

Multifamily Housing Family Self-Sufficiency Program

Webinar 2

Developing Your HUD Action Plan

Jennifer Bagnell Stewart: Okay. We'll go ahead and get started on the webinar. Welcome to those of you who are joining for the first time and welcome back to everyone who participated in the first webinar. My name is Jennifer Bagnell Stewart with Abt Associates.

And for today's webinar, I'm joined by several other members of our technical assistance team. We have Carissa Janis with HUD's Multifamily Office, Jeff Lubell with Abt Associates and Chelsea Penucci and Sandra Suarez with Compass Working Capital. So before we begin on a topic of developing your action plan, I'd like to review the housekeeping items shown here to ensure a smooth webinar and how to get help if you need it.

These best practices will help to mitigate and prevent any audio issues. So do join the meeting using the call me feature, usually works best. Join each training session individually. So if you are in, it's best to call in on your own rather with your own – rather than as a group conference setting.

And if you're still having any issues getting your audio connected – you probably can't hear me but you can see on the screen to contact Jeanne_Goodman@abtassoc.com. And during the webinar, you are automatically muted, but if you have a question, there's two ways to pose your question.

You can use the Q&A box – the chat box, there were instructions on how to use it and you can also choose the hand button icon right by your name in the participant list – the panel – participant list on the right and if you click that, we'll be looking out for raised hands for questions.

Please do feel free to ask questions at any time during the presentation. We're going to pause at certain points to respond to the questions we've received. Finally, as a reminder, this webinar is being recorded so that you and others can listen to it later on.

So these are the learning objectives for today's webinar and by the end of the webinar, you will be able to explain why an action plan is important, list the contents of an action plan, identify the key people and stakeholders who should be involved in developing an action plan and describe the steps needed to develop and submit your action plan.

And in line with the learning objectives we just reviewed our agenda for today is to cover the purpose of the action plan and the information you will need to include to complete it as well as the submission process. We will also provide additional resources you can reference to help you as you develop your action plan.

So this slide should look familiar. We want to remind the group where we are in our webinar series in FSS Launch process. This is the second of six webinars. By this point, you should have completed the self-assessment and modules one, two and three in Compass's online course.

You should also have received some individual technical assistance with the Compass team to review your self-assessment and identify your needs for TA. And this slide should also look familiar and it's a helpful reference point. This FSS Launch Roadmap continues to be an

important tool to understand key activities, deliverables, team meetings and relevant personnel during each step of the Launch process.

With this webinar and the work over the next few weeks, we'll be wrapping up this first phase of program Launch and moving onto phase two. Now Chelsea with the Compass team will begin on today's topic of development your FSS action plan.

Chelsea Penucci: Hi, everyone. Thanks, Jennifer. It is great to be back with you all today on this second webinar and it was also great to connect with all of you in between last webinar and this webinar in your individual TA sessions. We're really excited to continue through this Launch process with you.

So I'm going to just do a couple of quick reminders about some resources that are available to you and what the FSS program is in case you're joining this webinar for the – this webinar is your first webinar with us and then I'll talk a little bit about the purpose of the action plan and hand it over to Sandra to talk about its contents.

So first, just a quick reminder here on this slide what is FSS. So Family Self-Sufficiency is a program operated by HUD that is really designed to help families increase their earnings, build assets and achieve greater financial stability and as you all know, this program has been around for quite a while for public housing authorities, more than 25 years and just recently HUD authorized multifamily owners to also operate this program.

So you all now are really leading the charge nationally and can establish an FSS program at one or more of your own properties, as you know. Another brief reminder, in order to operate an FSS program, an owner or agent must have an approved FSS action plan.

So that's why we've dedicated an entire webinar to developing your action plan, because it's really going to be the kind of foundational body document that really outlines what your program will cover for families and how it will be designed. Go to the next slide. Great. And then this slide is just a few resources that are available to you to learn more about how to create a strong action plan.

So module three of Compass's online training course is all about action plan development.

We'll talk about this a little bit more later as well, but in that – in our online course connected to module three, we also have a number of resources in our course pack, including an action plan template that we've used with other multifamily owners and for the programs that we run ourselves that we hope will be a useful tool if you decide you'd like to use it to help guide your own action plan development.

And then there are also a couple of other resources that HUD offers that they've created. So it's the FSS guidebook for owners of project-based Section 8 developments. This link is here, it's also on the TA portal and we will, of course, share these slides after the webinar so you can access it.

And then this third bullet here is an online training that HUD released a couple of years ago that really goes a deep-dive into all aspects of the program, including action plan development. So we just want to make sure that we're continuing to put these resources front and center for you as another option to learn more about FSS.

Great. So now I'm going to talk a little bit about the purpose of the action plan. In this section, we'll cover what we see on this slide. So what is an action plan, why do we need one and who do you involve in the process to create it? So what is an action plan? The action plan is really the guiding document for your FSS program, as I mentioned.

It describes the policies and procedures under which your program will operate. HUD Notice H-2016-08 details in specificity the requirements for the action plan and these requirements can really provide a framework for decision-making about your program and then help you develop the necessary policies that you need to operate a strong FSS program and as we mentioned, it's a prerequisite for administering FSS.

So once HUD approves your action plan you can start enrolling participants. The good news is that you can continue to plan for your program and think about your marketing strategy and how you'll structure your appointments and set up your systems before your action plan is approved, but you just can't start enrolling participants until you get the go-ahead from HUD.

So in the next few webinars, we'll dive much deeper into several topics that you'll need to cover in your action plan, but in this webinar, we really want to run through these areas at a high level so you can start to become familiar with the things you'll need to consider and just make sure that we're kind of introducing you to some of these topics now.

Can we actually go back one slide? And so some of the areas that you'll see on this slide that are described in the action plan are your marketing outreach approach, family selection procedures, general program operation and then also how you plan to fund the program.

So let's talk a little bit about why we need an action plan. The action plan will help you work through a lot of different elements of program design. As we've mentioned, it'll help you identify key players and program implementation, including folks at your own organization that need to be involved in the process and also community partners.

