



## Final Transcript

**HUD-US DEPT OF HOUSING & URBAN DEVELOPMENT: Workplan  
Training of Housing Counselors External**

May 14, 2018/2:00 p.m. EDT

### **SPEAKERS**

Jane Sharita  
Lorraine Griscavage-Frisbee  
William McKee  
Rebecca McClain  
Kim Jakeway  
Sharon McClain  
Kim Torres  
Robin Teaneck

### **PRESENTATION**

Moderator                   Ladies and gentlemen, thank you for standing by and welcome to the Homeownership Counseling Update. At this time, all participants are in a listen-only mode. Later, we will conduct a question and answer session; instructions will be given at that time. [Operator instructions].

I'd now like to turn the conference over to Jane Sharita [ph]. Please go ahead.

Jane

Thank you so much, and good afternoon, and good morning, everyone.

Welcome to today's webinar on Housing Counseling Certification

Updates, and the Homeownership Counseling's Home Inspection

Requirements. I'm going to go over a few logistics with you before I turn

it over to our presenters today.

As the operator said, the audio is being recorded, and in about seven or so

days we will send a listserv letting you know when the presentation, the

playback number and the transcript have been added to HUD Exchange.

We did send out handouts prior to the webinar, and they are located in the

control panel to the right of your screen. You can click there and view the

presentation, or as I said previously, it will be available in the archives.

There will be a Q&A at the end of the presentation, so please feel free to

queue up to ask your questions or provide comments. You can also

provide any comments or ask questions in the question box to the right of

your screen. A third way is to send questions and comments to

housing.counseling@hud.gov. Please go ahead and put the webinar topic

and date in the request box, and we'll be happy to get back with you.

At the end of the presentation you'll be sent a brief survey. We ask that you do complete that. It helps us plan for future webinars and improve our overall content and format.

If you did log into the webinar, you will get a thank you for attending email from us from GoToWebinar. It'll say, "This is your Certificate of Training." There is no attachment. So, if you want to, you can print it out and save it for your records.

We do also post the material on the archive, as I mentioned. If you would like to get credit for the webinar or you have a colleague who wasn't able to attend today, you can go to this link, which will be included in the listserv, click on the Get Credit button, and select the webinar, and you'll be covered that way.

It's my pleasure to turn over the presentation to our first speaker, Lorraine Griscavage-Frisbee, who will provide the welcome and an overview.

Thank you.

Lorraine

All right. Thank you very much, Jane. Welcome, everyone, to today's training. As you can see, we have a panel of subject matter experts today

that's going to provide you some important information, especially relevant to the homeownership counseling and home inspection materials. We're also going to provide you some updates on certification.

Our subject matter expert panel, besides myself, will be William McKee, Rebecca McClain, Kim Jakeway, Sharon McClain [ph], Kim Torres, and Robin Teaneck [ph]. As a reminder, as Jane said, we will wait until the end to open the lines up for questions. Next slide, please.

The goal of today's training, we have three main learning objectives. The first one is a review and understanding of the homeownership counseling and home inspection findings that were published in the Final Rule.

Then secondly, how are you going to implement this process? You're going to do that through your Housing Counseling Workplan. We're going to explain that in detail, how you will accomplish this for your workplan.

Then lastly, we always take the opportunity to provide you with housing counselor certification updates and reminders. To take a closer look of all the topics we're going to cover, let's take a look at our agenda for today.

I, of course, am giving you the training overview. Then, I will turn it over to another subject matter expert, who will give you a review on homeownership counseling and the home inspection material requirements.

Then we're going to talk about how you're going to revise your workplan and when we're going to ask for that, which is going to be during the performance review process. We're going to provide you tips for revising your agency workplan, and we're also going to talk a little bit about the new Form 9900, actually the updated form that we posted on the web. That's going to really help you when you go about revising your agency workplan.

Then we're going to talk a little bit more about the home inspection materials requirements and where you can find that information on HUD Exchange. By the way, if you didn't know, both of the requirements are available in both Spanish and English, so we'll provide you links that you can use on how to get those materials.

Next, we're going to review some brief FAQs. We have probably 25 FAQs on homeownership counseling and home inspection materials.

Don't worry, we're not going to go through all 25. But we do want to highlight some of the important ones that are going to help you in your endeavor of revising your work plan and also show you where you can find more information. I strongly encourage all of you to review the frequently asked questions on homeownership counseling and the home inspection material requirements.

Then lastly, we're going to give you some updates and some reminders on the housing counselor certification process and again the importance of the FHA Connection Application Coordinator, who is a critical individual in the certification process. And we're going to talk a little bit more about that. Next slide.

Just a quick reminder for everyone, and it's hard to believe that it's been almost 18 months. The Final Rule was published December 14, 2016, and it became effective January 13, 2017. Actually, at that time, in January was when the homeownership counseling and home inspection requirements became effective.

