

## **Network Agency Eligibility and Evaluation, 10-21-15**

Shawna LaRue Moraille: Okay. Hello, everyone. This is Shawna LaRue Moraille from ICF. I'll introduce myself in one second. I want to welcome you to HUD's Office of Housing Counseling. This is the webinar for network agency eligibility and evaluation for intermediary organizations, state housing finance agencies and multi-state organizations. I will now turn it over to Lorraine to introduce herself and to welcome all of you from HUD.

Lorraine Griscavage-Frisbee: All right. Welcome thank you very much, Shawna, and welcome everyone. Good afternoon or good morning, depending on where you're located. We really appreciate you taking the time to join us today out of your busy schedule. This is the fourth in a series of five webinars that we're providing and it's the result of surveys and stakeholder meeting feedback that we received from intermediary groups and state housing finance agencies where you're looking for a little bit more guidance on your network management and administration. So we really appreciate that feedback and look forward to completing this series and giving you some better guidance on managing your networks.

Today's webinar is going to focus primarily on eligibility requirements when you're adding agencies to your network. And it's very valuable information because, not only is it information you use at the time when you're adding agencies to your network, but also as long as that agency is participating in HUD's housing counseling program through your network, that agency needs to continue to meet all of the eligibility criteria that we're going to go through today.

And so I hope you sit back and you find this to be a great learning experience. We're looking forward to communicating with you and I'll turn it back over to Shawna. Thank you.

Shawna LaRue Moraille: Thanks so much, Lorraine. And I appreciate the context for this particular webinar, so going over that was super helpful. Again, I'm Shawna LaRue Moraille, I work at ICF International. We are a technical assistance provider to HUD's Office of Housing Counseling and I am joined here today by the following presenters. Aisha.

Aisha Williams: Hello everyone. This is Aisha Williams, managing director with ADW Associates and we are a subcontractor to ICF working with Shawna and others to bring this content to you on behalf of HUD.

Shawna LaRue Moraille: Thank you, Aisha. Now the HUD staff. Javon.

Javon Blye: Hello everyone. My name is Javon Blye. I'm a housing program specialist in the office of outreach and capacity building and I also work on new applications as well.

Shawna LaRue Moraille: Rhonda.

Rhonda Rivera: Yes. Hi. This is Rhonda Rivera; I'm the division director of outreach capacity building from Santa Ana, California and welcome.

Shawna LaRue Moraille: And Ruth.

Ruth Roman: Hi everyone, I'm Ruth Roman. I'm a senior policy advisor in the office of the deputy assistant secretary in the Office of Housing Counseling.

Shawna LaRue Moraille: Thank you so much. I would like Chantel, who is the technical expert here to talk about how to ask questions today. Chantel.

Chantel Key: Sure. Thank you, Shawna. For those of you joining us today with audio through your telephone, you have two options to answer questions. One, you can raise your hand right next to your name. That's found in your GoToWebinar toolbar and at designated times throughout the webinar we will unmute those who have their hand raised and you will be able to ask your question verbally.

Either a second option is that you can write a question in the question text box which is also found in your GoToWebinar toolbar. Now, for those of you joining us today through audio through your computer, we ask that you write your questions through the question text box and at designated times throughout the webinar we will read your question out loud and answer your question that way.

Shawna LaRue Moraille: Okay. Thanks so much.

So as Lorraine mentioned this is the fourth in the webinar series specifically for oversight agencies which are intermediaries to HFAs and also multi-state organizations.

We started last October with rules and responsibilities for agencies and provided you with the link here so that you can listen to the presentation that way and it goes through the slides. Networking monitoring was held -- we actually did this twice, in December as well as February, on how to monitor your network and we provided you with the link there. And then more recently -- June seems like recent to me -- grant administration on how to manage your grant and we provided you with the link.

So we are going to talk today as folks mentioned about networking agency eligibility and evaluation, which is primarily on the HUD approval criteria. The final one, at least in this particular series, is coming up actually on November 19th -- which is a date that is not listed here but please mark your calendars, you will get something very soon to register -- and it's the companion piece called "Right-Sizing Your Network" and that's to go over how to best meet the needs of your housing counseling program within your network and this is right-sizing, growing your network, reducing your network, whatever would be the best fit for you and given your jurisdiction and your market.

And then here's a reminder that all of the webinars, not just those recordings that we provided you on the prior slide, all of the recordings are available here on the Office of Housing Counseling's training archive site. And if I can turn it back over to Aisha and who is the main presenter today, she can talk about the agenda and get us started here on the content.

Aisha Williams: Great. Thank you, Shawna. So today's webinar, as everyone has said, will focus on the eligibility criteria and the interpretation of those criteria or has guidance on those criteria that oversight agencies need to use when adding agencies to their network. As Lorraine mentioned, these same criteria and guidelines should also be used when evaluating an agency's ongoing participation in your HUD housing counseling network.

Before getting into the criteria, we'll start with a review of key concepts from webinars one and two in the series. Then, we'll move into the process, roles and responsibilities that are important when assessing an agency's eligibility to participate in your network. From there, we'll get into each of the eligibility criteria before wrapping up with some Q&A.

Okay. So this diagram will look familiar to everyone who's been participating in other presentations in this series. The graphic that you see depicts the relationships between HUD, the oversight agencies and your affiliate housing counseling agencies. And again, the target audience for today's presentation includes agencies who have oversight responsibilities, which would be the intermediaries and state housing financing agencies there are depicted in the middle part of the graphic.

The goal is for the folks in the middle part of the graphic to understand how they need to understand the HUD area and conduct evaluation of those eligibility criteria for agencies who are currently in their network or working to newly join their networks. I want to mention here that you also see in that middle part of the graphic multi-state organizations and LHCAs with branches.

So what I want to say is that multi-state organizations and LHCAs are not required -- they don't actually add affiliates to the HUD housing counseling network in that sense. But they do have branches, as I mentioned. And so in this particular case, the way this is relevant for you guys is that you need to make sure that all of your branches also meet the criteria that we are going to discuss today. So again, on an ongoing basis, you all will need to make sure that your entire agency, including the branches, are all living up to the eligibility criteria we'll discuss today.

In the first introductory webinar in this series we briefly touched on HUD eligibility requirements and recommended steps to take when evaluating eligibility. There are 15 eligibility requirements for participation in a HUD housing counseling network and those requirements can be found in chapter 2 of the HUD handbook. These criteria are also used again when evaluating agencies that are already in your network. We're going to talk a little bit about the six steps that were also mentioned in those first couple of webinars.

We're going to talk a little bit about the six recommended steps to help you really be successful in evaluating those agencies, in addition to some required steps. We're going to make some recommendations to you that, if implemented, will ensure your success as well as the success of agencies in your network. And then, finally, we will go into some roles and responsibilities. Again, these were mentioned in webinar one and webinar two in this series. You can always go back and look at those, but we'll review some key points about those here.

Okay. So now let's get into the overarching process and just setting the stage for how all of this work takes place. There are three stakeholders in the process for bringing an agency into a HUD housing counseling network into one of your networks: There's HUD, there's the oversight agency and there's the housing counseling agency that is looking to newly join or that is already participating. It's really important that everyone is clear about their roles to ensure a smooth and successful process.

As the cartoon illustrates on your screen, when colleagues are confused about that they're supposed to be doing, they end up stepping and tripping all over each other, as you can see in the funny graphic there, because they're playing the wrong position. Ultimately, playing the wrong position, in this particular instance, means that you'll drop the ball when it comes to being able to satisfy the quality assurance requirements that HUD expects oversight agencies and their network agencies to fulfill.

We won't be able to satisfy our clients, the customers, who receive our services and then the finances, the support of the HUD housing counseling program is jeopardized. So that's why it's really important that at the beginning stages of this that everyone understands each of these criteria and how they are supposed to be applied and interpreted and then fulfill those on an ongoing basis.

So the diagram that you see on your screen actually depicts the overall process for which a housing counseling agency joins an oversight agency's HUD housing counseling network. And again, the term "oversight agency" here is just being used to refer to intermediaries and state housing agencies who are bringing new agencies into their network. In step one on the diagram, you can see that the housing counseling agency applies for membership in your network.

You as an oversight agency are then required to have an application so that the housing counseling agency can actually apply and that application needs to reflect HUD's eligibility criteria, which we're discussing today, as well as any of your own required criteria that you know will make an agency a good fit for your network.

In addition to listing the eligibility criteria, you also should provide on that application information about the required documentation, as well as the specific step that any agency will need to take to complete that application process. So again, you are required to have a formal application through which an agency can now take that first step in the process to join your network.

In step two, the oversight agency will review the application and any accompanying documentation for compliance with HUD criteria as well as your own network criteria. If the agency is not approved, as though -- you're asking the question at the beginning of step two, is the agency already HUD-approved? If they are not, you would complete a vetting process through which you would newly assess essentially all of the HUD eligibility criteria to be sure that they are actual met or that the agency meets or exceeds those criteria.

If the agency is already approved, which you see on the right-hand side of your screen here, you still need to vet the agency and verify that even though they were approved at some point in the

past, you need to verify that they can still document their compliance with the HUD eligibility criteria. So either way, you need to definitely be readying and assessing the agencies, and whether or not they newly meet those criteria or continue to meet those criteria. And again, to making sure that they also meet your own eligibility criteria for joining your network.

In the third step down here, what you see is that you will either, really quite simply, approve the agency to join your network or you will reject the agency's application to join your network. On the left-hand side here, we'll see what happens if there's a rejection. I'm going to address the second and third bullet in the bottom left box first. You can certainly tell them what is wrong, what are the deficiencies in their application and you can provide, if you'd like, limited technical assistance to the agency or you can refer the agency to HUD or to another oversight agency to try another avenue to join.

Sometimes, technical assistance is appropriate, for instance if it's just a minor issue; however, if there are really significant issues where the agency is clearly just in violation of HUD's criteria or not meeting them, then it is perfectly appropriate to say that at this particular time you're not going to provide technical assistance because they need to just really work on reviewing those eligibility criteria and review HUD's website.

