUS PROPERTY

Property no longer necessary for the MHA's purposes (non-real property) shall be transferred, sold, or disposed of in accordance with applicable Federal, state, and local laws and regulations.

FUNDING AVAILABILITY

Before initiating any contract, the MHA shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

SELF-CERTIFICATION

The MHA self-certifies that this Procurement Policy, and the MHA's procurement system, complies with all applicable Federal regulations and, as such, the MHA is exempt from prior HUD review and approval of individual procurement action.

7. DISPOSITION OF EXCESS PROPERTY

The Agency disposes of excess property in accordance with federal, state and local laws. Personal property belonging to the McCook Housing Agency shall not be sold or exchanged for less than fair value. Any personal property belonging to the Housing Agency that is no longer needed for Housing Agency operations shall be declared excess. Any such excess property valued at \$500 or more, which is not being sold to a public body for public use or to a non-profit organization for low-income housing related purposed such as a resident organization, shall be sold at a public sale.

Sales of excess personal property shall be conducted in the following manner:

1. The Executive Director shall declare personal property that is worn out, obsolete or surplus to the needs of the Housing Agency excess. All such declarations shall be documented in writing. A survey to identify such property shall be conducted at least once a year following the inventory.
2. If the estimated market value of the personal property offered for sale is less than \$500 the Executive Director may negotiate a sale in the open market after such informal inquiry as he or she considers necessary to ensure a fair return to the Housing Agency. The sale shall be documented by an appropriate bill of sale.
3. For sales of excess property valued between \$500 and \$1,000 a contract of sale shall be awarded only after advertising for formal bids. The advertisement shall be posted at least 15 days prior to award of the sale contract and shall be published in newspapers or circular letters to all prospective purchasers. In addition, notices shall be posted in public places. Bids shall be opened publicly at the time and place specified in the advertisement. A tabulation of all bids

received shall be prepared and filed with the contract as part of the permanent record. The award shall be made to the highest bidder as to price.

4. The sale or donation of personal property to a public body for public use or a non-profit organization for low-income housing related purposes may be negotiated at its fair value subject to approval by the Board of Commissioners. The transfer shall be documented by an appropriate bill of sale.
5. Personal property shall not be destroyed, abandoned, or donated without the prior approval of the Board of Commissioners. The Executive Director shall make every effort to dispose of excess personal property as outlined above. However, if the property has no scrap or salvage value and a purchaser cannot be found, the Executive Director shall prepare a statement detailing the prospective bidders solicited and all other efforts name to sell the property, together with recommendations as to the manner of disposition. This statement shall be referred to the Board of Commissioners for its approval. A copy of the Board's approval, together with the complete documentation in support of destruction, abandonment, or donation, shall be retained as part of the permanent records.

8. HOUSING ASSISTANCE PAYMENTS (HAP)

Housing Assistance Payments shall be made in a timely manner each month. The Executive Director documents the amount of the HAP through the use of the Housing Agency software. The Housing Choice Voucher Coordinator prepares a computer-generated summary of the housing assistance to be paid. This report is reviewed with documents verifying adjustments, additions and deletions of the current month. The Housing Coordinator generates the checks using the Housing Agency software. The checks are reviewed by the Executive Director and the Chairman or Vice Chairman of the Board of Commissioners before processing is completed and the checks are mailed to the landlords. Check information is given to the Fee Accountant for entry into the Accounts Payable records.

9. PAYROLL

Payments of salaries and wages to employees shall be made expeditiously and in accordance with all Federal, State and Local Laws and Regulations. The payroll schedule shall be biweekly. Payroll checks will be distributed every other Friday. Employee records shall be confidentially maintained and shall include adequate documentation and authorization to support every transaction from employment through termination in accordance with MHA Personnel Policy. The Executive Director is responsible for this function.

10. ACCOUNTS PAYABLE

The purpose of this policy is to outline the payment process for accounts payable by the McCook Housing Agency Office during the course of Agency business.

If the invoice is presented to the Executive Director in person by the vendor or Maintenance Staff or delivered by regular mail or email the invoice is retained until such time as it is entered into the computer system. At least every two weeks invoices are readied for payment to coincide with the payroll.