We actually did not incorporate reviewing compliance with these requirements until now. We really focused on getting the certification

examination launched, which was August 1, 2017. Now that we've successfully done that and we actually have certified housing counselors, we want to go back and focus on this other requirement of the Final Rule.

Of course, as a reminder, all housing counseling that's required under, or provided in connection with all the HUD covered programs, there's actually 25 that are covered, must be provided by a HUD-certified housing counselor by August 1, 2020. We certainly hope you don't wait until then to get certified. As will be covered later, there are some incentives to get your certification sooner than later.

With this, I am going to turn it over to William McKee.

William

Great. Thanks, Lorraine. As Lorraine mentioned, I'm going to talk a little bit about what the regulatory foundation is for these requirements, what the regs say. Then, my colleagues are going to talk a little bit about how you can implement it for your agency and for your clients.

Well, first of all, the homeownership counseling requirement states that all participating agencies that provide homeownership counseling shall address the entire process of homeownership. In order to understand that

requirement, you have to know, well, what is homeownership counseling?

What do we mean by the fact that the agency shall address the entire process of homeownership? Next slide.

Homeownership counseling is really a type of housing counseling.

Housing counseling is that individualized service that you provide clients that addresses their individual needs. We're not talking about group education. We're talking about housing counseling, where you have an action plan, and a financial analysis.

Homeownership counseling is housing counseling that covers the decision to purchase a home, the selection and purchase of a home, issues arising during the period of homeownership, and the sale or disposition of a home. Next slide.

In our program, examples of this homeownership counseling, of housing counseling, as we call homeownership counseling, are what we call the categories of pre-purchase housing counseling, post-purchase, non-default housing counseling, mortgage default housing counseling, and reverse mortgage housing counseling. So, if you are providing any one of these



types of housing counseling, then the rule applies to you, and your agency must be able to address the entire process of homeownership. Next slide.

Well, if we're saying the agency must be able to be prepared to address all of the homeownership topics, what does that mean, and what are the topics that must be covered for a specific client? If you are providing a type of housing counseling we just talked about, pre-purchase, post-purchase, non-default, mortgage default, or reverse mortgage counseling, then your agency must be prepared to cover topics that are relevant to each client's individual needs or circumstances, or if the client has requested information on one of those homeownership topics. Next slide.

How can the other topics be covered? Let's say you're doing pre-purchase counseling, you're providing pre-purchase counseling, and you know now that the rule applies to you and you have to cover the other topics. How can you cover them? Do you have to provide one-on-one housing counseling on all the other topics? Well, no, you're not required to do all of that. What you do have to do is somehow cover the topics in one of a number of different ways.

Your agency may cover topics by covering the topics during a group education class in which you discuss the other homeownership topics that are relevant to the client, or the counselor may provide the client with handouts, or links to relevant online information, or online links to online training, or other reference materials. Also, the agency's website may provide information or links to information on the other homeownership topics.

So, you don't have to provide one-on-one counseling on every other topic that's relevant to the client, but you do have to provide information in any one of a number of ways. This slide shows the examples of some of the ways that you may provide it. Next slide.

How do we know that you're meeting that requirement? Well, what you're going to do is to make sure that your housing counseling workplan demonstrates how your agency is going to cover any one of these topics that are relevant to your client, how you're prepared to cover the entire process of homeownership counseling for the clients for which it is relevant. Later on in this presentation, again, some of our colleagues are going to talk about how you can meet that requirement. Next slide.

We talked a little bit about the homeownership counseling, the regulatory requirement for homeownership counseling. Now, I'm going to shift to talk about the regulatory requirement for home inspection materials. The housing counseling workplan must specify what home inspection materials are provided for the client.

The bottom line is that if homeownership is something that is discussed with the client, then there is a requirement that home inspection materials are provided. The housing counseling workplan is going to have to demonstrate when it is provided. Next slide.

The actual requirement itself is that as part of the homeownership counseling process, participating agencies shall provide clients with such materials as HUD may require regarding the availability and importance of obtaining an independent home inspection. Notice we use the word "process" here. As opposed to the homeownership counseling requirement that we had earlier which we talked about, if you're having a one-on-one discussion with a client, then you have to be able to address the other homeownership topics.

Here we're saying that if you discuss the homeownership process, then you have to provide home inspection materials. In other words, if you're doing group education and you're educating clients on homeownership, then you have to provide home inspection materials, because that's part of the homeownership process. Next slide.

When must clients be provided with home inspection materials? If a client is receiving pre-purchase home buying counseling, that's individualized housing counseling with a workplan, yes, you must provide them with home inspection materials.

If a client is attending a home buyer education workshop, then yes, you provide those home inspection materials, and any time when the purchase of a home is relevant to the client for other types of homeownership counseling, for example, post-purchase, non-default, mortgage default and HECM. Just as an example, let's say you're doing reverse mortgage counseling and it turns out that the client is interested in downsizing their home, buying a different home and they're interested in purchasing another home. As soon as you find out that that is something that the client is interested in, then all of a sudden the purchase of a home is

relevant to the client, and they have to be given home inspection materials.

