



Department of Housing and Urban Development Public and Indian Housing

Special Attention:

Public Housing Hub Directors, Public Housing Program Center Coordinators, Director, Recovery and Prevention Corps, Office of Fair Housing and Equal Opportunity Directors, Headquarters Office of Administration & Budget/Chief Financial Officer, Procurement and Headquarters Procurement and Contracting Division, Denver Field Contracting Operations, Philadelphia Field Contracting Operations, Atlanta Field Contracting Operations, and Public Housing Agencies (PHA)

Notice PIH 2005-33 (HA)

Issued: October 25, 2005

Expires: October 31, 2006

Cross References:

24 CFR Part 985 and HUD's Intra-net website at:
<http://hudatwork.hud.gov/po/p/semmap>

Subject: Reissuance of Section Eight Management Assessment Program (SEMAP) Guidance to HUD Field Offices Assisting SEMAP Troubled, Near-Troubled and Non-Troubled PHAs

- **Purpose** This Notice reissues Notice PIH 2004-16 and provides guidance for Hub Directors and Program Center Coordinators to follow in assisting Public Housing Agencies (PHAs) determined troubled or non-troubled under the Section Eight Management Assessment Program (SEMAP) for the Housing Choice Voucher Program.

This Notice enhances the previous guidance as follows:

- Modifies the timelines for completing initial on-site assessments of troubled performers to 180 calendar days where the assessment is completed using existing staff resources and 180 calendar days when using contractor assistance.
- Removes previous restrictions and permits Hubs and Program Centers to request contractor assistance for the completion of initial on-site assessments of troubled, near-troubled and non-troubled PHAs that have significant management deficiencies. Contractors that are completing initial on-site assessments may also assist PHAs in developing viable SEMAP Corrective Action Plans (CAPs), review PIC 50058 processing methodologies and PHA compliance with regulatory Quality Control (QC) tenant file sample reviews.
- Revises the Quality Control/Remote Monitoring strategy to be consistent with PIH Management Plan goals.
- Modifies the location of the internal HUDATWORK website that contains vendor listings, this Notice and the forms needed to complete a procurement request.
- Deletes the procurement option to utilize the Recovery and Prevention Corps Indefinite Quantity Contracts (IQCs) as they are no longer viable.
- Requires notification to the Office of Fair Housing and Equal Opportunity (FHEO) when a troubled or non-troubled PHA fails SEMAP Indicator G (Expanding Housing Opportunities).

2. Applicability

- A. This Notice is for use by Hub Directors and Program Center Coordinators for reviewing PHA SEMAP performance certifications, assessing, modifying or withholding SEMAP performance designations, responding to PHA appeals, conducting remote and on-site quality control (QC) reviews and confirmatory reviews, following up with PHAs on deficient indicators, and reviewing, approving and monitoring completion of PHA corrective action plans.

- B. This Notice also provides guidance to the Office of Field Operations, Hub Directors and Program Center Coordinators that plan to use contract services to assist them in providing assessment and on-site technical assistance to PHAs involving program training and performance monitoring pursuant to HUD-approved PHA CAPs.
3. **Using the Guidance in this Notice** This Notice provides information about the SEMAP process and flow of events for the five (5) basic phases in the SEMAP process. These phases are (1) PHA certification and rating, including PHAs that fail to submit a certification; (2) field office modification of PHA certifications or withholding scores or performance designations; (3) PHA appeals; (4) PHAs designated non-troubled (including those PHAs that received “zero” ratings in one or more SEMAP indicators and other non-troubled PHAs that have serious management issues of non-compliance); and (5) PHAs designated SEMAP troubled. In accordance with this Notice and to better assist troubled and non-troubled PHAs, Hub Directors and Program Center Coordinators may either provide direct technical assistance to the PHA, request assistance from the RPC or request approval to provide technical assistance to the PHA using contract services.
4. **SEMAP Regulations** SEMAP regulations (24 CFR Part 985) can be found on the PIH web site at <http://www.hud.gov/offices/pih/programs/hcv/semap>. Hub and Program Center staff may also refer to <http://hudatwork.hud.gov/po/p/semap> for use in developing procurement requests.
5. **PHA Certification and Rating** In accordance with SEMAP regulations, all PHAs, unless otherwise excused, must complete and submit their SEMAP certifications electronically using the Public and Indian Housing Information Center’s (PIC) SEMAP module for all applicable indicators within 60 calendar days following the PHA’s Fiscal Year End (FYE).

PHAs with fiscal years ending in the first four quarters following the effective date of the final rule, Deregulation of Small PHAs, 24 CFR Parts 902, 903 and 985, published June 24, 2003, were not to be evaluated under SEMAP for that fiscal year. PHAs with fiscal years ending September 30, 2003, were the first group of PHAs exempted from SEMAP, followed by PHAs with fiscal years ending December 31, 2003, March 31, 2004 and June 30, 2004.

Hub and Program Center staff should use the PIC SEMAP module to ensure that PHAs in their jurisdictions submit their SEMAP certifications in PIC SEMAP. Generally, PIC SEMAP will not be re-opened to permit PHAs to submit information once the 60-calendar day cut-off date has been reached. The system cut-off date is the end of the 60th calendar day following the end of the PHA’s fiscal year end. In accordance with the SEMAP regulations, PHAs that did not submit their certifications within 60 calendar days after FYE are rated troubled. Following the system cut-off date, HUD will run an overnight batch process resulting in a SEMAP profile for all PHAs that certified timely to HUD and a “zero” profile for all those PHAs that failed to submit their SEMAP certification to HUD.

If a Hub or Program Center is aware of an administrative error on the part of the PHA, or a system functionality issue that is preventing the submission of the PHA’s certification,

the Hub or Program Center must work with the PHA, PIH's Information Services Division (ISD) and PICHELP to ensure that the PHA's certification is received by HUD in a timely manner. The telephone number for ISD is (202) 475-8742 and the telephone number for PICHELP is (800)-366-6827.

Listed below are the special rules regarding the certification requirements for **small** PHAs and PHAs that are operating "**limited**" or "**systemic**" Moving-to-Work (MTW) Demonstration Programs.

- Small PHAs that are designated troubled must certify annually using PIC SEMAP.
- Small PHAs, which are not troubled, and have fiscal years ending September 30, 2003, December 31, 2003, March 31, 2004 and June 30, 2004, are not rated under SEMAP, unless these PHAs elected to submit their certification to HUD.
- Small PHAs, unless exempt as noted above, will be assessed biennially for all indicators that apply. Regardless, small PHAs may elect to be assessed annually.
- Small PHAs with less than one full year of program operations must certify using PIC SEMAP for all indicators that apply. However, these PHAs are not rated at all.
- PHAs participating in the MTW Demonstration program must certify using either a "paper" certification or PIC SEMAP in accordance with their MTW Agreements and as follows:
 - PHAs in the Moving to Work (MTW) Demonstration whose entire housing voucher programs have been converted to the MTW demonstration (i.e., that have "**systemic**" MTW programs) must submit a "paper" SEMAP certification form HUD-52648, and certify to their performance on all SEMAP indicators unless their MTW Agreement specifically states that they are exempt from reporting on all or selected SEMAP indicators. If appropriate, the PHA should explain why certain indicators do not apply based upon the components of its MTW program.
 - PHAs with only a **limited** number of voucher program families participating in their MTW demonstrations, must comply with all regular SEMAP requirements for the non-MTW portion of their programs and must submit their SEMAP certifications electronically for their regular voucher program (excluding the MTW portion). These PHAs will be rated as usual under SEMAP for the non-MTW portion of their regular voucher program that remains subject to all of the parts 982 and 984 program rules. PIC SEMAP uses MTCS data, for the MTCS-verified SEMAP indicators, from form HUD-50058 family reports entered in MTCS and not marked MTW. PHAs with only a **limited** number of voucher program families participating in their MTW demonstrations **must also submit a separate "paper" SEMAP certification form for the MTW portion of their program.** If appropriate, the PHA should explain

why certain SEMAP indicators do not apply based upon the components of its MTW program.

