



Final Transcript

HUD-US DEPT OF HOUSING & URBAN DEVELOPMENT: HUD's Housing Counselor Certification Information

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SPEAKERS

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PRESENTATION

Moderator Ladies and gentlemen, thank you for standing by and welcome to the HUD's Housing Counselor Certification Information for stakeholders in Northwest and Midwestern states. At this time, all participants are in a listen-only mode. Later, we will conduct a question and answer session. [Operator instructions]. As a reminder, this conference is being recorded.

I would now like to turn our conference over to Virginia Holman. Please go ahead.

Virginia

Thank you and welcome everybody to this afternoon's webinar, where we're going to discuss the Housing Counselor Certification Program. Before we get started, I'd like to go over some logistics. As the operator said, the audio is being recorded. We will be providing a playback number along with the PowerPoint and a transcript in about a week and these will be available on HUD Exchange. We'll let you know through the training digest that the webinar has been posted.

Also, this morning I sent you all out a handout, but they are also available for download on the panel in the right-hand side of your screen. There's a link that says handout. If you hit that, you can just download them.

We may have a polling question. If we do, please respond to those. We are going to take questions at the end of the session and we will be able to get the instructions from the operator at that point. There are a couple of other ways to ask questions. One, again, the panel on the right-hand side of your screen. If you click on the question link, you'll be able to enter a question there, and we have staff that monitoring that question box. You can also, at any time after the webinar, send a question and comment to housing.counseling@hud.gov. Just put the specific webinar topic in the subject line so that we get it to the right person.

Today I don't believe we're going to have an open discussion period; but if we do, all your lines will be unmuted and we would want you to then individually mute your phones. Within 24 to 48 hours, if you've logged in to the webinar, you're going to receive a thank you for attending email from GoToWebinar, and it's going to say this is your certificate of training. Please be aware that there's no attachment. It's just that email. You'll want to save that for your records. You can also later on go to the webinar archive on HUD Exchange and obtain credit for viewing one of the webinars.

At this point, I'd like to turn the meeting over to Roger Jacobs, the Field Office Director for the South Dakota field office.

Roger

Good morning and good afternoon, depending on where you are. I appreciate you participating in this great webinar in Housing Counseling Certification Program. Certainly, I just want to say thank you to all of the participants here and all of you who are on the front lines providing that much needed education to our consumers.

As we know, the educated consumer is a better consumer. They make better choices and we do appreciate your efforts that you do on a daily basis. Without you, our partners, we would not be able to do what we do on this end of the spectrum. So, welcome and I appreciate your attendance. Without further ado, I'd like to turn it over to Lorraine Frisbee, who will be our trainer today. Thank you.

Lorraine

Alright, well hello everybody. There we go, we muted Roger's line. Welcome to everyone to the webinar, and also those of you that are actually in attending at the Sioux Falls HUD office. I want to personally thank Roger for his assistance, especially reaching out to the stakeholders in South Dakota.

Looking at the registration in advance, we really have representatives from across the United States and we certainly welcome everybody to the presentation. We love to get the word out about Housing Counselor certification and HUD's Housing Counseling program, and we welcome everybody for joining today.

What I will ask at the end of the presentation is I'd like to give preference to the South Dakota folks first when it comes to questions since this

presentation was focused and targeted to the communities in South Dakota and the related states.

With that, let's get started everybody. Why are we here? Well, that's a good question. Why are we giving this information? We appreciate you taking the time to listen to it. Actually, in December of 2016, we published a final rule. By we, I mean HUD, but specifically the Office of Housing Counseling. This final rule made some significant changes to our Housing Counseling program that affected not only our current participants but, quite frankly, any HUD program that had required Housing Counseling or that had Housing Counseling services that needed to be provided either if you were a direct recipient, a sub-recipient, or a grantee. What this final rule did was talk about housing counselor certification impacts all of HUD's programs that have a housing counseling component.

The purpose of today's presentation is to help you understand how this final rule impacts you possibly and what you can do about that to comply with it. For our agenda today, I'm going to be giving a Housing Counseling overview. For those of you that are already in our program, this is going to be some very high level and some basic information for

you, but please bear with us because we do have a mixed audience group today. We'll take a polling question next to see who all is in attendance.