Next slide.

Now that I've discussed what the regulatory requirement is for both the homeownership counseling requirements and the home inspection materials requirement, I'm going to turn it over to Rebecca, and she's going to talk a little bit about how you can actually implement these requirements. Rebecca?

Rebecca

Thanks, Bill. Next slide, please. As Bill mentioned, we're going to talk through how we're going to implement these changes. As you can see, our new requirements began on May 1, 2018. That's when HUD is beginning to discuss the Housing Counselor Certification and FHA Connection Coordinator requirements during performance reviews or technical assistance sessions.

So, we're not asking everyone to have everything ready right this second. We don't have a hard and fast deadline, but as you are scheduling performance reviews with your OHC contacts, keep in mind that this will be coming up as part of the performance review process. At that point agencies will be asked for your updated housing counseling workplan that

addressed the two topics that Bill discussed, homeownership counseling, and home inspection materials. Next slide, please.

Then once your point of contact receives the updated workplans, we will evaluate and approve them. Then, also as new applications for OHC's program comes in, the new application team will do the same for those applicants. Moving forward, all new applications will need to include homeownership and home inspection requirements. As Jane mentioned earlier, this training will be available, in case you need to refresh your memory, on the HUD Exchange. Next slide, please.

What will be in an updated housing counseling workplan? As Bill mentioned again, those two main things, how the agency is prepared to cover the entire process of homeownership and when home inspection materials are going to be provided. This is what HUD will be looking for specifically in the updated workplan. Next slide, please.

This applies again to current and new applicants for OHC's program. Again, we recommend that you start working on this now so you won't be blindsided at your performance review. The performance review we'll be requesting through the appointment letter or during your entrance

conference, and they will also note it as an observation in your performance review report, so this is something that all POCs are reviewing as part of the performance review process. Next slide, please.

During HUD's review of your updated workplan, we will be considering the next few points. Again, the four main components of homeownership counseling, are they all present in your workplan? Next slide, please.

How your agency describes how the information is going to be conveyed to the client, and it's important to note that there's no right or wrong answer here, that every agency is different, every client is different. As long as you have an approach that works for you and your clients, that will be approved by HUD here.

Does your agency's workplan address covering homeownership topics that Bill just went over, including the ones that are relevant to each individual client or if a client requests information on a homeownership topic. Then, also does the agency explain how and when your home inspection materials will be distributed? Next slide, please.

Home inspection materials compliance, again the reminders here, it applies to all your homeownership clients regardless of funding source. If you're in our program and receiving our funds, but you also use other funds, if you are in our program, you must do the home inspection materials even if you're not using OHC funding for this. It applies when the purchase of a home is discussed as any part of the homeownership counseling process. That could be pre-purchase, or home-buying counseling, the homeowner education workshops, or if they're receiving any other type of homeownership counseling, and they bring up the option to purchase a home. Next slide, please.

As a reminder, you're not required to include copies of your home inspection documents in each individual client's file. The main place we will be looking for it is in your updated workplan. Next slide, please.

In summary, just a few quick points, we want to make sure that you're explaining the process of homeownership and how it will be covered with all of your clients, those four main topics that we've covered, when will the home inspection materials be provided to the clients. Making sure you're using the phrasing as relevant to the client because it's the individualized assistance that will make sense for some clients but not



others. As we mentioned earlier, there'll be more tips coming through this presentation in the FAQ section. Next slide, please.

Great. Now, I'll turn this over to Kim Jakeway, who's going to walk you through the HUD 9900.

Kim J.

Great. Thank you, Rebecca. OHC created and published a new HUD 9900, the application for approval as a housing counseling agency. This new form is available for everyone on HUDCLIPS and HUD Exchange. The main difference in this new version and the old version is that we turned it into a fillable PDF and removed the narrative portion and replaced it with documentation submission and self-certification.

Prior to completing the HUD 9900, we first encouraged applicants to use the housing counseling eligibility tool that is available on HUD Exchange to determine if an organization is ready to apply. The tool helps to determine if an organization meets the basic qualifying criteria.

A second step that we also encouraged agencies to do prior to completing the HUD 9900 is to make an appointment with an application advisor. The application advisor is there to answer questions about the application

process and what required documents must be submitted for approval.

Both the eligibility tool and the HUD advisor helps cut down on any potential application deficiencies and rejects.

Lastly, if you are an intermediary, we recommend that you use the network eligibility assessment tool to evaluate housing counseling agencies prior to acceptance in your network. This tool is also located on the HUD Exchange webpage as well. Next page.

