FHLB Cincinnati Initial Monitoring User Guide

Overview

The purpose of this guide is to provide assistance to those who are participating in the Initial Monitoring Phase of FHLB Cincinnati's Affordable Housing Program (AHP). The guide will detail steps to ensure both the Owner and Member understand the process for submitting a successful Certification and Occupancy Report.

Initial Monitoring of completed projects is a two-phase process. The first phase will be completed during the disbursement process and it will satisfy the Initial Monitoring requirement for all ownership projects and part one for rental Projects. The second phase of Initial Monitoring is solely for rental projects and begins nine months after the latter of project completion or final disbursement. At that time, the FHLB will request that the Owner and Member submit a completed Initial Monitoring Owner's/Member's Certificate of Program Compliance or Initial Certification. The Owner is also required to submit an FHLB occupancy report with the Initial Certification. This guide will specifically describe the second phase of the process for Rental Projects.

Email for Submission of Certification

The Owner and Member will receive the email below requesting submission of the Initial Monitoring Certification. **Reports will not be delivered or accepted via email, fax or mail.**

Dear AHP Participant:

The Affordable Housing Program (AHP) regulation requires the FHLB Cincinnati (FHLB) to complete Initial Monitoring after project completion for all projects receiving AHP subsidies. For rental projects, Owners and Members must certify that the project is operating in compliance with the approved AHP application and governing regulation, and that satisfactory progress is being made toward occupancy. An Owner's/Member's Certificate of Program Compliance is now due for **AHP Project#** ⌐, located in Hamilton, Butler County, OH.

The required form can be found at FHLB Cincinnati Online Application System (OASYS). To access the form, registered users of the FHLB Online Application System (OASYS) with permission to view projects must log into the system, click on the Project Name for the aforementioned project number in the Projects and ⌐ table, and then click the highlighted link in the Project Monitoring Document Queue. Administrators for registered organizations can add users and change permissions to enable completion of the form.

To complete the Initial Certification:

- Log into OASYS to complete and sign the form.
- Download and complete the FHLB Occupancy report. Upload the completed form as an Excel file in OASYS. The report must show all households occupying the property from **December 1, 2022 through January 7, 2024.**
- Upon notification, the Member contact will sign into OASYS, review the information, and then sign the form.
- Member submits the form no later than **March 19, 2024.**

Failure to submit required reports by the given deadline constitutes an issue of regulatory non-compliance. In the case of such non-compliance, the FHLB may deny new AHP applications for funding, withhold the disbursement of funds for active projects, and de-obligate any undisbursed funds for active projects in which the Sponsor is involved.

If you have any questions, please contact the Compliance and Outreach team at (888) 345- 2246.

Regards,
The Compliance and Outreach Team

Accessing the Report

Use the link and instructions provided in the email to log into the FHLB Online Application System (OASYS), which will take you directly to the report. If you are unable to access the report through the provided link, please log in at https://oasys.fhlbcin.com/Account/Login to access the report.

Once you have entered the OASYS application, you will be able to see all projects in which your organization is involved. Click on the project name for the Certification you need to submit. On the project's homepage, please ensure all information pertains to the project for the Certification you are submitting. If any contact information is incorrect, please email us at AHPMonitoring@fhlbcin.com.

Scroll down to the **Project Monitoring** section. When a Certification is due, a highlighted report will be shown. Click on the highlighted report to continue.

Columbus Housing Partnership, Inc./(Fieldstone Cottages)

🏛 Project Subsidy

	Grant Total
Original	$400,000.00
Current	$400,000.00
Disbursed	$0.00

Project Number

HCI Program
AHP

Project Name

Monitoring Phase
Periodic Progress Monitoring

Project Member

Project Compliant?
Yes

Project Stage
Approved

Commitment Expiration
11/17/2026

Retention Expiration

$ Disbursement Requests (Rental)

Name	$$ Requested	$$ Disbursed	Appalachia	Adapative Reuse
			No Disbursement requests available	

👁 Project Monitoring

Document Queue "highlighted rows require attention"

Document	FHLB Sent Date	Due Date	Effective Date	Status
Initial Rental Certification	10/11/2023	10/11/2023	10/28/2023	N/A
Initial Rental Certification	10/11/2023	10/11/2023	10/28/2023	N/A

Certification Questions

After clicking on highlighted report, the certification questions will appear. The questions allow FHLB to verify that the project is operating in compliance with approved Affordable Housing Program application and governing regulation. All questions will need to be answered. If any questions are answered "No", an explanation must be entered to submit. Be sure to save often while completing the report, as OASYS will time out.