In the case where an agency has already been HUD approved and you are assessing their application, and you determine that they do not meet the HUD eligibility criteria as they have previously indicated or maybe as they previously did, it is important to go ahead and notify your HUD point of contact.

We don't want folks to notify HUD every single time you reject an agency, but if there is an agency that is just willfully out of compliance with HUD's criteria and they are already participating in the HUD housing counseling program through some other avenue for approval, it's really good to let your HUD point of contact know so that HUD can follow up with that agency as appropriate.

In the case that you actually go ahead and approve that agency to join your network, there's a few steps that take place. You would notify your HUD point of contact. Your HUD point of contact would then update HUD's housing counseling system so that that information is properly reflected. And this also allows the agency to be eligible to participate in your NOFA application and to receive funding through the comprehensive counseling grant or any other funding opportunities that come through through HUD.

It's really important to note here, though, that once you approve an agency to join your particular network, whether they were approved through some other avenue, for example, whether HUD directly HUD approved them, it's still important for you to know that you are responsible for making sure that they continue to meet those criteria and that they remain in compliance and provide quality counseling. So this is true even if they were already HUD approved through HUD and they are now joining your network.

So let's just talk about a couple of recommended steps that can help facilitate this process and ensure that you really do a thorough process in reviewing these agencies. So again, we talked

about the application is initiated, that maybe locations -- I'm sorry, an agency seeking to just join your particular network or maybe you've decided that you want to expand into a particular geographic area or a particular service area, you could also solicit applications and market your network.

However that agency comes to you, it is again very strongly recommended that you have criteria that outline what makes an agency a good fit for your particular network. You don't want to have, sort of, onus requirements that are so far above and beyond HUD's requirements that agencies don't want to join or it becomes too difficult, but it is important to think about network fit and we'll discuss that a bit more when we talk about right-sizing your network in the next webinar.

You definitely want to review the application and conduct evaluation processes and part of that, as you can see down in step three, is that you research and verify the information on each section of your application. So for example, you don't just take the agency's word that there's no other counseling agencies in the local community. You should go to the HUD website or do a Google search to verify that the information received is good information and determine, for example, if there's anything that's listed out there that suggests that this agency is not operating in a way that is consistent with the requirements that they've indicated that they fulfill on their application. We want to be sure that agencies, what they represent on paper, is consistent with what's out there in the public view.

Another thing that you should consider doing is conducting agency interviews which can be done over the phone or they can be done in person if you decide to do a site visit as a part of the approval process. It's really important to interview key people in key leadership positions as well as senior or supervisory counselors who provide the agency's direct services.

Just find out, in addition to the things that are represented there on their resume, for instance if you review those, just find out if they actually appear to be competent in the areas that they represented that they're competent in, and get a feel for whether the folks who you interface with at this agency during the interviews are those people that are appropriate to represent your network and the rest of the HUD housing counseling program.

Again, we talked about doing assessing an application review. Agencies will sometimes with the criteria, even with all of the support, it's hard to understand every single piece of the requirements, and it's perfectly appropriate to give it a second review if you deem appropriate to provide technical assistance, so we talked about that. And then finally, we would recommend that you do a site visit if you can, but you can budget for a certain number of site visits, so maybe agencies that are joining your network that have never been HUD approved. While remote reviews can suffice and you can look at pictures and so forth of the facilities, where it's possible to do a site visit those things are recommended.

And just one final recommendation. When you do go through that approval process, it's really a great idea to go ahead and issue a formal letter indicating what your decision was. So if it's a rejection or a requirement for them to take corrective action before you'll reassess their eligibility

for the network, document that information in a letter and be specific about what the needs are in terms of why their application was deficient and what they need to do to correct those problems.

If the agency is accepted into your network you should also again issue a formal letter that just states that they're being accepted into your network, keeping in mind that that formal letter is not a replacement for any sort of formal grant agreement that will be done through an entirely different process.

So with that, we are going to get into a poll and take some questions as soon as we find out if HUD has anything else to add. So I'm going to read the polls here. HUD, while people are taking the poll if you could indicate if there's anything that I left out or that you want to underscore here and then we'll take some questions and vote.

So the question here is, "Do you have an eligibility evaluation process that includes the steps outlined on the previous slide?" Your answers are: Yes, our process has all of these steps. Yes, our process includes some of these steps. We have some other process that does not include these steps or we have no process in place. Go ahead and click the answer on your screen and I'm going to turn it over to HUD.

Javon Blye: Hey, thanks. Yeah. You brought up a lot of great points -- this is Javon Blye speaking -- and the most important thing was clear guidance. You don't want confusion throughout your network. You want to make sure that you're very clear and that you're reflecting what HUD is reflecting. If you at least reflect what HUD is reflecting, you know that you've already met that criteria. You brought up a good point about the significant issues that may be within an agency.

So when you're doing your interview you want to make sure that you ask about conflicts of interests and see if they have any so that if you do onboard them into your network you know that they're going to need disclosures and things to go with that particular type of conflict of interest that they may have. And then also in the interview process, you want to look at significant issues that she brought up. You want to talk about, make sure that the board doesn't have anybody on there that they really don't need to have on there or that the training certificates are all there and that the people are trained for the services that they're trying to provide.

And the last thing would be about vetting already approved agencies. That was a very good point because sometimes agencies leave and come back into the program or they go find another subgrantee, so it's good to vet them and see that they are still following all the guidance that they are supposed to be following and that they are vetted and ready, and that they're still trained to move forward, because they may have left for some other reason, that may have been derogatory from another agency and that was at issue.

Aisha Williams: Great. Thank you so much, Javon. Ruth or Rhonda, do you guys have anything to add here or do you all want to move to questions?

Ruth Roman: I'll just add, I thought that was excellent as well. What I wanted to add was, in terms of approving new affiliates to join your network, how important communication is

regarding the expectations that you have, and the role and responsibilities of those affiliates and to communicate that clearly and upfront so that the affiliates are very much aware of what they'd be expected to do as a member of your network and as a part of HUD's housing counseling program; everything from maintaining, continuing to meet the requirements, reporting, use of time management in the systems, making sure all of those things are clear to them up front upon accept their membership to your network.

Aisha Williams: Great. Thank you so much. Rhonda, anything to add or do we have any -- or do you want to move to questions.

Rhonda Rivera: Oh, we can move on. They're all good tips so far, thank you.

Aisha Williams: Great. Do we have any questions?

Shawna LaRue Moraille: I think we'll have Chantel provide the poll results and then I do a couple of questions in the queue.

Aisha Williams: Okay, great.

Chantel Key: Okay. Right now I am sharing the results. We have 36 percent voted at yes, our process has all of the steps; 46 percent voted yes, our process includes some of the steps; 7 percent voted at other process, does not include the steps; and 11 percent voted we have no process.

Aisha Williams: Oh, wow. Okay. That's quite a spread there, and also I would say good information for us to have as we think about more targeted technical assistance tools, and as HUD thinks through what they'll do to support you guys for this to be sure that we are all on the same page and are moving forward in the same way. Thank you.

Shawna LaRue Moraille: So Aisha, we have two questions that are written in. I'm going to do low hanging fruit. The first one is, is there an available template of what questions to ask when doing an agency interview? Funny you would ask that, because we are actually working on a toolkit on this topic about adding agencies to your network, so there will be a template with questions.

I think the next one is opening up to all presenters. Do we have to accept applications from new housing counseling agencies we do not wish to expand our network to or if we do not wish to expand our network? In other words, do you have to allow a new housing counseling agency to apply even if the oversight agency does not want to expand?

Javon Blye: Rhonda, you want to take it?

Rhonda Rivera: I was going to say Ruth, but --

Javon Blye: Oh.



Rhonda Rivera: -- at this point --

Ruth Roman: I'm [inaudible]. Go ahead, Rhonda.

Rhonda Rivera: All right. I was going to say, we are leaving the intermediary's decision or the state agency's decision to determine how they want to network with -- what to network with organizations and when, and so it's at their discretion if they want to take an application or not. And hopefully it would give that entity a reason why they are not at that time taking that application.

Shawna LaRue Moraille: Okay. Great. Thank you. And I'm sorry, before we move on, Aisha, so one question -- and actually if you can go back to the flow chart that you had and then I can provide this question. So this person is asking about, "Do organizations need to apply by themselves for HUD approval before an intermediary can adopt them into their network? In other words, do you have to have this HUD approval before joining a network?"

So I want to make sure that you flash the slide here that talks about there are really two paths here and so you do not have to have the HUD approval before joining the intermediary network. That's it for now.

Aisha Williams: I don't know, Ruth. Do you have anything else you wanted to add to that before I move forward?

Ruth Roman: No. No. I think that's right that an agency does not have to be HUD approved to be an affiliate of an intermediary state housing finance agency. That is really up to an organization whether they want to come directly to HUD to seek approval. It's not a prerequisite to join a network or that's not a criteria for HUD.

Aisha Williams: Okay. Great. Thank you. So then the only thing that was required if you don't go directly to HUD is that oversight agency makes sure that anyone in the network either meet or exceed the required criteria we're going to get into today. So thank you for that.

Okay. So now that we've sort of seen the birds-eye-view of the process for joining one of your housing counseling networks, I want to talk about just some additional roles and responsibilities that are tangential to the process of joining a network. And again, like some of the material we've covered, this has been already covered in some previous webinars that we've had.

So in general, HUD's role is to provide technical assistance and guidance to the oversight agency and to conduct its own quality assurance process by occasionally auditing. For example, a sample of -- I'm doing a performance review or having a formal third party audit of some of your affiliates or network agencies, so HUD, in this three-person partnership that we talked about, yes, you as the intermediary or state housing finance agency -- or in the case of if you're an MSO or an LHCA and you have branches -- HUD is going to provide direct technical assistance and monitor the performance by sampling either your branches or some of your affiliates in your network.

So it's really important as we look at the oversight agency roles and responsibilities that you take your role as a partner with HUD and as a representative who sometimes does some things on behalf of HUD, for example, administering funding and so forth, you have to take that leadership role very seriously.