It'll help you think about your program model and put that down on paper and then it can also be a useful framework in helping think about community partnerships outside of your organization. So before we go into the contents of the plan, we want to talk a little bit about who should be involved in this process.

So this will really depend a little bit on how your organization is structured, it will depend on like who's going to be playing a leading role in your program development, but we really feel strongly that it is a best practice to include all staff, at some level, who will be involved in operating your FSS program.

So staff providing services to families, property leadership, including staff from the owner/agent, maybe corporate office, perhaps community partners and other folks that are going to test your program in some way. We've seen, as a best practice, that it can be really helpful for the person who's leading Program Launch to maybe take a first go at developing a draft action plan and then bringing it to this group of stakeholders to review.

So you might have one group of folks looking at one piece of the action plan that pertains to them and then another – the property management team might be providing feedback on another area that involves them more closely.

So being able to have one person kind of create something that folks can react to and then having everyone weigh in on the aspects of the program where they're going to play a role can be a really helpful and kind of efficient way to think about how to develop your action plan.

Developing your action plan in this way where you're getting stakeholder buy-in is also just a good way to do exactly that, to align the team and make sure that everyone's on the same page about the program. Finishing up and submitting your action plan to HUD, while it's not – you know, you're not enrolling participants yet; it's actually a really important program milestone to celebrate.

It's something that you've put on paper some really important thoughts about how you want your program to operate and it's an opportunity to bring everyone together to celebrate that, to acknowledge the progress you're making on Program Launch and then to make sure that everyone's on the same page about the program.

Sandra Suarez: Hi, guys. This is Sandra Suarez from Compass and I'll be talking about contents of an action plan.

So the HUD notice date that the action plan should describe the policies and procedures of the FSS program and that it should contain, at a minimum, the following information, who will participate in the program and how participants will be selected, what support services and incentives will be provided, how the program will be funded, process for supporting participants and terminations and schedules implementation and other information. And we'll walk through each of these aspects of the plan as we do think about who to include in your conversations to inform your approach.

Next slide. So in your action, you will need to describe which types of residents you believe will be interested in your program. This section includes a description of the number, size, characteristics and other demographics, including racial and ethnic data and the supportive services needed or needs of the families expected to participate in your FSS program. This may be determined by assessing residents' interests and needs through surveys or discussions with your residents.

You will also need to include an estimate of the number of eligible FSS families who can reasonably be expected to receive your supported services under the FSS program and that'll be based on available and anticipated resources. Your total eligible population should include all

residents living at a location with a project-based Section 8 subsidy where the FSS program is going to be offered.

Based on experience with PHA FSS programs and FSS multifamily, guidebook suggests an estimate of about 5 to 10 percent of the number of households whose heads are neither elderly nor a person with disabilities and up to 20 percent with aggressive outreach marketing.

This benchmark could be useful for estimating likely program participation, though, remember that both elderly and disabled household members are eligible to participate and at Compass, we've been able to enroll a higher number, around 30 to 40 percent, and we attribute that to aspirational marketing which is part of the webinars that we'll be doing with you.

Next slide. So in your action plan, you will also need to provide a description of the criteria you'll use to select families for participation in the FSS program as well as ineligibility criteria. These are particularly important if you anticipate a large demand for the program.

So you'll want to make sure that you have exact resources to manage demand as all families that meet the criteria for selection are eligible to participate. Selection procedures are discussed in more detail in Section 3C of the notice.

In your selection procedures, you'll need to specify that FSS is a voluntary program, including nondiscrimination statements stating that families will be selecting without regards to race, color, religion, sex, disability, family status, national origin and make sure your eligibility criteria do not discriminate on any of these bases and list eligibility criteria.

So for example, here are example selection criteria adopted from the Compass Action Template, which is provided in the online training. To be eligible for the FSS program, residents must live in a property that has a project-based Section 8 subsidy, agree to seek and maintain suitable employment during the term of the FSS contract and be a tenant in good standing as determined by your organization.

Next slide. The action plan must also include a statement assuring that a family selection not to participate in the FSS program will not affect the family submission to assisted housing or the family's right to occupancy in accordance with its lease. There cannot be a link between FSS participation and receipt of housing assistance.

Next slide. The HUD notice requires that in your action plan you discuss your FSS activities and support services you provide, how you will reach out to tenants to tell them about the program and recruit participation and the incentives you will offer to participants.

Under FSS activities and support services, the HUD notice requires a description of the activities and supportive services that will be offered through the FSS program and a description of who will provide and coordinate them, whether that be the FSS program coordinator or maybe a program coordinating committee or other qualifying entity.

And FSS plans typically list who the program partners are and what services they will provide upon referral. This is helpful practice, both to alert residents to what kinds of services they can access through FSS but also as an organizing vehicle for the owner developing its FSS plan as descriptive as you could get to describe and outline the fundamental structure of your program.

This includes determining your program model. So will you offer financial coaching, employment, career coaching or other model and what are the key components of your program design? Next slide.

So here's an expert from a Compass model action plan describing the financial coaching model that we use and it reads financial coaching associates work with clients to create a comprehensive financial profile, including educational and employment background, credit and debt analysis, current financial practices, savings goals and perceived obstacles to achieving their goals.

Throughout the program, Compass continues to provide ongoing customized financial coaching for all FSS clients to help them reach benchmark targets in five core areas. Those areas are income and employment, credit and debt, savings, utilization of high-quality financial services and asset development.

Moreover, financial coaching associates focus on helping FSS clients optimize escrow funds toward financial security and asset development goals, including post-secondary education, small business development, homeownership and credit improvement.

Next slide. So another example of a program description includes outlining an array of services that will be customized to the needs of the participants. So here's an excerpt from the service model of a sample action plan written by Nan McKay & Associates for a public housing authority. Though written for a housing authority, it provides a good example of a service model that could also be used at a multifamily property.