- PHAs that have MTW programs must submit their paper SEMAP certifications for MTW to the HUD field office and must provide a copy to the Headquarters PIH Office of Public Housing Investments, Room 4130, that administers MTW. Although MTW PHAs must certify as to their performance under SEMAP, they will not be rated under SEMAP for MTW.

6. **Profile Modification** The SEMAP regulation permits the use of several tools that Hub Directors and Program Center Coordinators may use to modify PHA certifications or withhold SEMAP scores and performance designations.

Hub Directors and Program Center Coordinators may, during the profile assessment and rating phase or anytime during the current fiscal year, modify or withhold the overall performance rating based on one or more of the following conditions:

- PHAs are automatically designated troubled if they do not certify; or
- PHAs may be subject to a rating modification regarding indicators 1 through 7 and the Deconcentration Bonus based on the latest IPA audit (regardless of the year completed), field management review, RIM review, OIG audit or on-site SEMAP confirmatory review. Hub and Program Center staff should determine whether the audit report identifies any indicator-specific deficiencies and modify the score as warranted. A PHA's score may be modified due to an OIG or independent audit, field management review, or other factor impacting one or more SEMAP indicators, such as litigation. Should a PHA become troubled as a result of such action, the PHA will be subject to the requirements noted above regarding troubled PHAs; or,
- PHAs may be subject to having their SEMAP score or performance designation withheld based on litigation or any other circumstances having a direct bearing on a PHA's SEMAP indicators.

If the rating is modified or withheld for any of these reasons, the Hub Director or Program Center Coordinator must inform the PHA in writing of the reasons for modifying or withholding the PHA's SEMAP rating.

Hub Directors and Program Center Coordinators must complete the assessment and rating phase, approve the profiles, and issue notification letters to PHAs not later than **120 calendar days** after the PHA's FYE.

7. **Appeals** A PHA may appeal its overall SEMAP rating via PIC SEMAP to the Hub or Program Center, within **30 calendar days** after the date of the notification letter of its SEMAP score and performance designation. PHAs that failed to submit their SEMAP certifications to HUD, as required under HUD regulations, may not appeal their troubled

designations except where it can be sufficiently demonstrated that HUD was at fault, contributed to, or prevented the PHA from certifying. Other PHAs may appeal to the Hub Director or Program Center Coordinator only if a successful appeal would result in a change in the overall SEMAP rating and performance designation (from troubled to standard, or high performer) as opposed to differences in point values. PHAs must provide reasons and justification for the appeal. Hub Directors and Program Center Coordinators must accept or deny the appeals and notify the PHAs within **30 calendar days** following the date of the PHA appeal letter. The SEMAP score and designation are final unless or until changed by HUD.

A PHA, after exhausting its right to appeal to the Hub or Program Center, may also appeal to the Assistant Secretary for Public and Indian Housing, under the same conditions noted above if submitted within **30 calendar days** following the date of the Hub or Program Center denial letters. Headquarters will make a final determination regarding the appeal generally within 30 calendar days from the date of the PHA's letter and will inform the Hub Director or Program Center Coordinator of the final determination. The Hub or Program Center must promptly update PIC SEMAP and notify the PHA of the final determination within **10 calendar days** following the date of Headquarters' letter.

8. **Non-Troubled PHAs** The notification letter must require all non-troubled PHAs to correct all SEMAP deficiencies with "zero" ratings within **45 calendar days**. PHAs must also provide written notification to Hub Directors or Program Center Coordinators describing the status of the deficiencies and corrective actions taken.

When a non-troubled PHA fails SEMAP Indicator G (Expanding Housing Opportunities), the Hub or Program Center must notify the local Office of Fair Housing and Equal Opportunity (FHOO) and advise them of this deficiency.

Hub Directors and Program Center Coordinators may require, where warranted, non-troubled PHAs, including "near-troubled" PHAs with SEMAP scores between 60 and 67, that do not correct all SEMAP deficiencies during the 45 calendar day period following notification to submit a corrective action plan that complies with 24 CFR Part 985.107 within 30 calendar days following the date of the notification letter from the Hub or Program Center.

Where the Hub or Program Center requires a non-troubled PHA to develop a CAP and where the non-troubled PHA fails SEMAP Indicator G, the Hub or Program Center must notify local FHOO authorities.

9. **Troubled PHAs** If a PHA is designated troubled, including those PHAs that have been designated troubled due to non-submission of their SEMAP certification, the Hub or Program Center must conduct an on-site review to determine the magnitude and seriousness of the PHA's non-compliance with housing voucher program rules and specific SEMAP performance requirements. The Hub or Program Center may also

partner with or make arrangements with the RPC to conduct the on-site review on behalf of the Hub or Program Center. The Hub or Program Center may also, pursuant to the instructions contained in this Notice, submit a procurement request for contractor assistance.

The Hub or Program Center must provide the PHA with a written report of findings and recommendations for correction within **180 calendar days** following score notification. If a contractor has been tasked to complete the on-site assessment, the Hub or Program Center must provide the PHA with a written report of finding and recommendations for correction within the same period of **180 calendar days** following score notification. The report should contain a review of the overall housing choice voucher program, a thorough review of each of the SEMAP indicators or problem areas listed as deficient, a determination of the apparent reasons for the deficiencies and recommend strategies for improvement. The PHA must use the report to develop its corrective action plan.

When a troubled PHA fails SEMAP Indicator G (Expanding Housing Opportunities), the Hub or Program Center must notify local FHEO authorities and advise them of this deficiency.

The corrective action plan must comply with 24 CFR Part 985.107 and must be submitted to the Hub or Program Center for review and approval within **30 calendar days** following the date of notification letter of the on-site review results. It is recommended that PHAs work closely with HUD officials in developing a complete and effective CAP that can be quickly approved and implemented. Hubs and Program Centers must review the corrective action plans within **30 calendar days** following the date of the PHA submission. This should afford the PHA adequate time to implement the needed corrective actions prior to the end of the third SEMAP reporting period.

In some cases, the Hub or Program Center may be relieved from conducting an on-site review of a troubled PHA if:

- The Hub or Program Center or Recovery and Prevention Corps conducted a management review within one year from the date the PHA was designated troubled that identified deficiencies and identified corrective actions to resolve the current deficiencies; or
- Other information that satisfies the Hub or Program Center that the resulting deficiencies are minor in nature and relatively easy to monitor and correct remotely such as a PHA's failure to submit its SEMAP certification or failure to meet the MTCS reporting requirements.

Hubs and Program Centers may continue to conduct remote reviews of small troubled PHAs where the deficiencies are easily and quickly diagnosed or where the Hub or Program Center is aware of a particular problem such as the untimely death or resignation

of an executive director, etc. or some unforeseeable event that has a direct bearing on the PHA's ability to certify using PIC SEMAP.

Once a PHA has been determined troubled, it will **remain troubled until the Hub or Program Center or RPC formally removes the PHA's troubled designation** and notifies the PHA of its new performance designation. In order to formally remove the PHA's troubled designation and before changing a PHA's subsequent annual overall performance rating from troubled to a higher performance rating pursuant to corrective actions the PHA has undertaken, Hub or Program Center or RPC staff must conduct a final on-site confirmatory review to ensure that appropriate program improvement has occurred. **A PHA that failed to submit its SEMAP certification will remain troubled for the full fiscal year and all required actions that apply to troubled PHAs will also apply to these PHAs.**

10. Technical Assistance for Troubled and Near-Troubled PHAs

Hubs and Program Centers may elect to provide direct technical assistance to the PHA using existing staff resources or request contractor assistance using one of the following:

- 8(a) procurement;
- GSA schedule procurement; or an
- Open Market procurement

The Headquarters assigned Government Technical Representative (GTR) in Procurement and Contract Services will provide on-going coordination and technical assistance to the Hubs and Program Centers and will share responsibility with the field GTM for monitoring contractor performance. The GTR will maintain the task and purchase order files, prepare forms necessary to reserve appropriate funds, prepare periodic and quarterly reports, and perform contract closeout. The GTR will work with the Hubs and Program Centers and the Field Contracting Offices in Denver, Philadelphia, and Atlanta to issue the task/purchase orders that have been approved by PIH on a case-by-case basis.