The new HUD 9900 has new elements that both the potential intermediary and local housing counseling agency must submit as part of their housing counseling work plan. While we still require all the items listed in chapter 3 of the handbook that you all are familiar with, we now require that applicant workplans include the entire homeownership process and home inspection information that William McKee covered as well as supervisory monitoring and the quality control plan.

Within the workplan, new national, regional intermediaries, multi-state organizations, and state housing finance agencies have additional elements that they're required to address on their oversight activities. This includes submitting the parent agency policy and procedure on oversight activities

pertaining to their branches, sub-grantees, sub-recipients, or affiliates, the parent agency as parent agency's quality control plan for network management that addresses training and technical assistance, performance overview and monitoring, monitoring financial performance, including issuing or administering the use of pass-through funding, performing accounting of administrative costs, and ensuring compliance with federal regulations, including the 24 CFR, the HUD Handbook, and other applicable federal guidelines. Next slide.

Lastly, we wanted to bring this to everyone's attention, that if you receive this system-generated email from [hcs@hud.gov](mailto:hcs@hud.gov) saying that the status of your agency has been changed to terminated for the reasons of "System Status Expired," you do not have to reapply for approval again. Please notify your HUD point of contact. In most cases, the POC has already fixed this internally, so we just wanted everyone to know that it's an internal function that just needs to be updated.

With that, I'll pass the presentation over to Sharon McClain.

Sharon

Thanks, Kim. In this section, I'll be talking in more detail regarding what the oversight agency's responsibilities are generally and also what agency

responsibilities are regarding home inspection materials. As we discussed earlier in the presentation, as part of the homeownership counseling process, participating agencies shall provide clients with materials regarding the availability and importance of obtaining an independent home inspection. The homeownership counseling process can include group education classes as well as individualized housing counseling. Next slide, please.

There are two publications available that address in greater detail what agencies should be talking about with their clients regarding the home inspection process. For your protection, get a home inspection and *Ten Important Questions to Ask the Home Inspector*, available in both English and Spanish. They're available on the Office of Housing Counseling HUD Exchange website, and they're also searchable online by keyword or form number. Next slide, please.

Agencies are not required to include copies of home inspection materials in the client files, but they should develop a process to document receipt of these materials by the client. For example, including a note in the client file, including information on a checklist, or ensuring that the counselor reviews and complies with the workplan requirements. An additional way

to ensure compliance with this requirement is to include it in a quality control review by the agency as part of the supervisory monitoring process of the counselor. Next slide, please.

Also, as we discussed earlier in the presentation, in addition to detailed information, the home inspection and the home inspection materials, agencies that offer homeownership counseling services are encouraged to review and update their workplan to explain how the process of homeownership counseling will be covered with clients and when home inspection materials will be provided. Updated workplans for homeownership counseling and home inspections are due at the time of performance reviews; however, agencies are not required to submit the updated plan outside the performance review process and this requirement does not apply to other changes in the workplan. Next slide, please.

Also, regarding oversight, intermediaries and state housing finance agencies are responsible for ensuring compliance with homeownership and home inspection requirements or agencies in their network. HUD recommends oversight agencies include these elements as part of their quality control plan.

Now, I will turn over the presentation to Kim Torres, who will discuss some of the frequently asked questions regarding these topics.

Kim T.

Hi, everyone. Thanks, Sharon. We're going to talk about the top three frequently asked questions that we get regarding homeownership counseling and the home inspection requirements.

The first question that we typically get is, how can a participating agency document that the home inspection materials were provided to the homeownership counseling clients?

HUD's response to this is, your agency workplan must describe the homeownership counseling process. That's including when the client will receive home inspection materials and how your agency will document this requirement. Next slide, please.

Another question that we see is, for clients receiving pre-purchase counseling, does my agency have to address issues that may arise in post-purchase such as financing, refinancing, default, foreclosure, the sale, or other disposition of the property?

HUD's response to this is that, yes, the pre-purchase counseling is a type of homeownership counseling, so your agency must address all of the other homeownership topics. What needs to be covered depends on the relevancy to the client, so it's important that the clients be prepared and understand the issues that may arise during the ownership period. Next slide, please.

Another question that we typically see is, if my agency provides one type of one-on-one homeownership counseling, for example, default counseling, is my agency now required to provide one-on-one housing counseling to address all of the types of homeownership counseling?

HUD's response to this is your agency is not required to provide one-on-one counseling to address all of the types of homeownership counseling; however, your agency must be prepared to cover the components of homeownership counseling that are relevant to each client's individual needs and circumstances. If your agency only offers mortgage default, and the client wants to discuss future homeownership which is part of homeownership counseling, you can discuss this topic such as buying a new home as part of the mortgage default session.

You don't need to add pre-purchase counseling to your list of services.

Keep in mind that your agency's workplan, your housing counseling workplan, must specify how your agency's going to cover the entire process of homeownership counseling for clients that receive homeownership counseling.

