CHAPTER 6
MAINTENANCE

The Indian Housing Authority's (IHA) inventory of housing is a valuable asset. Maintaining its rental housing and assisting homeowners with maintenance is one of the most important tasks for any IHA.

This chapter explains HUD's requirements for maintenance, and provides guidance on establishing and running a strong maintenance program for both rental and homeownership units.

PART 1: OVERVIEW OF MAINTENANCE REQUIREMENTS

6.1 SETTING A MAINTENANCE POLICY

Even though the IHA has less day-to-day responsibility for maintenance of homeownership units than of rental units, the IHA is still ultimately responsible for effective maintenance of all of its rental and ownership units. For this reason, it is critical for each IHA to have a clear, written maintenance policy. This policy sets forth what must be done to maintain the housing, what standards must be met and -- depending on the type of housing -- who is responsible for doing the work.

Appendix 4 provides sample outlines for the rental and homebuyer housing maintenance policy. Exhibit 6-1 lists provisions and procedures that must be included in the maintenance policy.

Post the Policy: A copy of the maintenance policy must be posted in the IHA office. Copies must be given to residents/applicants as they enter the program or upon request.

6.2 MAINTENANCE RESPONSIBILITIES

Maintenance responsibilities are different under the three Indian Housing Programs. Generally, the IHA handles maintenance for rental housing, while homeowners must handle most or all of the work on their properties.

Rental Housing: In rental housing, the IHA is responsible for almost all maintenance activities. IHA and resident responsibilities are usually divided as discussed below.
What the IHA does: The IHA is responsible for all maintenance, unless otherwise noted in a tenant's lease. The IHA will perform regular inspections of all units to ensure that the developments and dwelling units are in compliance with all HUD requirements.

What the resident does: Residents of rental housing are not usually required to perform any maintenance activities. However, residents are responsible for damages they may cause that exceed "normal wear-and-tear."

Mutual Help Program: In the Old and New Mutual Help (MH) programs, the homebuyer must perform or pay for all maintenance activities. IHA and homebuyer responsibilities are usually divided as discussed below.

What the IHA does: The IHA holds overall responsibility for protecting the physical condition of the home. The IHA must take action if the homebuyer does not fulfill his/her maintenance responsibilities.

To ensure that the homebuyer is maintaining the property, the IHA will conduct periodic inspections of the home and grounds. The IHA will notify the homebuyer in writing of maintenance items that require attention.

The IHA may also offer counseling for homebuyers on maintenance obligations and/or training on how to perform the required tasks. (See Chapter 7 for more information.)

If Homebuyers Don't Maintain Their Homes

Failure to maintain their homes in decent, safe and sanitary condition is grounds for termination of the homebuyer agreement.

Turnkey III Program: Under the Turnkey III program, maintenance responsibilities are shared between the IHA and the homeowner. IHA and homebuyer responsibilities are usually divided as discussed below.

What the IHA does: The IHA performs non-routine maintenance tasks and conducts periodic inspections of the property. The IHA must notify the homeowner in writing of maintenance items that require the homeowner's attention. Non-routine maintenance expenses are charged to the homeowner's non-routine maintenance reserves (NRMR).
6.3 TYPES OF MAINTENANCE

A maintenance policy should outline standards, schedules and procedures for three different types of maintenance -- preventive maintenance, routine maintenance and non-routine maintenance.

Preventive maintenance: This includes the regular maintenance of facilities and equipment to keep them in good working order and prolong their life span. It is carried out according to a schedule. It minimizes the amount of regular maintenance and extraordinary repairs, and extends the life of facilities and equipment -- saving time and expenses.

Routine Maintenance: Routine maintenance includes the day-to-day ordinary repairs of buildings and equipment, such as:

. responding to resident requests when items are not functioning correctly;

. making minor repairs to facilities, systems and equipment; and

. replacing component parts of systems and equipment.