Hubs and Program Centers may use contractors to assist the Hubs and Program centers to complete the initial on-site assessments to determine the seriousness and magnitude of program deficiencies, recommend strategic solutions and assist the PHAs in developing viable CAPs. Hubs and Program Centers may also use contractors to assist the PHAs in the implementation of approved CAPs or other technical assistance as needed. Hub and Program Center staff should be sure to work closely with PHAs needing assistance to ensure that HUD's as well as the PHA's needs, as contained in Statements of Work (SOW), are adequately met.

Hubs and Program Centers will need to refer to <http://hudatwork.hud.gov/po/p/semaph> in order to use or modify the sample Statements of Work (SOW) and other procurement related forms that are contained on this website to describe the specific work to be completed at each PHA or series of PHAs by the contractors. It is understood that PHAs

designated SEMAP troubled or non-troubled but with significant housing choice voucher program management deficiencies will require different levels of contractor effort due to size, complexity, the number of indicators failed, differences in the magnitude and seriousness of the deficiencies, and the extent of assistance identified at each PHA. Hubs and Program Centers, in developing their procurement requests, will have the flexibility to make these determinations.

Those Hubs or Program Centers that do not have at least one qualified GTM will need to delegate this responsibility to one or more individual(s). **PIH recommends that all specialist staff working directly with PHAs be assigned GTM responsibilities.** This is simply too much work to merely be assigned to a single individual or an individual that is not directly connected to or working with the troubled or non-troubled PHAs, including near-troubled PHAs with SEMAP scores between 60 and 67 percent, that will be receiving this assistance. The individual(s), if they did not attend the PIH training sessions offered during 2002 must complete the on-line course in order to become a designated GTM. The Office of the Chief Procurement Officer (OCPO) maintains a listing of qualified GTMs on its website (<http://hudatwork.hud.gov/po/arc/arcafe.htm>) and the Field Contracting Offices refer to the web listing to ensure that a qualified GTM will be available to oversee the awarded contract.

11. Corrective Action Plans (CAPs)

CAP are generally defined in 24 CFR Part 985.107. Corrective action plans should be developed by the PHAs based on the results of the on-site review. In approving PHA CAPs, Hubs and Program Centers should consider the nature and extent of the program and indicator failures identified during the on-site review, and whether the action items or the term proposed by the PHA in its CAP, will result in a satisfactory performance rating within the allotted recovery period. See the sample corrective action plan format that has been provided in Appendix 1 on page 15.

The intent of the CAP, regardless of the format used, is to map out a comprehensive strategy to effectively address the identified SEMAP and other housing choice voucher program deficiencies. For this example, the PHA scored a “0” for this indicator and does not have, in place, a viable policy or practice for making effective Rent Reasonableness determinations. The sample plan includes a sample strategy that assigns specific key tasks to particular individuals that must be completed by a specific date and result in a deliverable that can be verified and tested by both the PHA and HUD during regular program monitoring.

Hub and Program Center staff must monitor PHA performance during the term of the CAP and may also rely upon regular reporting and supporting documentation provided under the plan by the PHA or by the contractor that is providing technical assistance. Hubs and Program Centers should review the PHA or contractor monthly reports for accuracy, acceptability, and confirm the progress or lack of progress and should regularly consult directly with the PHA and/or the contractor as needed regarding the information

received. If necessary, the HUB and Program Center should recommend alternatives or modifications as may be required concerning the particular CAP item and/or the reporting strategy.

There may be instances where the PHA, Hub, Program Center or RPC may, in conjunction with their monitoring responsibilities, need to amend or update a CAP in order to accomplish the goals and resolve the deficiencies. Corrective action plans should be viewed as “living” documents that may need to be amended from time to time.

HUD may take further enforcement action against the PHA if it does not correct identified SEMAP deficiencies or prepare and implement a viable corrective action plan, where required, or demonstrate sufficient program improvement by the third SEMAP reporting cycle. HUD may determine that these actions constitute a default under the Annual Contributions Contract (ACC). Enforcement action by HUD may include a transfer of the troubled PHA’s housing choice voucher program to another PHA, or HUD may solicit bids from contractors to manage the PHA’s troubled housing choice voucher program.

In some cases, the Hub or Program Center may either partner with the RPC or make arrangements with the RPC to conduct a final confirmatory review on behalf of the Hub or Program Center. In limited cases, Hubs or Program Centers may conduct remote confirmatory reviews if the documentation provided by the PHA conclusively establishes that the remedial actions undertaken were effective and will result in a higher performance designation. This responsibility however, may not be performed by a contractor. The confirmatory review requirement does not apply to ratings that have been successfully appealed.

12. Quality Control/Remote Monitoring

In order to ensure the reliability of indicator ratings that are derived from PHA self-certification and for conducting remote reviews, Hubs and Program Centers, consistent with the PIH Management Plan, must perform quality control (QC) reviews of those PHAs that have been identified as managing 20 percent of HUD’s funding and 5 percent of the remaining PHAs that are outside of the Management Plan goal. Hubs and Program Centers must select a random sample of the PHA’s supporting quality control file documentation for SEMAP Indicators: 1 (Selection from the Waiting List), 2 (Rent Reasonableness), 3 (Adjusted Income), 5 (HQS Quality Control Inspections) and 6 (HQS Enforcement). HUBs and Program Centers must request file documentation that confirms:

- Quality Control (QC) samples were taken in an unbiased manner in a size meeting at least the minimum level required by Section 985.2;
- The methodology of the quality control testing reflected the SEMAP indicator criteria being tested; and
- The PHA’s certification is consistent with the QC sample results.

As noted in Section 985.3, "The method for selecting the PHA's quality control sample under paragraphs (a), (b), (c), (e) and (f) of Section 985.3 must leave a clear audit trail that can be used to verify that the PHA's quality control sample was drawn in an unbiased manner." PHAs need not submit detailed file-by-file documentation. Summary and example information should suffice along with the list of files sampled.

The HUB or Program Center's request for this supporting documentation should, in addition to Management Plan goals, be automatically completed during an on-site or remote assessment of a troubled performer. SEMAP scores may be changed, as appropriate, as a result of the review as described in 985.103(d).

13. Procurement of Vendor Assistance

Hubs and Program Centers may request the use of contractors to assist in providing remedial program assistance to SEMAP troubled, near-troubled PHAs with SEMAP scores between 60 and 67 and non-troubled PHAs that have been found to be in serious non-compliance with HUD regulations.

Once approved by PIH, Hubs and Program Centers will be able to use the Statements of Work and other procurement related documents contained on HUD's internal website <http://hudatwork.hud.gov/po/p/semmap>, to develop their procurement packages pursuant to the methodologies explained below. It is essential that Hubs and Program Centers quickly review their contracting needs to provide substantive assistance to the identified PHAs as timely as possible to permit PHAs the maximum opportunity to improve their programs within the allotted time.

Hubs and Program Centers seeking contractor assistance must prepare the procurement documents noted below and may request assistance from the Housing Voucher Management and Operations Division, Field Contracting Offices (Denver, Philadelphia and Atlanta) and the Headquarters assigned GTR in completing the appropriate forms. The same document package will be used for requesting **all** contracting work regardless of the contracting method used (8(a), GSA or Open-Market). The primary difference will be the contracting method used, the recommended contractor selection sources, the estimated dollar value of the proposed work, and the degree of competition that varies according to the method used.

Hubs and Program Centers will need to prepare the following documents (all of which are contained on <http://hudatwork.hud.gov/po/p/semmap>) and transmit the draft procurement requests via email to larry_r._tipton@hud.gov in the Housing Voucher Management and Operations Division for preliminary review. Upon approval, two copies of the final procurement requests, including all attachments, must be transmitted in duplicate to the U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 4210, Washington, DC 20410 to the attention of Larry Tipton, Housing Program Specialist, via Fed-X or other suitable method for delivery to the Headquarters assigned GTR for processing.

