HUD Office of Housing Counseling

Right-Sizing Your Network for
Intermediary Organizations, State Housing Finance Agencies,
Multi State Organizations and Local Agencies with Branches

Oversight of Networks Webinar Series

December 9, 2015

Welcome

- Lorraine Griscavage-Frisbee, Deputy Director, Office of Outreach and Capacity Building, U.S. Department of Housing and Urban Development (HUD)

Presenters and Q&A Format

- Moderator
  - **Shawna LaRue Moraille**, ICF International

- Presenters
  - **Aisha Williams**, ADW & Associates LLC, subcontractor to ICF International
  - **Joel Ibanez**, Housing Program Specialist, Office of Outreach and Capacity Building, HUD

- Questions – supported by **Chantel Key**, ICF International
  - **Written Questions Box:** You may enter your question into the question box at any time during the presentation. The questions will be read aloud at the end of each section
  - **Audible Questions:** If listening to the presentation over the phone, make sure to press in your audio pin provided (#xx#). Please raise your hand and we will unmute your line to ask your question.

Webinar Series Overview

1. Agency Roles and Responsibilities (10/15/14)
   - http://www.youtube.com/watch?v=Rk4rgDRpdXs&feature=youtu.be

2. Network Monitoring (12/19/14 and 2/27/15)
   - https://www.youtube.com/embed/lLNodMKrwiY?rel=0

3. Grant Administration (6/25/15)
   - https://youtu.be/6ytopnTNR_A

4. Network Agency Eligibility and Evaluation (10/21/15)
   - https://youtu.be/gHqC9IwzYRE

Webinar Series Overview

5. Right-Sizing Your Network (today)

- Information for all webinars can also be accessed on OHC Training Archive Site
  - http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc/OHC_TRAINARC

Webinar Agenda

- Review Key Concepts from Webinar #1 and #4

- Exploring How to Right-size Your Network

- Saying "No" to Expansion and Downsizing Strategies

- Final Q & A

The Basics of Why, When and How to Expand

Why, When, and How to Expand

- Market assessment:
  - Community housing market
  - Target population's housing and financial needs within the community
  - Services meeting client needs within the community

- Why expand?
  - Because there is an unfulfilled need in the market
  - <u>Not</u> to increase operating size or budget

Why, When, and How to Expand

- When to expand
  - Existing and/or potential affiliate is qualified to meet the unmet need(s)
    - Potential affiliate is a good fit for network (if applicable)
      - 15 HUD eligibility criteria
      - Network criteria – 8 recommended network vetting criteria (i.e. network eligibility determined by oversight agency)
  - Oversight agency can manage expansion oversight
  - Network is well-resourced and collectively performing at high capacity

Why, When, and How to Expand

- How to expand
  - New communities and/or clients
    - Current community, new or same population
    - New geographic area, new or same population
  - New services
    - Entirely new services
    - Complementary services
  - New delivery
    - More traditional
    - Non traditional (e.g. virtual)
      - Is the new service method a good match for the population?
      - Is staff properly trained
  - New partners (crosscuts all other expansion types)

Why, When, and How to Expand

- How to expand
  - Adding an agency to your HUD counseling network
    1. Agency's network application
       - Includes HUD eligibility criteria and network criteria
    2. Application review/eligibility assessment
    3. Application rejection or approval

  - 6 recommended steps to vet an agency
    1. Application solicitation
    2. Application review and evaluation
    3. Agency interviews
    4. Research and verification
    5. 2nd application review (if applicable)
    6. Site visit or remote review

Poll Question

- Has your agency ever considered network expansion, what kind of expansion was considered?

  - New Communities and/or Clients
  - New Services
  - New Service Delivery Methods
  - Adding Agencies
  - Don't know

Exploring How to Right-size Your Network

Defining Rightsizing

- Rightsizing may be:
  - Agency service expansion, expanding number of network agencies or services
  - Actively maintaining the current network size
  - Downsizing/reducing agency or network services
  - Removing agencies from the network
  - Reshaping current resource allocation

Data Considerations for Rightsizing

- How to clearly and reliably identify unmet needs

- Strong data

  - Formidable and from reliable source

    - Census data (e.g. defining target population)

    - Data from local or state housing departments (e.g. housing trends and needs)

    - Reports from national organizations (e.g. NeighborWorks)

    - HUD data (e.g. AHAR, OHC reports, HUD approved housing counseling agency website, fair housing complaints)

    - Local/Regional real estate reports or other reports with local data (e.g. consolidated plans, data on home sales or foreclosures)

    - Peer reviewed journal articles

Data Considerations for Rightsizing cont.

- Strong data cont.
  - A sample size of least 100 people/clients/respondents
  - Citable, defensible, published, peer-reviewed
    - No anecdotes
    - In-house data only if data is good (determined by comparing to local trends)
  - New or expanded service delivery methods should be supported by data as an evidence-based or best practice

Key Considerations When Right-sizing

Capacity Questions

1. What do you do?
2. How you do it?
3. How well do you do it?

Resource Questions

1. Who does it?
2. What tool, process, etc. is used?
3. Can you expand effectively, do you need to stay the same size, or should you downsize?
4. Do you have adequate resources to support your existing and/or future expanded network?