It also shows an alternative form for communicating your plan. It is not expected that the PHA or owner alone would offer all of these services but would do some working with their service partners.

So if you look at the slide in front of you, you could see that the support service are assessment, education, training and job search assistance and under each supportive service, there's specific things that the coach would do with their clients or ask their clients about.

So for example, in their education, that the clients want to get a GED. Is the person interested in post-secondary college or whatever that may be and then besides that, who the partner is so they can refer them to that partner. Next slide. So the action plan also requires that you describe how you provide a description of how the FSS program will identify the needs of FSS participants and deliver the services and activities according to these needs.

There are several ways to gather this information and using a combination of techniques to provide the best assessment. Some examples are conducting needs assessment with participants

at enrollment, maybe gathering feedback from service providers, bringing providers together periodically can facilitate getting some of this information, maybe tracking participant progress against goals and conducting analysis of overall progress.

That could show there are common areas where participants are struggling or not progressing as expected and additional help is needed or even asking individual participants to complete surveys when they enroll in FSS. So there are many examples or many ways of doing this.

So let's go back from action plan requirements for a few minutes and talk about program models. We've asked CommonBond to share their experience developing their program model. We'll also share our approach at Compass and Jeff Lubell will also describe additional experiences from other organizations.

I think I could get us started. So at Compass, our program delivers around culturally competent financial coaching. We offer financial education, one-on-one financial coaching and resources and referrals in other areas outside of our expertise, but at Compass, I always like to say that we believe that it's not just what we do but it's how we do it and we take a client-centered approach.

Our work begins and ends with a fundamental and unwavering belief in people and in their ability to achieve their goals and dreams. Everything we do is client-centered and around our clients. Maybe CommonBond can share a little bit about their model. Did we have somebody from CommonBond?

Jennifer Bagnell Stewart: So they need to be unmuted. You can unmute yourself by clicking the microphone icon next to your name.

Jeff Lubell: Are you sure that that setting is enabled? Do they need to be made a panelist?

Jeanne Goodman: It is enabled.

Jeff Lubell: Okay. Great.

Chelsea Penucci: And Jeff, maybe you can jump in and share some different approaches from other organizations and other perspectives.

Jeff Lubell: Sure. And then hopefully we can circle back to CommonBond. So this is Jeff Lubell and my experience has been largely with FSS programs that are operated by public housing agencies. And I would say the dominant model there differs in a number of respects from the Compass model.

Doesn't make one model better or worse, it's just sort of what – you know, I'm just describing kind of what's out there. I would say that the dominant housing authority FSS model focuses predominantly on employment outcomes and earnings outcomes.

So it's not that they don't have a focus on financial education, because that's pretty popular actually to have some degree of information around financial education, but it is much less – the

focus on financial education is much less in-depth in the housing authority programs than the more comprehensive approach that Compass uses and certainly does not typically involve financial coaching by the housing authority.

Instead what we see essentially is the FSS coordinator acting as a coach and a referral partner to help people access services that may help them get a better job.

So there's often a focus on education and on helping people to build both direct skills that they might need for employment, but even in some cases, kind of a longer-term approach looking at college, whether it's an associate's degree or a BA or just depending on people's circumstances as really preparing people to increase their earnings more substantially.

So it's partly, I would say, a difference in emphasis, kind of more focused on employment and earnings and less on financial matters, although, I think both Compass and the PHA programs do cover both of these things, but I also would say if there's a difference in the nature of the services provided, the Compass model really, I believe, involves more direct provision of financial coaching for residents and I would say the typical PHA program is more of a referral service where they're not really providing services directly but they're really connecting people and serving as kind of a node and a listener and kind of a friend but not necessarily providing substantive services directly.

Sandra Suarez: Thank you, Jeff. And CommonBond, were we able to get you?

Jennifer Bagnell Stewart: We did unmute Vanessa and Claudia. I believe they're with CommonBond if you want to speak up.

Female Speaker: Can you hear me now?

Jennifer Bagnell Stewart: Yes.

Sandra Suarez: Yes.

Female Speaker: Oh, good. All right. Well, thank you. Well, we actually started looking at a model earlier on when we were part of what we call a financial opportunity center, which was the integration of three services, employment coaching, financial coaching and helping our residents access income support.

When we lost funding for that model, we continued it at a number of our different housing sites and I really feel like that's the model that we're going to continue to use. I think some of the primary pieces of that model that really worked for us is that we have one person doing an integration of three different things.

So the person is really, what I would consider, a generalist and I think they have the opportunity to develop expertise in all three areas. The other piece is that from a resource perspective, we have one person doing multiple roles, which really – you know, we just could not afford to hire people doing a number of different things.

The other piece that I think is really important is that our experience has been is that we really lead with employment. Many of the housing sites of this particular housing site we really have a diverse community and we've found that we really need to have a much more individualized approach.

So the approach that we're taking is that not only is it a coaching framework but a counseling framework. We really believe that everyone is employable, we take it from a real strength-based perspective and really creating a culture that really expects and rewards work.

The other piece that I think is important is that from a sense of like how many touchpoints a resident needs to access, having one person really helps in that they don't have to go through multiple people and agencies and partners to get their work done and our experience has been that once people find employment that they're more likely to talk about their financial situation.

We know that it's difficult for people to talk about that and once they start having some money come in they'd maybe be more likely to start thinking about maybe I should access my credit report, look at my credit score and some of these other things. So.

Sandra Suarez: Thank you.

Female Speaker: As far as advice to give to others and as far as developing their program model, I would really look at kind of what you have available in the community, but in particular, looking at what the needs are in your particular community and trying to figure out a best way to meet those needs.

Like I had said, we felt like a very individualized model was the best approach that we could take and a more integrated model to really fit in with the needs of the community.

Sandra Suarez: Thank you very much for sharing. We can go to the next slide.

Jennifer Bagnell Stewart: So Sandra, let's pause here. We do have a few questions. We have one from – two from Shawna Wells. First is, "Can clarity be provided regarding cultural competency in financial coaching?" The second question she has is, "What is a description of job duties for both employment model and the financial model?"