The order of documents should be as follows:

- **Form HUD 720: Request for Contract Services (Appendix 2)**
- **Statements of Work:** There are two sample SOW formats on the website. The first (**Appendix 3a**) can be used “as-is” or can be further modified as needed to incorporate local and/or PHA needs for the on-site assessment, development of a written report of findings and recommendations and to assist the PHA in developing a CAP. The second SOW (**Appendix 3b**) can be used “as-is” or can be further modified as needed to incorporate local and/or PHA needs for technical assistance and/or training. **Note: *Field offices should discuss the development of SOWs with the PHAs that will be receiving assistance and take into consideration any recommendations, consistent with the scope of the SOW, that the PHA may offer regarding task development.***
- **Selection of Contract Method and Recommended Source(s) Appendix 4:** *(Do not mix the contract methods. There are different competition requirements that pertain to each method.) Note: **Field GTMs, in developing SOWs and researching potential contractors, should contact the contractor(s) to ensure that the correct contact information remains valid. If the contractor information provided is no longer valid or has been changed, please contact Larry Tipton in the Housing Voucher Management and Operations Division.*** The selection factors have already been incorporated into Appendix 4. The Hub or Program Center or the HQ GTR may need to modify the factors or the order of factors depending upon the contractual method used. **Note: *(In the case of single source 8(a) selections, the Hubs or Program Centers must include a brief written justification for selecting the particular contractor. Hubs and Program Centers may use the space provided in Appendix 4 or may submit a separate justification that is attached to the procurement request package.)***
- **Government Cost Estimate, Appendix 5:** *(Field offices, in preparing government cost estimates should, using the format provided, project the estimated costs for the work that is needed. It may be helpful, in applying the formula, to break the costs down according to the tasks listed in the SOW and determine a cost for each identified task)*

Procurement Methods

Hubs and Program Centers may use the following contracting methods, including the use of contractors on the 8(a), GSA and Open-Market lists. The SEMAP Vendor Listing located at <http://hudatwork.hud.gov/po/p/semap>, provides Hubs and Program Centers with a comprehensive listing of available contractors who have responded to HUD’s request for qualifications. Contractors who responded to the request were asked to submit a one-page capability statement that described their experience and capabilities regarding the housing choice voucher program including any SEMAP assessment and

remediation experience. PIH will periodically update the Vendor Listing to ensure that the information contained on the website is up to date and is accurate.

Using the website, Hub Directors, Program Center Coordinators and their assigned field GTMs will be able to review the contractor's capabilities, determine the appropriate procurement method, consult with the Housing Voucher Management and Operations Division or the Headquarters assigned GTR regarding the competition requirements for the particular vehicle, and complete the procurement package documents outlined above. Hub and Program Center staff may also use the above website to contact individual contractors to request more detailed information regarding their experience or confirm whether the contractor is 8(a), GSA, or open-market.

8(a) Procurements

When selecting an 8(a) contractor, it is important to note that requests for contract services using this method are not competed and are single-sourced. As noted earlier in this Notice, Hubs and Program Centers will need to refer to the Vendor Listing of 8(a) firms and their capabilities and will need to select the firm from which they wish to receive a proposal (see Appendix 4). The rationale for selecting a contractor using this source must be documented using either the space provided on Appendix 4 or a separate memorandum that describes the reasons for selection (experience, proximity to the work, capability and availability) of this contractor as the most appropriate source.

GSA Procurements

Hubs and Program Centers may also select contractors from the GSA schedule list that is contained on the website. It is HUD policy that requests for contract services using the GSA schedules be competed among at least three small business contractors. Consideration and preference must be given to small, woman-owned small, and small disadvantaged business schedule contractors. All of the contractors listed meet one or more of these requirements. Similarly, Hubs and Program Centers will need to refer to the Vendor Listing of GSA firms and their capabilities and will need to list three firms from which they wish to receive proposals (see Appendix 4).

Open-Market Procurements

Hubs and Program Centers may also select contractors from the open-market list. For purposes of this program, open-market procurements should be limited to \$100,000 or less. Purchases under \$100,000 are automatically set-aside for small business and are awarded using simplified acquisition procedures.

Requests for open market contract services not exceeding \$25,000, must be competed among at least three contractors. As above, Hubs and Program Centers will need to refer to the Vendor Listing of open-market contractors and their capabilities and will need to list the three contractors from which they wish to receive proposals (see Appendix 4).

The Field Contracting Officer must publicize requests for any contract services exceeding \$25,000, using FedBizOpps. As a result of advertising the requests, HUD may receive more than three proposals. Any and all responses that are received using this procurement method will need to be evaluated by the GTM in consultation with the Headquarters assigned GTR on the basis established in the SOW.

In all cases, Hubs and Program Centers should provide contractors with up-front estimates of the level of effort that would be required for completion. For example, the SOW should contain references to and copies of all relevant documentation (copies of OIG or other audits, management reviews, RIM reviews, SEMAP scoring information, etc.). Appendix 4 should clearly define the level of effort that will be required (one person or a team of full or part-time persons for one or more weeks or months) and may also, limit the number of pages or length of the proposals that will be reviewed by Hubs and Program Centers prior to making contractor selection recommendations to the Headquarters assigned GTR.

Hubs and Program Centers may also access OCPO's web-based Contract Café at <http://hudatwork.hud.gov/po/arc/arcafe.htm> to obtain specific information or additional training instructions regarding Government Technical Representative and Government Technical Monitor responsibilities.

If you have any questions concerning this notice, you may contact Larry Tipton in the Housing Voucher Management and Operations Division by email at larry_r.tipton@hud.gov or by telephone at (202) 708-0477, ext. 4153 respectively.

/s/

Paula O. Blunt, General Deputy Assistant Secretary
Office of Public and Indian Housing

Appendix 1 – Sample Corrective Action Plan (CAP)

SAMPLE CORRECTIVE ACTION PLAN							
Action Plan Item	Program Deficiency	Resources Needed (FO HUD or TA Funding)	Key Tasks to be completed	Completion Target Date	Completion Date (actual)	PHA or HUD Lead Person(s) Accountable For Action Item Completion	Deliverable
2	Rent Reasonableness	FO, M. Smith	Develop and adopt Rent Reasonableness Policy to comply w/HUD regulations	June 15, 2002		J. Evans, Housing Program Analyst	Copy of Board Approved New Rent Reasonableness Policy
			Develop implementation procedures for staff to follow	August 30, 2002	September 20, 2002	J. Evans, Housing Program Analyst	Copy of implementation procedures
			Develop Database for maintaining comparative rental information for various unit sizes and areas within the City	September 30, 2002	October 25, 2002	T. Collins, Programmer and J. Evans, Housing Program Analyst	Completed database
		TA Funding support from HUD	Provide rent reasonableness training to staff			HUD	Training completed
		HUD and/or Contractor	Full implementation and testing of newly developed rent reasonableness policy			H. Smith, Housing Choice Voucher Program Director & HUD Monitor	HUD and/or contractor testing report

**U.S. Department of Housing
and Urban Development**
Office of Administration

Concurrences/Approvals

Small Business Set-Aside Determination

Appendix 3a

(Statement of
Work for On-Site Assessment Assistance)

STATEMENT OF WORK
INDEPENDENT ASSESSMENT OF HOUSING CHOICE VOUCHER PROGRAM
SEMAP DEFICIENCIES, REPORT OF FINDINGS, AND DEVELOPMENT of a SEMAP
CORRECTIVE ACTION PLAN FOR THE
“anytown” PUBLIC HOUSING AGENCY

1.0 Introduction

The United States Department of Housing and Urban Development (HUD) is required, in accordance with HUD regulations, to annually assesses each PHA's performance under the Section Eight Management Assessment Program (SEMAP). HUD annually assigns a SEMAP score and overall performance rating for each PHA. When a PHA has been assigned an overall rating of troubled, HUD Field Offices must conduct an on-site review of the PHA's Housing Choice Voucher Program in order to assess the magnitude and seriousness of the PHA's noncompliance with HUD regulations and SEMAP performance requirements.