Financial Questions

1. How do you pay for it?
2. Is there enough money?

Key Considerations When Right-sizing Affiliates

Capacity Questions

1. Is there authorization to conduct business?

2. Does or can affiliate provide the new service area?

3. Are affiliate's services quality and compliant?

4. Can affiliate's service methodology support expansion?

Resource Questions

1. Are counselors qualified to support expansion (staff experience, language fluency, training, knowledge of program or service, etc.)?

2. Is there <u>enough</u> qualified staff?

3. Is technology appropriate and compliant (e.g. Skype)?

4. Are MOUs/partnerships with referral agencies in place? Can partners handle additional volume?

Financial Questions

1. Are contracts in place with other funders (i.e. leveraged funds)?

2. Is client volume enough to bring in sufficient funding, fees, etc.?

Work Plan

- Expanding and downsizing both require updates to the agency's work plan, which must be submitted to and approved by HUD
- HUD Handbook 7610.1 Ch. 3 Section 2 (more on requirements)

Required Elements

- Target community
- Services
- Alternative Settings/Formats
- Follow up
- Fee Structure
- Limited English Proficiency

Additional Review Steps

- Verifiable, representative data
- Problems identified and matched to specific service resolutions
- Compliant proposed services
- Updated documents
- Clearly identified internal and external resources
- Budget and overall consistency

Work Plan

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Required Elements	Additional Review Steps
Target community	Verifiable, representative data
Services	Problems identified and matched to specific service resolutions
Alternative Settings/Formats	Compliant proposed services
Follow up	Updated documents
Fee Structure	Clearly identified internal and external resources
Limited English Proficiency	Budget and overall consistency

Key Considerations When Right-sizing Oversight Agencies

Capacity Questions

1. Is current monitoring achieving a consistently positive impact on affiliates and their performance?

2. Is current monitoring appropriate for expansion?

3. Will oversight activities and tools evolve to support expansion?

Resource Questions

1. Does oversight agency staff have knowledge of and experience in the expansion area?

2. Is there enough qualified oversight agency staff?

3. Will existing monitoring activities and tools evolve?

4. Will the agency continue to meet grant projections with the expansion/ downsizing?

Financial Questions

1. What is the spread of grant funds? Will sub-awards be sufficient after expansion or downsizing?

2. Does oversight budget support monitoring activities and resources (human and other) following expansion?

Key Considerations When Right-sizing Networks

Capacity Questions

1. What services, population, regions, etc. are represented in current network portfolio?

2. Is expansion consistent with or complementary to current portfolio?

3. Is current production compliant, satisfactory and quality?

4. Are clients satisfied?

5. Are network agencies satisfied?

Resource Questions

1. Are there affiliates that already provide the new service, or are new affiliates needed?

2. Can existing agencies remain effective if they expand or if the network is reduced?

3. Are new agencies a good fit?

4. What are the risks to affiliates in adding to or downsizing the network?

5. How will structure, operations and resource allocation change?

Financial Questions

1. What is the current spread of grant funds? Will sub-awards be sufficient for sub-agencies after expansion or downsizing?

2. Will oversight funding sufficiently support monitoring activities and (human and other) resources following expansion or downsizing?

Poll Question

- Is your agency currently considering:

  – Downsizing

  – Staying the same

  – Expanding

How to Expand:
8 Recommended Network Vetting Criteria

Criteria	Guidance
1. Network Expansion Needs	- Is there a need to expand in this way, direction, or service area? - What is the justification/support? - What does expansion look like operationally, geographically, etc.
2. Agency Services	- Does the agency offer services that fit with our expansion needs and of the appropriate quality level?
3. Agency Size and Capacity	- Can the agency handle the expansion? - Have they already demonstrated capacity specifically relevant to the expansion?
4. Network Fit	- Does the agency's service methodology work with our network's general service approach and operational style? - Do the agency's accounting approach and payment requirements fit our methods and rates? - Does the agency's geographic location fit?

How to Expand:
8 Recommended Network Vetting Criteria

Criteria	Guidance
5. Agency Performance and Compliance Issues	- Does the agency have a history of compliance issues, or issues related to performance or compliance? - Have these issues been resolved and is there documentation that the resolution was satisfactory?
6. Network Risk	- What risks do prior performance and compliance issues pose to the network, even if resolved? - Are there other implications for the expanded services associated with prior performance or compliance issues? - What are the risks to overall network operations, funding and support?
7. Oversight Agency Monitoring Capacity	- Does the oversight agency have the expertise, human and other resources to conduct monitoring of the agency or new program? - Has the oversight agency demonstrated effectiveness monitoring the network in its current (pre-expansion state)?
8. Agency Current Membership Status	- If the agency is already in the network, is the agency's membership in good standing?