And that means that you have accountability for all of the agencies, both funded and unfunded affiliates in your network. This is really important. Again, so, with regard to today's eligibility criteria, not only do new agencies have to meet the criteria, not only do existing agencies who are already participating have to continue to meet those criteria, but both sets of players there have to meet those criteria at all times whether they are participating in a grant or not participating in your grant. And you are responsible for them if they are in your network.

Part of that, you can see the bottom bullet there, is that you also provide technical assistance and training yourself. Certainly HUD's webinars and content are open and available for everyone to see, but as a party who is responsible for ensuring program compliance and quality counseling, the onus is on you in and the largest part as an oversight agency to make sure that those things are carried out by your agencies and that you properly support them through training and technical assistance to be able to do that.

And then, finally, with regard to the network agency's roles and responsibilities or your affiliate, I'd say they take on a significant share, if not the lion's share, of responsibilities because they have to not only implement the housing counseling program, right, so they're your arms and legs that actually test the clients through direct services, and there's accountability to their clients, but they also have to remain in compliance at all times with both HUD's criteria, that we're going to talk about, as well as your network criteria.

So for example, if you require that they use a certain client management system and you want to be sure that their stuff is updated on a monthly basis, that you're checking it on a monthly basis or they have their client files or their disclosures a certain way that meets HUD's requirements as well as yours, they have to live up to all of those expectations and responsibilities, which is a tall order.

And then also, just because you and HUD have those oversight responsibilities with regard to agencies, that does not relieve any affiliate of their requirement for self-monitoring, oversight and quality control. So they should have an internal quality control plan in process; they should have a supervisor who makes sure that everything is being carried out appropriately, and they should ensure that their staff under goes continuing education, as well as their own internal training processes.

And then finally communication and coordination with the oversight agency, and I would say that goes both ways. You communicate with them, they communicate with you. It is preferable for your affiliates to go through you when they have questions rather than going directly to HUD, although I know sometimes those things don't play out exactly the way we would like them to ideally. But again, communication proactively on both parts is really required there. And then finally just as with you as an oversight agency, these network agencies are also subject to HUD's oversight as well as their authority; HUD has the final word on anything.

Okay. So now we're going to go ahead and get into, these eligibility criteria that we keep talking so much about, and again these can be found in chapter 2 of your handbook. I'm sorry, give me just a moment. Is my slide advancing?

Shawna LaRue Moraille: No.

Aisha Williams: Chantel, are you able to advance the slide? It seems that I've had some sort of a --

Shawna LaRue Moraille: Okay. Well, while you pause there for a second, we'll just deal with a couple more questions if you don't mind.

Aisha Williams: Okay.

Shawna LaRue Moraille: One was a really good point, we had one of the folks wrote in and said they would like it if those that said that they had procedures on eligibility criteria, if they would share for those that do not have them in place. That would be great. You want to send those into HUD's email at [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) or into your POC, either way would work. That was one thing I wanted to cover. Oh, look. We're back up running. We were a second ago, Aisha.

Aisha Williams: Okay. Well, I guess I don't know what happened here.

Shawna LaRue Moraille: Okay. Well, we can continue there's a -- okay. Go ahead.

Aisha Williams: Okay. Is it -- are we running again?

Shawna LaRue Moraille: Yes.

Aisha Williams: Okay. I apologize for that. Okay. So let's go ahead and get into the first criterion which concerns an agency's nonprofit and tax exempt status. The only -- just advance the first piece of guidance here -- so only nonprofit agencies and government agencies can become HUD-approved housing counseling agencies are eligible to participate in your network. And then proof of eligibility must be maintained at all times.

So this means that for new affiliates freshly joining the program by way of joining your network, they have to fulfill this requirement and fit in one of those categories of eligible agencies. And for existing affiliates, they have to be able to provide proof that they are maintaining that eligible status.

So this means you must be a 501(c)(3) and you have to have a letter from the IRS or a statutory document from the local, state or federal authority that authorizes you to operate if you're a government agency. So all of that talking just to say, you either have a 501(c)(3) letter from the IRS or you have a signed and notarized document authorizing you to operate if you are a government agency.

In addition, if you're a government agency, you also have to submit a HUD Form 9900 and that would be submitted electronically. And in terms of evaluating those particular documents, you can either have them in hand or you can review them electronically. You can also request the documents during a performance review. For example, if you wanted to test that existing affiliate is actually fulfilling the requirements to maintain eligibility and if their approval certificate is expiring, that's also a good time to take a look at those documents.

One question that often comes up in this particular instance is whether a state level nonprofit status [inaudible] in place of an IRS granted status and letter. And the answer is no. You actually have to have something from the IRS that officially recognizes your organization's tax exempt status. We just want to talk about one exception here and this is the state housing finance agencies. As a state housing finance agency you do not have to complete the full Form 9900. You can participate through the NOFA process or -- if it's not during NOFA season, as I call it -- you can submit a written request to HUD to participate.

The request would need to include a list of the affiliates who you're going to have, assurances that the affiliates meet the requirement that we're talking about today; that you would also need to complete section A; section B, part 1, item 7; and also section C of the Form 9900. So again, you don't have to do the whole thing as would be the case for a regular government agency, but you do have to do some parts. Of course, like any other government agency, you would have to have a copy of the statutory authority to operate throughout the state.

HUD, did you have anything to add on the state housing finance agencies just quickly before I move on?

Javon Blye: All I would say -- this is Javon -- all I would say is just make sure that even though they don't have to fill out the total 9900, which is the application to become HUD approved, there is a lot of good information in there that you can use to help tighten up your subgrantee agreements and things of that nature, so that you can actually get a feel what it is that all the subs do within that network so that you know exactly what your network is doing.

Aisha Williams: Great. Thank you so much. That is an excellent point.

Okay. So let's take a look at the second criteria and that is related to the affiliate, their experience. And so what this means is that they must have provided counseling for one year, one full year, in a way that is consistent with HUD's standards that we're discussing today, of course, and as outlined in the entire handbook.

So we're talking about, yes, they must meet the existing criteria, but also the HUD handbook, that is something that you should become very familiar with, your affiliates to become very familiar with because there are guidelines in there for how, for example, how the counseling process should take place. And an agency has to have demonstrated that they're doing that on an ongoing basis and we'll talk about the documentation that demonstrates that. So again, for existing agencies who are already participating in the program, the requirement for you is that you have to maintain the standard, of course.

So you can see here -- oh, one thing I just want to mention before moving forward, is that you do need to provide an updated work plan when expanding your services. We'll talk a little bit about that when we talk about right-sizing your network. But again, if you're an existing affiliate, in the example, for instance, if you are adding Hickam counseling to your particular service offering, you must have a Hickam-certified counselor on staff.

So existing affiliates, in that case, can't just keep doing what they've been doing all along. They have to update their work plan and then do the other additional steps that will be required to be sure that they're in compliance with requirements for other service offerings.

The same thing would be true if, for example, maybe you've been providing default delinquency counseling and education and now with so many new opportunities, looks like pre-purchases picking up and you want to do homebuyer education, well, if that's something that you want to do it also requires, as outlined in the HUD handbook, that you also provide pre-purchase counseling related to that same topic, because if you have group education in one area, you have to be able to offer one-on-one counseling in that area. So that's a really big thing to talk about when you -- to look at when you're talking about existing affiliates and if they're continuing to meet those experience requirements.

Documentation for these items, these are just a few examples. There's a lot of documentation you can look at. First and foremost, client files. You'll recall that I mentioned that there are other requirements outside of those things that are in these eligibility criteria in the handbook. I want to say check with [inaudible] -- HUD, correct me if I'm wrong -- gets into the different steps and the counseling process. And the client files are going to be the main place where you can see if those steps have been taken and if they're documented, because they're required to be documented in the file.

In addition, you have to have your required forms. You have disclosures, for example; the client data release forms or client counselor agreement. Those are examples of things that again aren't explicitly mentioned in this criteria but that are discussed elsewhere in the handbook and the requirement. You see here that being able to provide proof of registration with a CMS, a client management system, that's compatible with the HDS system.

And then, finally being able to provide proof of signage; locked file cabinets and private counseling rooms. Those are just examples of documentation that can be provided, and when you're looking to evaluate those, remote review is fine. You can also look at them in person if you're doing a site visit. And again, we talked about interviewing staff, and if this agency wants to take pictures and send those materials to you in lieu of you doing a site visit, that's perfectly acceptable as well. And I apologize that wasn't sitting up on the screen, just so everyone has a chance to take a look at that.

Okay. So moving on to the third criteria, which relates to fair housing and civil rights compliance, what you need to know here is that an agency cannot have unresolved fair housing or civil rights violations at the time of application for approval. And again, with existing affiliates, you can't have any outstanding civil rights issues that are not resolved to HUD's

satisfaction. So that's the way to interpret that first [inaudible] back under there, that's person's under there.

In addition to not doing anything wrong, you have to proactively do things right. In this case, for both new affiliates and existing affiliates, you need to be able to demonstrate that you're actively engaged in affirmatively furthering their housing activities. Documentation that you can provide and review concerning these particular requirements, you can collect copies of materials, the marketing materials. You can review client and education files to be sure that they're actually conducting those activities that they've outlined. For fair housing violations, you can check [hud.gov](http://hud.gov) for fair housing complaints.

And you can also run a quick search of public records. HUD doesn't expect you to be doing sort of in-depth things like checking Lexus Nexus or anything like that, but a simple Google search just to be there's no red flags in this area or any concerns that may need further investigation is sufficient. Of course, an agency would need to disclose this information if there is any problem and if there has been problems in the past, it's really important that they're able to produce and that you review a letter from HUD that says that those previous violations have been addressed to HUD's satisfaction.

Okay. So the fourth criterion, this deals with ineligible participants, as you can see. And basically, what this means is that, any agency participating in HUD's housing counseling program or wanting to newly participate, they cannot do so if any of the board members, staff or volunteers have any of those things that you see listed here.

