



Impact Fund Administrator Training

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Impact Fund Team



Our Mission: The Core Purpose

Housing is foundational to a full life and a thriving state, so we equitably collaborate with individuals, communities and partners to create, preserve and finance housing that is affordable.

- 46 Proposals funded - \$67 million
- This funding will create or preserve 587 affordable homeownership opportunities
- New funding activity – School Direct Costs



1. Contracts
2. Procedural Manual
3. Forms, Disbursements, and Reporting
4. Prevailing Wage
5. Monitoring and Compliance
6. Your Role as Administrator
7. Questions



Contracts

Amanda Hedlund | Single Family RFP Manager

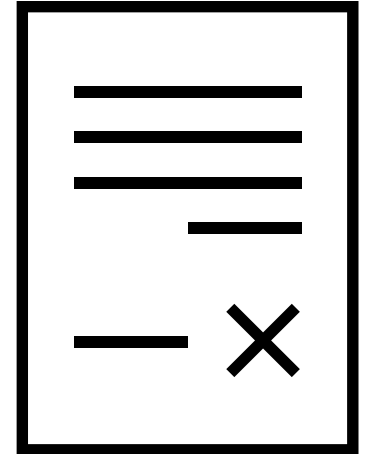
Contract Timeline

- **February - March:** One-on-One onboarding meetings with Administrators
- **Early March:** Contracts sent to Administrators
- **March:** Contracts executed by Administrators and Minnesota Housing
- **April 1:** Anticipated effective date of new contracts
- **March 2028:** End of contract period for grant contracts
- **September 2028:** End of contract period for interim loan contracts

Types of Contracts

How your contract(s) will work:

- Two types of contracts this year
 - Grant – Challenge, Workforce, Housing Infrastructure Appropriations
 - Interim loan
- Multiple contract types possible per project (for example, grant and loan)
- Separate contract(s) for each funded project



The following documents govern, in this order:

- Impact Fund contracts
- Impact Fund Program Procedural Manual
- Implementation documents (forms)

Contracts contain key details:

- **Award number:** Use in all communications with Minnesota Housing
- **Grant/Loan Period:** Project to be completed and funds expended within 36 months
- **Expiration date:** Deadline to complete required reporting on the contract
- **Administrator's duties:** Defines what is permissible and required under the contract
- **Minnesota Housing's duties:** What you can expect from us

Expected Use of Funds

- Activity funded and project details
- Number of units to be completed
- Target area
- Maximum household income
- Sources and types of funds available
- Administration fee
- Contingencies on accessing funds



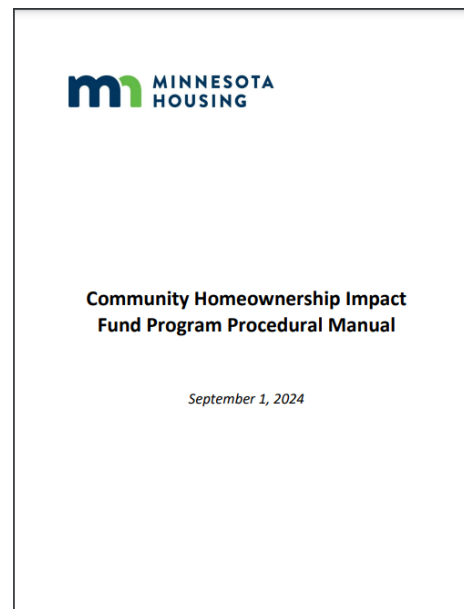


Procedural Manual

Procedural Manual Overview

- Partner Responsibilities/Warranties
- Fraud, Misuse of Funds, Conflict of Interest, Suspension, and Disclosure and Reporting
- Household eligibility requirements
- Property eligibility
- Eligible activities
- General administration of Impact Fund award
- Specific requirements by award type
- Records retention and reporting
- Required forms and documentation

[Available on
the Partner
Portal](#)





Forms, Disbursements, and Reporting

Tiffany Kibwota | Homeownership Programs Manager

Disbursement by Funding Type

- Grant Funds
 - Value Gap: 1/3 of award following contract execution, additional disbursements based on progress
 - Loans: Unit-by-unit or Loan-by-loan
 - School Direct Costs
- Interim Loan Funds: By request

Note: We reserve discretion and may employ a more conservative disbursement process.