Understand that we're going to be giving this basic information but we're also, for specifically Housing Counseling Agencies, this is good for you because you're going to learn how this program impacts other stakeholders that you work with in your community and also how you can help these other stakeholders. We think this information's going to be very valuable to everyone that's participating today.

I'm going to talk a little bit about the housing counselor certification requirements and how it affects the other HUD programs. CPD, Community Planning and Development and also Public Housing are actually the two main programs that have the most impact, but in reality there are over 26 HUD programs that are affected.

One of the things that we've provided you today, one of the handouts, actually lists all of those HUD programs. After today's presentation, please take a little time to review that handout because it's a nice four-page document that summarizes what we're covering today and what your options are for that.

Also, I'm going to talk about how—I'm going to provide some information on how this impacts our agencies currently in the program. I'm also going to talk about the approval process and finally some resources.

I am seeing an error message on my screen for GoToWebinar. Can we advanced to the next slide please? I don't know if everybody else is seeing that error message.

Virginia I have advanced it to the next slide.

Lorraine Okay, great. Is there any way we can ex out that error message or am I the only one seeing it?

Virginia I'm not seeing it.

Lorraine Okay, good. Hopefully nobody else is seeing it. Alright, well thank you, Virginia.

Virginia [Indiscernible].

Lorraine What I'd like to do now is—

Virginia We are getting questions that people don't see it either.

Lorraine Okay, awesome. Thank you very much everybody. I appreciate that. If I'm squinting—well you can't see me squinting, but if you see me pausing it's because I have a little box in the middle of my slides.

Anyway, what we'd like to do first is we'd like to poll everyone just so we can get an idea of who is attending today. Please, let's open up this polling question and please tell us what type of organization you work for. Are you with an agency already participating in our program? Are you a CDBG or home grantee or sub-grantee? Are you a public housing authority? Are you another non-profit municipality or even a tribe? You would select D please.

Okay, [indiscernible], can we close the polling question? Let's see the results. Ah, okay. Most of you are already in our Housing Counseling program, so, as I said, you will find this to be a refresher on certification. You'll also—for those of you that are new to our program, we have about,

almost 30% of you—you're going to learn how this program could possibly impact you. So, great. Thank you very much for responding to that.

The first thing that I want to do is I'd like to kind of give an overview of HUD's Housing Counseling Program and this is going to be specifically for those of you that are not currently in our program. It's an important overview to help you understand if in fact this final rule applies to you.

Next slide, please.

Our Housing Counseling Agencies provide a variety of services. This graphic covers all the topics. I want to say that not all of our agencies are required to cover all these topics. We have approximately eighteen hundred agencies and branches in our program. We have some agencies that only offer one type of counseling, such as pre-purchase, other agencies that just do mortgage default. Then we have the other spectrum, we have some agencies that actually offer all of these services.

The services are divided into some main categories. Group education. Then we have rental assistance, helping people with landlord tenant issues, with subsidy issues, trying to find affordable housing, pre-purchase

counseling, purchasing a home, group education, home buyer education, a lot of that. Post purchase deals with maybe you own a home and you are thinking about rehabbing, that's a good example, or refinancing. Those would be examples of post purchase counseling.

Reverse mortgage. Reverse mortgage has to deal with a mortgage program available to seniors 62 years of age or older that allows them to tap into the equity of their home. Then we have mortgage delinquency and default, homeless. Then financial management is really kind of a core of all of these counseling services.

Like I said, all of our agencies don't have to provide these services, but one of our requirements in our program is, if you do provide group education on a specific topic, for example home buyer education, you also have to provide one-on-one counseling. Next slide please.

Just to give you a little bit of an idea of the impact of our program, during our last fiscal year, our agencies served about 1.1 million clients. Looking at the pie chart, you can see that group education represented approximately one-third of the clients that were served. Then we have pre-purchase at 23% and mortgage default at 20%. I just want to share

with you that we have been tracking these statistics over many years and this is in the first in about the last five years that pre-purchase actually was higher than mortgage default. We are very relieved to see that and we hope that this trend continues.

Also, I want to have a special message for the agencies that are already in our program. This is one important reason why we stress reporting on your HUD-9902 is very important. We really like to be able to share your successes through that data, so it's very important that first of all you complete your 9902's and secondly you complete them accurately. For those of you that do that and help contribute to our being able to share these statistics, I thank you very much.