Then up on the screen here now you're going to see a link to our frequently asked questions where you can find more information about all of the questions that we have available on our site. What I did want to point out is on the left side you're going to see a box that's highlighted there in yellow for you. It says frequently keyword search. If you type in a keyword here, it's going to allow you to pinpoint exactly what you're looking for based on a keyword search.

Also, at this point, I'm going to turn the presentation over to my colleague, Robin Teaneck, who's going to be discussing the counselor certification testing and counselor certification application process.

Robin

Thanks, Kim. We'll go to the next slide, please. Is the slide changing, or is it my screen that's stuck? Hello?



Jane This is Jane Sharita.

Robin Hi, Jane, can you hear me?

Jane Yes. My line dropped. Can you tell me what slide we're on?

Robin It is slide 52, I think; 47, 47, that was it.

Jane This one?

Robin Back two more, please, oh, one more. No, forward two. All right, thank you.

Jane Sorry about that.

Robin It's okay, I thought it was me for a while. All right, per the Final Rule, a person must pass the HUD Certified Housing Counseling Exam and work for a HUD-participating housing counseling agency in order to become a HUD-certified counselor. On the screen is a snapshot of the OHC certification homepage in the HUD Exchange. This page has information on the Final Rule, including the certification requirements.

We just recently updated this webpage with step-by-step information on how to become HUD-certified. Please visit this page. There's a lot of beneficial resources and information here on the certification process as well as the Final Rule. Next slide, please.

Here we have a diagram of the actions that an individual must take to accomplish HUD certification. The actions listed under exam can be accessed on the HUD certification training and testing website, [hudhousingcounselors.com](http://hudhousingcounselors.com). The actions listed under application can be accessed on the HUD-FHA Connection website.

Before anybody begins the exam, we strongly encourage anyone taking the exam to download the study guide or complete the online modules that are posted on our training and testing website as well as to take the practice exam located on the website.

Under exam, you're going to register and pay the fee for the exam, take the housing counseling exam, and then when you pass the exam you're going to get a notice that asks you to authorize the transfer of the results from the [hudhousingcounselors.com](http://hudhousingcounselors.com) system into the FHA Connection. That's the system where the application for certification occurs.

Then once a counselor authorizes the transfer of the results, the counselor will submit an application within the FHA Connection, and they will also request or register for an FHAC ID. If you notice the next box, this is where the agency also participates in the certification process. The agency must designate an employee to act as the FHAC Application Coordinator. What that role entails, it involves verifying employment of the counselors.

If your agency currently has HECM counselors, you already have an FHAC Application Coordinator. That coordinator can still do the same type of verification and employment verification without having to get a new ID or sign up any differently. That also goes for counselors. If you're currently a HECM counselor, you do not have to request an FHAC ID for the certification portion when you become certified, but you do still have to apply for the certification status. Once the employment verification happens, the counselor then officially becomes the Certified Housing Counselor.

Just a note, just a reminder that FHAC Application Coordinator is a really important role. If an agency doesn't have a coordinator, no counselor that works for that agency can become certified until that coordinator has registered in the system. HUD recommends that an agency have two

coordinators, and they can have up to four, but we think two probably would cover it sufficiently. Next slide, please.

This is a snapshot of the homepage for [hudhousingcounselors.com](http://hudhousingcounselors.com). This is the training and testing website. The first thing you need to do when you get here is to create an account so that you can access all the materials that are located here. Next slide.

This is a recent flyer that we created to provide some basic information for taking the exam. We have listed some tips for preparing for the exam. Just as a reminder, the online exam is \$60 and the test center exam is \$100. We have information about registering and scheduling the exam. Please check with the exam status center in regards, once you've registered if something comes up, and you need to cancel, we don't want you having to pay for an extra exam. So you do need to contact the exam status center for any changes that are made to the enrollment.

Finally, there's information about taking the exam. It's just really important that you have downloaded the Sentinel software and completed the biometrics enrollment prior to the exam launch. Also, we have posted

a video that one of our HUD training partners had created, RCAC, on the HUD test-taking tips.

They have really good information regarding registration, and the logistics for preparing to take the exam. It includes a discussion, among other things, the camera requirements required of test-takers for the online proctoring exam and a discussion of the biometrics test that precedes the exam. That's really good information to help you decide whether you want to take the test online or maybe it's better for you to go to a test center and take the test there. Next slide, please.

I want to talk about the FHA Connection system. Once again, this is HUD's web-based platform that houses the database for HUD counselors. It houses both the HECM counselors and the HUD Certified Housing Counselor database. I'm going to repeat again, the agency FHA Connection Application Coordinator plays a role in both of the processes of the certification of both types of counselors. Next slide.

The counselor's steps to become certified, and this is under the FHA Connection platform, first off, they have to have authorized the transfer of the exam results. They then submit an application into FHA Connection.