There are other questions, but let's work on those first. So clarity regarding cultural competency and financial coaching.

Sandra Suarez: Yeah. So at Compass, we actually train our coaches around cultural competency.

So we onboard our new coaches and we don't just – our work isn't just around financial contents, but also around cultural competency and how to talk to people, how to speak to people with the belief that the client is the expert in their own lives and that we are here to help them and assist them, but they're taking the wheel and it's all participant-led. Does that give you clarity? So we actually train around cultural competency.

Jennifer Bagnell Stewart: Let's try to unmute Shawna so she can respond.

Shawna Wells: Yes. Can you hear me?

Jennifer Bagnell Stewart: Yes.

Sandra Suarez: Yes.

Shawna Wells: That does help. In our community, we have a good number of immigrants from the ... community and I've been to cultural competency training before and I don't know if it's anything different than what we're talking about. Immigrant families, versus, that you would normally see in a cultural competency focused on diversity that's standard in America.

Sandra Suarez: Yeah. So immigrant families is a part of our culture and what we see and what – the people that we deal with through the FSS program. So that is definitely a part of that and we have open discussions besides other specific training that we do around cultural competency.

We have open discussions as an organization around things that immigrant families might believe in, like what is a sou-sou and how about if a family – if they participate in a sou-sou as a financial coach and as an American are living in the United States, that's not a bank, right, where we say your money's safe in a bank.

So what do we tell a family who's participating in something like that? Do we tell them don't participate in something like that and put your money in a bank or what do we do in that situation? So these are the types of conversations that take place and the types of training that we do around cultural competency. So we go above – go ahead.

Shawna Wells: Is there any trauma-informed training that goes along with that or has that been found helpful?

Sandra Suarez: Say that again. Has there been trauma-informed –

Shawna Wells: Any trauma-informed training that would be helpful with looking at cultural competencies...?

Sandra Suarez: Yeah. So we haven't and I think as an organization, that's a piece – or where we say that that's not our expertise, although, as you're mentioning, that would be very helpful if our coaches were also trained around trauma, because we see this going hand-in-hand and we always say we're not only financial coaches, we're life coaches a lot of the times, because finances are a big part of people's lives and can bring trauma, but unfortunately, we are not.

So we have protocols at our organization if something gets out of hand where we can't control it or something that we can't talk about, but we consider ourselves as financial experts and in staying in our lane. So that's what we do, we do financial content. That's what we sit down with our clients and talk about and then anything outside of that we would refer out.

Jeff Lubell: I should say that a number of FSS programs and also a JOBS Plus program that's a kind of public housing self-sufficiency program, they do have a focus on trauma-informed care and they do have that training organized for what they call case managers, which kind of is an analogous role here to the common coach.

Some other programs also recommend training in motivational interviewing and there's a type of coaching called proactive coaching, which is actually similar to the Compass model. That's another training that's available out there.

But really, the bottom line is FSS provides the framework that you can really animate in whatever way really makes the most sense for your program and in light of the strengths that you have in your community, in light of the strengths of the people that you have working and Compass has amazing expertise on financial coaching and it's really built, what we think, as a very successful program around that basics.

Certainly, there are other program models out there and you ultimately will need to make a decision about how you want to structure a program and what type of training, but certainly would definitely emphasize the importance of training your staff and not just assuming that they'll kind of magically have the right skills.

You know, this work is challenging and it's really important to be able to support families adequately and be able to understand them and work with them closer.

Jennifer Bagnell Stewart: That's a great discussion around cultural competency and staff training. The other question I'm going to save that for follow-up just in being conscientious of time. That was the descriptive of job duties for both employment model and financial model.

We'll provide that through Q&A after the webinar. We did have another question came up from Bernadine Martin on, "What are the requirements to be a financial coach?" Sandra, do you want to touch on that or Chelsea?

Sandra Suarez: Chelsea, would you like to touch up on that?

Chelsea Penucci: Yes, I can talk about that. So at Compass, in particular, as Sandra mentioned, we really focus both on financial content training, but we also really focus heavily on how our coaches are approaching the work with families. So really, that coaching aspect.

So some of our coaches come into the organization with certification. So one of the certifications that our coaches get often is the AFC and the – and some of our coaches are also CFPs. That said, I think that we do a lot of on-the-job training, both focus on coaching.

So different coaching strategies, motivational interviewing, like Jeff mentioned, and then also we'll train on what we consider the core kind of foundational financial coaching topics. So budgeting and savings and credit and debt management are kind of the two that are really coming to mind.

So the budgeting and savings piece is really like can you and are you creating a healthy budget that accounts for what's coming in and what's going out and then how are you thinking about where are you putting that money, into quality financial products that you'll – where you're earning interest and then thinking about other asset-building options later on.

And then on the credit and debt management side, we find that really, one of the most powerful pieces of our program – aspects of our program that we offer is the credit building piece. So Sandra can speak to this really well too. Many of our families who work with us talk about the credit counseling that we do.

So we pull credit reports on behalf of families and then we'll go over it with them and help them think about how to prioritize debt and take other actions to improve their credit score and that's actually one of the things that folks mention most often as the most powerful part of the program, even in considering the escrow account.

So those are the kind of two main areas where we train our coaches, but we're also really focused on how they're delivering that coaching to families too and how they're approaching their work.

Jennifer Bagnell Stewart: And Chelsea, someone wants to know what are AFC and CFP? And also, another quick follow-up question, do you use HUD-certified counselor to offer financial coaching or counseling?

Chelsea Penucci: That – maybe Carissa can actually weigh in. I am not 100 percent sure if you need to be – what was the question, if you need to be a certified –

Jennifer Bagnell Stewart: A HUD-certified counselor to offer financial coaching or counseling.

Jeff Lubell: No. This is not homeownership education or counseling and there's not a requirement in FSS that you have a particular HUD qualification.