Okay, next slide. Those of you that aren't familiar with our program, I just want to share some of the many outcomes that our agencies report on. Of those 1.2 million clients that we helped, about a third of them the housing counselor was able to develop a sustainable household budget. That's pretty much a key to any housing situation, making sure the client has a budget to help them sustain their housing situation regardless of what it is. Another 300,000 received access to fair housing information and about 165,000 improved their financial capacity or gained access to

resources to help improve their housing situation, such as down payment assistance programs.

Okay, so that's just basically a brief overview of what our agencies currently in the program accomplished last year. Now let's talk a little bit about how we define Housing Counseling. This is important for those of you that are just learning about our program because it kind of defines what exactly is expected when you're covered, when you see that word Housing Counseling in the HUD regulations or in a HUD grant application. I'm also, after this, going to explain what Housing Counseling is not.

Housing Counseling is defined as independent expert advice that is customized to the need of the consumer. What it does is addresses the consumer's housing barriers and helps them achieve their housing goals. When we say independent, what we mean by that is our housing counselors do not steer clients to any specific programs. We have conflict of interest regulations in place to ensure that the information they're providing is independent and the consumer makes the decisions. The important rule of the housing counselor is to provide the consumer with knowledge so that they can have and make an informed decision.

For Housing Counseling elements, there are the five critical parts of Housing Counseling. There's intake, where they determine if the agency can, in fact, help them and also collect demographic information. Then there's the all-important financial analysis in the client budget. As I said before, this is really key to any type of Housing Counseling service, making sure that you have an individualized budget and how that budget is going to support the client's housing goals.

For example, if someone wants to buy a house but they only have \$500 of disposable income a month that can be used towards their house payment, depending what part of the country you live in, that may not be sufficient for home ownership. On the other hand, it may be more than sufficient, again depending on their location. That's how the Housing Counselor can help them.

Financial and housing affordability analysis is also very key. If you have someone that is a renter and they are spending a lot of money on entertainment, on their cell phones—believe me, that can happen very quickly—and other types of expenses, and they want to buy a home, our housing counselors will have a serious discussion with them and say does

your lifestyle support saving for emergency repairs and different things like that? So, they'll just run analysis to see if in fact home ownership is right for these clients. Our goal is to make sure that our clients have sustainable housing, and that's really key, whether it is home ownership or rental.

Then an action plan is really core to Housing Counseling. An action plan I kind of compare it to a roadmap. An action plan is required for every type of counseling except the reverse mortgage counseling. Basically what an action plan does is it outlines what the client and, if needed, the housing counselor will do to help that client meet his or her housing goal. Action plan items can be they need to take more education classes, or maybe the client needs to contact the credit bureaus and dispute items on his or her credit report, or maybe save money for down payment assistance, or contact the landlord. It's all kinds of steps that that client takes, of course, to reach his or her housing goal.

Then we ask agencies to have some reasonable effort to follow-up with a client, to reach out to them. Hey, did you buy a house? Or, did you secure affordable rental? That way it helps record the successes of the

clients and our agencies. So, if you're providing any of these types of services, and all of those, that's Housing Counseling.

Now, what is not Housing Counseling and does not be covered under this final rule? Well, if you're providing services that only give out information, or placement, or maybe referral, that is not considered Housing Counseling. You're not doing that financial analysis. You're not creating that action plan. Also, if you're doing routine administrative activities, such as program eligibility, intake, or case management, that may not be covered either.

Case management, that provides housing services as part of a larger case management such as home ownership opportunities for persons with AIDS, emergency shelter grants or continuum [ph] of care. I apologize. We love to use acronyms here. They do not fund Housing Counseling. They're not covered under the final rule either. Fair housing advice and advocacy, such as processing complaints, filing claims, or even doing some kind of field studies or field testing, that is not considered Housing Counseling.

Or group education. If you're just offering home buyer education, for example, no other services, no individualized counseling, and that's all you do, that can also not be covered. Again, our list is not all inclusive and I strongly urge you to again look at that handout that lists all of the HUD programs that are covered. Take some time to do that today.

Okay, next slide. What exactly am I talking about when I am talking about the final rule for Housing Counseling certification? I want to spend just a little bit of time talking about this. We actually published the rule December 14, 2016, so gosh it's almost been a year and a half since we did that. We really felt that this rule was very important to ensuring consistency across all HUD programs because basically what it did is it standardized the definition of Housing Counseling, which is what I just talked about previously.

