



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

February 27, 2023

Dear Tribal Leader:

I am writing to provide important information on your Tribe's Indian Housing Block Grant (IHBG) formula allocation for Fiscal Year (FY) 2023. HUD provides this information annually to Tribes and their Tribally Designated Housing Entity (TDHE). The following documents are available on-line at: <https://ihbgformula.com/final-allocation-forms-fy-2023/>

- FY 2023 IHBG Allocation and Formula Data Sheets
- FY 2022 IHBG Correction/Challenge Log: May 19, 2022, to February 13, 2023

The total IHBG appropriation for FY 2023 is \$787,000,000 pursuant to the Consolidated Appropriations Act, 2023 (Public Law 117-328, signed December 29, 2022).

The FY 2023 allocations are based on an appropriation of \$787,000,000 to be distributed through the IHBG formula, plus \$7,506,382.36 in carry-over funds, plus \$19,540,540.42 collected pursuant to the Undisbursed Funds Factor (UDFF), plus \$1,531,329 in repayments collected in FY 2023, after allocation adjustments.

The **IHBG Allocation and Formula Data sheets** contain your Tribe's FY 2023 final formula allocation and the data used in its calculation. Also, included on these sheets are any repayments and allocation adjustments collected or paid in the current fiscal year for over-funding or under-funding in prior fiscal years.

Please note that if your Tribe has entered into one or more repayment agreements with the U.S. Department of Housing and Urban Development (HUD), your total repayment amount will be shown on your Tribe's FY 2023 IHBG Allocation and Formula Data sheet and will be automatically deducted from your Tribe's allocation. It is not necessary to manually deduct this amount from the published allocations. If your Tribe has agreed to a lump-sum repayment using previous year allocations or other funds, the amount will not appear on your Tribe's FY 2023 IHBG Allocation and Formula Data sheet.

The Need component of the formula was calculated using single-race and multi-race Census data. The amount of each Tribe's allocation was the greater of the two pursuant to the Consolidated Appropriations Act, 2023. The Needs section of your Tribe's IHBG Allocation and Formula Data sheet indicates which data was used to determine your Tribe's FY 2023 IHBG allocation.

Data on the enclosed IHBG Allocation and Formula Data sheets should reflect Census challenges submitted to HUD before March 30, 2022, and other data corrections submitted to HUD before August 1, 2022. If your Tribe/TDHE submitted any corrections or challenges meeting these deadlines, you should have received a written response from HUD informing you of HUD's decision. Please review HUD's response along with the enclosed data to ensure that changes are incorporated.

The FY 2023 formula allocations incorporate minimum needs funding for Tribes that have previously participated in the IHBG program. In accordance with 24 CFR § 1000.328, Tribes receiving less than \$200,000 under the Formula Current Assisted Stock component of the formula and that demonstrate the presence of any households at or below 80 percent of median income are eligible to receive the minimum allocation in any fiscal year under the IHBG Needs component. The minimum funding will equal 0.007826 percent of the available appropriations for that fiscal year after set asides. In the FY 2023 final allocation, this amount is \$61,591.

In addition, 24 CFR § 1000.329 establishes a minimum allocation. In accordance with the minimum allocation provision, HUD will hold the lesser amount of \$3 million or available carry-over funds for additional allocations to Tribes with grant allocations of less than 0.011547 percent of that year's appropriations. For purposes of this section, carry-over funds means grant funds voluntarily returned to the formula or not accepted by Tribes in a fiscal year. In FY 2023, \$3 million in eligible carry-over is available. However, this was not enough to increase all eligible Tribes to a minimum allocation of \$90,875 (0.011547 percent of this fiscal year's appropriations). The regulations at 24 CFR § 1000.329 specify that if the set-aside carry-over funds are insufficient to fund all eligible Tribes at 0.011547 percent of that fiscal year's appropriations, the minimum total allocation shall be reduced to an amount which can be fully funded with carry-over funds. The minimum allocation adjustment is reflected on your Tribe's Allocation and Formula Data sheet.

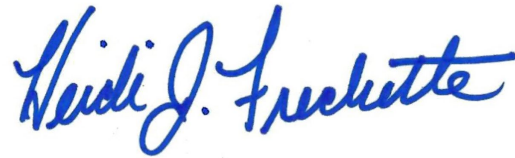
24 CFR § 1000.342 establishes an Undisbursed Funds Factor (UDFF) in the formula. The UDFF provides allocation formula calculations specific to Tribes with an initial allocation of \$5 million or more, and with undisbursed IHBG funds in the Line of Credit Control System (LOCCS) on October 1st in an amount greater than the sum of the prior three years' initial allocation calculations. In FY 2023, one Tribe was subject to UDFF in the amount of \$19,540,540.42, which will be redistributed among all the other Tribes in proportion to their Needs allocation.

A listing of all correction and challenge requests processed between May 19, 2022, to February 13, 2023, can be found on the enclosed **FY 2023 Correction/Challenge Log**. A log of actions taken between April 16, 2022, and May 18, 2022, was transmitted along with your Tribe's FY 2023 Formula Response Form in June 2022.

HUD's Office of Native American Programs looks forward to continuing its work with Tribes/TDHEs on this important program in FY 2023. If you have any questions or comments, please contact the IHBG Formula Customer Service Center at 1-800-410-8808 or ihbgformula@firstpic.org. **Please note the recent change of mailing address to the IHBG Formula Customer Service Center:**

IHBG Formula Customer Service Center
101 Ridgely Avenue
Suite 10
Annapolis, MD 21401

Sincerely,



Heidi J. Frechette
Deputy Assistant Secretary
for Native American Programs

Enclosures