

Impact of Single/Multi-Race Provisions on the FY 2020 Estimate Indian Housing Block Grant Allocation

The Needs component of the Fiscal Year (FY) 2020 Estimate Indian Housing Block Grant (IHBG) formula was calculated using single-race and multi-race Census 2010 and the 2011-2015 American Community Survey data as shown in the attached worksheet labeled "Needs Data." The amount of each Indian tribe's allocation was based on the greater of the two pursuant to the language in the President's Budget. The worksheet titled "Formula Components" provides data used to calculate the FY 2020 Estimate IHBG formula allocation. This worksheet is the narrative to the spreadsheet and provides information on steps taken to implement this provision.

Column A and Column B - These Columns identify the Area Office of Native American Programs for each tribe and the name of each tribe eligible to receive IHBG funds in FY 2020.

Column C - The first step in estimating IHBG allocations is to determine the share of funds allocated to the Formula Current Assisted Stock (FCAS) portion of the formula including adjustments for inflation and local cost differences. Column C, "FCAS Allocation after Inflation and Cost Adjustment" shows this information by tribe.

Column D and Column E - The second step estimates the FY 2020 Estimate IHBG formula using single-race Census data. The outcome on each tribe's Need allocation can be found in Column D, "Single-Race Need." Since local cost adjustments have significant impacts on allocations, these adjustments are shown separately in the column E, "Single-Race Need after Cost Adjustment."

Column F and Column G - The third step estimates the FY 2020 Estimate IHBG formula using multi-race Census data. The outcome on each tribe's Need allocation can be found in Column F, "Multi-Race Need." Again, effects of local cost adjustments are shown separately in the column G, "Multi-Race Need after Cost Adjustment."

Column H and Column I - Next, the amount in Column E and Column G are compared and the higher figure is selected. This amount is shown in Column H, "Higher of Single- or Multi-Race Need after Cost Adjustment." Column I, "Data Resulting in Higher Needs Allocations," identifies whether single- or multi-race data resulted in a higher allocation.

Column J, Column K and Column L - The sum of the allocations reflected in Column H, "Higher of Single- or Multi-Race Need After Cost Adjustment" (\$341,771,389) and the funds allocated in Column C, "FCAS Allocation After Inflation and Cost Adjustment" (\$287,024,024) exceeds the total amount available for allocation in Column O "Unadjusted FY 2020 Estimate Allocation" (\$598,967,354) by Column J "Amount of Pro-Rata Reduction to Cover Single/Multi-Race Provision" (\$29,828,059). Therefore, an across the board reduction of 9% is required as shown in Column K "Percent of Pro-Rata Reduction to Cover Single/Multi-Race Provision". The result of this reduction in need funding is shown in Column L, "Need After Pro-Rata Reduction to Cover Single/Multi-Race Provision" (\$311,943,331).

Each tribe's initial allocation amount is the sum of FCAS plus NEED. However, further adjustments are made to accommodate the Phase Down and the FY 1996 Adjustments in the Formula. The tribes' allocations after adjustments are shown in Column O, "Unadjusted FY 2020 Estimate Allocation." Further adjustments are made to the tribes' allocations if there are repayments, allocation adjustments or backfunding. The final allocation by tribe is shown in Column Q "FY 2020 Estimate Allocation."

Please note that the totals may differ slightly due to rounding.