Household Demographic/Project Information Form

MINNESOTA HOUSING Community Homeownership Impact Fund (Impact Fund) Program Household Demographic/Project Information Form

Instructions: Please complete this Household Demographic/Project Information Form for each Project completed under an Impact Fund Award. Complete both Section A, Section B and Section C, save the form, then use Minnesota Housing's Secure File Upload tool to submit this form to the Impact Fund team at impact.fund.mhfa@state.mn.us. You can find Instructions and a link to the Secure Upload tool on Section B of this form, and on Minnesota Housing's website. You can find much of the information needed to fill out this form from the following documents: the Settlement Statement (e.g., HUD-1) or Closing Disclosure, the Uniform Residential Appraisal Report, Borrower's Application, and your Impact Fund Agreement or Contract. This form must not be modified without advance, specific written authorization from Minnesota Housing.

Contact the Impact Fund team at impact.fund.mhfa@state.mn.us with any questions or concerns.

Administrator Information Clear Project Information

Administrator's Name Award ID# Contact Person

Administrator's Address Phone Number Contact Person's Email Address Date Form Completed

Activity Type Click to Select borrower receiving a deferred loan (to be) assigned to Minnesota Housing? Click to Select

Household Demographic Information

Primary borrower, homebuyer or homeowner:

Borrower Last Name Borrower's First Name MI Borrower's Gender Borrower's Date of Birth

Borrower's Social Security # Borrower's Marital Status

Co-borrower, spouse of the primary borrower who also occupies the Property, or an additional homebuyer or homeowner, if any:

Coborrower Last Name Coborrower's First Name MI Coborrower's Gender Coborrower's Date of Birth

Coborrower's Social Security # Coborrower's Marital Status

Macro Instructions **Section A** Section B Section C Save and Upload

Documents progress in completing award Household Demographic Form

Always access the Impact Fund webpage for the latest version.

Current Version dated **5.27.21**



Prevailing Wage

Katie Seipel-Anderson | Homeownership Programs Manager



Prevailing Wage Overview & Applicability

- The Department of Labor and Industry is the enforcing agency and will make all determinations about the applicability of Prevailing Wage.
- Applicable Prevailing Wage statute: [116J.871](#)
- [Prevailing Wage Information](#) Department of Labor Prevailing Wage website
- Prevailing Wage only applies to certain new construction projects receiving Agency funds that meet the minimum financial assistance thresholds, and where no exemption applies:
 - Grant: \$200,000 or more
 - Loan: \$500,000 or more

Prevailing Wage Exemptions

Certain projects are **exempt** from Prevailing Wage:

- New construction projects that meet prevailing wage exemptions
 - Building 10 or fewer fully detached single-family homes, **or**
 - Projects for which financial assistance to a single project site is less than \$100,000

Prevailing Wage does not apply to these projects:

- Acquisition, rehabilitation and resale projects
- Owner-occupied rehabilitation projects
- New construction projects with financial assistance below the minimum thresholds



Prevailing Wage Requirements

For projects subject to prevailing wage:

- Submit certification to the Department of Labor and Industry and to Minnesota Housing
- Submit payroll records to Minnesota Housing
- Details and requirements will be included in your contract
- We will discuss applicability during your onboarding meeting
- All questions regarding state prevailing wages and compliance requirements should be directed to the Department of Labor and Industry at dli.prevwage@state.mn.us



Monitoring and Compliance

Audits & Monitoring

Monitoring engagements are required per [Office of Grants Management Policy 08-10: Grant Monitoring](#). Whether an award is monitored and how often depends on the total grant award per contract.

Who conducts the review?

Audit	Monitoring
Minnesota Housing's Quality Control team	Minnesota Housing's Monitoring & Compliance team

What is reviewed?

Audit	Monitoring
An individual Impact Fund Deferred Loan file	An Impact Fund grant award

What are we looking for?

Audit	Monitoring
Complete loan file to ensure program compliance of a specific transaction	Required program documentation to ensure overall compliance and identify gaps

Where does the review take place?

Audit	Monitoring
Remotely	Remotely or on-site Minnesota Housing may request documentation be submitted electronically

How are loan files and awards selected?