Non-routine Maintenance: This entails the replacement or improvement of a building structure, its basic systems or major equipment. It also includes "emergency maintenance" -- any potentially dangerous problem that needs immediate attention, such as sewerage system back-ups and electrical blackouts.
PART II: INSPECTIONS

Regular inspections keep maintenance staff in touch with the property. They also serve a valuable preventive function by identifying problems before major damage results. This section describes several types of inspections.

6.4 ROUTINE INSPECTIONS

Scheduling: The IHA maintenance staff must inspect units and grounds on a regular basis to ensure that housing remains decent, safe and sanitary. HUD does not require any particular frequency of inspections. However, to ensure that units are properly maintained, the IHA may want to inspect:

- every rental property at least annually; and
- homebuyer units annually in the first few years, but less frequently as the homebuyer demonstrates the ability to maintain the property.

Notice to Residents: All residents must be given notice, in accordance with the lease or agreement, before the IHA enters the unit for inspection. Residents must be given the opportunity to be present during any inspection of the unit. Residents should always be given a written report of the inspection findings.

Follow-Up: All inspections which identify deficiencies require follow-up.

- For rental units, any finding should be referred to the appropriate IHA maintenance staff for correction.
- For ownership housing, some deficiencies will be referred to the maintenance staff (such as non-routine maintenance in Turnkey III properties), but most findings should be communicated to the homebuyer in writing. The IHA should conduct a follow-up inspection to ensure that the homebuyer has corrected the deficiencies.

The IHA should record the completion of follow-up activities on work order forms. The work order system helps the IHA document work performed. (For more information on implementing a work order system, see Section 6.8.)

6.5 WARRANTY INSPECTIONS

Many items in IHA housing are under warranty. The IHA should take steps to ensure that any problems during the warranty period are fixed under the warranty.

What the Inspection Does: During the warranty period, the IHA should conduct a warranty inspection of rental housing units to ensure that there are no defects that will become the IHA's responsibility after expiration of the warranty period. (Under the MH program, there are no requirements for warranty inspections by
the IHA -- residents are responsible for notifying the IHA of any warranty problems.)

Timing: Inspections should take place at least once within the first six months of the warranty period and once in time to exercise rights before warranty expiration.

What Is Included: These inspections should cover all items under warranty, including items covered by manufacturers' or suppliers' warranties. At the time of the inspection, the IHA should also obtain a signed statement from the occupants detailing any deficiencies in the structure, equipment or grounds.

Defects: If the inspection reveals any defects for which the contractor, manufacturer or supplier is liable, the IHA is responsible for informing the responsible party of the defect. The IHA should follow-up as necessary until all obligations under the warranty are met.

6.6 MOVE-IN INSPECTIONS

The purpose of a move-in inspection is to ensure that the unit is in satisfactory condition when a new resident moves in.

Timing: The move-in inspection should occur prior to occupancy, as close as possible to the time when the new occupant moves in.

What Is Included: The move-in inspection is a thorough inspection to see that the unit is properly equipped with working appliances, and that both the interior and exterior are in good repair.

Who Participates in the Inspection: The inspection should be conducted by the IHA maintenance staff. Homebuyers must accompany the inspector. Rental residents are encouraged to participate. If the resident is participating in a housing counseling program, the counselor might also be present. An inspection record must be prepared by the IHA and maintained in the resident's file. Homebuyers must sign the inspection record.

Approval: A unit should not be approved for occupancy unless it is properly equipped with appliances that are in good working order and the exterior and interior are in good repair.

6.7 MOVE-OUT INSPECTIONS

The Inspection and Form: All units should be inspected by IHA staff following moveout. If possible, the outgoing resident should participate in the inspection and sign the inspection form. The form should note all necessary repair work. The IHA should use a copy of the inspection report to initiate a service work order.

Timing: The IHA maintenance staff should complete the maintenance work within a reasonable time period. A general standard is three to five working days after a rental unit is vacant and within six weeks of when a homeownership vacancy occurs.
Charges: After the maintenance department completes the work on the unit, the IHA's administrative policies must be followed to issue a charge to the outgoing resident in accordance with maintenance cost schedules and the resident's lease or agreement (see Section 6.10).