I'll provide a little bit more detail about criminal offenses, but outstanding tax liens without having some sort of a documented payment plan, defaults and loans, unsatisfied judgments or foreclosures of an FHA-insured mortgage. You really have to make sure that you're vetting on any person who is affiliated with those agencies. Again, as an affiliate those agencies need to be conducting their own due diligence, but then you as an oversight agency need to be conducting some level of due diligence.

I just want to read here the text that is directly from the [inaudible] before I talk about documentation and that is that members of the board of directors, staff or volunteers cannot have been indicted for or convicted of a criminal offense that reflects upon the responsibility, integrity or ability of the agency to participate in housing counseling activities.

So what I want to say about criminal offenses, which I mentioned I would come back to, it's not that people can't have any criminal offenses in their past, but we want to be focused on those things that are directly reflecting on their ability to operate a housing counseling program, and that might give clients or HUD or anybody cause with regard to the integrity of the program as a result of any one person that is helping to administer the program. Documentation of this information, you can take a look at a self-certification.

In fact, I encourage self-certifications because that holds the affiliate accountable. You can also take a look at any ethics or disclosure forms that have been signed by board members and managers and staff, from volunteers even. That's always a good idea because again that passes on

the accountability -- it doesn't pass on, but shares the accountability with the actual people who are representing certain things about themselves. You can check the federal elections commission website and you can also again do just a limited public records search and review and collect ethic materials or self-certification.

Let me just see if there's anything else I want to say here. If you decide that due to a particular issue like this that you are not going to offer an agency membership, you're not going to extend an offer of membership to your network, you need to collect the evidence that you find or whatever the reason is that's related to that decision and we talked a little bit earlier about providing a letter that documents that decision, I would append it to that letter.

So we want to talk about this [inaudible] and then we're going to take just another little poll. This one talks about the community base. A new agency, we talk about, must have functioned for a year and a couple of criteria ago in accordance with HUD's criteria, but also in the case of the community base, they must have operated and functioned for a year in any geographic service area that they propose to serve. So agencies already participating, they have to maintain the ability to function and operate in those geographic areas.

In addition, what is different for existing affiliates, is that they have the additional requirement that they have to maintain a minimum caseload of 30 clients annually, and the only exception to this minimum 30 client requirements is for reverse mortgage counseling. Documentation of this includes articles of incorporation, authorization to do business, certificates of good standing, an updated work plan. If they, for example, are expanding to another market and evidence of those 30 persons which could be found just by taking a look at their 99[inaudible] for example. And in this case, remote review of the materials of documentation will suffice just fine.

So now we're going to go ahead and take another poll. Get some additional input from HUD and take your questions. So for which of the following criteria would you like additional guidance: Is it criterion 1, regarding the nonprofit and tax exemption status? Is criterion number 2 where we talked about the experience; again, that had to do with making sure you're meeting all of the handbook requirements. Criterion 3 the fair housing and civil rights compliance. Criterion 4, which deals with ineligible participants, and that was kind of a murky one there, so perhaps people have questions there because there can be so many exceptions. And then finally criterion 5, the community base, which we just talked about.

Go ahead and click your screen and we will take some questions in just a moment.

Shawna LaRue Moraille: We have a ton of questions on the year one. I mean, I'm furiously typing and trying to help folks, but I need to ask a bunch of questions while you --

Aisha Williams: Okay.

Shawna LaRue Moraille: -- get some HUD feedback, but I just want to let folks know.

Aisha Williams: Great. HUD, did you want to underscore any of the items that we talked about? There was a lot there.

Javon Blye: Yeah. You covered a lot of good information. One of the things I would say is you covered about eligibility and checking eligibility. When we're looking at evaluating, let's say that you're evaluating the subgrantee, the time to check their eligibility, you want to make sure you're checking -- because before you give them the funding, you want to make sure you check the eligibility. You want to make sure that they're worthy of being funded, that they're a reputable agency.

And then you want to make sure that under criteria 1 you want to ensure that the counselors have the certifications and education that meets or exceeds the services that they're attempting to provide, that they want to provide for you within your network. And the way you can do that, you can just check simply to see if they've adopted industry standards to see what kind of standards they hold their counselors to.

And they should also have a good oversight plan as well that would also help you, because it will go along with your subgrantee agreement and it will be part of that overall plan that you're going to submit or that they submit to you so that you can see how they're going to oversee their counselors so that that takes care of any complaints that you may get because you have that counselor oversight plan and if they're looking at their counselors' plan, you got counselor's files quarterly, it will bring different things to light that they're doing correct as well as substandardly.

And then for criteria 2, if you're going to choose to do remote, basically you can do either but I would prefer -- I mean I would say that you need to do an onsite if you can unless you have some reputable to go out and look at the site for you. And you need to -- what you see on paper, what they submit to you on paper paints a picture, and it should be what you see in action when you go out to the actual site. So I just cut it right there, it should just be kind of congruent.

And then, as far as for ineligible participants, criteria 4, you just want to make sure everything kind of cross checks so you want to make sure that there's nothing in there as far as larceny or theft or something like that where the mishandling of funds, those are the main things up top that you really want to look at. Anything that is going to pose a problem but those are some of the things that may draw something to your eye.

And then for community base, you touched on the 9902, so a lot of these areas shake hands with each other, and so you'll be able to see -- for instance community base is going to address that year that they've been performing off into their community. And then that 9902 is going to spread those activities out so that we can see or that you can see where they had actually performed.

And so that will be a cross-check for you there when you're looking at counselor of education cuts. They can only provide the services in the community that the counselors are approved for, that they've already been trained in. And that was all I had, Aisha.

Aisha Williams: That was so much rich information. Thank you for that. Shawna, you said you had a lot of questions.



Shawna LaRue Moraille: Yeah. There's a lot of question on the one year, so we're getting to these. So the first one is: It's a longstanding nonprofit, is adding a housing component and they're able to show HUD qualifications in place. So they have to have one year of counseling experience, or can the oversight agency request approval earlier than this period?

Javon Blye: I'm sorry; can you repeat that real quick?

Shawna LaRue Moraille: Yeah. We might need to have Mr. Salazar actually ask this maybe more specifically, but I will repeat it. If a longstanding nonprofit is adding a housing component and they are able to show HUD qualifications in place, do they have to have the one year of counseling experience or can the OA request approval earlier than this period?

Aisha Williams: I see --

Shawna LaRue Moraille: So do they have to have --

Aisha Williams: -- they have to have --

Shawna LaRue Moraille: -- the one year, basically. That's what they're asking.

Javon Blye: The one year is for the services that they're trying to provide when they come in. Once they get onboard and in to HUD and they already have a working work plan, if they've got counselors that have been approved in the area that they're looking to add, then it wouldn't be a problem. They go ahead and ask that. But if they don't have a counselor that is certified to train in that area, I mean to counsel in that area, then they wouldn't be able to approve it for them ahead of time. I wouldn't approve it for them ahead of time.

Aisha Williams: So can I ask Javon and others, so -- because the way I heard that, Shawna, is it okay to have sort of a general housing experience if you're a nonprofit that's done things in the area of housing? So do you specifically have to sort of be doing counseling with all of the documentation and all of that for one year? Is there a difference between sort of that more tangible counseling experience or sort of general housing experience that that may be a little more [inaudible]?

Javon Blye: Is that to me?

Shawna LaRue Moraille: Yes.

Aisha Williams: Yes.

Javon Blye: Oh, okay. Yes. I would just still say they have to have the experience. The experience is what it's going to be, because it's going to cut down on everything in the back end as well as far as technical assistance, as far as knowing where to report, when to report to the parent. You know all of those things, they may not want to look at taking on inexperience that way because it's going to create more of a glut on the technical assistance and for them on the

end, unless it's something that they feel a service that really needs to be provided that they're willing to put in the time and train that individual agency for.

Aisha Williams: Great. Thank you.

Shawna LaRue Moraille: Okay. I believe the other questions that I had was [inaudible] they're asking again under a year is that okay in terms of the experience rule. Leave it as the answer that Javon just went over. The other one is on the IRS. Okay? So if a brand new nonprofit wants to join as a new affiliate should -- sorry -- should there be a tax exempt organization by the IRS before providing housing counseling for a year to meet the one-year criteria and it's a subsidiary of the parent organization requirement? So this sounds like this is about a possible parent agency having the 5123 and then also a subsidiary and where the one-year requirement comes in.

Javon Blye: Yeah. I'm -- they're going to have to have the one year's requirement. And on the question right before that when you talked about the state housing finance agency that they're held to a different criteria because they may have already been suballocating funds and have experience in being an intermediary and other programs, so it will be different with the sub -- I mean with the state housing finance agency versus a local.

Aisha Williams: So to clarify and confirm then, Javon, you have to have been a nonprofit, you have to have had that status for one year, that's part of the one-year criteria?

Javon Blye: Right. If they have their nonprofit for a year, they're going to be straight, they'll be okay to apply, but they're going to have to show experience.

[Talking over each other, inaudible.]

Shawna LaRue Moraille: Well, it sounds like we, again, we have a toolkit that's coming out that will kind of go over some HUD approval criteria at some point with the one year in mind and offer some additional support there. The next one is, when the new housing counseling certification standards kick in, how will an agency get the experience if they cannot get their counselor certified to do the work? It's been a vicious cycle.

Javon Blye: Right. And that's where --

Ruth Roman: [Inaudible] --

Javon Blye: -- communi- -- I'm sorry. Go ahead Ruth.

Ruth Roman: Javon, I was going to say if this is a question regarding the new certification rules, we can't really speak to any questions regarding the rule and implementation of the rules since it's not final at this point yet.

Rhonda Rivera: But in the meantime -- this is Rhonda -- the online tools to get ready for certification and stuff is there to practice tests and things of that nature is already out there, so any new potential affiliate can already go out online and see the study guides and things of that

nature. So they can prepare, but I just wanted to add to Javon's comment about the one-year experience for that longstanding nonprofit that's been doing other housing work, but not necessarily housing counseling, that's great that you have that community experience overall in other programs, but we're still seeking that experience. How are you going to roll in your counseling program?