HUD has developed the PIH Information Center (PIC) as its primary reporting medium for PHAs. PIC is a web-enabled integrated system consisting of eight modules and twenty submodules. PIC has more than 11,000 registered users at the PHA and 1,000 PIH staff users. PIC is a 2-way communication system with reports submitted by PHAs and the assessment or response to those reports provided by HUD staff within the same system.

The score achieved by the PHA is based on both self-reported data and data from HUD data systems. PHAs are required, in accordance with HUD regulations to certify their performance annually under the Housing Choice Voucher Program (HCVP) using the PIC SEMAP submodule. The certification is combined in PIC SEMAP with data from other sources such as PIC submodules and the HUDCAPS accounting system to determine the score. A PHA with a score of less than 60 percent is designated as Troubled.

PHAs are also required to transmit Family Reports (Form HUD-50058) concerning the demographics and other information for all households participating in their Housing Choice Voucher Program. The PHA uploads this data into the PIC Form 50058 Submission submodule. In order to receive full points under SEMAP, a PHA must submit a required percentage of Family Reports. The current minimum required reporting rate is 85 percent of all households; the minimum will increase to 95 percent beginning in December of 2005. A maximum of five indicators are scored based on data recorded on the HUD-50058 that is submitted into PIC.

The Troubled PHA, and in some cases a near-troubled PHA, must develop a Corrective Action Plan (CAP) for HUD review and approval and HUD must continue to monitor the PHA's progress to ensure the performance targets contained in the CAP are met and that the PHA will be

able to attain a satisfactory SEMAP rating by the third SEMAP reporting cycle. A PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan may be determined by HUD to constitute a default under the Annual Contributions Contract (ACC).

In accomplishing these tasks, HUD field offices may use the services of outside contractors to conduct on-site reviews of PHAs that have been designated troubled, near-troubled or non-troubled but have significant management and operational deficiencies that result in systemic deficiencies, issues, or failures under the Housing Choice Voucher program.

2.0 Background

The PHA administers a Housing Choice Voucher program that includes approximately ... units. The PHA was initially placed on HUD's SEMAP troubled list, or is near-troubled or is non-troubled but has significant management deficiencies that adversely impact the PHA's Housing Choice Voucher program. The PHA's SEMAP score for the Fiscal Year Ending (FYE) is ..., attached. Based on the SEMAP score achieved, the PHA is designated a SEMAP troubled, near-troubled or non-troubled performer. (Field offices must indicate the performance designation of the PHA. **Note:** (If there are other relevant management reviews, confirmatory reviews, OIG audits, independent audits, litigation, etc. the Field office should provide a brief summary of each and provide the contractor with a copy of the report to place the contractor in a better position to bid on the work that will be required.)

3.0 General Requirements

HUD requires the services of an outside Contractor to:

- Conduct an on-site review of the PHA's Housing Choice Voucher Program and provide a written report to HUD describing its findings and recommendations for corrective action. and;
- Assist the PHA in developing a viable SEMAP Corrective Action Plan to address the program deficiencies described in the written report and as approved by HUD.

The Contractor shall provide the necessary personnel and resources to meet the deadlines established by this SOW and for the tasks specified. **Note:** (Field Offices will need to determine the level of effort and staffing needs [a one person job or a team of persons job] for each procurement or group of procurements sought.) This information is contained on the "Selection of Contract Vehicle and Sources" Form contained on the Website. See Attachment 4, <http://hudatwork.hud.gov/po/p/semmap>.

The Contractor shall attend, as directed, one or more meetings as needed at HUD Headquarters or a selected HUD Field Office site (HUB or Program Center), for the purposes of discussing the scope of this Task Order.

4.0 Specific Requirements

The Contractor shall arrange and pay for all logistics, scheduling aspects, and hotel and travel facilities as needed to complete this work and fulfill this Task Order and shall make prudent use of transportation methods for personnel site visit travel to include automobile reimbursement, rail or air travel.

5.0 Scope of Work

Task A: On-Site Review

Pursuant to specific regulatory requirements contained in 24 CFR Part 985.107, the objective of this task is to conduct an on-site review of the PHA's SEMAP performance under the Housing Choice Voucher Program to determine the magnitude and seriousness of the PHA's non-compliance with applicable HUD regulations and prepare a written report of findings that also contains specific recommendations for program improvement.

The Contractor shall:

A1 Not later than **fifteen (15) working days** after approval of the final Technical Assistance Plan (TAP) as agreed to by the field office and the contractor, Contractor shall be on-site to begin providing on-site technical assistance. **(Field offices should be aware that solicited contractors will provide a draft Technical Assistance Plan for field review in response to the SOW. The draft TAP will include the contractor's strategy for accomplishing the work requested, a cost proposal and timeline that will be reviewed by the GTM during the contractor selection process. Field offices, following the award of a contract, may require modifications or changes to the draft TAP. Once contractor has provided and HUD has approved a final TAP, all parties will be able to establish a firm starting date.)**

A2 Specifically review the following SEMAP requirements: **(Field offices, after consulting with their PHAs, decide which indicators or whether all SEMAP indicators listed below are to be reviewed by contractor during the on-site review. Field offices should delete the indicators that are not to be reviewed and may add additional tasks as needed to improve program delivery.)**

- **Indicator A : Selection from the Waiting List { 24 CFR 982.54(d) and 982.204 (a) }**
The PHA's policy and actual practices on selection of applicants from the waiting list and the method of maintaining the waiting list including local preferences, as applicable.
- **Indicator B: Reasonable Rent { 24 CFR 982.4, 982.54(d) (15), 982.158 (f) (7), 982.507 }** Rent Reasonableness data and written method of verifying comparable rents charged on the private unassisted market or rent charged by the owner for comparable assisted or unassisted units in buildings or premises. This shall include application at the time of initial leasing, before any increase in the rent to owner and at the HAP contract anniversary if there is a 5% decrease in the published Fair Market Rent and includes comparisons based on size, type, quality, age, amenities, housing services, maintenance and utilities.
- **Indicator C: Determination of Adjusted Income { 24 CFR 982.516, 24CFR Part 5 Subpart F }** The method of obtaining and using third party verifications at admission and

annual re-certifications, including the timeliness of annual re-exams, the method used for error prevention in tenant rent calculations and determination of adjusted income.

- **Indicator D: Utility Allowance Schedule { 24 CFR 982.517 }** The process for reviewing, updating and adjusting the utility allowances.
- **Indicator E: Housing Quality Standards (HQS) Quality Control Inspections { 24CFR 982.405(b) }** The process for conducting and tracking HQS quality control inspections.
- **Indicator F: HQS Enforcement { 24 CFR 982.404 }** The methods for enforcing the HQS requirements and policies and procedures for abatement of HAP payments and contract terminations.
- **Indicator G: Expanding Housing Opportunities { 24CFR 982.54(d)(5), 982.153, 982.301(a), 983.301(b)(4) and (b)(12) }** The policy on expanding housing opportunities and de-concentration.
- **Indicator H: Deconcentration Bonus** The method and system to track the percentage of tenant based voucher program families with children who live in and who have moved during the PHA's fiscal year to low poverty census tracts in the PHA's principle area of operation.
- **Indicator I: Payment Standards { 24 CFR 982. 503 }** The method and timeliness of adopting a payment standard schedule that establishes voucher payment standard amounts by unit size for each FMR area in the PHA's jurisdiction.
- **Indicator J: Annual Re-examinations { 24 CFR 982. Part 516 }** The policy and actual practices for initiating and conducting annual re-examinations of all participant families. This shall include the verification process and procedures.
- **Indicator K: Correct Tenant Rent Calculations { 24 CFR 982 Subpart K }** The method and accuracy of determining Tenant Rent calculations.
- **Indicator L: Pre-contract Housing Quality Standards (HQS) inspections { 24 CFR 982.305 }** The methods, processes and procedures between the PHA ,the inspector and the landlords for scheduling pre-contract inspections that include the notification procedures for inspections and follow-up inspections, re-scheduling of initial inspections for acceptable reasons, timeliness of inspections, and the current status of pre-contract HQS inspections and follow-up re-inspections.
- **Indicator M: Annual HQS Inspections { 24 CFR 982. 405 (a) }** The current status of on-time HQS annual inspections and follow-up re-inspections. This shall include an analysis of practices and procedures for scheduling, conducting and reporting results between the inspector and the PHA.
- **Indicator N: Lease Up { Revisions to SEMAP Lease-Up Indicator, 24 CFR Part 985.3(n) published in the Federal Register, Vol. 66, No. 190, October 1, 2001 }** Whether The PHA enters into HAP contracts for at least 95% of the number of units under ACC or whether the PHA enters into HAP contracts for at least 95% of the available annual budget authority.
- **Indicator O: Family Self Sufficiency (FSS), Enrollment, Escrow { 24 CFR 984.105, 984.305 }** The PHA has enrolled families in FSS as required: (a)The number of mandatory FSS slots or the number of FSS slots under a HUD-approved exception, (b) the number of FSS families currently enrolled, and (c) the number (initial PHA) of families who have moved under portability and whose program assistance is administered