Onboarding New Agencies (Recommended)

Orientation

- Programs
- Grants
- Oversight agency staff
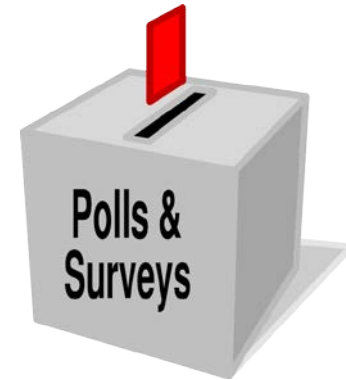- Network processes and deadlines

Training

- Systems
- Tools
- Reporting and other requirements
- HUD Handbook

Poll Question

- What steps are included in your onboarding process?
  - Our process has <u>all</u> of the steps
  - Our process includes <u>some</u> of the steps
  - Other process, does not include the steps
  - We have no formally organized onboarding process?

Affiliate Roles and Responsibilities

1. Plan
   - Conduct a thorough market analysis and document
   - Ensure consistency across all required components
2. Implement
   - Identify best practices
   - Implement training
   - Identify partners
   - Identify funding
   - Identify space (for expansion)
   - Create newly required documents, policies, etc.
   - Conduct marketing

Affiliate Roles and Responsibilities (cont)

- Mitigate risk
  - Ensure all HUD compliance requirements are met (self-assess)
  - Conduct client and program evaluation
- Engage and coordinate with oversight agency

Oversight Agency Roles and Responsibilities

1. Assist with/review market analysis

   – Verify due diligence

2. Support implementation

   – Identify best practices

   – Provide training

   – Identify partners

   – Augment funding

   – Confirm that new space is compliant

   – Provide templates

   – Assist with marketing

Oversight Agency Roles and Responsibilities (cont)

3. Monitor expansion/downsizing and help mitigate risk

- Conduct onsite or remote performance reviews early; ongoing monitoring

- Conduct and/or review client and program evaluation

4. Coordinate with affiliate

5. Engage HUD POC

HUD Roles and Responsibilities

1. Review work plan and other components required for expansion/downsizing

2. Provide training and technical assistance

3. Monitor expansion/ help mitigate risk

Saying "No" to Expansion & Downsizing Strategies

Saying "No" to Expansion

* Answering "yes" to any of these questions may mean saying "no" to expansion

Consideration	Answer (Y/N)	Guidance
1. Pre-expansion, affiliate, oversight agency, or network is performing sub-optimally or has serious performance review findings	Y	- No expansion - Work with HUD and agencies to obtain and/or provide TA for performance improvement
2. Post expansion, current (strong) performance cannot be properly sustained due to network resource or operational limitations	Y	- No immediate expansion - Obtain additional resources (e.g. partnerships) or consider restructuring - Expand once new, sustainable efficiencies are achieved - Consider nontraditional expansion

Saying "No" to Expansion cont.

* Answering "yes" to any of these questions may mean saying "no" to expansion

Consideration	Answer (Y/N)	Guidance
3. Post expansion, financial resources will be strained	Y	- No immediate expansion - Seek additional grant funding or contracts - Consider restructuring
4. Market analysis reveals insufficient client volume or need	Y	- No traditional expansion - Consider part-time mobile or rented space - Consider partnerships

Rightsizing through Continuous Improvement

Identify Leadership Team

Define target population, goals and strategies

Perform counseling and collect data

Assess, plan and implement improvements

Key Steps

Key oversight agency staff, management, and possibly some affiliate leaders

Work plan with population, needs assessment, and outcomes and metrics for clients, service quality and compliance; incorporate mission and QCP; plan strategies

Implement work plan, quality control plan; monitor performance and collect data

Identify successes/problems; build on success; attempt improvements; move on as needed

Common Downsizing Reasons

- Network funding is spread too thin
- Network is changing focus, so some agencies are no longer a good fit
- Changes in housing market condition indicate less or different services need to be offered
- Oversight agency cannot effectively manage network due to large size

Additional Resources

- **Establishing a Nonprofit Entity (toolkit)**

  - http://portal.hud.gov/hudportal/documents/huddoc?id=ohc_enp080112.pdf

- **HUD 101: Orientation Guide for HCAs (toolkit)**

  - http://portal.hud.gov/hudportal/documents/huddoc?id=ohc_hud101070212.pdf

- **Housing Counseling Work Plan Development Guide**

  - http://portal.hud.gov/hudportal/documents/huddoc?id=OHC_WP030415.pdf

- **Best Practices for Expanding Housing Counseling Services (toolkit)**

  - http://portal.hud.gov/hudportal/documents/huddoc?id=ohc_bpehcs070212.pdf

- **HUD Handbook 7610.1**

  - http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgh/7610.1

Wrap Up and Final Q and A

- Resource: Right-sizing Your Network Handout
- Evaluations on this webinar
  - https://www.surveymonkey.com/r/22DX8SD
- Questions?
  - Email: housing.counseling@hud.gov