

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 Solution

- Add 2 FTEs to prevent an increase in errors, allow the agency to provide great customer service, prevent processing delays, compliance risks and staff burnout.

Homeless Program Manager

- **Request of 1 FTE**
- 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 the current biennium.

The Obstacle

- 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.
- 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

- 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.



Business Analyst

- **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 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.

Bond Accountant

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 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.

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