It required that—and they actually did this, for those of you that are interested in regulation citations, you can find this under 24-CFR-5 Part 100—required that Housing Counseling required under or provided in connection with any program administered by HUD shall be provided only by organizations and counselors certified by the secretary. Basically, again they're saying that any HUD program that mentions Housing

Counseling will be covered by housing counselor certification. We'll talk a little bit more because required under or provided in connection with is kind of a tongue twister there, even for me, and I've probably said it a hundred times over the last six months, but we'll go into more detail exactly what that means.

Next slide, please. What this final rule did—of course again I'm saying it had the definition of Housing Counseling, and it also defined what is a HUD-certified Housing Counselor. A HUD-certified counselor has two parts. In order for a counselor that's working in our program to be considered this terminology, that housing counselor has to be first pass our exam. We created a HUD certification examination and—this is a big and—has to work for a HUD approved Housing Counseling agency.

Now, when we say HUD approved, that includes agencies that are participating in our program either directly by HUD—they came to HUD with an application and we approved them—or they could also be an agency that's working through a network. They may be part of a national intermediary or a state housing finance agency network. Most of those are considered HUD-approved Housing Counseling Agencies.

Now, the final rule doesn't go into effect until August 1, 2020. I know those of you that are in the other HUD programs are probably breathing a sigh of relief and going, I don't have to worry about this for another year and a half. We definitely don't want you to think along those lines. We really want you to think now, especially if this program applies to you.

You're going to need time to think about how you're going to comply with it and if you decide joining our Housing Counseling program is an option for you—and I'll talk about your options in more detail later on—but you're going to need time to make sure your agency's going to be eligible to apply for the HUD program, at least a year. You're going to have to operate a Housing Counseling program.

Actually the time is now to be thinking about this. First of all, I appreciate that you're participating, but I also ask at the end of this webinar think about if does apply to you, what you're going to do to comply and think about that now. Okay. Thank you.

Why is Housing Counselor certification so important? Well, these are just three of many reasons that we have. So, some of the important things is its going to improve and standardize professional standards for those who

counsel consumers. Our clients put their trust in housing counselors to make sure that they get the best information and our certification process helps to verify that all of our counselors have the same basic standard knowledge, their knowledge basis. That helps them be better Housing Counselors, helps them do better referrals.

Also, it standardizes Housing Counseling over all our HUD programs. We didn't have that before this final rule. All the different programs had their own tweaks and different interpretations of what Housing Counseling was. This way, it guarantees that it's all the same and it's all going to be monitored by the Office of Housing Counseling because we will be monitoring those agencies that are part of our program.

Then also I think it's going to help the consumers because they're going to recognize the HUD certification and the HUD-certified Housing Counselors, and they know that that designation means that their housing counselors are going to be impartial and knowledgeable advisors, who puts the consumers' interests first. Okay, next slide please.

For those of you that are in Community Planning and Development and Public Housing, as I said at the beginning of my presentation, these

stakeholders are more impacted by this final rule than most of the other groups. There are a total of 26 programs that were named in the final rule, but when looking at those programs that probably had the most stakeholders that will be covered by it. Community Planning and Development and Public Housing are two of the highest numbers.

Let's talk a little bit about, first of all, how are you covered. As I said earlier, let's look a little bit further about this reg language. When we say required under or provided in connection with any program administered by HUD, this is what we mean by that terminology. First of all, Housing Counseling is required by HUD as part of that program, or Housing Counseling funded under a HUD program. That can be funded through a grant. It can be perhaps you're a sub-recipient of, for example, a municipality that's getting HUD grant money and they're requiring Housing Counseling. That's number three.

Housing Counseling is required by the grantee or the sub-grantee of a HUD program as a condition of receiving assistance. That's another one that's covered. Or, a client served by a HUD program is referred to Housing Counseling. Any of these four categories is covered by this final rule. Okay, next slide please.

For Community Planning and Development, some of the most common programs that are covered under this final rule include home CDGB, Community Development Grant—I think we got those reversed, it's supposed to be Block Grant, CDBG. Got a typo there. My apologies to CPD grantees there—or continuum of care, they could possibly be covered under this program, especially a very common example has to do with down payment assistance. Some of the down payment assistance requirements may require Housing Counseling as a condition of getting that down payment assistance. That would be an example of a covered program.