Jennifer Bagnell Stewart: Thank you, Jeff. And Chelsea, could you define AFC and CFP that you mentioned at the beginning?

Chelsea Penucci: Yeah. So I'm sorry that I just gave the acronym. So AFC is Accredited Financial Counselor and CFP is a Certified Financial Planner.

Jennifer Bagnell Stewart: Great. Thank you. And another question we have is how do we define – and this is coming from Erica Rodriguez-Valice-Filacios, "How do we define suitable employment? How should we treat participants who work part-time or don't have a typical 9:00 to 5:00 job but work in the gig economy or run traditional small business and for the FSS graduation requirement?"

Chelsea Penucci: I could take this one.

Jeff Lubell: If you want to start at Compass and then I can add. Chelsea, were you offering to start or do you want me to start?

Jennifer Bagnell Stewart: Why don't you start, Jeff?

Jeff Lubell: Yeah. We lost you, Chelsea, if you're there. You know, it's a really good question and ultimately, it's your decision. There is no – my understanding is there's firm guidance from HUD about how to define it. I personally think it's a best practice to really try to promote graduation wherever possible and not to try to set up barriers that are hard for people to meet.

And so for example, if you have somebody who does not have a traditional 9:00 to 5:00 job but is bringing in significantly more money than they were before and it seems to be pretty reliable and that sort of represents significant progress for them, that seems like it ought to be qualified as suitable employment.

One of the reasons I think that the language says suitable employment and not something else is just a recognition – I mean, this was done – keep in mind that this language really dates back to 1990.

So it predates the gig economy, but it was really therein part because people with disabilities are joining the program and they may simply have a different ability to work in terms of the nature of their employment and that number of hours that other people do. And so that's, I think, where the suitable really comes in.

Now, you could decide it has to be a certain number of hours. I mean, that's not – I don't think anyone – my understanding is there's no formal requirement, but I would urge you to apply this liberally and really try to think about our job is really to help people move forward in kind of the arc towards economic mobility and see substantial progress and not to kind of set up arbitrary limits that ultimately...aren't able to access their escrow if they've nevertheless made progress.

Jennifer Bagnell Stewart: Thank you. And we should get moving on, but one last person, Elibeth Milash, you have a raised hand. Do you have a question for us? Let's – Jeanne, if – I just unmuted you.

Elibeth Milash: Oh, no. I'm sorry; I think I did that by accident.

Jennifer Bagnell Stewart: Great. Okay. Thank you. I'll put you back on mute.

Jeff Lubell: Hey, Jennifer, real quick, do we know, is Carissa on – is she able to talk? She's not on mute; right? Okay. Good. So Carissa, do you have anything to add to any of the comments that have been made?

Carissa Janis: No. Can you hear me?

Jeff Lubell: Okay. Great. Yeah. We can, thank you.

Jennifer Bagnell Stewart: We can hear you. Thank you. We're going to move on with the webinar talking about escrow.

Chelsea Penucci: Great. Thanks, Jennifer. So I'm going to talk about just two other aspects of the action plan and then we will move on from there. So another area of your program that the action plan needs to cover is your incentives plan. So remember, incentives other than an escrow account are voluntary for owners or agents to offer, but they are best practices.

So at a minimum, in your action plan, you will need to describe how your escrow accounts will be managed in accordance with HUD requirements and then how frequently you will communicate with your participants about their balances.

So while HUD requires that at a minimum, you need to notify participants at least once a year about escrow we really recommend that more frequent outreach about escrow balances happened ideally, in every appointment that you have to encourage and support participant's progress toward building this asset.

As we all know, it can be really encouraging to see the numbers tick up in your savings account as you continue to put money into it. And so of course, that holds true for everybody. And so that's just – it's a nice thing to be able to do. So at the very least, the escrow account and how you're going to manage it and how you're going to communicate about it needs to be in that incentives plan section of the action plan.

And then you might want to also talk about other incentives. You may choose to include these other incentives such as allowing interim disbursements of escrow funds, perhaps maybe matching funds for savings in an Individual Development Account, also known as an IDA, or another separate fund that you'll be setting up that will help participants meet emergency needs without having to tap into escrow or perhaps financial education or other financial support.

So for example, in the action plans that Compass writes, we talk a lot about our financial coaching model and that extra benefit of the program that we provide. So we really recommend describing these in as much detail as you can at this point in your program launch in your action plan so that HUD can get a good sense for how you're thinking about structuring your program.

So the last section we want to talk about is outreach. So HUD will also require that you describe your plans for outreach efforts in your action plan. This description must include a discussion about how you'll reach out to residents, specifically with limited English proficiency and also tenants with disability.

So it's really important that your outreach is broad and inclusive and reaches everyone at the property who is eligible to enroll in the program. Some other best practices, we will do a large portion of a future webinar on marketing and outreach and we also have a training module in Compass's online course that focuses completely on your outreach strategy.

Sandra is also Compass's resident expert in this. So you are all very lucky to have access to her too through our individual TA on this topic, but just some best practices that we want to list here

as you're thinking about what to put in your action plan, posters and other information and flyers of public spaces can be really helpful, different brochures and FAQs that you can hand out when you're doing new tenant orientation or recertification or other one-on-one meetings with folks.

You might choose to do direct mailing that go right to people's mailboxes or tabling at community events or engage current FSS participants as ambassadors for your program. So Compass really takes a surround sound approach to this outreach work. We try to kind of plug FSS and plant a seed in as many places as we can, as often as we can so that this opportunity is always at eye level.

We recognize that this very specific moment in time might not be the right point for everyone to join FSS, but the surround sound approach is keeping it on their mind all the time so that when they are ready they remember the program and they're ready to join. So we want to take a little bit of time now to do another exercise.

This is just to get ideas flowing. We'd love to hear from folks about what you're thinking about already.

Thinking about your typical outreach methods for other programs that you run at your properties and also some of the best practices we've discussed we'd love to hear from you all if you want to raise your hand or type something in the chat what do you think will be effective in reaching potential participants at your property? We'd love to do some brainstorming right now.