They request the FHA Connection user ID. Once they've done that, it's really helpful if they notify the agency FHAC Application Coordinator that you've made your application in the system and you're ready to have it verified. Next slide.

This is a screenshot of where you find information on the counselor application process. We've really provided some good step-by-step instructions, and hopefully you'll take advantage of this website. This webpage also has instructions for the FHA Connection Application Coordinator as well. Next slide.

As I mentioned earlier, the agency has steps in the certification process also. Employment must be verified in the FHA Connection by the agency application coordinator. Agencies must designate that person to certify the employment of their counselors. Once a counselor's employment has been verified, the coordinator, as well as the counselor, can go into the FHA Connection system and print out their certificates or download their certificates. Next slide.

One note about coordinators is that intermediaries can also act as an agency coordinator for their affiliates. They can assume those same

responsibilities as an application coordinator for their affiliates as what that affiliate can do. They can verify employment of counselors who have passed the exam. They can view the affiliates that have counselors that have passed the exam. They can also remove counselors if they're no longer employed by that agency. So, just a note there that intermediaries also have that option to act as an agency application coordinator.

Then the final link or bit of information on this webpage provides access to the links for public search functions for certified counselors. On the counseling agency search screen, this function will allow you to search for agencies that currently have certified counselors. The list can be queried by city, state, or zip code. It provides a list of active housing counseling agencies with HUD-certified housing counselors.

If you're working in Cincinnati, and you want to know how many other agencies in Cincinnati have certified counselors, you could do a query from here to find out. Then, the other way you can query for certified counselors is to enter the six-digit counselor ID which is found on counselor certificates. If there is a match, it will list the agency, and the name of the counselor who is associated with that six-digit ID.

Here are some additional resources that we have available on the certification process, and the exam. In December, we had a webinar on the role of the application coordinator in the FHA Connection. That's archived and available for review. The housing counselor certification application process, that's the link there for the page that I was just discussing, and then [hudhousingcounselors.com](http://hudhousingcounselors.com) training and testing website, very important in dealing, registering, and preparing for the exam. So, please, when you get a chance, look at our website on the HUD Exchange at [hudhousingcounselors.com](http://hudhousingcounselors.com).

With that, I'd like to turn it back over to Lorraine.

Lorraine

Thank you very much, Robin. Thank you to all our speakers for the information that they communicated to you. I have a couple of summary statements, and then we'll take a look at the questions that came in, and we'll also open the phone lines for questions.

First of all, I want to reiterate that we're not asking you to submit your updated work plans now for addressing homeownership counseling and home inspection material requirements. However, that's the only thing you don't have to submit for changes. If you do any other changes to your



workplan, such as you're changing your services, maybe you want to add another service, or you want to drop a service, or maybe you've changed your service area, you've expanded or contracted, maybe, for example, you've decided to charge fees now, things like that continue to require your intermediary, state housing finance agency, or POC approval, so really want to clarify that point. We're not saying all changes don't need approval anymore. It's only when you address your homeownership counseling and your home inspection requirements.

Now, if you belong to an intermediary or a state housing finance organization, they may require you to update your workplan now. They are more than welcome to do so, and they can go ahead and verify. We've heard some networks are actually providing trainings for their agencies now. We're very excited to hear that, but you don't have to submit it to HUD until your performance review.

The other point I'd like to share is the fact that there's no right or wrong answer for homeownership counseling and home inspection materials. As we said, you don't have to document the individual client file, but since it is in your workplan, it would really be in your best interest to also have something in your quality control or your supervisory monitoring plan and

discussing how you're going to determine that your housing counselors are actually complying with your work plan.

So, that's another tip that I have. I also want to thank Robin for again providing a review on the certification process. I want to reiterate what she said in terms of the cost. They're \$60 for online, \$100 if you take it at a proctoring location, and HUD is supporting those fees through September 2018.

Now, some of you have actually heard that we are in the process of updating the certification exam and the training. That is true, but that shouldn't prevent you from taking the test now because the certification exam and the training that are online at [hudhousingcounselors.com](http://hudhousingcounselors.com) match. If you take the test and pass it now, you don't have to take it again.

Okay, with that parting thought, I'm going to go ahead, and, Carolyn, can you provide instructions if anyone has any questions. Then while we're waiting for folks to queue up, I'll take a look at the questions that you typed in.

Moderator

Okay. [Operator instructions].

Lorraine                    Thank you, Carolyn. While we're waiting for folks to queue up, the first question that we have typed into the chat box is, "Does this mean all housing counseling agencies need to provide reverse mortgage counseling?" Bill or Kim?

William                    I'll take that. I'll answer that one. No, that doesn't mean that. The bottom line is that even though we have a requirement that the agency must be able to cover the process of homeownership, it doesn't mean that the agency has to provide housing counseling on each one of the other topics. As I had indicated in one of the slides, it can be provided in any one of a number of ways.