Now, let's look at Public Housing, and again this list is not all-inclusive. I strongly encourage everyone to go ahead and take a look at that handout that we have, but some of the public housing programs that are covered could be the Family Self-Sufficiency Program, especially if you're talking about helping your clients get home ownership. Also, the Resident Opportunity Self-Sufficiency, or the ROSS Program. Or, especially, the Housing Choice Voucher that has a Housing Counseling component too, okay? Next slide, please.

Again, look at the handout and also we've put this on in your PowerPoint. When you are talking Housing Counseling Agencies, when you are talking to stakeholders in your community that may be covered, by all means you can definitely refer them to this resource as well. We've put this additional information for our current Housing Counseling Agencies to help those other stakeholders they interact with understand these requirements. Again, the effective date is August 1, 2020. Okay, next slide please.

Alright, you're probably scratching your head and thinking, well I may actually be covered by this program, so what am I going to do about it? Well, let's talk about how you can comply because you do actually have some choices for that. Especially those partners that are not in our program right now, you have four options.

The first one, which I think is a very exciting option for you, would be to decide to join our Housing Counseling program. You can apply for approval or you can join an already existing network, such as an intermediary or a state housing finance agency network. Either route that you decide to go, we have the same approval criteria either way. Another option is you can partner with agencies that are already in our program

and later on in the PowerPoint I'll provide you with a link to our list of all HUD agencies currently participating in our program.

That's another option and you can make some decisions on how you are going to partner with that HUD Approved Housing Counseling Agency. You can modify your program in some other way to become compliant or the absolutely worst choice in our perspective is you can stop delivering Housing Counseling services before this final compliance date. We definitely don't want to see you do that. In all of the outreaches that we've conducted, and we've probably done 25 over the last year or so, a great majority of agencies actually choose number two.

We also have reached out to some municipalities, for example, and they are actually eager to join our program as well. That's going to take a little time and so that's why it's important to think about what options you're going to use. Again, start thinking about that now. Don't wait until July 1, 2020 to say, okay we have 30 days here. What are we going to do? Okay, next slide please.

Again, this is our list of our HUD Approved Housing Counseling Agencies. You can go there. You can also go on our HUD Exchange

under the Housing Counseling page and we also have a link there. But, this is where you can find a list of all of our agencies. It is sorted by state.

Okay, how about those of you that are already in our program? What does this mean to you? I took the liberty of sharing with you today some of our frequently asked questions, which we have available on the HUD Exchange. You can find frequently asked questions either under the main FAQ section, where you can sort by keywords, or you can find under the certification page a bunch of frequently asked questions that are entirely addressing this final rule.

Can an agency approved to participate in HUD's Housing Counseling Program offer Housing Counseling if it no longer has a HUD certified counselor as of the final compliance date? Well, prior to August 1, 2020, that's not an issue, but come August 1, 2020 all Housing Counseling must be performed by HUD certified Housing Counselors and any agency with at least one certified counselor will no longer be able to perform Housing Counseling as part of our program. Again, the message that I had to our other stakeholders also applies to all of the agencies in our program now. I strongly urge you not to wait until July to get your counselors certified

and a little bit later I'm going to give you some tips on the certification process itself. Okay, next slide please.

What happens come August 1, 2020? Are we going to automatically terminate you from the program come August 1, 2020 if you do not have any certified counselors on staff? The answer is no. We're going to actually give you a little time, but because you cannot provide Housing Counseling services at that time we will go ahead and we will put you in inactive status. That will give you the opportunity to either hire a certified Housing Counselor or to go ahead and ensure that your staff does in fact pass the exam and become certified. We will give you up to six months to do that in that inactive status and we may extend that period after. The important thing is to be communicating with your Office of Housing Counseling point of contact if that situation happens. Okay, next question.

This is the final FAQ that we have. This is one that we get, and what happens when you hire a new Housing Counselor? How long do they have to become certified after August 1, 2020? Well, the bottom line is it's entirely up to you, the agency management, to decide how long they have to become certified. We don't have a specific timeline but the bottom line is that new Housing Counselor cannot provide Housing

Counseling services independently. They cannot provide Housing Counseling or oversee group education sessions until they become certified. They can work and assist a HUD certified counselor but they themselves cannot independently counsel.