Jennifer Bagnell Stewart: So we have a question in from Lisa, "Should we start promoting the plan before HUD action plan is approved or just take surveys to see interest?"

Chelsea Penucci: That's a great question. I have a couple thoughts, but Sandra, I'm really interested in your thoughts on that. Maybe if you wanted to share anything that you're thinking about on that one.

Sandra Suarez: Yes. Can you read it again? I'm sorry; you kind of cut off there.

Jennifer Bagnell Stewart: Sure. That'll help everyone. Should we start promoting the plan before HUD action plan is approved or just take surveys to see interest?

Sandra Suarez: I would start promoting it right away. This is the greatest program ever where residents have absolutely nothing to lose. It's just another benefit – an added benefit and if you know already that you will be having an FSS program, I would start promoting it right away and just building up everybody's excitement so that when you're ready to kick off you already have a line of people waiting to sign up.

Chelsea Penucci: Yeah. Sandra, I really agree with that as well. And I think we've spoken with a couple of you in this cohort about how you're already starting to socialize the idea of FSS. Of course, you can enroll folks until your action plan's approved, but there's definitely no harm in just kind of getting it all moving and getting people excited.

Jennifer Bagnell Stewart: And we have a comment in from Anne Vinick. Jeanne, maybe if you could unmute her. She said, "Start with outreach to residents with whom you already have a strong relationship." Anne, did you want to further comment on that?

Anne Vinick: Can you hear me?

Jennifer Bagnell Stewart: Yes.

Chelsea Penucci: Yes.

Anne Vinick: Oh, I mean, not necessarily, but I think that this is one of the great things about doing this work in housing is that we're already in the position where we can – where we've already built relationships with residents.

And so sometimes if someone from the outside were to come in and talk about this program, it may seem too good to be true, but when someone that you already trust is talking about, I think residents are more likely to listen and give it a try.

Jennifer Bagnell Stewart: Thank you, Anne. We have two other comments coming in. Jeanne, if you could unmute Erica Quare and Latasha Durette and I'll read their comments in chat. Erica says, "Personal connections with tenants really seems to work best to increase participation, text over emails and more individualized marketing helps." Erica, did you want to add to that?

Erica Quare: No. I think that that is pretty similar to the previous comment. You know, I think our tenants tend to connect or respond better to us if we already have that in our action plan and email seems to go over people's heads or once I get on the phone with them and then tell them, I sent you that email, they go back and check it and actually read it. So that's what I wanted to add.

Jennifer Bagnell Stewart: Thank you. And from Latasha, she said, "This has been really helpful as far as marketing and outreach. I think one of our first conversations has to be about language and nailing that down." Latasha, do you want to add to that?

Latasha Durette: Sure. I think this is very – really helpful to me and language is something that starts to be a barrier a little in front of our outreach efforts and we haven't really taken it there with...have with just really core...relationships if we're not in the community.

I think that hearing everything that's here today has just sort of reinforced the ... work out in the beginning.

Jennifer Bagnell Stewart: Wonderful. And Anne Vinick also added again the importance of consistent outreach, "Don't get discouraged if residents don't respond immediately." So good point there. Let's see, Lynn also sent in a comment. Lynn, I'm not sure I follow your comment. So I just – if we could unmute Lynn so she could – do you have a comment you want to add?

Lynn: Yeah. I was just referring back to the incentives – about the incentives. So it's used to do ... If that's optional, then that cost of those incentives would then come out of the site for the ownership's funds. There isn't separate funds for that.

Chelsea Penucci: That's correct. Yeah. So what you choose to offer in terms of incentives is what would need to be funded by you as the owner or agent.

Lynn: Thank you.

Jennifer Bagnell Stewart: Except, of course, the FSS escrow is paid by HUD.

Chelsea Penucci: Right.

Jennifer Bagnell Stewart: Okay. So that's all our questions at the moment. Anything else that people want to ask or comments at this stage before we move on? Our next topic will be funding. So we'll be transitioning in a moment. Why don't we move onto funding then.

Jeff Lubell: Sure. So this is Jeff again at Abt. So now we get into the really fun stuff; you know? These are some additional elements that need to be put in your action plan. One is there is how you're going to pay for the program. So as we've just mentioned, HUD pays for the escrow account, so you don't need to explain how you're going to fund that, but you do need to include in your action plan how you will fund the services that are provided.

So that would include, most importantly, the staff that administer the program and you need to show that you have funds available in the near term to cover the costs of administering the program and that you have funds – or that you have plans about how you're going to fund it over at least the next five years.

We could talk a little bit more – we'll talk a little bit more about some of the different ways to fund the program and I'm sure you have questions, but that is a required part of the action plan.

So one of the funding sources is residual receipts and I don't know how many of you have residual receipts accounts, but if you do have an account and if they have funds in it or you anticipate that it will or could have funds in it, you can apply to HUD to use your residual receipts to cover the cost of administering the FSS escrow. There's somebody – there's some noise in the backyard.

I think it might be coming from Latasha, but if you put yourself on mute, that would be great. So the residual receipts can only be used to cover the cost of the coordinator's salary and benefits. It can't be used, for example, to pay for other financial incentives. HUD is open to advancing up to six months of expenses, but if you want funding beyond that, you'll have to provide receipts and show that you've been able to spend the prior funds.

And you'll need to, as part of your action plan, submit form HUD 9250, which is the form for use for your residual receipts account.

One thing I should note is that if you are interested in the residual receipts, you should look carefully at both the HUD handbook 4315.1, but also the HUD Notice that set up the FSS program, because there's some language in the notice that will be important about – you know, that basically says that if your residual receipts' balance exceeds the FSS program coordinator expenses that you need for a one-year period, the excess amount may remain in the owner's residual receipt account.

