North Dakota Housing Finance Agency







Homeownership Specialist

Request of 2 FTEs

- Accounts for NDHFA's efficiency
- Future mortgage market changes

The Obstacle

- 1 FTE per 835 loans Source: Mortgage Bankers Association
- NDHFA currently: 1 FTE per 1,035 loans. Short 3 FTEs.
- Lose ability to service government-backed loans
- Annual production cap on new loans, up to 1,200 a year.
- Lower bond rating.
- Higher default rates.

The Obstacle

Homeless Program Manager

Request of 1 FTE

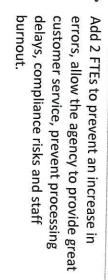
- If the ND Homeless Grant receives more funding, program monitoring and accounting will increase.
- Homeless service providers have a high turnover rate. NDHFA-provided technical assistance and training will increase.

the current biennium.

Currently, one FTE is dedicated to managing \$2.5 million of ND Homeless Grant funds and \$960,000 of federal Emergency Solutions Grant funding in

Funding is provided on a reimbursement basis. Requests are reviewed to ensure individuals are eligible for assistance and expenses are reasonable and allowable according to our annual allocation plans and administrative policies.

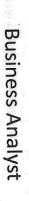
The Solution



The Solution

- Adding 1 FTE will allow us to provide reimbursements in a timely manner to cash-strapped organizations.
- Lower compliance risks.
- Provide technical assistance and training to our homeless providers.





Request of 1 FTE

Legacy mortgage accounting system which requires updates and maintenance to ensure the agency's loan portfolio meets fiscal obligations.

The Obstacle

- Contract-based approach is cost prohibitive, \$240,000 \$300,000 annually. More than double agency budget.
- Higher turnaround time for critical projects.
- Contract-limited hours. Many processes are time sensitive.

The Obstacle

- Outsourcing is cost prohibitive for example complex cash flows would cost at minimum \$150,000 annually. Cash flow work annually equals 12.5% of one full-time FTEs work.
- Outsourcing these complex accounting tasks would exceed an FTE cost several times over.

The Solution

- Add 1 FTE to retain valuable knowledge to handle the complexities of agency compliance and regulations.
- Dedicated personnel to adapt to evolving needs.
- Streamline our processes and improve customer service.

The Solution

Add 1 FTE to allow for succession planning. NDHFA's current bond accountant has been with the agency for over 20 years. On-the-job training for this complex bond accounting and cash flows is essential.

Bond Accountant

- Request of 1 FTE
- Complex bond accounting and cash flows with some transactions occurring once a year.
- Prepare official statements for bond issues
- Perform arbitrage rebate calculations for IRS compliance Bond calls and cash allocations
- MBFRF filing for compliance Disclosure filings for bonds
- Accounting for debt service reserve investments
- Quarterly compliance with swap and liquidity counterparties
- Prepare for financial audits
 Oversee agency accounting

For more information contact: NDHFA Executive Director Dave Flohr 701/328-8080 or hfainfo@nd.gov