One of the things in our regulations that did not change by this final rule is we were going to continue to have this requirement that at least half of an agency's counselors must have at least six months experience in the job of Housing Counseling. That still is a requirement. Again, the bottom line when you hire somebody, you can decide when they need to become certified by, but remember they really can't provide Housing Counseling or oversee group education until they become certified. Okay, that was our last FAQ. We have a substantial number of more frequently asked questions that you can review. It's very helpful. We also have FAQs that are specific to the other HUD programs as well.

Another question that we frequently get. Well, what about the agency managers? Well, staff entities, those roles are limited to, for example, overseeing a Housing Counseling program, they might be reporting, they might be limited to funding or other aspects of the HUD program that do not provide Housing Counseling services directly to clients. That's the

key right there. That's why we have it bolded. You are not required to become a HUD Certified Housing Counselor. Now, you can. You do have the option to become certified if you like. The nice thing, once you pass that certification exam, you only have to do it once. Again, you can become certified. You can also get training in Housing Counseling and you can serve as a backup. Again, that six months, half staff having six months experience still comes into play. Anyway, you are not required to. Okay, next slide please.

Those of you that are already in our program, bear with me because I only have a couple of slides on how to become a HUD-approved Housing Counseling Agency. Those of you that are new to our program and thinking about how one of the ways you can comply, this is the first one. That is, again as we said, you can apply for approval to join our program, either directly or as part of a network.

Digressing a little bit, what—the advantages of joining our program, those include technical assistance, training. We produce approximately forty webinars a year on a variety of topics. We have a lot of online training that's open and free. We also work with numerous training partners. We have four grantees that have in past years received our training NOFA

funding. With that funding, they provide scholarships that can include scholarships for tuition and lodging to help Housing Counselors become better educated. They also have other types of certification programs.

I do have to digress a minute. Certification is provided by our training partners. Do not substitute for the HUD-Certified Housing Counselor requirement, but we want you to continue to seek those other certifications because that is professional development on your part. We fully support these other certification programs. They just don't apply to this requirement. We talked about these other options before, so we can move on, please. Next Slide, Ginger [ph].

Ginger

It must be taking a second because I've moved it on.

Lorraine

Oh, great. There we go. Thank you. Okay, so those of you that are thinking about joining our program, we do have some experience requirements. This is very important and why I say start considering this option now because you need to have one year's experience in providing Housing Counseling in your geographic area. You also have to have sufficient counseling resources to run your program. You have to have staff. If you serve multi-lingual communities, you have to address how

you're going to serve populations that are bilingual or limited English proficient. What kind of resources do you have? What are the needs of your community? Like I said, if you're considering this as an option, you need to start developing your Housing Counseling Program now. We have a great tool that can help you with that. Next slide, please.

Our GoToWebinar is getting tired.

Ginger Should be there shortly.

Lorraine There we go. Thank you. We developed a really neat tool that if you are considering—maybe even if you're not considering but you want more information—that provides you first of all terrific technical assistance on the requirement to become HUD-approved and also helps you analyze your current program to see if you are eligible now to apply for the Housing Counseling Program.

It's called our Housing Counseling Agency Eligibility Tool. It's available on the HUD Exchange. You do need a HUD Exchange user ID, which is free. You can register and get a HUD Exchange ID for that, and it's free, but you do need to do that.

It takes about 30 minutes to go through the tool. It provides links to numerous resources, like it will say, “Does your agency have a Housing Counseling work plan?” You might be thinking, what is a Housing Counseling work plan? Well, you can click on a link and that link will explain to you what is a Housing Counseling work plan. It also talks about other requirements to meet our program requirements.

We don’t want you submitting an application for approval for our program until you’ve gone through that eligibility tool. It’s not a requirement, but it’s strongly recommended because we don’t want you wasting your time if you’re not going to meet the eligibility requirements.

If you do go through and you find out yes, you know what, I am eligible. I am ready to apply. We have some terrific staff that will work with you and work with you on how to complete the application so that when you do get ready to submit for approval we’ll pretty much know that hey it looks like you might meet the requirement. We provide you with a tremendous amount of support and technical assistance in this approval process. Next slide, please.

Now, I'm going to talk more towards our Housing Counseling Agencies already in our program. I'm going to talk about our Housing Counseling certification examination. One of the handouts that was provided to you today was a Know Before You Go brochure that talks about setups for the Housing Counseling certification exam. Please review that. We strongly encourage you to look at it before you register for the exam.