The invoice is checked for accuracy by the Executive Director, a payment voucher is written with the account number of the vendor, invoice number, project number, account number, code, and amount due and stapled to the invoice. If the invoice covers more than one project the amount is divided out for each

project and written on the voucher, the voucher is initialed by the Executive Director when complete and accurate.

The invoices are placed in alphabetical order by vendor name and entered into the computer software. If checks are to be printed at a future date all entered invoices are retained by the Executive Director separately from the newly received invoices. If checks are to be written at the time the invoices are entered into the computer software they are clipped together for review by the Chairman or Vice Chairman of the Board of Commissioners.

After the checks are printed for Payroll and Accounts Receivable an interfund spreadsheet is completed to fund the checking accounts from which the checks were written. The Accounts Payable ledger which is printed when the checks are printed totals the amount for each project area, those totals are transferred to the spreadsheet which acts as a guide for the interfund process.

When the spreadsheet is complete entries are made into the computer software for the interfund checks. Since the Public Housing checking account also acts as the interfund account for Accounts Payable there is no interfund check for Public Housing invoices and one interfund check for Payroll. There will be two interfund checks for Prairie Heights, New Construction 1, New Construction 2, and Housing Choice Voucher; one for payroll and one for invoices from each project.

The checks are hand written into the accounts ledger and balances for each project are calculated. If there are insufficient funds to cover the checks written a transfer from each project's own savings account is made into the project's checking account.

The Chairman of the Board of Commissioners is contacted when the checks are ready to be signed. If the Chairman is not available the Vice Chairman is contacted regarding the signing of the checks. The Chairman takes all of the checks, time sheets, invoices, accounts payable ledger, and interfund spreadsheet and checks each payment against the provided documentation.

The checks are then signed by hand or facsimile stamp and returned to the Executive Director. The Executive Director then signs each check by hand or facsimile stamp and prepares for mailing (invoices) or distribution (payroll) on the appropriate date. The Chairman of the Board of Commissioners initials the interfund spread sheet and the accounts payable ledgers when reviewed.

The original invoice, voucher, and other documentation for the invoices is kept with the interfund spreadsheet and stored in the file cabinet for future review by the auditor. At the end of the fiscal year all invoice documentation is provided to the auditors. The Accounts Payable ledger is stored in a separate folder in the file cabinet and provided to the Fee Accountant monthly. At the end of the fiscal year it is provided to the auditors for review.

The payroll information is stored separately. The computer print outs for time entries, payroll register, and check register each have their own file folder which copies are provided to the Fee Accountant each month and the Auditor at the end of the fiscal year. Employee time sheets are kept in the desk for each employee in their own file folder(s). The Executive Director's time sheet is signed by the Chairman of the Board of Commissioners. The Executive Director signs all of the staff's time sheets; the Maintenance Supervisor also signs the Maintenance staff time sheet(s).

The original bank account statements are forwarded to the Fee Accountant each month. Copies of the bank account statements, written checks, and deposit slips are provided to the Chairman of the Board of Commissioners for review when received. The Chairman initials them as they are reviewed. This copy is kept in the bank account notebook and retained for one year until the originals are returned by the accountant. The Commissioners are given a copy of the current bank statements at each regular meeting. Those accounts which do not send out statements are printed from the internet and provided to the Commissioners at their regular meeting.

Copies of the summary pages of the Fee Accountant's ledgers are provided to the Commissioners at their regular meeting. Originals from the Fee Accountant are reviewed by the Executive Director, initialed and placed in a binder in the file cabinet for review by the Auditors at the end of each fiscal year.

Everything that is provided to the Commissioners at their meetings is retained as documentation to the minutes of the meeting in the Meeting Minutes file folder.

11. INVESTMENTS

The McCook Housing Agency shall invest all available funds in those investment funds or securities approved by HUD and State Law. The Executive Director is responsible for the investments of the Agency.

State law and good business practices require that all governmental agencies prepare an investment policy and to be approved by the Board of Commissioners.