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PART III: MAINTENANCE ACTIVITIES

This section describes procedures for the IHA's daily maintenance activities.

6.8 RESPONDING TO CALLS [24 CFR 950.428]

Prioritizing Calls: The maintenance policy must establish baseline standards for responding to calls from residents. Obviously, every call does not deserve the same degree of attention -- for example, a stopped toilet is more pressing than a dripping faucet. However, every call does deserve prompt attention.

Work Order System: The IHA must establish a system for taking and recording calls, prioritizing them and responding. This is usually achieved through a work order system.

Work order forms are important tools for documenting, tracking and prioritizing work. Staff likely should make it a habit to record all work on work order forms.

Intake: The maintenance policy must specify where and how maintenance requests should be made during normal business hours and after-hours. Each request should be recorded and tracked until the needed work has been successfully completed.

When maintenance staff members in the field receive requests for help, they generally may refer residents to the intake office.

Staff may also be authorized to generate a work order on-site. For example, if the maintenance worker has travelled 100 miles to the site, it makes sense to complete the work immediately. However, accepting on-site requests should generally be discouraged because it can conflict with effective scheduling of maintenance staff.
Scheduling: Each day, work orders should be ranked in order of priority. Each maintenance worker will be assigned a number of cases (in addition to other scheduled ongoing tasks).

Residents should be informed of the date and time the maintenance worker is expected.

As new work orders come in during the day, they should be evaluated and referred to maintenance workers as appropriate -- for example, emergencies may be referred immediately, while other requests may not be referred until the next day.

Completing Work Orders: Maintenance staff should take a copy of the work order form to the site. When work has been completed, staff should enter a description of the work on the form, sign the form and, if possible, have it signed by the resident.

Response Times: The maintenance policy should establish some basic standards for response times. For example:

- 4-8 hours for emergencies,
- 1-2 days for non-emergency maintenance, and
- a general ceiling of one week (for example: all work orders should be executed and signed within one week from the time they were first received by maintenance staff).

In setting these standards, the IHA should consider staff capacity and their need to complete other ongoing maintenance tasks.

6.9 PERFORMING PREVENTIVE MAINTENANCE AND RESPONDING TO INSPECTION FINDINGS AND EMERGENCIES

Not all maintenance work is requested by the resident. Some of it is scheduled as preventive maintenance, and sometimes emergencies arise.

When the Resident Has Not Requested the Work: The maintenance policy should spell out procedures for entering homes and performing maintenance work when the work has not been requested by the resident.

When maintenance staff identifies a need for maintenance work, the nature of the work should be noted on a work order form. The resident should be informed of the work and told when maintenance staff will be present. The resident should also be given the chance to be present. When work has been completed, the work order form should be completed and signed by the maintenance worker and, if possible, by the resident.

Emergencies: In extreme emergencies, notifying the resident may be impossible. The maintenance policy should provide guidelines for entering a unit without resident notification. It should state circumstances that constitute an extreme emergency, and outline procedures for entering the unit and following-up with the resident.
6.10 RESIDENT-CAUSED MAINTENANCE PROBLEMS

When residents of rental or homeownership properties do not fulfill their maintenance responsibilities, the IHA must take enforcement action.

Enforcing Resident Responsibilities Under the Rental Program: There are procedures to follow when the IHA identifies damage beyond reasonable "wear-and-tear" in a rental unit.

- The IHA should inform the resident in writing of the necessary repairs and a cost estimate.
- After the work is complete, the resident should be billed for the repair. If the cost is substantial, the IHA may establish a repayment schedule.
- If the resident fails to make the required payments or continues to cause significant damage to the unit, the IHA may initiate eviction proceedings. (See Section 4.18 for a discussion of lease enforcement procedures.)

Enforcing the Homebuyer Maintenance Provisions: When a maintenance problem is identified, the IHA must require the homebuyer to agree to a specific plan of action to correct it.