Initial Rental Certification

Please be sure to save often as this form may take some time to complete.

1) The tenant incomes are in compliance with the income targeting commitments approved at application or as modified.
   ◉ Yes   ○ No

2) Special needs and/or homeless occupancy targeting is in compliance with the commitments approved at application or as modified.
   ○ Yes   ○ No   ○ N/A

3) The Owner has obtained and maintains complete tenant documentation including a Rental Application / Tenant Income Certification, lease (if applicable), for each household, along with supporting third-party income documentation verifying eligibility prior to initial occupancy.
   ○ Yes   ○ No

4) The contract rents charged for income-targeted units meet the affordability commitments made in the approved AHP application (rents do not exceed 30% of AMI as adjusted for unit and family size). Projects that do not charge rent should answer yes.
   ○ Yes   ○ No

5) The empowerment services and activities committed to in the approved AHP application have been provided in connection with the project.
   ○ Yes   ○ No

6) Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards)
   ○ Yes   ○ No

7) The Project Owner and the Member agree to provide prompt written notice to the FHLB if the project is in material and unresolved noncompliance with the LIHTC income targeting or rent requirements at any time during the AHP 15-year retention period. Answer this question as N/A if not a LIHTC project.
   ○ Yes   ○ No   ○ N/A

8) Have the Sponsor, Member, or Management contacts changed?
   ○ Yes   ○ No

Upload the FHLB Initial Monitoring Occupancy Report Form as an Excel file. This form is located at www.fhlbcin.com under Housing Programs/Affordable Housing Program/AHP Compliance Documents and Forms. Occupancy reports must include information on ALL households that occupied the property at ANY TIME during the certification period. If units are vacant, provide the information on the most current tenant's occupancy.

Occupancy Report Submission

Once the Certification questions are answered, scroll down to the Files section of the page and upload the Occupancy Report. The report must provide the move-in and move-out dates for every household occupying the project during the entire Certification period, as stated on the original email. Any vacant units should also be noted. **The report <u>must</u> to be submitted as an excel file, using the FHLB's Initial Monitoring Occupancy Report form to be considered complete.** Owners can access the FHLB occupancy report on our website at https://www.fhlbcin.com/housing-programs/affordable-housing-program/ahp-compliance-information/. This step will need to be completed prior to signing and submitting the report.

Sign and Submit

A signature box will be below the files section. Owners or managers will need to sign and submit the report. For signature, enter your name and click "Sign". Click on "Save and Submit" and the report will be forwarded to the Member. This action will return you back to the main dashboard page. If you are unable to sign, review the form to make sure all questions are answered and the occupancy report is uploaded.

Owner Status Check

When you log back into OASYS after the document has been forwarded to the Member, the document will remain in the 'Documents Queue'. To check the status of report, click on the completed report. At the top of the page, the report will have the most updated status. **Example: "This form needs to be reviewed by the Member".**

Member Review and Approval

Once the Sponsor has submitted the Certification, the member will receive an email notifying them that a document requires attention.

Log into OASYS, there you will be able to see all projects you are involved. Filter the projects with the project number or name by using the icon at the top of the column. You can also click on the column to put the projects in alphabetical or numerical order.

Click on the *project name* to go to the main page for the project. Review the Certification answers submitted by the Owner. If you agree, sign, and submit the report. This will forward the report to FHLB. If for any reason you do not agree with the submitted answers, hit "Reject" and a box will appear to enter a reject reason. Once the reason is entered, scroll to the bottom and click on "Reject". This will return the Certification back to the Owner for edits/additional information. The sponsor will be notified by email that the report has been forwarded back to them for correction.

The Sponsor will need to review the report for the reject reason to make any edits and/or submit any additional information. Sponsor will then **sign and resubmit the report** to the Member for review and signature. If in agreement, the Member will then sign the form by typing in their name into the "Sign here" box, click on the "Sign" button. After the signature appears, click the "Submit" button to forward the report to FHLB. This will take you back to the main screen. The report will drop down into the 'Documents Pending Evaluation Queue'. The status on the top of the completed form will show "This Form was submitted to FHLB".