12. ACCOUNTS RECEIVABLE AND COLLECTIONS

The purpose of this policy is to outline the receipt of cash into the McCook Housing Agency Office for the payment of rents, maintenance charges, and other payments made to office staff during the course of Agency business. At no time is the staff member who received the payment allowed to make the deposit, reconcile the receipt book, and reconcile the ledger. Receipts of a small amount may be kept in the office under lock until sufficient staff is available to make the deposits. Maintenance Staff will be utilized for bank deposits if no other office staff person is available.

PAYMENTS RECEIVED AT THE DESK

The Receptionist of MHA will receive the payment and enter the payment into the software on the date the payment was received. The Receptionist will enter the payment and receipt number on the tenant card give the original copy of the receipt to the tenant along with the monthly newsletter.

PAYMENTS RECEIVED BY MAIL OR UNDER THE WINDOW

The Receptionist of MHA will enter the payment into the software on the date the payment was received and staple the receipt to the monthly newsletter. This is then placed in the Maintenance Work Order wall pocket and Maintenance Staff will deliver the receipt and newsletter to the tenant as promptly as possible. The Receptionist will enter the payment and receipt number on the tenant card.

PAYMENTS PICKED UP BY MAINTENANCE STAFF

When the Maintenance Staff picks up the payment from the tenant the payment is delivered to the Receptionist who will enter the payment into the software on the date the payment was received and staple the receipt to the newsletter which is promptly delivered to the tenant. The Receptionist will enter the payment and receipt number on the tenant card.

DEPOSITS

At the end of the day the current receipt transactions and deposit slip(s) is completed by the Receptionist. The deposit slip(s), cash, checks, and receipt transaction printout are given to the Executive Director. The Executive Director will review each payment and reconcile it with the receipt transaction printout assuring that all payments made are accounted for. The Executive Director completes the checkout procedure in the software and takes the deposits to the appropriate bank and receives the deposit slip receipt. The Executive Director enters the receipts into the ledger for the appropriate account and staples deposit slips to the checkout and receipt transactions printout.

PAYMENTS RECEIVED EARLY

For payments received after the Accounts Receivable are closed and the new month is not yet active the payment will be received, a receipt is entered into the computer software on the date the payment was received by the Receptionist and retained until the newsletter is printed. When the newsletter is printed and the new month is activated the receipt is stapled to the newsletter and is put in the Maintenance Staff wall pocket and delivered to the tenant promptly by the Maintenance Staff.

LAUNDRY RECEIPTS

Receipts from the washers and dryers are picked up from each laundry room on Friday mornings by Maintenance Staff. The quarters are counted by the Receptionist and returned to the appropriate bank bag. The deposit slip is completed by the Receptionist and also placed in the appropriate bank bag. The bags are given to the Executive Director who takes them to the appropriate bank for deposit. The Executive Director receives the receipt and returns to the office and enters the deposit amount in the ledger for the appropriate account.

COMPUTER WORK

The Housing Coordinator completes all of the computer work regarding tenant accounts receivable. The Accounts Receivable Balance Due Report is given to the Receptionist to enter the information on each tenant card with the amount that they owe. The Executive Director closes the computer ledger for each month and opens a new computer ledger for the new month at the end of the month.

RESIDENT ACCOUNTS

A detailed record of all transactions shall be maintained for each resident of the McCook Housing Agency, including documentation of each transaction's nature, justification, and authorization. Notice to residents regarding delinquency of account balances shall be processed as promptly as allowed by State and Federal laws and regulations. Legal eviction proceedings shall be instituted promptly for accounts that remain delinquent upon expiration of the required notice period.

All Office staff will be trained for the Rent Collection activities. Check or Money Orders are the preferred methods for paying rent. Cash will only be accepted on a case by case basis. All Office Staff including the Executive Director are responsible for accepting payments. The Receptionist will be the main person to collect rent, write out and record receipts and deposit slips. The Receptionist also will have responsibility of sending late notices to tenants under the direction of the Executive Director. The Executive Director will be responsible for sending file information to Collections. Executive Director will be the main person to make necessary deposits, with the Receptionist reviewing deposits, deposit breakdowns, etc.

COLLECTION LOSS

All account balances determined to be uncollectible shall be presented to the Board of Commissioners at least annually for approval to be written off to collection loss. All account balances shall be assigned to a collection agency. The Agency shall employ all legal, reasonable and economically feasible measures necessary to collect all debt owed to the Agency.