Audit	Monitoring
Periodic random sampling	Based on total dollar amount of contract and risk assessment

Required Documents List

MINNESOTA HOUSING – COMMUNITY HOMEOWNERSHIP IMPACT FUND PROGRAM
PROCEDURAL MANUAL – JUNE 7, 2016

Appendix C: Required Program Documentation

A. ADMINISTRATOR FILE

Annual/Progress Reports (if applicable)
The Agreement
Evidence of Minnesota Housing staff approval of Program-, Household-and/or-Property-specific Waiver(s), as applicable.
Request for Funds
Administrator insurance certificate(s) - Commercial General Liability and Worker's Compensation, at statutory coverages.
Other Correspondence (if applicable)

B. HOUSEHOLD/BORROWER FILE

Household Last Name	First Name	Middle Initial
Property Address	City	Impact Fund Award Number

Verification of American Indian tribal affiliation/membership (if applicable)
Appraisal completed, at the time of sale to the Homebuyer by a licensed, qualified, third party appraiser in accordance with the Uniform Standards of Professional Practice (not required for Owner Occupied Rehabilitation)
Assignment of Mortgage to MHFA (if applicable)

- Located in the back of the Impact Fund Procedural Manual
- Minimum list of items to be reviewed when monitoring and/or audited
- Documents can be paper or electronic but need to be easily-accessible

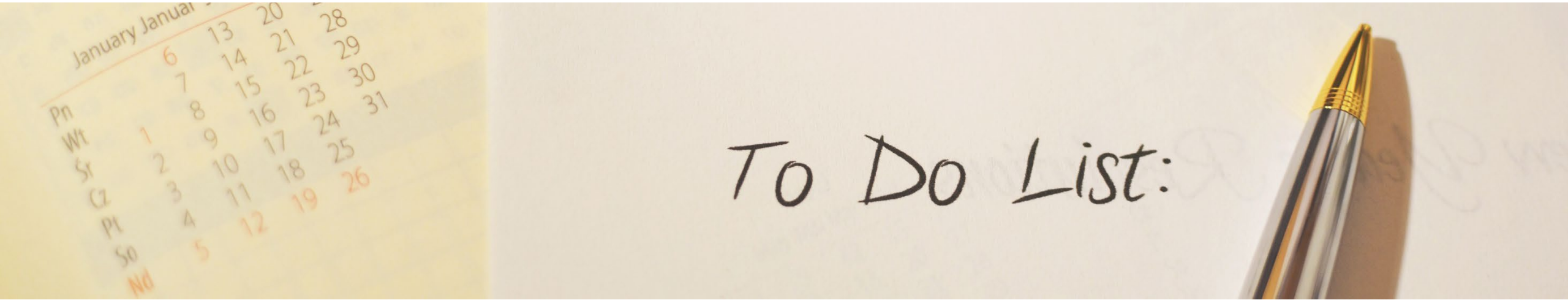


Questions on Monitoring

Questions about **award monitoring**? Contact the Compliance team at MNHousing.SFCompliance@state.mn.us.

Questions about **loan-level audits**? Contact the Quality Control team at MNHousing.QC@state.mn.us

General questions about monitoring? Contact the Impact Fund team at Impact.Fund.MHFA@state.mn.us



Your Role as Administrator

Leighann McKenzie | Program Manager

Administrator Responsibilities

1. Comply with the terms laid out in your contract
2. Adhere to the requirements in the procedural manual
3. Complete the number and type of projects in your award
4. Request any waivers before the project or loan closes
5. Keep copies of all invoices, receipts and agreements
6. Request disbursements and complete reports in a timely fashion
7. Request extensions as needed before contract expiration





A Few More Responsibilities

- Pay careful attention to eligible expenses and uses of funds
- Note that an appraisal is required to establish value gap
- Establish buyer eligibility using our income calculation form, which may differ from the calculation used to determine the first mortgage amount
- Maintain accurate and complete files, including all required documents as laid out in the new minimum required program documents checklist
- Come to the Impact Fund team with your questions as they arise

Impact.Fund.MHFA@state.mn.us



Questions?

Email: impact.fund.mhfa@state.mn.us

www.mnhousing.gov





Thank You!

Impact Fund Team

impact.fund.mhfa@state.mn.us