Of course, depending on the type of topic that you're going to do as well, and where did that training come from for those counselors that are going to do that particular housing counseling activity or activities in default counseling or pre-purchase counseling or rental counseling, for that matter. So that's why we're focused so much on the one-year criteria that you're a nonprofit, been around providing other services and are expanding into the housing counseling arena, that's great but we just still want to be sure that you know what you're getting yourself into on our criteria on your recordkeeping and you know what accounts and file is all about.

Shawna LaRue Moraille: Okay. There are two other people who wrote in about the one-year. It seems like we need to address that a little bit more in the toolkit that's coming out. And we are working on the toolkit so we hope over the next couple of weeks to get that published. So I'm not going to read those out if folks don't mind. I think I have one other question, sorry. Okay. So I think this relates to Rhonda covering the certification.

So her question is, "At this point HUD does not require agencies to employ counselors with any specific certifications, correct? They just have to show proof that they're trained."

Rhonda Rivera: They're trained and have experience in their background that they have some housing counseling focus in their background.

Shawna LaRue Moraille: Thank you.

Aisha Williams: Okay. Great. We have so many more criteria. We have 10 more to cover. I'm going to suggest that if it's okay that we look at the poll results. I kind of am curious like about what it will show, where people need more TA, although it looks like Shawna's questions are kind of maybe giving us a preview there.

Chantel Key: Okay. We have 15 percent voted at nonprofit and tax exempt status. 24 percent voted experience. 21 percent at fair housing and civil rights compliance. 33 percent at ineligible participants. And 6 percent voted community base.

Aisha Williams: Wow. Okay. Again, a pretty even spread there. Thank you so much for that, Chantel. So let's go ahead and move into criterion 6 which deals with recordkeeping and reporting.

This one is actually fairly straightforward. Client files have to be kept locked and confidential whether they are maintained physically or electronically, and the agency must be able to produce aggregate reports in the form of a 9902 using their client management system to provide proof that these eligibility and compliance measures are being properly implemented both new affiliates as well as currently participating affiliates. They can provide pictures or written

descriptions of their methods and tools for maintaining files. So for example, provide pictures of the locked file cabinets. Of course, being able to produce that 9902, that's the surest way to be able to demonstrate that; so one of the most recent 9902.

And then with regard to your evaluation strategies, it is perfectly fine for the agency to remotely review pictures or other materials such as the 9902. The only thing I would say is that for this and for any criteria that we talk about, if you have an agency that's been in your network for a while and you're reassessing, then this type of a thing would be -- knowing that they're going to have their 9902, you should know that anyway if your fulfilling your job requirements as an oversight agency with regard to reporting. And you should have some level of confidence based on pictures or having been there that their pictures that they provided are still in place.

But if it's a new agency and you've never been there, whether it's with regard to locked cabinets or any of the other materials we constantly covered today, I would go try to take a site visit, especially before subgranting to them because if your recordkeeping and reporting things are off base, for example, if you're not keeping materials for three years or whatever the additional requirements are, that can have real consequences for not only the agencies for the recapture of funds, but it can jeopardize your entire network because your network, even though one agency made the error in this or another place, funding recapture is something that HUD takes very seriously and, again, reflects on the entire network or the oversight of the agencies [inaudible] network.

So the 7th requirement is on the client management system. Basically, you need to have a client management system that is compatible with HUD's housing counseling system, their HDS, and then you must be actively using the system and be able to demonstrate that client data is being properly input into the system. So that means that for existing agencies, in particular, that they need to be transferring their data to ACS regularly as required for reporting. And then for new agencies you need to be able to see that their client management system is reflective of the information that is reflected in their client counseling files, the physical files.

In terms of documentation, you can always check and see if ACS chronically out of date, just by going into the HCS system itself, that would be cause for concern. Are there large data gaps in their CMS? The new agencies, they could have a signed statement indicating the client management system that they use or they can have a bill or registration form associated with the client management system.

In terms of your verification methods, in addition to those items that I just mentioned checking ACS and looking at data, you can also verify that -- you can also take a look at their platform actually [inaudible] such as [inaudible] and you can also do onsite verification. And in fact, when you are onsite at a agency, again, I really encourage you to not just look at the physical client file but sit down at one of the desks and take a look inside their client management system to be sure that everything is the way it's supposed to be.

The special case here when it comes to agencies that do not have a commercial CMS system like Counselor Max or HCO then they have to provide proof that their client management system is one that interfaces with the HCS system, with HUD's HCS. And that can be found by visiting

HUD's website. Alternatively, in the case of some new agencies, some client management system vendors actually won't sell their system or offer registration of the system for a new entity until they can actually demonstrate that they are going to participate in HUD's program.

And so in that case, what you would ask for is the -- some sort of a letter from the client management -- from the CMS vendor that basically states their commitment to provide access to the system after the agency is approved for participation in the program. Agencies that are still working on getting their system to interface with HCS, they can manually enter data until they're able to get their system up and going but they do have to be manually entering that data.

So the 8th criterion as regards to counseling resources -- and I think on some of the questions we're sort of getting into this a little bit earlier -- so at the time of joining a network or verifying eligibility for ongoing participation in the HUD program, you have to meet the following minimum criteria. You can see those listed on the left-hand side of your screen. First of all, you have to have funding to serve a minimum of 30 clients over a 12-month period. You should take note here that it is not HUD's intention that they be the only funding source for your housing counseling program.

You should have other funding that is sufficient to meet the 30-client minimum above and beyond whatever HUD is providing. At least 50 percent of your counselors must have six months' experience, and the counselor must be fluent in the clients' languages or if there's some languages that they're not fluent in, they must have access to an interpreter or provide access to an interpreter or a list of referral agencies. The agency also must be able to provide documents and information to persons with disabilities. Example of the documentation here includes an operating budget with the most recent independent financial audit.

You can have letters of commitment, contracts and agreements. These are things like leverage funds that would sound familiar to you guys that show that they can sustain enough funding for up to 30 clients, preferably 30 clients. A counselor roster so you know who their counselors are, that they're trained. You can take a look at their resumes and their training certifications. And then a written statement concerning the languages that services will be provided in. Also making that statement should talk about -- should restate that the counselor, they're fluent and then if there's any referral agreements, I know are used with interpreting agencies, and those are also good to provide. [inaudible] remote review is fine.

It's recommended that you review these materials within the context of the housing counseling work plan. So the point here that I just want to underscore is that they shouldn't just be -- if I'm an agency and I'm coming to you and I'm saying I'm going to serve 1,000 clients and I only have enough funding to serve 30 clients, that doesn't match my work plan. So anything that you look at in the terms of the guidance on the left-hand side of the column that we talked about and the work plan, you need to make sure that they match up.

And the same thing is true with those leverage funds. And then, also in terms of people who are reviewing the budget and the operating budget, what I would just say here is that you need to ensure that whatever staff member is reviewing the budget and audit information, that they have the appropriate expertise to understand what it is that they're looking at. And I know that some

oversight agencies actually rely on their accounting department to help them to evaluate this information.

Okay. So criterion number 9 deals with the knowledge of HUD programs and the market and for both new and existing affiliates, the standard is the same. You must have staff that are knowledgeable about the community that you're proposing to serve, and you need to know about HUD's programs and resources. This is where the interviews come in. In addition, you need to know the counseling area that you're going to be -- your education area is going to be provided.

If say you're going to be doing two parts of counseling and you only have default delinquency experience, you need to make sure that agency brings on a counselor that's knowledgeable about pre-purchase and home buyer education. Agencies can provide staff training and certificates and resumes to substantiate that they have knowledge of the local markets on the HUD programs. The housing counseling work plan, this is a really important. It should show nuance data and information.

Again, the housing counseling work plan, in addition to making sure that your staff know what they're talking about and understanding your market and your consumers, that work plan is the demonstration to HUD that as an agency you understand your market overall. And so I've actually seen in the past like planned work plans that -- I don't know, there's a Cliffs notes version on the internet or something like that -- the bottom line here is that the data should be nuanced and specific to the particular market. So that's just what I want to say about the work plan there.

For agencies that are participating already, quarterly reports are a good source of information about whether they're maintaining knowledgeable staff. If an agency's report starts showing diminished staff capacity or the diminished ability to thin down money that's been earmarked for counselor salaries, that's a red flag that they may no longer be in compliance with disability requirements or maybe some other eligibility requirement.

We talked about interviewing staff in terms of evaluation criteria, you can remotely review the staff's training specifics and resumes and, again, taking a good look at that work plan. Not just verifying that they have one, but verifying the information that's in it. That's what is important. And then, of course, for existing affiliates you want to be, on an ongoing basis, monitoring their implementation of services to make sure that any service they're providing is consistent with what's in their work plan. That's also part of the knowing the HUD program and services that you're providing.

Okay. And so criterion 10 -- and after this I will take another poll and take a break for questions - - this deals with service contracts and agreements. So this requirement, basically the guidance here is that an agency cannot contract with another company to fulfill the services it proposes to offer. And so I'm going to offer up these services and I'm going to contract them. That's not allowed except in the case of two exceptions.

The first exception is in the case of an oversight agency, so again, an intermediary state housing finance agency, clearly you guys are subcontracting with affiliates in your network to provide

those services. So that's the case for all of you on the phone. And then the second exception is when HUD provides a letter of approval for subcontracted counseling services. And that will happen, for example, if there's an area where there is no housing counseling agency but perhaps you want to subcontract to an agency that has some presence there even if your agency can't be the bricks and mortar there.

If an agency comes to you with the second exception, then you would need to talk to your HUD, to your [inaudible] about that particular information, and if they're claiming that they've already met that requirement, then you would need to have a letter from HUD indicating that that exception is, in fact, true. And then a good way to verify this information is actually to take a look at the agency, take a look at their tax form. If they are issuing a 1099 or an MOU or something to some outside entity, and we're not talking about specific staff here, we're talking outside agencies to provide their counseling services but in their work plan, then that's an example; that should be a red flag for you.