Again, I'm going to talk about certification. It is a two-step process. You need to take and pass the HUD-certified Housing Counselor exam and then you have to work for a HUD-approved Housing Counseling Agency. That agency verifies your employment through our FHA connection system. It's a HUD system that you have to register for. Both a counselor has to register and get an ID and then the agency or the agency network manager has to have an FHA Connection Application Coordinator. That individual verifies the counselor's employment. Okay, next slide please.

The bottom line is only individuals that are currently employed by a HUD-approved Housing Counseling Agency can be certified. Now, counselors do have the opportunity to be certified by multiple HUD-approved Housing Counseling Agencies. The bottom line is each agency has to verify that counselor's employment.

As a bit of a digression here, you're probably wondering, well what happens when I leave an agency? Well, because you don't fit the second criteria, you're not going to be certified for that period of time that you're not employed by a HUD-approved Housing Counseling Agency. The good news is you only have to pass the certification exam once. As soon as you get hired by a new agency that verifies your appointment again, you become certified. You do not have to take the exam more than once. Okay, next slide.

We do have a couple of options for taking the exam. You can take it either online or you can take it out a proctoring center. If you're going to take it online, that Know Before You Go brochure is very important because it gives you some tips on making sure that your workstation is clear. Make sure there's nothing hanging on the back of your wall that could be considered a Fair Housing poster, that could be considered something hey, that's going to possibly be on the test.

We also have posted on the HUD Exchange, from Rural Community Assistance Corporation, a video on your space and tips. We strongly encourage you to go ahead and review that before you take the exam.

Our examination is available in both English and Spanish versions. You register to take the exam through hudhousingcounselors.com. That is our website that is dedicated to both training and testing for certification.

Now, it costs \$60 currently if you take in online and \$100 if you take it at a proctoring center. Again, the cost for the exam may change after September 30, 2018. HUD is currently subsidizing the cost of the exam and that may expire. We will notify everybody 60 days in advance if there's going to be a price change.

I do want to point out for South Dakota there really is only one proctoring center if you want to take it in person. That is one in Sioux Falls. It's New Horizons of South Dakota. It's located in Sioux Falls. For those of you that are Midwestern, there's actually another proctoring center in Nebraska that's at Scotts Bluff. It is the Western Nebraska Community College. Those of you that were interested in going in Omaha, the Bellevue University Test Center, there's one in Omaha and also in Columbus, Nebraska. Those are pretty much the only on-site proctoring centers that are available to South Dakota, so you may want to consider taking your test online. Again, like I said, please pay attention to the

Know Before You Go brochure and also the video on setting up your online space. Okay, next slide please.

As I said, the good news is you only have to have the certification examination one time. We're going to maintain those test records indefinitely. There's no limit to the attempts for you to pass the exam, but you are going to have to pay the same fee each time. We don't have any continuing education requirements for the HUD-certified Housing Counselor.

I do want to point out that the requirements for the HECM Roster Counselor, those are not affected by this final rule. The HECM still requires continuing education and still requires that you take the HECM Roster exam. I think it's every two to three years. Effective August 1, 2020, any HECM Roster counselor must also have passed this certification exam and have become certified.

We have spent quite a bit of time and effort developing online training and a practice exam to help you prepare for the examination. We have a total of 15 modules there available at hudhousingcounselors.com. They are free. It's free online training. All you need to do is get a user ID to access

the site for free. But, we had 15 modules there and, looking at the amount of usage, very few folks study all the modules. Believe me, you need to study all the modules, so that's very important. Take the time to go through those modules because they're going to help you prepare for the exam.

You can also take an examination preparation class from our training partners. All four of our training NOFA grantees offer exam preparation classes and there are also other agencies out there that provide exam preparation classes as well. You can find a complete list of our training partners on the HUD Exchange under our training. Our Training Digest sometimes lists the schedules of all the classes there. Lastly, again, take a look at that Know Before You Go handout that we provided. Next slide, please.

There it is. Please review it. Thank you. Next slide. The last piece of the puzzle to get certified is to make sure that your agency has an FHA Connection Application Coordinator. That is a mouthful but it is a simple process. We have all the instructions available online how you become an FHA Connection Application Coordinator.