You may have an education class that may provide some information. You may provide handouts on, let's say in this case, reverse mortgage counseling, and probably information on if the client wants more information where they might go to get that type of housing counseling. The bottom line is that you have to provide information on it. You do not have to provide the actual one-on-one housing counseling as a requirement.

Lorraine All right, thank you very much, Bill, and appreciate that clarification for everybody.

The next question we have, “Is there a housing counseling workplan template on the HUD website?” The answer is, yes, there is one under the toolkit section, but we are in the process of updating it. It doesn’t reflect the homeownership counseling and home inspection requirements. That is on our to-do list to get done. We hope to have an updated workplan.

In the meantime, the FAQs that Kim Torres went over are really going to be your best source for information for addressing the homeownership counseling and home inspection requirements.

Carolyn, do we have any questions?

Moderator We did have a few people queue up. [Operator instructions]. We’ll go to Tomasina Stancil [ph]. Please go ahead.

Tomasina Hi. My question is this, I am already NeighborWork NC HEC housing counselor, and my certification is good for another year and a half. Would

I have to take another test and get a new certification for housing counseling, or would this be usable?

Lorraine                      That's a good question. I'm going to let Robin answer it.

Robin                              You will need to become a HUD-certified housing counselor, which is accomplished by passing the examination and working for a participating housing counseling agency. August 1, 2020 is the effective date of the certification rule, so, yes, you will need to get another certification.

Tomasina                      Thank you.

Lorraine                              I might add, Robin's absolutely right, other certifications don't apply when it comes to this HUD-certified counselor requirement. However, that doesn't mean we want you to stop getting other certifications. Those certifications are important to your continued development as a housing counselor and improving the service that you provide to your clients. It's just that that certification will not satisfy the HUD-certified housing counselor requirement.

Okay, next question, please.

Moderator We'll go to the line of Beverly Luke. Please go ahead.

Beverly Yes, my question is, if I'm a certified housing counselor, how would I get certified for the home equity conversion market? Are there two separate tests or trainings?

Lorraine I'm going to ask Kim Torres to answer that question. Kim, you might be on mute. How does she become a HECM roster counselor?

Kim T. I was on mute. To apply, there's on our website to apply for a HECM roster counselor on our website, we have more information for. You'll need to become, I'm so sorry, I'm trying to queue up the page as I'm talking here. It's on our coordinator page for HECM roster counselor. You can apply there. You have to take the test. You have to work for a HUD participating agency, and as we said, take the HECM roster test, pass the exam, and then we'll put you on our roster through FHA Connection. Actually you work with your application coordinator too to get on there, but you have to take the HECM roster exam first.

Beverly Okay, thanks so much.

Lorraine                    You're welcome. Thank you, Kim. Next question, please.

Moderator                Okay, let's see. [Operator instructions]. We'll go to Shawna Nims [ph].  
Please go ahead.

Shawna                    Hi, I want to know as far as the HUD counseling agency, if you're not a  
W2 employee, can you still be certified? When I say that, you're working  
between two agencies, but you're not actually a W2 employee, but you  
work between the two, and they pay you. Can you still be HUD certified  
or do you have to pick one and become an actual W2 employee?

Lorraine                    Robin, do you want to take a crack at that one?

Robin                      I will. If the agency you work for has supervisory control over your work,  
I believe that yes, you would have to become certified, and you would be  
eligible to become certified. Lorraine, is that correct?

Lorraine                    That is correct.

Robin                      Okay.

Shawna                   The reason I'm asking is because working between two small agencies, they might not have the funding to make you a W2 employee; however, you might be doing the counseling and providing all the things that a normal W2 employee would do.

Lorraine                That's correct, and you can also become certified with more than one agency as well. You're not limited to just one agency, and I believe that also applies to the HECM roster counselors. You can be a HECM roster counselor for more than one agency.

Shawna                Okay.

Lorraine               I do have an online question. It says, "Can a counselor take the test and become certified and not be associated with a HUD housing counseling agency?" How about Bill, would you like to answer that one?

William                No, bottom line is you can take the examination and get the results of whether you pass the exam or not. In order to become a HUD-certified counselor you have to also work for a HUD participating agency. It's a two-step process, and your employment is going to have to be validated in FHA Connection in order for you to become a certified housing counselor.



Again, you can take the test. You can have passed the test, but you won't get that certified counselor status without having the additional step up of actually having your employment validated that you work for a HUD participating agency.

Lorraine Thank you, Bill, and we have a related question to what you talked about. What happens to the certification if for example the counselor is laid off?

William Yes, the bottom line is that if you no longer work for a particular housing counseling agency, then that agency is going to be required to go into FHA Connection and indicate that you no longer work for that agency. As soon as you no longer work for that agency, then you are no longer a HUD-certified housing counselor for that agency.