Again, you can remotely review these materials whether -- or you can also do them in person. Just want to underscore here before moving on to the poll and the questions that, again, you can have contact counselors, so I wanted to draw the distinction here between talking about a contracted agency all together and having maybe a 1099 or a W9 counselor who is providing services.

So with that, let's get into the poll question and we'll take some questions and some comments from HUD. For which of the following criteria would you like additional guidance: Is it criterion 6 on recordkeeping and reporting? Is it criterion 7 on the client management system? Is it criterion 8 on the counseling resources? That one I imagine is probably pretty big for some folks. Is it number 9 on [inaudible] of HUD programs and the market? Or is it criterion 10, service contracts and agreement? Go ahead and click your answer on your screen. And HUD did you want to go ahead make some comments while Shawna gets to look at the questions we have?

Javon Blye: Yeah. This is Javon. On recordkeeping, you mentioned data gaps in the CMS. So when you're evaluating the possibility of possible subgrantees for coming into your network, you just want to -- the CMS is the way you verify that the work is being done and that they understand how to capture client data. So you want to make sure that -- a simple thing you can do is when you do an onsite or you actually are doing something remote, have them send a client list of the stuff that they've done over the past year or last six months or a certain time frame, and then when you actually go there, see if they can pull that actual file number up in their CMS so that you can see how they keep their client files, how are the managed.

You also want to look at their hard copy files to see if they have a particular stack order. That lets you know the organization of the minds of the counselors, how they organize. Is everything just thrown in a file or does it have a particular stack order. And then you may, as part of your subgrantee agreement, you may want to put that in there that they keep a certain stack order so that when you come out to audit that stuff is there, that you can actually find it readily and you can get the outcomes, because that's what you want to be able to see when you're looking at those files. And so that will actually help you to go back and that will shake hands with the community

base portion and you will actually be able to see what they've been doing in the community and these were the outcomes.

The other thing was about counseling resources. You talked about financial audits. Some of the smaller agencies may have problems with their audit or something. You have to just see exactly what those problems are. Sometimes they're not big problems, it could just be something where they don't have enough staff available to perform all the functions, and sometimes that's what we see in audits.

The other thing is on congruency of work plan and funding. You touched on that. I'll just go into sometimes you're going to have in-kind funding with your subgrantees, they may be getting -- say that their location for counseling may be provided by in-kind. So you want to make sure that they just have an agreement for that, some type of agreement in place so that they don't show up one day and then can't counsel in that location that was provided for them in-kind. So you just want to make sure that everything is in place for them. Just want to know -- like she brought up a good point about whoever's looking at those statements needs to know what they're looking at. You also want to just note how to kind of wait that in-kind activity, if they have a whole lot of in-kind. You know that can be a flag. So you just want to make sure, you want to see if they actually have cash on hand as well.

And then criteria 9 was the interview -- let me see I said interview -- about programs and services. You just want to make sure when you're interviewing, you want to look at the programs and services they provide and just make sure that once again that you may want to ask what services do you provide, and to see if they know the disclosures and whatnot that go with that particular program. That will let you know if they have knowledge of HUD programs. For instance, if they're doing pre-purchase, do they know about the disclosures that go along with the pre-purchase program? So that was all I had. I'm sorry.

Aisha Williams: No. Thank you. Your comments are just incredibly -- and listening and helpful in this context. Shawna, did we have any questions that maybe we want to throw to Rhonda or Javon or Ruth?

Shawna LaRue Moraille: Yeah. Just a couple. So can subgrantees subcontract with online housing education providers such as eHome or Framework?

Javon Blye: eHome America is available to use. It's not contracted out, per se. That's something that they add into their work plan and state that they're going to use eHome America as a pre-purchase program. And then also that brings on a good point: If you're doing online counseling or over-the-phone counseling, you want to ensure that you have disclosures in place for that as well on how you're disclosing to the client if you're not doing face-to-face.

Shawna LaRue Moraille: Okay. The next one is: Are subcontractors allowed as presenters for workshops as long as the agency is adjusting all of the one-on-one counseling that may occur as a result of the workshop?



Javon Blye: I'm sorry, Rhonda or Ruth. I don't want to hog everything. You can go ahead if you want to speak to that.

Rhonda Rivera: Yeah. Hi. This is Rhonda for speaking on the home buyer education. We do prefer that somebody from the counseling agency be there at that workshop to oversee what is being taught at that workshop, so you should have some training plan agreement with the trainers that are going to be providing those modules for your pre-purchase home buyer education workshop. For example, that all these speakers from the private industry are helping you conduct those workshops, but a counselor should be there to oversee that that information is there, not just leave it to this third party entity doing all of it.

Javon Blye: And Rhonda brings up a good point. Another thing we do in the workshop, sometimes what agencies do is, prior to having a professional come out and speak, they already have disclosures with them signed that they understand that they're there only to provide only educational information and that they're not there to sell their products. So they're there for informational purposes only.

Aisha Williams: Great. Thank you.

Shawna LaRue Moraille: And there's only one more about like if -- I'm an oversight agency and we receive a financial audit, what should they look for. And I'm just going to let folks know and I'll go ahead and send the link and the questions. There was an entire presentation at the August meeting, August 5th, about how to prepare for your financial audit. So I will go ahead and send that link. No further questions.

Aisha Williams: Great. Can we get a look at those poll results before getting to the last five criteria?

Chantel Key: Sure. Hold on one second. We have 28 percent voted at recordkeeping and reporting. 16 percent voted client management system. 16 percent voted counseling resources. 28 percent voted knowledge of HUD programs and market. 13 percent at service contracts and agreements.

Aisha Williams: Great. Thank you. It's another good spread of material. And at the end of the presentation, we'll provide an email that you can email in additional questions so that we can flush out both TA and toolkits, as well hopefully be able to answer those questions for you one-on-one.

Okay. So moving on to the last five criterion, let's take a look at number 11, which deals with community resources. Basically this criteria means that the housing counseling agency has to demonstrate the [inaudible] relationship with private and public community organizations. And these organizations will be the places where they will refer clients who need services that the agency itself cannot offer.

In terms of showing the appropriate documentation, a description of those working relationships and partnerships to be documented or appended to their application to join your network, again,

if it's an existing agency they should be maintaining a description of that information on hand and then, of course, you can always be checking client files to see if those referrals and resources are being leveraged appropriately.

And then, while you can certainly take a look at that description, ideally what would be great is if the description can be substantiated by an actual signed partnership agreement or an MOU. In terms of the evaluation strategy, again, remote review is fine. Sometimes you want to save the site visit for things that are sort of more critical that -- or not necessarily more critical but things that can't be readily observed remotely. And in this case, this is something that can be readily observed remotely if you have to.

Okay. Criterion number 12, this is for state and local requirements. This means that an agency is granted [inaudible]. So you have an oversight agency, any branches you have and affiliates you have must meet all state and local requirements in order to operate. The best way to verify this is to request their most recently renewed business registration or authorization to do business if they're existing -- well, even if they're a new affiliate, again, they should have been operating for at least a year so you need to have that information on hand and they should be able to provide that.

A certificate of good standing or self-certification, if you absolutely had to go to the last resort, but really they should be able to provide something that shows that they can operate. You can also, in addition to reviewing that documentation, you can also check with the secretary for that state, whoever oversees corporation for a particular state, you can see if the agency is still in incorporated in the state or if there have been any violations that are noted. Of course, for issues that haven't bubbled to the surface yet, there's not really much you can do, you just need to do what you can to stay abreast of what's going on with the agencies and when there is a red flag, then you do additional investigation from there.

With regard to the 13th requirement, which is for the facilities, all housing counseling facilities of the agencies and any branches, subgrantees, affiliates, etcetera, they have to meet these bulleted requirements here. They have to have clearly and properly identified office space with space available for the provision of housing counseling service and that sign has to be permanent, just to identify the office.

The office that operates during normal business hours and offer extended hours when necessary, the exception for this requirement is that if there's a certain branch office that only has the resources, again branches offices that only have the resources to operate on a part-time basis, but their services are critical to the community that they're in. So they're there because they're critical but they're a branch and the only have the resources to do part-time, so that's for you and the LHBAs out there.

The agency has to be able provide a privacy for in-person counseling and be able to have, again, the confidentiality of [inaudible] records that things are kept under lock and key, that you don't go in there and see client files just laying out or that counseling isn't happening in like sort of a bullpen setting where everyone can hear what's going on And then they should be able to provide accessibility features or make alternate accommodations for people with disabilities.

To substantiate this, they can submit photographs of self-certifications along with a written description of how this is managed. Even with the photographs, I kind of like to know a little bit about what their file management process is, so I really encourage you to have some sort of written description along with the self-certification or photograph. You can remotely review this information and documentation. You can do an onsite review. And this is one of those things, again, if you're weighing what to remotely review, versus what to verify during an onsite, this is one of those things that I think falls into the second bucket, that you want to do it onsite.

Before moving to the next criterion, I just want to add that this issue for existing agencies, really probably shouldn't come up if they're already in your network unless they have some huge funding cuts so they start moving offices, then you want to get back out there, especially if they moved and see what's going on.

Okay. So the 14th criterion, having to do with the agency's housing counseling work plan and we talked about that. An agency has to be able to demonstrate that they have a housing counseling work plan that meets HUD's requirements. We have the requirements listed out here. You have to cover the target geographic area and population, so where are you going to do it and who are you going to do it for?

It has to be you cover the issue, the needs of the target population, so we're going to do it in this area with this group of people because this group of people have these particular issues, or underserved in this particular way and have data to substantiate that. They also have to outline what the services that they're going to provide, so don't just identify the need but say what you're going to do to fulfill those needs. And that has to always include affirmatively furthering their housing and follow-up.

So the description of services should share how they're going to do that information. The activities and the outcome -- or activity outcome, so, we're going to provide these services to meet these needs and we expect our outcomes to look like this. We expect the impact or the changes in people's lives that we're working with to look like this. They also need to be able to demonstrate they can provide the counseling and education services in alternative settings and formats.