13. CHECK SIGNING/AUTHORIZATION

The McCook Housing Agency has established a policy that identifies those people who are authorized to sign and issue checks on its behalf. The purpose of this policy is to identify internal controls over our financial matters.

1. All checks shall bear two signatures, one of which must be the Chairman or Vice Chairman of the McCook Housing Agency.
2. The second signature will be that of the Executive Director.

If there is no Executive Director currently employed by the McCook Housing Agency the two signatures shall be that of the Chairman and Vice Chairman of the McCook Housing Agency.

- A. The invoice, voucher, and check register for each check shall be available for the signer(s) to review at the time of signing.
- B. The McCook Housing Agency has established procedures for automated signatures.
- C. Checks may be signed by facsimile signature stamp by the authorized person to sign in conjunction with the financial institution's policies regarding use of facsimile signature stamps.

The Agency by Board Resolution authorizes either the Chairman of the Board of Commissioners or the Vice Chairman to sign and issue checks, and the Executive Director on behalf of the Agency. The following is the procedure for issuance of checks:

- A All checks shall have two signatures.
- B Supporting data for each check shall be available for the signer to review at the time of signing.
- C Facsimile generated signatures are authorized for check signing. An internal control certification form shall be completed when facsimile generated signatures are used.

14. PETTY CASH

The McCook Housing Agency shall maintain a Petty Cash/Postage Fund in the amount of \$117.00.

A Petty Cash Fund of \$100.00 will be maintained for the purpose of small office and maintenance supply purchases. Original vendor receipts will be required for all purchases. The Housing Coordinator/Inspector shall be responsible for handling petty cash requests.

The Housing Coordinator shall present receipts for petty cash purchases to the Executive Director to replenish the fund as needed and at the end of each fiscal year.

A Postage Fund of \$17.00 will be maintained for the purpose of providing stamps to tenant for purchase. The Receptionist/Program Coordinator shall be responsible for handling tenant purchases of postage. The Executive Director shall purchase stamps to replenish the fund as needed.

Such funds shall be kept separate and capable of being accounted for at any time. Both funds will be reconciled on a monthly basis.

15. INSURANCE COVERAGE

The Housing Agency shall obtain coverage of the following insurance to protect the Agency from loss of assets and liability protection for Commissioners and or employee actions.

- A Workers Compensation to assist employees who have been injured, became ill due to accidents or other unforeseen events while on duty.
- B General Liability protects the Agency assets against claims from outside individuals or businesses due to unforeseen events.
- C Apartment Owners or Fire and Extended Coverage insurance protects the assets of the Agency from disasters and causality losses such as fire, wind, hail, rain and other events.
- D Automobile coverage protects the Agency assets in case of an accident with another vehicle or other property or an unforeseen event.
- E Errors and Omissions insurance protects the Commissioners, Officers and Employees for legal liability arising from actual or alleged errors, misstatements or misleading statement, acts or omissions, and neglect or breach of duty by an insured.
- F Fidelity Bond protects the Agency against employee theft or embezzlement.

The Executive Director is responsible for the procurement of insurances.

16. ENTERPRISE INCOME VERIFICATION

Safeguarding EIV Data

The McCook Housing Agency will safeguard EIV data in the following manner:

Technical safeguards

- All computer systems and computers will have password restricted access. The owner/agent will also use Antivirus software to limit data destruction or unintended transmission via virus, worms, Trojan horses or other malicious means. Remote access by other computers other than those specifically authorized is prohibited.
- All workers who obtain electronic data are required to have access granted by the Executive Director
- Ensure passwords for gaining access into electronic systems are safeguarded from unauthorized use
- Monitor user activity on the EIV system.
 1. Authorized users of EIV data are directed to avoid leaving EIV data displayed on their computer screens where unauthorized users may view it. A computer will not be left unattended while the user is "logged in" to

Secure Systems. If an authorized user is viewing EIV data and an unauthorized user approaches the work area, the authorized user will lessen the chance of inadvertent disclosure of EIV data by minimizing or closing out the screen on which the EIV data is being displayed.