The plan must provide for maintenance work to be performed within a reasonable time. The work must be performed or paid for by the homebuyer. If the IHA does the work, it should be charged to the appropriate homebuyer account. (See Chapter 5 for a discussion of homebuyer accounts.)

If the homebuyer fails to agree to a plan or to carry out the agreed-upon plan, the IHA must terminate the homebuyer agreement.

In cases where there is a condition that threatens the life, health or safety of the homebuyer or there is a risk of damage to the property, the IHA must ensure that repairs are made immediately. If the IHA performs the work, the appropriate homebuyer accounts must be charged for the work done.

Charging Costs to Residents: When the IHA performs work that is the resident's responsibility, the resident must pay the maintenance costs. The IHA's maintenance policy must establish a cost schedule and clearly state the circumstances under which a resident will be required to pay.

- Reasonable cost schedule: The IHA can establish any schedule of costs it determines to be reasonable.

The resident may be held responsible for paying the full costs of the maintenance work, including costs of parts, labor and any overhead expenses, such as transportation.

The IHA may standardize these costs by charging a standard
hourly fee for work, plus costs of parts.

- If the resident cannot or will not pay: If the resident cannot pay for the work, the IHA should work with the resident to establish a repayment plan with affordable monthly payments. A resident's refusal to pay is grounds for eviction.

6.11 TECHNICAL ASSISTANCE TO HOMEBuyERS

Because homebuyers sometimes need extra help learning the new responsibilities of homeownership, a good maintenance program will include some technical assistance (TA) to provide the needed help. The maintenance policy should specify that this assistance is available and establish how it is to be delivered.

Who Gets Assistance? All new homebuyers receive some TA during homeownership counseling. Help can also be provided on an ongoing basis to homeowners who request it. If assistance is available on request, the IHA should make sure to publicize the service to let residents know that it is available.

When Is Assistance Offered? TA could be provided at move-in, as part of inspections and/or on an as-needed basis.

How Is Assistance Provided? TA may be provided by maintenance staff as part of their general duties. Or, the IHA may decide to set up a separate TA staff. The IHA should decide this by evaluating staff capacity and the level of demand for TA services.

PART IV: PROGRAM ADMINISTRATION

A well-run maintenance program takes a number of administrative steps to make the program run smoothly.

6.12 MANAGING THE MAINTENANCE BUDGET

Maintenance represents a large part of the IHA's operating budget. Cost overruns in maintenance affect IHA operations as a whole. Therefore, it is critical that the maintenance program remain within the budget. The maintenance director should monitor the budget on a monthly basis to make sure that the budget is being used as expected.

6.13 SCHEDULING

The maintenance policy should establish a schedule for all major tasks to be completed each year. This schedule will help ensure that all necessary inspections and preventive maintenance take place, and that sufficient time is available to respond to individual calls and emergency needs.

Timeframe: The IHA should schedule for the entire year (in broad
terms). Maintenance staff should also have very specific work schedules on a monthly, weekly and/or daily basis.

Scheduling Considerations: When developing this schedule, the IHA should first list all tasks to be accomplished in a given year. Then, the IHA should establish a schedule, considering the following:

- **Seasonal work:** Many maintenance tasks are performed during the "offseason." For example, heating systems should be inspected, cleaned and repaired during the summer months to ensure smooth operations in the winter. Similarly, several routine tasks are seasonal, such as removing leaves from gutters at the end of the fall season or mowing grass in the summer.

- **Ongoing tasks:** Many routine maintenance tasks can take place year-round, such as inspections and the resulting repairs.

- **Resident calls and emergencies:** Maintenance staff should always have enough flexibility in their schedules to respond to resident calls and emergencies as they occur. The maintenance director should know the general number of calls and emergencies expected on an average weekly basis -- past records may be helpful here -- and set aside the appropriate amount of time in the schedule.

