Worksheet for Estimating
Fiscal Year 2003 IHBG Estimate Allocations

Note: Any change to the data for one tribe changes the allocation for all other tribes by affecting the national totals for many of the constants presented below. Therefore, individual grant calculations based on this worksheet are only approximate. Also, the grant amount you arrive at on this worksheet using the data provided may be up to several thousand dollars different than the preliminary grant amount mailed out. This is due to rounding error that will occur when you use this worksheet and will not occur when the allocation is calculated on the computer.

Step 1 Compute the AELFMR FACTOR:

AEL Factor = AEL / 239
FMR Factor = 2 Bedroom FMR / 514

Select largest factor and divide it by **1.14** to get AELFMR FACTOR.

Step 2 Compute Operating Subsidy CAS (OPSUBCAS) as:

Number of Low-Rent Units * $2,440
+
Number of Turnkey III and Mutual Help Units * $528
+
Number of Section 8 Units * $3,625

Multiply the sum of above times the AELFMR FACTOR calculated in Step 1 and by the Inflation Factor (1.18).

Step 3 Compute Modernization Subsidy CAS (MODCAS) as:

Low-Rent Units + Mutual Help Units + Turnkey III Units
*
$1,974
*
TDC/**$162,711**
*
Inflation Factor (1.18)

Step 4 Calculate total CAS funding:

CAS = OPSUBCAS + MODCAS.

Step 5 Calculate how many funds are left for the needs allocation by subtracting the National total for FCAS ($288,450,275) from the estimated FY 2003 appropriation ($632,383,000).

Step 6 **Determine the NEED1 variable by the following where AIAN = Alaska Native and American Indian and HH = Households:**

{NEED FUNDS * [(0.11 * AIAN PERSONS/ **1,247,549)**

+ (0.13 * AIAN HH LE 30% OF MEDIAN INCOME / **90,137)**

+ (0.07 * AIAN HH 30% TO 50% OF MEDIAN INCOME **/ 60,959)**

+ (0.07 * AIAN HH 50% TO 80% OF MEDIAN INCOME / **70,246)**

+ (0.25 * AIAN HH OVERCROWDED OR WITHOUT COMPLETE KITCHEN OR PLUMBING / **90,302)**

+ (0.22 * AIAN HH PAYING MORE THAN 50% OF THEIR INCOME FOR HOUSING / **41,514)**

+ (0.15 * HOUSING SHORTAGE / **152,322)]}.**

Step 7 **Adjust NEED 1 for local area cost differences to get NEED2:**

NEED1 * TDC / **$165,962** = NEED2.

Step 8 **Adjust NEED2 taking into account $25,000 baseline funding to get NEED3:**

If NEED2 less than $25,000 then NEED3 = $25,000.

If NEED2 greater than or equal to $25,000,
then NEED3 = NEED2 - **{$1,710,131** * [(NEED2 - $25,000) / **$330,676,177**]}.

Step 9 **Calculate Grant before adjusting for FY1996 Operating Subsidy and Modernization minimum statutory requirement:**

GRANT1 = CAS + NEED3.

Step 10 **Adjust Grant for minimum funding requirement of FY1996 Operating Subsidy & Modernization to get GRANT2 which is the approximate grant amount.**

If GRANT1 - FY96 SUBSIDY less than 0, then GRANT2 = FY96 SUBSIDY.

If FY96 SUBSIDY equals 0, then GRANT2 = GRANT1.

If GRANT1 - FY96 SUBSIDY greater than 0, then GRANT2
= GRANT1 - **($3,582,082** * (GRANT1 - FY96 SUBSIDY) / **$321,557,652**).

Step 11 **Adjust FY 2003 estimated grant with FY 2002, FY 2001, FY 2000, FY 1999 and FY 1998 adjustments:**

If necessary, adjust FY 2003 estimated grant with any FY 1998, FY 1999, FY 2000, FY 2001, and/or FY 2002 adjustments as shown on the last page of your Tribe's Formula Response Form.