Now, it is possible that you may work for two different agencies and you may still have certification with another agency if you work for another agency. The bottom line is that in order to be certified, it goes with the agency that you work for. So, you're certified as your employment is validated by that agency you work for. Once you no longer work for that agency, you're no longer a HUD-certified housing counselor with that agency.

Lorraine                      Okay, great. Thank you very much, Bill. Remember you only have to pass the certification one time. As soon as you become employed by a new agency, that new agency can certify you again. You do not have to take the certification exam over again. That one time, we store that data that you have passed the test indefinitely.

Carolyn, are there any other questions on the phone lines?

Moderator                      Yes, we'll go to the line of Deidre Dunn [ph]. Please go ahead.

Deidre                              Hello?

Lorraine                              Hi.

Deidre                              Hi. I wanted to find out is there a way to become a HUD approved agency? Are there steps for that?

Lorraine                              Actually, yes, and I will answer that question. Also, Kim is on the line too, Kim if you want to supplement as well. Kim talked about the Form HUD 9900. That's one spot you can start looking at to see all the information that's available.

We also have a webpage on how to become HUD approved agency. It's on the HUD Exchange, and it provides information about our eligibility requirements.

We also have the housing counseling agency eligibility tool. That takes about 30 minutes, and it goes through all of the things that you need to have in order to become a HUD approved agency. It's not designed to replace the application process. All it is, is going to give you some technical assistance and explanation on how to become HUD approved.

Kim, is there anything else we can add to that?

Kim J. No, the only thing I would recommend is definitely going to the HUD Exchange, and looking at the information there, and definitely setting up a schedule with the application advisor, and definitely taking that eligibility tool and looking at that as well. All that should answer your questions.

Deidre Okay, I think I got it.

Lorraine Great, thank you.

Deidre Thank you.

Moderator There is one other person that queued up, and she's with an operator.  
Now, as soon as I get that person's name, I'll open her line.

Lorraine Okay, that sounds good. In the meantime, I have another question. Robin, this would be a good one for you. They're asking, "Are there any testing sites located in Lansing, Michigan?" Where would they find out about on site proctoring centers?

Robin They would need to go to the HUD training and testing website. That's [hudhousingcounselors.com](http://hudhousingcounselors.com). Once you've registered to access the site, you can click on their testing information link, and there is a link that's available to the Criterion sites. Criterion is the subcontractor to our contractor where the locations are for the on-site exams.

I haven't looked. I don't know every single city, but it appears that they have most major cities covered in regards to the opportunity to take the exam at a facility.

Lorraine Okay, great, thank you. Carolyn, is that person in queue?

Moderator Yes, we'll go to the line of Virginia Brown [ph]. Please go ahead.

Virginia Okay, the question is, from a question that was answered before about if you are not connected or employed with a HUD approved agency, and you take the test, how would that apply? I understand that you have to be connected with a HUD approved agency in order to be a Certified Counselor, but what I want to know is, if at a later date, you've taken the test, and you've passed it, if at a later date you are an employee of a HUD approved agency, can they download the results of that test that you've already taken, or will you have to retest?

Lorraine No, you will not have to retest. Anyone that pays the fee and passes the test, you can transfer your information to us. Then, when you do become an employee of a HUD approved housing counseling agency that agency can then verify your employment, and you can become certified.

I think we probably have time for maybe one or two more questions.

Moderator There aren't any more from the phone at this point.

Lorraine

Okay, great. I have one more question that'll probably end up taking up most of the rest of our time. I'm going to ask, it's a conflict of interest question, Bill, and the question is, "Is it a conflict of interest to process HECM loans and also be a housing counselor assuming that she does not counsel the same borrowers that she's processing or underwriting the loans for?"

William

That's an interesting question. I'd have to look at some of the specific facts with regard to it just a general concept. The bottom line is that it's important that a counselor not have a direct interest in the client, and that's sort of a term of art [ph] and in many ways it means that the counselor was not getting a commission for a particular service associated with a client that's not specifically their housing counseling. For instance, if you had a direct interest of the client and you got a commission for referring somebody to a particular loan, then that would be a direct conflict of interest.

However, I'd have to look at the specific instances with regard to HECM-specific and that sort of thing. I don't know whether Kim has any comments with regard to that or insight in terms of reverse mortgages, but

that's general guidance, and we could probably get back with a more specific answer.

Lorraine Kim, did you want to add anything?

Kim I actually concur with Bill. I want to probably see a little more information, so if you don't mind, if you could send your question to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov), and then put in the subject line that it's a HECM question, and write down the specifics of your agency, and more about this scenario, and we'll definitely get back to you because we'll have to look a little bit more.

Lorraine Okay, great, thank you. With that, I'm going to conclude our training. As a reminder, Jerrold Mayer listserv messages will send out when this training has been archived. Thank you very much for participating.

Carolyn, you may end the call.

Moderator Okay, that does conclude our conference for today. Thank you for your participation and for using the AT&T Executive TeleConference Service. You may now disconnect.