2. Users will retrieve computer printouts as soon as they are generated so that EIV data is not left unattended in printers or fax machines where unauthorized users may access them. EIV data will be handled in such a manner that it does not become misplaced or available to unauthorized personnel.

Administrative safeguards

- Ensure that access rights, roles, and responsibilities are appropriately and adequately assigned.
- Protect copies of sensitive data and destroy system-related records to prevent reconstruction of the contents.
- Ensure authorized release of tenant information consent forms are included in all family files, before accessing and using data.
- Maintain, communicate, and enforce standard operating procedures related to securing EIV data.
- Train staff on security measures and awareness, preventing the unauthorized accessibility and use of data.

Physical safeguards

- Establish barriers between unauthorized persons and documents or computer media containing private data.
 1. Doors to private office areas will remain locked at all times
 2. File cabinets in conference/interview areas will remain locked at all times
 3. Doors to file storage areas will remain locked at all times
- Clearly identify restricted areas by use of prominently posted signs or other indicators. Signs shall read "EMPLOYEES ONLY"
- Develop a list of authorized users who can access restricted areas-e.g., contractors, maintenance, and janitorial/cleaning staff.
- Prevent undetected entry into protected areas and/or documents.
- Notify Coordinators/Security Administrators of system breaches and penetration by unauthorized users.

The Executive Director will have the responsibility of ensuring compliance with the security policies and procedures outlined in this document. These responsibilities include:

- Maintaining and enforcing the security procedures
- Keeping records and monitoring security issues
- Communicating security information and requirements to appropriate personnel including coordinating and conducting security awareness training sessions
- Conducting review of all User ID's issued to determine if the users still have a valid need to access EIV data and taking necessary steps to ensure that access rights are revoked or modified as appropriate

- Reporting any evidence of unauthorized access or known security breaches to Housing and Urban Development and taking immediate action to address the impact of the breach including but not limited to prompt notification to the Board of Commissioners and Housing and Urban Development

Limiting Access to EIV Data

User accounts for the EIV system will be provided on a need-to-know basis, with appropriate approval and authorization. The McCook Housing Agency Executive Director will restrict access to EIV data only to persons whose duties or responsibilities require access. EIV Coordinators will be required to request re-certification on an annual basis. EIV Coordinators are authorized to provide access only to those individuals directly involved in the resident certification process and/or compliance monitoring. EIV Coordinators will carefully review initial and quarterly requests for access and certify only those users who will need access within the next 90 days.

Security Awareness Training

Security awareness training is a crucial aspect of ensuring the security of the EIV System and data. Users and potential users will be made aware of the importance of respecting the privacy of data, following established procedures to maintain privacy and security, and notifying management in the event of a security or privacy violation. Before granting access to the EIV information, each person must be trained in EIV Security policies and procedures. Additionally, all employees having access to EIV Data will be briefed at least annually on the security policy and procedures that require their awareness and compliance. Information about user access and training will be maintained in the property EIV file.

The Executive Director will maintain a record of users who have approved access to EIV data. Further, the Executive Director will revoke (Expire) the access rights of those users who no longer require such access or modify the access rights if a change in the user's duties or responsibilities indicates a change in the current level of privilege.

User Names, Passwords and Password Changes

The Executive Director will ensure that users do not share user names or passwords with any other employee or with anyone outside the organization. EIV access granted to an employee or authorized user will be revoked when access is no longer required or prior to termination of that employee or user to ensure data safety. The EIV file will be documented to indicate when user access was terminated by the Executive Director. Documentation of termination will be maintained in the property EIV file and in the employee's personnel file.

Disposal of EIV Information

EIV data will be destroyed in a timely manner based on the information provided in HUD's published EIV training materials, HUD notices or as prescribed by the owner/agent's policy and procedures. The owner/agent's policy and procedures will not allow data retention that is longer than the time allowed in the published HUD materials.

As necessary, **all EIV originals will be shredded.**

17. DISCLAIMER

This Policy is intended to provide general guidance for the operation of the Housing Agency programs. Additional policies and procedures will be written and approved as may be needed. If a conflict in law occurs with this policy, the law shall prevail. The Executive Director and or Commissioners of the McCook Housing Agency retain the right to make changes as necessary in this policy.

Rev 01/2010