by another PHA and the percent of FSS slots filled (b + c divided by a). And, the PHA has made progress in supporting FSS as measured by the percent of currently enrolled FSS families with escrow account balances.

A3 In addition to the specific SEMAP indicators noted above, the Contractor shall include in the review and written report an assessment of the PHA's preparation and submission of the 50058 family information reports and information to determine whether the PHA is properly collecting, recording and providing correct tenant program information to HUD.

A4 The Contractor shall review the PHA's quality control sampling methodology used in the preparation of its SEMAP certification. This shall include a reasonable sample of the PHA's supporting quality control file documentation for Indicators: 1 (Selection from the Waiting List), 2 (Rent Reasonableness), 3 (Adjusted Income), 5 (HQS Quality Control Inspections) and 6 (HQS Enforcement) and confirm that the PHA's quality control samples:

- Were taken in an unbiased manner in a size meeting at least the minimum levels required by Section 985.2;
- The methodology employed by the PHA in its quality control testing reflected the SEMAP indicator criteria being tested; and,
- The certification is consistent with the results obtained through the QC sample.

A5 The Contractor shall prepare a written report that summarizes the results of the on-site review, the nature of and the causes of the identified deficiencies as well as the magnitude and seriousness of the program deficiencies identified in the PHA's scoring report. The report shall evaluate the PHA's performance on each indicator reviewed based on documentation obtained from the review and the SEMAP criteria established by HUD.

A6 The report will include but will not be limited to:

- Objectives and methodology of the assessments;
- Overall conclusions on assessment results;
- Observations and recommendations on SEMAP requirements;
- Recommendations for operational improvements relative to SEMAP;
- Recommendations for any needed revisions, additions or deletions to the administrative plan, procedures and systems that must be implemented in order to improve the Housing Choice Voucher Program and the PHA's SEMAP scores; and
- Recommendations and strategies for improvement in SEMAP scores.

Deliverable:

The Contractor shall complete the on-site review and prepare and submit a draft comprehensive report (items A2 through A6) for review and approval by the HUD GTR/GTM not later than **10 working days** following the first site visit. In addition to the above, this report shall identify policy requirements versus actual practices and shall provide recommendations for correcting identified deficiencies for regulatory compliance and sound business practices that

will allow maximum points for SEMAP by the end of the third SEMAP reporting cycle. The Contractor shall also provide a copy of the draft report to the PHA for comment (the PHA should provide its comments directly to the contractor within 5 working days to ensure the PHA's comments are taken into account and included in the draft and final report). The Contractor shall provide its final report, incorporating the PHA's and HUD's comments and suggestions to the HUD GTR/GTM within 5 working days following HUD approval of the draft report.

Task B: Corrective Action Plan

B1 The Contractor shall provide technical assistance to the troubled PHA and assist the PHA to develop a viable Corrective Action Plan pursuant to 24 CFR, Part 985.107. The goal of the Corrective Action Plan will be to address each of the aforementioned SEMAP deficiencies as identified in the scoring report, the on-site review report and to improve overall, the PHA's Housing Choice Voucher Program administration, operations and service delivery.

B2 The Corrective Action Plan, in addition to the requirements noted above, shall include specific remedial action items, staff accountability assignments, and date-specific program deliverables that will result in the accomplishment of the action items and bring the PHA into full compliance with SEMAP by the end of the third SEMAP rating period.

B3 Contractor shall assist the PHA in developing a tracking and monitoring system for incorporation into the Corrective Action Plan that will allow the PHA and HUD to track and monitor the progress of all Corrective Action Plan activities and improvements relative to the SEMAP indicators.

Deliverable

The Contractor shall assist the PHA to prepare a final PHA approved SEMAP Corrective Action Plan that addresses each of the deficiencies cited in the final report of findings and that contains a tracking and monitoring system. The Contractor shall deliver the PHA's Corrective Action Plan for review and approval by the HUD GTR/GTM not later than 30 working days following completion and acceptance of the Final On-Site Review Report.

6.0 Monthly Billings, Monthly, Weekly or Bi-Weekly Reports and Final Exit Report

The Contractor shall submit timely monthly billings, monthly, weekly or bi-weekly narrative reports and a final exit report that includes recommendations for further improvements as needed to the GTR/GTM not later than five (5) working days following the month in which the work occurred. The narrative reports shall describe the status and progress regarding each of the elements of the Corrective Action Plan.

The narrative reports shall identify significant problems or concerns as well as their causes, the need for specific HUD action or intervention, describe the likely impact of the issue on the successful completion of the task(s), and/or corrective action(s) and the effect that such corrective action(s) may have on the accomplishment of the contract objectives/tasks.

The monthly billings must include an itemized listing of staff responsibilities and costs pursuant to the tasks detailed in this Statement of Work. Monthly billings that are incomplete or lacking sufficient detail will be returned unpaid to the contractor pending correction or additional information.

7.0 Deductions for Untimely or Unacceptable Performance

The GTR and GTM will review the Contractor's deliverable submissions within 10 business days of receipt for acceptability. If the Contractor is not notified within 20 working days of unacceptability, the Contractor may assume the deliverable is acceptable. The GTR and GTM will also review the deliverables for timely submission in accordance with the contract requirements. For any deliverable submitted untimely, the Contractor shall be assessed a deduction of 3% of the contract price for each day of delay. HUD may take other remedies for deliverables that are deemed unacceptable, including re-performance.

8.0 Applicable Directives

The Contractor shall adhere to all current and subsequent revisions of HUD regulations including, but not limited to the following, statutes, regulations, and other directives in the performance of this contract, as cited in paragraph 7.0, Performance Requirements:

- 24 CFR , Sections 888, 982, 983, 984 and 985
- Form HUD 52648 (8/2000) SEMAP Certification
- All relevant HUD Notices/Directives/Handbooks
- All other pertinent Federal, state and local laws

9.0 Period of performance

The total period of performance for this Task Order shall not exceed ____ weeks/months from date of Task Order award. (field offices will need to determine the appropriate period of performance, taking into account any unforeseen delays that may result.)

Appendix 3b
(Statement of Work for Technical Assistance, Training, etc.)

STATEMENT OF WORK
IMPLEMENTATION OF HUD APPROVED CORRECTIVE ACTION PLAN,
TRAINING AND ON-SITE TECHNICAL ASSISTANCE FOR THE
“anytown” PUBLIC HOUSING AGENCY

1. Introduction

The United States Department of Housing and Urban Development (HUD) is required, in accordance with HUD regulations at 24 Code of Federal Regulations (CFR) Part 985, to assess annually each PHA's performance under the Housing Choice Voucher Program (HCVP) and Section Eight Management Assessment Program (SEMAP) and must assign annually each PHA a SEMAP score and overall performance rating. When a PHA has been assigned an overall rating of troubled, certain statutory and regulatory requirements go into effect. For example, HUD Field Offices must conduct an on-site review of the PHA's Housing Choice Voucher Program in order to assess the magnitude and seriousness of the PHA's noncompliance with HUD regulations and SEMAP performance requirements.