### 6.14 MANAGING EQUIPMENT AND SUPPLIES

A maintenance program involves significant equipment and supplies -- from cleaning supplies, to lawn mowers, to refrigerators. The maintenance policy should outline basic systems for tracking maintenance program inventory.

**Procurement:** All supplies must be procured in accordance with federal regulations. See 24 CFR 950 Subpart B.

**Capitalization [24 CFR 950.160(b)]** IHAs must have a policy/procedure for identifying non-expendable equipment that should be capitalized for budget purposes. Generally, IHAs capitalize non-expendable items with a useful life of more than 12 months. These items must be tracked separately for inventory control purposes and are handled differently from routine expenses in the IHA's financial system.

**Equipment Inventories:** The IHA must perform inventories of all IHA equipment. A good way to do this is to inventory dwelling unit equipment as part of the periodic unit inspection. An inventory involves: 24 CFR Part 85 requires that all equipment owned by the IHA be identified and reconciled with the property records at least every two years.
Registering equipment: Each item of equipment acquired by the IHA should be registered in an inventory record. The record should identify each item by general name, the manufacturer, model number and date of receipt.

Identifying equipment: The IHA must identify all IHA-owned equipment. Generally, this information is stamped or engraved on the equipment.

Keeping inventories current: When an item is installed in an IHA unit, the inventory should be updated to reflect the location and date of installation.

Tracking equipment: When IHA staff takes the equipment from storage, they should fill out an inventory tracking form. This form should state the item of equipment, its model number, the date of installation and the location. Upon equipment installment, the inventory tracking form should be signed by the IHA staff who install the equipment. If possible, the resident should also sign the form. This form should be kept in the inventory file; a copy should be placed in the unit file. If the inventory system is computerized, the relevant information should be entered into the database.

Keeping track of IHA-owned equipment installed in IHA units: During inspections of rental units, the IHA should verify that all IHA-owned equipment is in the unit. The inspector should make sure that all items identified in the unit file are in their correct locations. However, in MH and Turnkey III units, the IHA only needs to inspect equipment to ensure it is in working order. Since the homebuyer is responsible for maintenance of appliances, there is no need for the IHA to maintain an inventory of appliances in the unit. The IHA’s only concern is that there is a working appliance in the unit at all times.

Supply Management: Supply management involves the control and management of frequently used supplies, such as office and cleaning supplies. The IHA may consider tracking supply levels with a system similar to the inventory tracking system described above.

Inventory levels of maintenance and cleaning supplies should be kept in the minimum quantities required for economical and efficient operation of the IHA maintenance program. Generally, inventory supply levels should not exceed:

- a three-month supply of items that are easy to obtain from local commercial sources, and
o a six-month supply of items which can be easily obtained from commercial sources that are not local.

6.15 WAGE RATES FOR MAINTENANCE PERSONNEL

Prevailing Wages [24 CFR 950.120(c)(2)]: Maintenance personnel must not be paid less than prevailing wages in their locality as determined or adopted (after determination under state, tribal or local law) by HUD. The IHA must submit maintenance information on job descriptions, salaries and employment benefits as part of its annual operating budget.

Issuing the Wage Rate: HUD's labor relations office will review the proposed salaries and issue a wage rate that is appropriate to the IHA. That wage rate becomes the one used in the annual operating budget.

6.16 USING OUTSIDE CONTRACTORS

In certain situations, IHAs will find it easier and more cost-effective to hire outside contractors to complete maintenance work. The maintenance policy should outline the circumstances under which outside labor may be contracted. IHAs should refer to the procurement policy for guidance on hiring contractors. (See 24 CFR 950 Subpart B.)

When To Use Contractors:
Contractors may be preferred in several situations. For example, contractors can help with:
- emergency situations,
- work that requires a particular expertise,
- one-time jobs that are not worth training IHA staff, or
- times during which staff has more work than usual.

6.17 MAINTENANCE RECORDS

Good records are helpful planning tools. They can be used to help schedule future work, estimate staff and budgetary needs, and evaluate work plans.