So that's important, right, that money's not swept up the way it often is and that's because it's just recognition that the money coming into the residual receipts account may not be constant and may fluctuate. And so have an excess and you can hold onto it and use it to fund subsequent years' coordinator expenses once HUD has approved your ability to use residual receipts using that form.

Next slide, please. So there are a number of other funding sources that you may want to use to fund the FSS coordinator. So for example, you can apply to a grant from local or national philanthropy, you can partner with other organizations. So we've seen this in a number of cases where an FSS program partnered with another organization that had a similar goal.

So this could include, for example, an asset-building organization or an organization that has an employment and training program, community action agency, even a welfare agency and that other organization essentially sees it within their mission to work on the FSS program.

And so when you have that kind of alignment of missions, there have been cases where these other organizations are willing to provide the case management or the coaching that is needed to administer the program or they could provide funding to do so.

So that's going to be highly variable, but it is something worth pursuing if you – there are organizations that you're working with that have similar missions that would really feel like enrolling people in FSS and having them succeed would help them accomplish their goals as well as yours.

You can make the case then that you are bringing to the table the residents, you're bringing the escrow account that HUD will be funding, you're looking for help providing coaching or case management so that you can enroll more families. There are some programs that are using volunteers as case managers or as coaches.

It's important to not expect that the volunteer is going to be the primary person administering the program, that's too much to ask, but rather that this might expand your capacity. So one program in particular that I know will use volunteers for some of the more advanced people and train them to work and be a mentor and a coach for people that are – you know, need less help to kind of move forward with their goals.

So that's one way to think about it. And you're certainly welcome to use other funds and we could talk more about it when we get to the Q&A. But anyway, next slide. So another part of the action plan, a required part, is the termination procedures. So this is where you would describe

any policy that you have for terminating a family who was in FSS and withholding their escrow account.

So an example might be if they failed to comply with their contract of participation, if they kind of repeatedly failed to show up for their appointments, that kind of thing and I would just caution you that obviously, the program cannot help somebody if they're not participating in a program.

So hopefully this is something that we all would use as a last resort and not necessarily as something that's sort of routine where people get cut off. There is a problem, I would say, that we have observed among some of the housing authority-run FSS programs that they have fairly high termination rates and as a result, fairly low graduation rates and fairly low success rates in their program.

So just something to kind of be aware of to pay attention to. You also should include in your contract of participation any policies that you have related to denying the ability of a household to participate in FSS. Typically, what we've seen is that that relates to whether a household is in good standing.

So are they current on their rent? And there are programs that will deny participation to people who have nothing current and partly as an incentive to encourage them to do so. But anyway, that's something that you'll ultimately need to decide and hopefully there's a way to involve whoever ultimately really wants to be in the program is demonstrating that they're able to kind of manage their responsibilities.

If a participant under report their income or assets, obviously, typically you have certain actions you need to take and to the extent that that will affect their escrow. That's something that you should put in your contract of participation as well.

And finally, you'll need to put in your grievance procedures. So this would be a procedure if somebody wants to challenge the denial of participation in the program or their termination. HUD requires that each agency have a kind of mutual grievance process that they can apply to help adjudicate the claims of that family.

One best practice here noted at the bottom is really to try to be specific about the circumstances under which a family may not be allowed to participate or being terminated. Ultimately, it shouldn't be guesswork; right? We want people to understand what their obligations are so that they know what they need to do and if they do it, we need to respond in kind and support their participation in the program.

Next slide, please. So this is kind of the second-to-last item in the action plan. So there is a requirement in the action plan that you include a timetable for program implementation. So this would include, for example, when you plan to hire key staff, if you have not already done so.

And so high-level milestones, like when you plan to begin enrollment. If there are any dependencies between activities, for example, we can only enroll people – one tenant per the

action plan or that kind of thing, it would be useful to include that in your action plan as well and if there are any contingency plans that you anticipate needing, you'll want to note that as well.

One thing to bear in mind, so when you apply to use residual receipts, you are required basically to have started your program within a year of HUD's approval of your action plan and your ability to use residual receipts.

And then there's another deadline in the notice that is shorter than that, which is a deadline after nine months you're supposed to be able to demonstrate that you can meet the minimum enrollment targets for the number of coordinators for which you've requested funds.

So just to be clear. So if you look in the HUD Notice around multifamily FSS, there are certain guidelines related to staffing of the program and for our people that are not using residual receipts, these are our suggested guidelines, but for people who are using residual receipts, you do need to – in order to justify continuing to use residual receipts, you'll need to meet these deadlines and you have nine months after enrollment to show that you've at least met the minimum enrollment target for using the number of coordinators that you need.

Jennifer Bagnell Stewart: Jeff, we did receive a question regarding residual receipts from Lisa Gehrig "How do you approve – how to approve residual receipts from an elderly project to use at a family site?"

Jeff Lubell: Carissa, do you want to address that?

Carissa Janis: This is – yeah. So can you hear me?

Jennifer Bagnell Stewart: Yes.

Jeff Lubell: We can.

Carissa Janis: Okay. Good. Just making sure. So owners and agents can only use residual receipts that are accrued at a particular property at that property. So they cannot be used to serve residents at a different property.

And so if a management company manages multiple properties and they have residual receipts at some properties and not others, unfortunately, they can only use those residual receipts to benefit the residents that live at those particular properties.

Jennifer Bagnell Stewart: Thanks, Carissa.

Jeff Lubell: Thank you. Maybe we should just get the – I have only one more slide and I think we're done or very close to being done. So you have the ability, in your action plan, to include optional information. So for example, if you are planning to run a joint program with another owner or with a housing authority, that would be something definitely I would recommend including that in your action plan.

But if there are any other special circumstances, just things you want people to know about, that would be – there's a spot in your action plan to do that and encourage you to do that. So I don't remember if there are any more slides, Jennifer, but that's the end of my...

Jennifer Bagnell Stewart: Yeah. We can pause here.

Jeff Lubell: Should we take a break and see if there's any more questions or you want to just keep moving?