HUD has developed the PIH Information Center (PIC) as its primary reporting medium for PHAs. PIC is a web-enabled integrated system consisting of eight modules and twenty submodules. PIC has more than 11,000 registered users at the PHA and 1,000 PIH staff users. PIC is a 2-way communication system with reports submitted by PHAs and the assessment or response to those reports provided by HUD staff within the same system.

The score achieved by the PHA is based on both self-reported data and data from HUD data systems. PHAs, unless otherwise excused, are required, in accordance with HUD regulations to certify their performance annually under the Housing Choice Voucher Program (HCVP) using the PIC SEMAP submodule. The certification is combined in PIC SEMAP with data from other sources such as PIC submodules and the HUDCAPS accounting system to determine the score. A PHA with a score of less than 60 percent is designated as Troubled.

PHAs are also required to transmit Family Reports (Form HUD-50058) concerning the demographics and other information for all households participating in their Housing Choice Voucher Program. The PHA uploads this data into the PIC Form 50058 Submission submodule. In order to receive full points under SEMAP, a PHA must submit a required percentage of Family Reports. The current minimum required reporting rate is 85 percent of all households; the minimum will increase to 95 percent beginning in December of 2005. A maximum of five indicators are scored based on data recorded on the HUD-50058 that is submitted into PIC.

The Troubled PHA, and in some cases a near-troubled PHA or a PHA with significant management deficiencies, must develop a Corrective Action Plan (CAP) for HUD review and

approval and HUD must continue to monitor the PHA's progress to ensure the performance targets contained in the HUD approved CAP are met and that the PHA will be able to attain a satisfactory SEMAP rating by the end of the third SEMAP reporting cycle. A PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a CAP may be determined by HUD to constitute a default under the Annual Contributions Contract (ACC).

2. Background

The PHA administers a Housing Choice Voucher program that includes approximately ... voucher units. The PHA is SEMAP troubled or near-troubled with significant management deficiencies that impact the PHA's operation and administration of the Housing Choice Voucher Program. The PHA's SEMAP score for the FYE ... is ..., attached. Based on the SEMAP score achieved, the PHA is designated a SEMAP troubled or near-troubled performer. Copies of the results of the on-site review and the HUD approved Corrective Action Plan (CAP) are attached for the Contractors' information, review and use in developing a work plan and cost proposal for review by HUD that will assist the PHA in meeting the target tasks in the CAP. **Note:** *If there are other relevant management reviews, confirmatory reviews, OIG audits, independent audit reports, litigation etc. field offices should provide a brief summary of each and provide copies of the relevant documents to place the contractor in a better position to bid on the work that will be required.)*

3. General Requirements

HUD requires the services of an outside Contractor to:

- Provide assistance to the PHA in its implementation of the CAP, provide staff development and programmatic training and provide on-site technical assistance to the SEMAP troubled or near troubled PHA as defined in this Task Order.
- The Contractor shall provide the necessary personnel and resources to meet the deadlines established by the CAP and this SOW and for the tasks specified. **Note:** *(Field offices will need to determine the level of effort and staffing needs (a one person job or a team of persons job) for each procurement or group of procurements sought.) This information is also contained on the "Selection of Contract Vehicle and Sources" Form contained on the Website. See Attachment 4, <http://hudatwork.hud.gov/po/p/semap>.*
- The Contractor shall attend, as directed, one or more meetings as needed at HUD Headquarters or a selected HUD Field Office site (HUB or Program Center), for the purposes of discussing the scope of this Task Order and to reach a mutual understanding of the work requirements.

4. Specific Requirements

The Contractor shall be responsible for arranging all logistics, scheduling aspects, and hotel and travel facilities as needed to fulfill this Task Order and shall make prudent use of transportation methods for personnel site visit travel to include automobile reimbursement, rail, or air travel.

5. Scope of Work/Required Tasks

1. The Contractor shall provide expert technical assistance and programmatic training to the PHA's executive and management staff and other PHA line staff in implementing the HUD-approved Corrective Action Plan and shall participate, interact and collaborate with HUD, PHA staff, residents, property owners/agents and others as needed, in order to successfully complete the HUD-approved Corrective Action Plan.
2. Not later than **fifteen (15) working days or other agreed upon date** after approval of the final Technical Assistance Plan (TAP) as agreed to by the Hub or Program Center and the Contractor, the Contractor shall be on-site to begin providing on-site technical assistance.
Note: *(Field offices should be aware that solicited contractors will provide a draft Technical Assistance Plan for field review in response to the SOW. The draft TAP will include the contractor's strategy for accomplishing the work requested, a cost proposal and timeline that will be reviewed by the GTM during the contractor selection process. Field offices, after selecting a contractor and TAP may also require modification or changes to the draft TAP in order to complete the approved CAP and overall recovery. Once contractor has provided and HUD has approved a final TAP, all parties will be able to establish a firm start date.)*
3. The Contractor shall provide on-site technical assistance to the SEMAP troubled PHA to assist the PHA in implementing the recommendations contained in the on-site review report and the HUD-approved PHA Corrective Action Plan. The work to be performed under this task includes, but is not limited to, the following:
 - a. Assisting the PHA in completing any needed revisions, additions or deletions to the administrative plan, other PHA policies, or procedures and systems improvements, including the implementation of tracking mechanisms for measuring improvement and progress in meeting targeted deadlines and the accomplishment of program deliverables as specified in the HUD approved Corrective Action Plan and as otherwise requested from the Contractor.
 - b. Providing training to the Housing Choice Voucher Program staff to facilitate the accomplishment of the SEMAP Corrective Action Plan and carry out the action items and overall improvements to the Housing Choice Voucher Program.
1. In addition to the specific SEMAP indicators noted above, the Contractor shall include a written assessment report PHA's preparation and submission of the 50058 family information reports. **(This activity should not be duplicated if this was completed during an on-site assessment of the PHA.)**

5. The Contractor shall review the PHA's quality control sampling methodology used in the preparation of its SEMAP certification to ensure PHA compliance with 24 CFR Part 985.2, paragraphs (a), (b), (c), (e) and (f). This shall include a reasonable sample of the PHA's supporting quality control file documentation for the SEMAP indicators that require the PHA to conduct tenant file samples. (This activity should not be duplicated if this was completed during an on-site assessment of the PHA.)
6. The Contractor shall ensure that the PHA has developed and has in place a tracking and monitoring system for tracking and monitoring its progress in completing its HUD approved CAP and that the PHA actively tracks its periodic progress and accomplishments for all SEMAP indicators.
7. The Contractor shall prepare and assemble a final comprehensive, written report that details the PHA's recovery and CAP accomplishment.

Deliverables:

1. The Contractor shall be on site not later than fifteen (15) working days or other agreed upon date following approval of the final Technical Assistance Plan (TAP) by the GTR, GTM and Contracting Officer to begin providing expert technical assistance and programmatic training to the PHA's executive and management staff and other PHA line staff in implementing the HUD-approved Corrective Action Plan. The Contractor shall actively participate, interact and collaborate with HUD, PHA staff, residents, property owners/agents and others as needed, in order to successfully complete the HUD-approved Corrective Action Plan.
2. The Contractor shall submit, via email, (weekly, bi-weekly or monthly as decided by the GTM) narrative reports to the GTR, GTM, and Contracting Officer not later than the fifth working day following the period in which the work occurred. The reports shall detail the PHA's overall corrective action and recovery progress, including the following:
 - a. Detail and describe the PHA's status and progress regarding each of the program elements of the Corrective Action Plan.
 - b. Identify significant problems or concerns as well as their causes, the need for specific HUD action or intervention, describe the likely impact of the issue on the successful completion of the proposed task(s), and proposed corrective action(s), and the effect that such corrective action(s) may have, on the accomplishment of the HUD approved Corrective Action Plan and the contract objectives/tasks.
 - c. The Contractor shall submit advance drafts for review by the GTR, GTM and Contracting Officer of all needed revisions, additions or deletions to the administrative plan, other PHA policies, or procedures and system improvements, including tracking mechanisms or systems for measuring improvement and progress in meeting targeted deadlines and program deliverables as specified in the HUD approved CAP and any subsequently approved enhancements by HUD.
 - d. The Contractor shall submit advance drafts for review by the GTR, GTM and Contracting Officer of all training items and materials that will be provided to

PHA executive, management and/or PHA line staff in conjunction with CAP task item accomplishment or implementation activities.