Again, for people who need those types of accommodations, as well as non-English speaking or limited English proficiency clients, they need to be able to show that they can accommodate that. We talked earlier about interpreters and so forth if you're not fluent.

And then if you're going to have service fees, we need to see what the fee schedule is and what that looks like. So in terms of being able to show that, the documentation again, I mentioned this earlier, we're not just looking to check off, oh, yes, you have a work plan. You want to make sure there's a viable data [inaudible]. You want to make sure that the services they're talking about are actually services that are listed that can be HUD-approved, that it's not some sort of random other things. So for example, a food pantry is nice but that's not a service that you can be HUD-approved to provide, so to speak. The specific strategies that they're going to be doing, they

should be appropriate outcomes and clear policies. That's really important, clear policies with regard to how the work plan is going to be implemented.

In terms of evaluation, you can do a remote review of the work plan and, in fact, I would really encourage you to do a remote review of the work plan before you even go to the agency's facility. You want to know what they're about, what they're doing and derive your interpretation of the other material or the in-person visit from there.

And then if they are going to be applying for funding, again, or even if they're not going to be applying for funding, they just want to join your network, you need to be sure that that plan is consistent with the other components that they're providing through your network application process. And again, you want to check, is this work plan consistent with these materials and is it feasible given what's represented in these other materials?

And then, finally, conflicts of interests and disclosure requirements. This one is a long one, so just brace yourself. We've got a couple of slides on this. An agency must disclose any real or apparent conflicts of interests and describe how these conflicts are going to be mitigated and this includes but isn't limited to providing disclosures to clients. The agency must avoid conflicts of interests and actually go a step further by implementing quality control activities that help avoid potential conflicts of interests.

Where conflicts of interest are apparent or even questionable, it's important that the agency disclose these to the client in the disclosure but also you have to disclose them to HUD. We recommend that agencies develop a conflict of interest policy for all employees and that the employee should sign that policy in an acknowledgement that they understand it and that they are living up to it. And that things like outside employments or employment of friends or families, that that's [inaudible] broadly covered.

So we talked about that you have to have the disclosure, the client disclosures; you have to disclose to HUD if there is any kind of conflict. You can have a agency self-certification that no conflicts exists, but I still think you -- and HUD can jump in here in a couple of slides -- you need to probe that further through interviews that Javon mentioned earlier, but also through other documentation that substantiates that. And so in that case, it would be conflict of interest policies, documents, the employee policy, etc.

And then you can remotely review those materials and you can follow-up with HUD as necessary. One thing I do want to mention is that, if an agency determines that there is some sort of conflict that has occurred, you have to take steps to notify HUD within 15 days. That's 15 days after the conflict occurred and the actions that were taken. You have to let HUD know the actions that were taken to cure that particular conflict.

And so a couple of important things to highlight here, there are three categories of conflicts of interests that are outlined in chapter 6 of your handbook, I believe it's Section 6-2. And the first one deals with a person of trust. I'm going to recommend that people go and read that, but I'm just going to make a couple of examples here: a director, an employee, a contractor, a volunteer or someone who is related to them; a spouse, a child, a business partner. Those are people in

positions of trust and they have to avoid doing anything or taking any action that might result in or even create the appearance of a conflict of interest. And in this case, the first one there that you see is administering the housing counseling operation for private gain. You can't be providing preferential treatment to any organization or a person that conducts activities that would be sort of out of compliance with the conflict of interest here.

A direct interest is a conflict of interest that would arise if a person of trust -- we just talked about -- with the organization or related to anyone in the organization serves as an employee for another agency that might have a direct interest in the client or negotiating future employment with an agency or organization that might have a direct interest in the client just by virtue of their role.

So for example, if they're going to own or purchase a property that the client seeks to rent or purchase or if they're, for example, going to serve as a collection agent for the client's mortgage lender or the landlord or the creditor and you're up there providing delinquency counseling, that is a conflict of interest. A direct conflict of interest, dual employments or that kind of thing.

The third one here is referrals. It is a conflict of interest if a person of trust, we talked about just a few minutes ago, refers clients to entities that are going to be providing services to the client in which they can have personal gain. So I am making referrals to a realtor and I'm married to the realtor, but all my pre-purchase counseling supposed to go to myself/realtor. Or if, for example, I am referring them to my friend and my friend is going to try to give me some sort of fee for a referral fee. That type of thing is not permitted.

So then, finally before we take the final poll and get the questions, there is no steering. And what this means is that you must always be sure that you give your clients, that you discuss alternatives with them and that discussion of alternatives must be well documented in the client files. And so that's important there.

And then finally it's really important, again, that you as an oversight agency verify that the agency has their disclosures and that those disclosures meet HUD's requirement. I would strongly recommend that you take a look at the disclosure form, capacity building toolkit on the Office of Housing Counseling website. Again, that's a good guide for you. You're not required to use that particular tool as a guide but you are required to have disclosure forms that meet HUD's requirements, and that's just the one they've provided and try to make it easy for you.

That disclosure has to clearly state that the client is not obligated to receive any services offered by the organization or any of its partners. It must provide information on alternative services, programs and products. And then, finally it must describe very explicitly the various types of services provided by the agency and any financial relationships between the agency and any other industry partner.

Okay. So with that I'm going to get into the final poll and we will take comments from HUD and questions from you guys. For which of the following criteria would you like additional guidance: Is it criterion 11 on community resources? Criterion 12 on state and local requirements? Criterion 13 on facilities? Criterion 14 on the housing counseling work plan? Or criterion 15 on

conflicts of interest and disclosure requirements? Go ahead and work on clicking the answer on hour screen. And HUD, did you have anything that you wanted to add?

Javon Blye: Yeah. This is Javon. On community resources, you want to make sure that you're -- you don't want to provide a list of every resource within -- the agency shouldn't be providing to you every resource within their community. They should be providing you only those agencies that actually assist with providing some type of assistance to their clients.

And then they should have a list of those agencies with a small description to the side of what those agencies actually provide, what type of services that they can provide. What this does is, it helps you to know who your network is referring clients out to and in case there's some type of complaint, it's in the work plan, you already know who their list of community partners are, and if there's a problem you can always narrow it down to exactly where they were referred and who they saw. So that's why you kind of what to make sure that you have the community resources locked into that.

As far as just state and local requirements, you just want to make sure you vet your network and make sure that they keep an active status, that they're in compliance.

As far as facilities go, as far as signage, sometimes it's hard to have signage at a place where, for instance, we have some places -- I'm in Georgia -- sometimes we have agencies that are co-located, for instance, with a police department or a municipality that it won't let them put up a sign, so what we do is make sure when we enter the building, that they're on the marquee and that on their doors they have that stuff readily available, their operating hours and all the other things per 7016 and the result of the regulations.

And for the work plan, you covered that great and beautifully as well as the conflict of interest. You covered both of those beautifully.

For the work plan, just, again, the services, make sure that what they're applying to do for you in the network out of those 14 services, you want to make sure that however many that they have listed there in the beginning, matches up with what they have in their work plan. So she covered that very great.

And then for conflict of interest, the biggest thing, again, she covered all of that great which is steering and you want to look at what would draw you to some of that is, when you're going through the application, look at the other activities' paragraph and it breaks out if they're doing any other activities.

If an agency states that they're doing other types of activities, then you know they're probably going to need some type of conflict of interest statement off the top, and that's when they probably won't be able to self-certify because they have other activities going on that wouldn't mesh with that. So for instance, someone may be co-located with a real estate company or something like that in their other activities, so, then, they would have to disclose that type of information. But you just want to make sure that you stay away from steering.

And so for the disclosures, what you want to make sure is, you just describe what you're doing on your disclosure, you want to provide any relationships that you have with industry partners. Again, you want to address any alternative services and programs and products that could cause or pose a conflict of interest, and then you want to have that conflict of interest policy like we just stated.

And then an additional step that you could do is recommended, but it's not necessary that you have to have it, is a client counselor agreement. And that's what she was talking about, our toolkit that's online, it says US Department of HUD agency disclosure forms, its required elements and best practices and that's listed online. And it'll break all the different things what constitutes a conflict of interest and how to circumvent that, and as well as with the program disclosures.

But that client counselor agreement, that's going to reduce your agency liability again, because it's going to state on that after you've already stated what your services are, you stated your relationship with your industry partners, and then you stated the alternatives that you list for those clients. If you have one you have to state alternatives. So you just want to make sure that you're stating alternatives and disclosing. And in real estate we say location, location, location. Well, in counseling we say documentation, documentation, documentation. That's it.

Aisha Williams: Great. Thank you so much. Anything to add, Ruth or Rhonda, before we move into question? We are over time here and we definitely want to get to some questions and show them the additional resources.

Rhonda Rivera: No. Javon covered all of it, so carry on.

Ruth Roman: This is Ruth. I'll just make one comment. A lot of the criteria we talked about counseling resources and capacity to meet different program requirements. One thing that, I think you touched on briefly, Aisha, but I also want to highlight, is when you're evaluating applications from agencies, also to look at not only their financial resources but their capacity to manage the federal grant.

So you're not only talking to the program staff, executive director and others in the organization, but you want to talk to the finance department and learn about their accounting system and how they manage [inaudible] grants. So the program and finance really have to -- people work on programs and people work on finance really have to work hand in hand, as you know, but you also want to have those conversations with -- early on or as a part of your application review process.

Javon Blye: Excellent point, Ruth.

Aisha Williams: Thank you. Shawna, any questions?

Shawna LaRue Moraille: Yeah. We have a ton. Do you mind if this time we at least get the results of the poll and then we can go in to them? Some were brought up earlier but I wanted to kind of save them to the end, so maybe we can do the poll first.

Aisha Williams: Okay. Great.

Shawna LaRue Moraille: Yeah.

Chantel Key: Okay. We have 13 percent voted community resources. 16 percent voted state and local requirement. 0 percent voted [inaudible] facilities. 47 voted housing counseling work plan. 25 percent voted conflicts of interest and disclosure requirement.