FHLB Review

Once you have completed the Certification, it will be submitted to FHLB staff for review. During this review process, FHLB staff may contact you with any questions about the information that was provided on the Certification and/or occupancy report. These questions will be sent as emails to the Owner/Manager contacts. Any additional information requested will be submitted via email, not through OASYS. Once the Certification has been approved by FHLB staff, the Member, Manager and Owner will be notified by email of the project's compliance status. If no audit is required, this is the end of the Initial Monitoring process.

Audit

Apart from LIHTC, HUD 202, HUD 811, and USDA 514 projects (or others as identified by the FHFA), rental projects will also require an Initial Monitoring Audit. Please note that FHLB reserves the right to conduct audits on any Rental project deemed necessary. For example, in cases where an exempt project, listed above, is deemed noncompliant during the review of the Certification and occupancy report, an audit may be required. If an audit is required, an email will be forwarded notifying you that an audit is due and the date the audit documents must be submitted to FHLB through OASYS.

Dear AHP Participant:

The Affordable Housing Program (AHP) regulation and FHLB Cincinnati (FHLB) policy require an Initial Audit of certifications made and documentation maintained by rental project Owners to verify compliance with the approved AHP application and governing regulation.
AHP Project#2 201901-0000, AB Place 1, located in Hamilton, Butler County, OH, is now due for an Initial Audit in accordance with this requirement.

The randomly selected units for your project are shown in OASYS. Upload the requested tenant information for each of the selected units. Each block must have tenant documentation attached prior to hitting the "submit" button. Below is a list of the required documentation for each unit:

- Tenant rental application and tenant income certification (if applicable) or Intake Form obtained prior to initial move-in;
- Third-party income documentation or zero income certification for each income source listed on the rental application obtained and verified prior to initial move-in;
- Third-party verification of special needs, elderly and/or homeless household status obtained prior to initial move-in (if applicable);
- Initial lease agreement; and,
- Current lease agreement, lease addendum, or other verification of current rent amount.

Please submit the requested information via OASYS no later than March 19, 2024.

If you have any questions, please contact the Compliance and Outreach team at (888) 345- 2246 or via email at ahpmonitoring@fhlbcin.com.

Regards,
The Compliance and Outreach Team

Click on the link in the provided email or login to OASYS via the portal. Once in n OASYS, click on the highlighted line for "Initial In-house Audit" under Project Monitoring document queue. Clicking on this page will bring you to the page with sections for each of the units to be audited.

Upload the requested documents for each of the units. The required documents are outlined in the audit request email. Documents must be uploaded for each unit before hitting 'submit'.

When complete, hit "Submit". To view the submitted documents, click on the eye on the main project dashboard. It will then state that the documents have been submitted to FHLB. All parties (excluding the Member) will also receive an email confirming the documents were submitted.

FHLB will review all documents submitted for compliance. If there are no concerns, the project will be deemed compliant. If FHLB staff has questions regarding the audit documents or if the project has any noncompliance issues, it will be handled via email outside of OASYS. Upon approval, the Owner will receive an email stating the project is compliant.

Noncompliance

Projects can be deemed noncompliant for the following reasons: 1) Failure to submit Certification, occupancy report or initial request of audit documentation and 2) Certification and tenant documentation fail to verify compliance with AHP commitments.

If the Owner fails to submit the certification, a delinquency notice will be issued allowing 15 additional days to submit the information. If the Certification is not submitted within the delinquency notice deadline, a Notice of Noncompliance will be forwarded with the new deadline.

If FHLB staff finds issues of noncompliance during the audit, a notice of noncompliance will be issued to project Owner, Manager, and Member with options to cure the noncompliance. For projects deemed noncompliant, no pending or future disbursement requests will be considered, any application in which the Owner is involved may be denied, repayment of disbursed funds may be required, and the FHLB may also withdraw the funding commitment for any other project in which the Owner is involved and deny any future AHP applications.

Contact Us

If you have any questions during this process, please contact us at AHPMonitoring@fhlbcin.com, or by phone at (888) 345-2246.

To access all housing resources, webinars, manuals, etc. visit our website www.fhlbcin.com under Housing Programs. If you have OASYS registration questions or issues, contact the service desk at 1-800-781-3090.

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