3. The Contractor shall provide a written assessment of the PHA's preparation and submission of 50058 family information reports that includes a determination of whether the PHA is regularly and systematically collecting, recording and providing correct and up-to-date tenant program information to HUD. (This activity should not be duplicated if this was completed during an on-site assessment of the PHA.)
4. The Contractor shall provide a written assessment of the PHA's quality control sampling methodology used in the preparation of its SEMAP certification or that should be used in future certifications. This shall include a reasonable sample of the PHA's supporting quality control file documentation for Indicators: 1 (Selection from the Waiting List), 2 (Rent Reasonableness), 3 (Adjusted Income), 5 (HQS Quality Control Inspections) and 6 (HQS Enforcement) and confirm that the PHA's quality control samples:
 - a. Were taken in an unbiased manner in a size meeting at least the minimum levels required by Section 985.2;
 - b. The methodology employed by the PHA in its quality control testing reflected the SEMAP indicator criteria being tested; and,
 - c. The certification is consistent with the results obtained through the QC sample. (This activity should not be duplicated if this was completed during an on-site assessment of the PHA.)
5. The Contractor shall provide a written assessment of the PHA's tracking and monitoring system for tracking and monitoring its progress in completing its HUD approved CAP and a determination whether the PHA actively tracks its periodic progress and accomplishments for all SEMAP indicators and that its certifications are accurately based on verifiable results obtained through tenant file sampling.
6. The Contractor shall deliver a final comprehensive, written report to the HUD GTR, GTM, and the Contracting Officer, no more than 10 working days (or as otherwise agreed by the GTR, GTM and Contracting Officer) following completion of the work. In addition to the above, the final report shall include the following:
 - a. Summarize the PHA's program accomplishments pursuant to the HUD approved Corrective Action Plan;
 - b. Include a projection of the PHA's improved SEMAP performance and likely score;
 - c. Identify any policy requirements versus actual practices that need to be resolved and any additional recommendations for further correcting the previously identified deficiencies for improving regulatory compliance and establishing sound business practices that will allow maximum points for SEMAP.

6. Monthly Billings

The Contractor shall submit a monthly invoice to the GTR and GTM not later than five working days following the month in which the work occurred. The invoice shall be for the fixed monthly price identified in the pricing schedule. The GTR and GTM will review the narrative reports, invoice and the deliverables for the time period to ascertain if any deductions are due for unacceptable or untimely performance.

7. Deductions for Untimely or Unacceptable Performance

The GTR and GTM will review the Contractor's deliverable submissions within 10 business days of receipt for acceptability. If the Contractor is not notified within 20 working days of unacceptability, the Contractor may assume the deliverable is acceptable. The GTR and GTM will also review the deliverables for timely submission in accordance with the contract requirements. For any deliverable submitted untimely, the Contractor shall be assessed a deduction of 3% of the contract price for each day of delay. HUD may take other remedies for deliverables that are deemed unacceptable, including re-performance.

8. Applicable Directives

The Contractor shall adhere to all current and subsequent revisions of HUD regulations including, but not limited to the following, statutes, regulations, and other directives in the performance of this contract, as cited in paragraph 7.0, Performance Requirements:

- 24 CFR , Sections 888, 982, 983, 984 and 985
- Form HUD 52648 (8/2000) SEMAP Certification
- All relevant HUD Notices/Directives/Handbooks
- All other pertinent Federal, state and local laws.

9. Period of Performance

The total period of performance for this contract shall be _____ weeks/months from date of award of Task Order. Field offices must decide the appropriate period by which contractor must complete all activities, including final invoices and final products and reports taking into account any unforeseen delays that may result. The period should be expressed in weeks/months from date of award of Task Order.

Appendix 4
Selection of Contract Method and Source(s)

Memorandum For: Gail Robertson , Director
Office of Procurement and Contracting Services (PCS)

From: ...Director, ... Office of Public Housing

Subject: Selection of Contract Vehicle and Sources

- (1) Pursuant to the attached Statement of Work, the contract method to be used for this procurement action shall be:

_____ The PIH Small Business IQC (*not available at this time*)

_____ Listing of 8(a) Socially/Economically Disadvantaged Businesses
(Identify the best source and provide justification as detailed in this notice)

_____ GSA Schedule (*Identify 3 sources for competition*)

_____ Open Market (This method should not be used if the work exceeds \$100,000). (*Identify 3 best sources for competition*) If the estimated amount of the work exceeds \$25,000, the requirement will be publicized by the Field Contracting Officer.

- (2) Please solicit proposals from the following contractors:

1. Name
Address
Telephone, Fax and e-mail for each contractor
2. Name
Address
Telephone, Fax and e-mail for each contractor
3. Name
Address

Telephone, Fax and e-mail for each contractor

(3) Level of Effort: The sources solicited should be notified that the estimated Level of Effort required to perform this work is:

Labor Category: (Assessment, Report, CAP or TA tasks)

Labor Hours:

(4) Proposal Instructions and Evaluation Factors:

Interested contractors should submit three (3) copies of their written approach to complete the requirements listed in the SOW to the GTR for distribution to the Contracting Officer and the Field assigned GTM. The written approach is limited to not more than twelve (12) pages (or the number of pages decided by the field office), excluding resumes, that specifically addresses each of the following selection criteria. **Note:** *(Due to the nature of the contract vehicle being utilized the GTR may need to modify the evaluation criteria. If so, the GTR will notify the GTM of any changes made):*

- Contractor's availability to undertake the work requested
- Contractor's technical assistance plan, cost proposal and timeline for meeting the objectives of the Statement of Work
- Contractor's Key person qualifications where relevant
- Contractor's past performance (Contractor's capability and experience in undertaking and accomplishing similar work as requested under the Statement of Work)
- Contractor's capacity to perform the work requested

Appendix 5

Sample Government Cost Estimate

Direct Labor Costs (Contractor)

Task No. 1

(i.e. 1 person @ 25 hours @ \$80/hr.= \$2,000)

Task No. 2

(i.e. 1 person @ 25 hours @ \$80/hr.= \$2,000)

Task No. 3

(i.e. 1 person @ 90 days/720 hrs. [720 hours] @ \$80/hr. = \$57,600)

Total Direct Labor Costs (Add the total task costs)	\$ 61,600.00
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Total Overhead & Fringe Benefits

(50% of direct labor cost of \$61,600 equals \$30,800)	30,800.00
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Sub-Total	\$ 92,400.00
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Other Direct Costs

Transportation Costs	5,000.00
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Per Diem (\$40.00/day or whatever the appropriate rate)	3,600.00
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Lodging (\$140/day or whatever the appropriate rate)	12,600.00
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Equipment/Material Costs (if appropriate)	300.00
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Other Direct Costs (postage, copying, duplicating)	500.00
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Rental Car (Rental car costs @ \$35.00/day for 90 days)	3,150.00
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Sub-Total	\$ 117,550.00
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Indirect Costs

General & Administrative Costs (G&A @ 12% of \$117,550=)	14,106.00
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Sub-Total	131,656.00
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Fee/Profit (8% of \$131,656.00 = 10,532.00)	10,532.00
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Sub-Total	\$142,188.00
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Grand Total Government Cost Estimate	<u>\$142,188.00</u>
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