Aisha Williams: A good spread again. Shawna, do you want me to have the additional resources up on the screen while you're going through the questions?

Shawna LaRue Moraille: Sure.

Aisha Williams: Or do you want to --

Shawna LaRue Moraille: Sure. That's a good idea. Go ahead and advance it.

Aisha Williams: So I'm going to advance -- there are two additional resources -- two [inaudible] additional resources. Again, these will be made available to you, the slides -- actually they've already been made available to you, so you have all the links that are available. But again, we have this for additional resources and this as well. And so now we are moving on to the wrap up and Q&A.

Shawna LaRue Moraille: Okay. Great. And Aisha does have up the evaluation. I want to catch some of you that might be exiting the call to please fill out the evaluation. We take your comments very seriously on how we can improve in the future and then, of course, the questions go into the [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov). For those holding on, and thank you for all your questions, so just a hand full of things. Back on slide 10 -- I'm sorry criterion 10 --

Aisha Williams: Okay. I'm going to just scroll back there more. Okay.

Shawna LaRue Moraille: Okay. So there's one question on, you made the distinction between contracting with an entity and contracting with an individual counselor. Can you provide more clarification on that?

Aisha Williams: Sure. HUD, did you guys want to go ahead and take that?

Shawna LaRue Moraille: I think just a quick distinction would be helpful.

Aisha Williams: Okay. So again, some agencies have counselors on staff who are not the traditional W2-type employee. They are contractors. And when they join your organization they fill out what's called a W9, and then at the conclusion of the federal tax year that person would get what's called a 1099 as opposed to having a W2. And so you are allowed to have counselors who would go through that process, or educators or whatever on staff, that go through that process. So that's what technically a contractor is.



However, if you are looking to contract out all of your services to another agency -- so I have provided a work plan and I'm not actually going to be providing anything in that work plan, the agency down the street or in the next region over is going to be providing all the services in that work plan and I have contracted with that particular organization -- then that is not allowed outside of the exceptions that we mentioned; which, again, are for oversight agencies, which is the case for all of you, our target audience for today's call, or if HUD has said that that's okay and have made that exception. And you would have to have a letter for that, or if you haven't gotten the letter yet you need to go and seek that letter.

Shawna LaRue Moraille: Okay. Anything else from HUD that they would add to that?

Javon Blye: No. She hit it. I was on mute, I'm sorry.

Shawna LaRue Moraille: Okay. Great. Okay. And so can you go to criterion 12 as well? Sorry. I think it's helpful because there's so many criterion here to go to the specific question. So this is: Where would an agency need to go to get from the state or local government that their agency is certified? And I believe this is the authorization to do business, I hope. If not, we can unmute you and you can ask us verbally, but I believe that's what they're asking, where do I go to get that authorization.

Javon Blye: Yes. They should have -- each state usually has a place where you can go research your organizations and so you should be able -- it's going to be a state thing where you have to find out exactly where to go find out where they register in your state.

Shawna LaRue Moraille: Okay. Great.

Javon Blye: For instance, here in Georgia it would be the secretary of state's office.

Shawna LaRue Moraille: Okay. Great. All right. And then I believe I have two on conflict of interest, so that's criterion 15. So one person asked to please elaborate when the housing counselor is also a realtor.

Javon Blye: That would have been disclosed up in their -- when they first either got on board with the agency or when they became HUD approved, and they would have already had their conflict of interest information. But if there's an organization like that they need to have their conflict of interest stuff already there: Conflict of interests, steering agreements, just everything that they could possibly have, because you don't want to show if -- it's going to be impossible for you to show that you're not steering, almost, if you don't have that agreement in place.

So you're going to have to have some type of conflict of interest statement for the agency prior to them counseling someone.

Ruth Roman: Basically, we're saying that you've left your real estate license at the door to be a counseling agent. At a housing counseling agency, you are there to provide the counseling

activities and not there to obtain a client for a personal gain to help sell their property or whatever.

Javon Blye: Great way to put that.

Shawna LaRue Moraille: Okay. Great. That was super helpful. Okay. This is: Shouldn't agencies provide more than one agency that's offering a particular service if they're available? For example, providing information on agencies that offer services to veterans. Also, does the work plan have to be amended if they want to connect with additional community resources or become knowledgeable? An agency is no longer able to provide a service.

Javon Blye: Yes, ma'am. That's a simple [inaudible] get with their POC and just update their community resources. And that list will be there for them and it will be with their work plan. So that's an easy fix. And it was a two-part question. What was the other question? I'm sorry.

Shawna LaRue Moraille: One was -- no I think you answered it, because the first one was what if they say they work with an agency that offers services to veterans and then if they need to be amended when an agency no longer provides a service. I think you answered it.

Javon Blye: Okay. Thanks.

Shawna LaRue Moraille: No problem. Okay. So a couple in the beginning that a few folks mentioned that I think HUD could just provide -- like weigh in a little bit on, which is -- hold on one second. So the valuation process is expensive to use, does HUD provide any incentive, basically, and grant funding to encourage new agency participation?

Javon Blye: Ruth, I'll let you have it now.

Ruth Roman: Well, the -- this is Ruth -- so, I mean each agency has to decide about the -- [inaudible] want their network to be, how many agencies they can bring on in a given year. And our funds flexible to use in terms of if they're available to use for those resources -- I mean for that -- in order to help you cover those costs related to evaluating applications and onboarding.

Shawna LaRue Moraille: Okay. Great. And then this relates to compliance and [inaudible] intermediary for liability: What are the potential negatives or possible negative consequences for an intermediary if they discover noncompliance of one of the affiliates even despite reasonable oversight efforts?

Javon Blye: Well, what you want to do is, honesty is everything, so you want to make sure that - - just see what the extent of the problem is so that it can be mitigated first, and if it's not something real serious, you want to work with the agency. If it's something that they need to be taken out of -- I mean a reason why they need to be removed from your network, then you simply need to notify them and notify HUD that they won't be participating in your network.

And if there's a reason why something that's going to affect the grant or the reputation, then that needs to be stated to the [inaudible] who handle that particular agency, so that all of that can be

cleared up, but everything needs to be cleared and severed, so to speak, to make sure that everything is completed with that if there's -- whatever the reason may be.

So for instance, I had an agency that we had to let go because they were doing some different types of services that they claimed they were doing by work plan but when we actually went out and saw, they were a bunch of lawyers and they didn't even have a counselor on hand. So they had lost their counselor but they continued to try to do services because -- but they were brand new, so they lost their counselor as soon as they got him.

So when the counselor left, they should have immediately let HUD know that they lost their counselor, that they weren't able to counsel and they shouldn't have been trying to take subgrantees' funds from their parent, because they know they didn't have an eligible counselor.

So if they needed to be removed because they're not getting ready to get another counselor any time soon, then they can go on inactive status, or something like that, or they can just put them on inactive status. It just depends on what -- there's different remedies for different situations. But honesty is the best policy.

Shawna LaRue Moraille: Okay. So I think this is the final question unless somebody wants to be unmuted and ask something like verbally. So I'm trying to piece together -- one person has provided us in three parts but I believe the question is about the [inaudible] eligibility criteria that we went through and comparing it to the 9900, and it seems to be, at least to this person, that the criteria doesn't exactly like match up. Yeah. Can you help me out, Javon?

Javon Blye: The 9900 and the 7610?

Shawna LaRue Moraille: They're saying 9900 checklist. Yeap.

Javon Blye: Right. The 99- -- the 7610.1, Revision 5, has not been updated, so that 9900 has the most recent criteria. 7610 does outline the performance criteria in a [inaudible]. There's additional criteria on that 9900. So I always advise people to use the 9900, as well as with the handbook, so that you can meet all the criteria, make sure that you're catching everything. But that 9900 has everything on it, including some of the grant criteria.

Shawna LaRue Moraille: Okay. So it's eligibility plus the grant criteria and so you can use the information in this webinar, but, again, it's been provided to them and then there'll be a subsequent toolkit. Sounds like all that would be helpful and the most recent. Okay. Great. Thank you for that. Any other questions folks have? Does anyone want to be unmuted? Lots of folks said that you covered the conflict of interest very well, Aisha, so they're really looking forward to seeing some of that in the toolkit.

Aisha Williams: Great.

Shawna LaRue Moraille: Okay. The person asked about the 9900 says, do all the questions have to be answered yes for the agency to be approved on the 9900?

Javon Blye: We look at everything as a comprehensive picture, so we have to see what would be missing. I just would have to see. I would have to know what was missing in order to say yes or no. But we look at everything comprehensively.

Shawna LaRue Moraille: Thank you. And I think that this is part of the tool that somebody asked early on, it might have been the same person. There will be questions to ask about all 15 criteria and then there's a checklist yes or no, and if something is yes or no it'll say specifically that the organization cannot be approved, things like that. So hopefully, that checklist that's coming soon will be helpful to folks. Thank you for that, Javon.

Okay. Great. Anyone need to be unmuted? Any hands up or are we at the end of the webinar? I'm sorry that we're a little bit over two hours. Anybody, Chantel, that you're seeing?

Chantel Key: Yes. We have one.

Shawna LaRue Moraille: Okay.

Chantel Key: Anna? I unmuted Anna. Did you have a question? Okay. So maybe it was my mistake. No other hands are raised.

Shawna LaRue Moraille: Okay.

Aisha Williams: Great. Well --

Shawna LaRue Moraille: Great. Thanks for --

Aisha Williams: -- it sounds like that --

Shawna LaRue Moraille: -- oh, I'm sorry.

Aisha Williams: Oh, no --

Shawna LaRue Moraille: Go ahead.

Aisha Williams: -- no. I said, it sounds like that -- I was saying, it sounds like that concludes this, Shawna. You want --

Shawna LaRue Moraille: Yeah. Well, thanks everyone. Please fill out the evaluation and we look forward to talking to you on November 19th for right-sizing, which is the companion piece to this particular webinar.

Have a great rest of your afternoon and thank you so much.

(END)