Jennifer Bagnell Stewart: Yeah. We can see if there's any more questions related to funding, termination procedures, implementation schedules. I don't see any raised hands. Elibeth, yours is raised, I'm not sure if that's on purpose. Elibeth, did you have a question? I don't think so. Okay. Let's keep moving onto the submission process.

Chelsea Penucci: Great. Thanks, Jennifer. This is Chelsea again, everyone. I'm going to talk a little bit about how to submit your action plan and then we're happy to take any questions on this. So once your action plan is complete you will submit it over email to the email address listed here, MF_FSS@hud.gov and there are a couple of stipulations that HUD asks you to just include.

So the subject line is very specific, you'll see here, ... the project, contract number. You'll attach your action plan document and then if you want to use residual receipts, you'll also attach the HUD Form 9250, which is the authorization so you can use residual receipts at this property.

Once you submit this to this main multifamily FSS email account for HUD it will get routed to your property's account executive in the local field office. And then in terms of what HUD will do then, HUD usually approves action plans within about 30 days and in that time, they'll really be assessing your capacity to run an FSS program.

So they'll look at – they may look at your most recent management and occupancy review. We have seen field offices ask for updated MORs if those aren't current, they'll look at your current audits, they'll just make sure that accounting is in compliance and that property operations overall are running smooth.

They just want to make sure that the property's in good health before you add in an additional program. If there are other questions, the account executive will follow up with you. This happens quite often, actually, even in action plans that Compass has submitted for programs.

We often get follow up with just some like minor questions or technicalities or clarifications that we'll then revise and then send back to the field office. Each field office is a little bit different. So it's a little bit hard to predict exactly what's going to come back, but usually it's nothing incredibly major if you're submitting an action plan that has some thought behind it.

HUD will work with you to resolve any deficiencies in your plan and then you'll resubmit it to them and get it approved. And then just a reminder here, owners shouldn't start enrollment in their program until you've received official HUD approval for your action plan. Are there any questions about the submission process?

Jennifer Bagnell Stewart: And Carissa, is there anything you want to add too from comments on the submission process for folks here?

Carissa Janis: No. I don't think so.

Jennifer Bagnell Stewart: Okay. I don't see any new questions in chat, but please feel free to raise your hand or add your questions to the chat box. We'll pause here for another moment. We do have a question in from Shawna Wells. "Will Compass review our action plan before it is submitted to HUD?" Great question.

Chelsea Penucci: Yeah. Shawna, that's a great question. So I'll talk about that a little bit in our next steps, a couple slides from now, but the short answer is yes, that's really what we want the topic of our next individual technical assistance call to be with you all.

So we would expect and hope that you would draft something using our template or another template that you like better and then we're happy to look at it, give you some comments and talk through any questions you have before you submit it to HUD.

Jennifer Bagnell Stewart: So I have no further questions. That sounds like the perfect segue to our final section here.

Chelsea Penucci: Great. So this is a slide that we shared with you all at the beginning of the webinar. We just want to remind you again that there are several resources that you can access to help you with your action plan. The HUD Notice has a lot of information on action plans.

Much of it is what we used to develop this webinar today and HUD also has a couple of different guidebooks and trainings, the hyperlinks are here that you can access that will also give you ideas on program design and framework and different incentives that you can offer as well as what to include in the action plan.

And then our final slide, we just want to talk about next steps and homework. So we recognize that all of you are really kind of in the thick of underway, thinking about your program, your systems. You know, we talked a lot about different aspects of your program in each of your first individual technical assistance calls.

So we know that all of that work is still very much underway. You're thinking about who's going to staff your program and where you're going to track participant data from appointments. The next step after that, while you're continuing to do that work, is really to start working on this action plan.

So we hope that if you have not already completed module three in Compass's online course you will review that, which focuses completely on action plans and then we want you to start drafting your plan. We hope that you'll consider using the template in Compass's online course.

We think it's pretty straightforward and clear and easy to understand. And then we'd like you to schedule your next technical assistance session with us. That will be the time when we review your action plan. So after this webinar, we will send out a follow-up email with the recording for this webinar and these next steps listed out.

We'll also send a link to our online booking tool where you can book another session with us. The one thing that I'll say about that is that these sessions will be at least a couple of weeks from now. Please make sure that you are giving yourself enough time to draft a solid action plan before you schedule that call, because we don't want to get to that conversation then not have anything to discuss.

The purpose of this next call for you all individually will be to talk about your action plans. We want to make sure you've given some thought to it before you come to the call with us.

Jennifer Bagnell Stewart: And also, as a reminder, the webinar slides, the recording and the Q&A will be posted up on the FSS TA portal site. So that concludes our session today. I don't currently see any other questions in the chat. Jeanne, do you want to just unmute –

Carissa Janis: Jennifer.

Jennifer Bagnell Stewart: Go ahead. Is that Carissa?

Carissa Janis: Yeah. Can you just give the date for the next webinar?

Jennifer Bagnell Stewart: Excellent point. So the next webinar is next week. It will be Thursday, March 5th, same time from 1:00 to 2:30 p.m. Eastern Time and webinar 3 will cover operating FSS program rules and regulations.

Chelsea Penucci: And Jennifer, this is Chelsea, I can just give – just one more note about that webinar. So that webinar, as we've mentioned on our technical assistance calls with you all, is we've made it so close to this action plan webinar, because we want to make sure that you all and your teams are really starting to learn the nuts and bolts of how to operate FSS, all the different rules.

You know, you're starting to learn a lot of them through these first two webinars and through our individual conversations, but that webinar will not have any homework associated with it. It's really just an opportunity for us to run through many of the key rules and regulations of the program.

So we really encourage you to have anyone who will touch your FSS program in any way, even if they're just an ambassador helping with marketing, join that program just so that they get this information.

Jennifer Bagnell Stewart: Excellent. Okay. So it looks like I don't see any more questions coming in. So we can give you 10 minutes back in your day. Thank you so much, everyone, for joining and we look forward to joining next week.

(END)