Extent and Method: The extent and method for keeping IHA maintenance records is directly affected by the size of the IHA. For example, larger IHAs may consider automating some or all of their maintenance records. Nevertheless, all IHAs should keep the records listed here.

Record-Keeping Hints
To make record-keeping easier, the IHA should:
- develop standard forms (Exhibit 6-2 lists a number of useful forms),
- maintain records for each unit in a separate unit file,
and

Documents To Keep as Records:      . maintain general records in a project file.
The following documents should be kept by all IHAs to document maintenance work completed:

  . records of all repairs performed in each unit;
  . records of all inspections;
  . records of all warranties for dwelling and/or maintenance equipment; and
  . records to indicate the age and servicing dates for appliances and equipment, including which parts, if any, were replaced.

The record and life expectancy of equipment and appliances serve as a basis for determining when replacement is necessary.

Exhibit 6-2 includes a complete list of maintenance files and forms.

Maintenance Forms: Samples of maintenance forms may be obtained from the area Office of Native American Programs (ONAP).

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Exhibit 6-1

Maintenance Policy Guidelines

The maintenance policy must address the following:

  . residents' responsibilities for normal care of their units and common property (if any);
  . IHA procedures for handling maintenance services requests from residents;
  . procedures for IHA inspections of dwelling units and common property;
  . special arrangements, if any, for obtaining maintenance services from outside workers and contractors; and
  . procedures for charging residents for damages for which they are responsible.

For homeownership units, the policy must also include:

  . procedures for providing advice and technical assistance to homebuyers, to enable them to meet their maintenance responsibilities; and
  . procedures for the IHA to perform homebuyer maintenance responsibilities in cases where the homebuyers fail to
perform these responsibilities. (These must include procedures for charging the homebuyers account for the cost of the work.)

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Exhibit 6-2

Suggested IHA Maintenance Files and Forms

- Resident files: A separate file folder should be used for each dwelling unit. Forms should be filed promptly. This will give a history of the unit and the resident.

- Work order: The work order is the form used to record service requests and work assigned to the IHA maintenance staff. The form should reflect what work has been performed, what materials and supplies were used, the date of the work performed and the charges to the resident, if any. After performing the work, staff should obtain the resident's signature acknowledging that the maintenance was performed acceptably.

There should be four copies of the work order form. One copy should be stored in the unit file, the second given to the resident, the third sent to the accountant for billing purposes (for costs charged to the tenant) and the fourth kept with all other work orders to serve as a complete record of maintenance performed by the IHA.

- Record of maintenance performed: An ongoing record of maintenance performed on each unit can be a very useful tool for the IHA. This record may be a formal ledger showing the maintenance information, or merely a copy of the inspection form showing when the required work was completed. Automated programs are also available.

This record will provide a history of maintenance, which can be very useful in planning future maintenance, designing future developments and determining when a resident needs additional counseling or should be evicted for non-compliance.

- Preventive maintenance schedule: This form describes what work should be performed and its frequency. Homebuyers performing their own preventive maintenance should receive a copy of the form to use as a guide in fulfilling their responsibilities.

- Inspection form: The inspection form should identify each item within and outside the house to be checked for wear, damage or cleanliness. The maintenance staff must be thoroughly trained in its use. The form should document when the deficiencies have been corrected.

- Notice of inspection: This is a letter/form sent to a resident family to notify them of an upcoming scheduled inspection. It is important for a resident to be present during inspections. The maintenance staff member assigned to make the inspection should follow-up to ensure that some responsible party will be home at the scheduled time. If this is impossible, another time may be scheduled. This form should be prepared in duplicate, with a copy retained in the unit file.
Notice of inspection results: Results are reported to residents in the form of a letter. The results and any corrective actions required should be described in detail. If a compliance agreement is called for, the form can be used for this purpose. In this case, the form should be hand-delivered to the resident to obtain a signature acknowledging the compliance agreement. This form is prepared in duplicate, with a copy retained in the unit file.