There's something that's very important. Starting in October, we're going to be sending out email notifications. Those of you that are in our program please make sure that your email addresses in the HUD's Housing Counseling system are all accurate and you'll be seeing more email traffic from us on that. Very important that all of that information, that their contact has point of contact for emails, your agency manager, your agency chief executive officer or director. Please make sure all those emails are accurate. Next slide please.

Again, I am just saying that your employment is verified through the FHA Connection. Also, the FHA Application Coordinator will also be responsible for removing counselors that no longer work for the agency. Next slide please.

Alright, coming to the end, just some resources that are available for everybody. Our industry training. We actually created a new training digest. You can find information on our training on the HUD Exchange. You can also find other information on the Community Planning and Development and Public Housing pages on the HUD Exchange. Please look at those.

We are working very closely with these two offices to make sure we get the work out to all of our covered stakeholders. You can also sign up for [indiscernible] announcements from the Office of Housing Counseling. You can find those instructions on our HUD Exchange page. Again, help spread the word about certification.

Just to give you next slide, we do have some links. This is our certification page and our certification FAQs. I urge, especially the other HUD programs, to take a look at the certification FAQs because we have created some frequently asked questions that are specific to the different covered HUD programs. Then, again, that handout that we have given to you on the other HUD programs, there's a link to it if you want to help spread the word on that. That's a really good document to share with other stakeholders.

Okay, this is the last one. Again, our list of HUD-approved agencies. You can find the training for certification at hudhousingcounselors.com. Lastly, if you have questions that we weren't able to answer today, please feel free to email us at housing.counseling@hud.gov and you can put in the subject line Housing Counselor Certification. That way we'll know that's the topic that you have questions about.

Okay, well that concludes my portion, so Caroline [ph] we can open up the lines for questions. While Caroline is doing that, I'll also ask Roger if there are any questions in the South Dakota office. Now, as I said, I would like to give preference to the South Dakota folks first.

Moderator [Operator instructions]. Roger actually hung up, so he's no longer on the call.

Lorraine Okay. Alright, then I guess we can open it up to questions from everybody. While they are in the process of queuing up, Nancy, we have Nancy West with us today. She's a housing program officer that has been detailed to the Office of Housing Counseling, and delighted to have you. Do we have any written in questions we can answer while we're waiting?

Nancy Yes, Lorraine, the first question is, is there a number of counselors that have currently passed the HUD exam or what is the success rate?

Lorraine Both very good questions. What we are trying to do is we're going to try to reach a critical number of counselors that have passed the exam, that are at a statistically significant level, before we're going to release that

information. We are working on it and we do get a lot of questions about that, so as soon as we have that critical mass of data, we'll be very happy to share that with everyone.

Nancy

Okay, the next question is, my agency is not HUD-certified but we do partner with other HUD-approved agencies. How do we show proof of the partnerships prior to our counselors taking the Housing Counselor certification exam?

Lorraine

I have to think about that a little bit because there's a couple parts to it. If you're partnering with HUD-approved agencies now, that is then you are going to be fulfilling the requirement for your HUD program for Housing Counseling and the final rule, and you don't have to become a HUD-approved Housing Counseling Agency yourself in order to meet these requirements.

Come August 1, 2020, what you're going to want to do is you're going to want to look at, again, our list of HUD-approved Housing Counseling Agencies and verify the agencies you're partnering with are still on that list. You're going to need to want to periodically check that list to make sure they have HUD-certified Housing Counselors employed. You can

tell that because they're on our list. When an agency is removed from our list after August 1, 2020, it's because they don't have a certified Housing Counselor.

Now, as to documentation, CPD—depending which program you work with—Community Planning and Development and Public Housing may have other criteria that they'll want. We're going to need to check back with those program offices to see if they're going to want any additional documentation that you're working with HUD-approved Housing Counseling Agencies.

Nancy Okay, the next question is, how much experience or how long does a counselor need to be employed before taking the HUD exam?

Lorraine There's no employment requirement. You can take the certification examination even if you're not employed by a HUD Housing Counseling Agency right now. The exam is open to anyone that pays the fee. Okay, and Nancy, before you read the next question, let's go to Caroline and see if we have anyone on the phone with questions.

Moderator No, there are on questions from the phone at this time.

Lorraine Okay, great.

Nancy We have one more on this end and Roger did send me a message. He's still on the phone, but he doesn't have any questions in Sioux Falls.

Lorraine Oh, great. Thank you, Roger.

Nancy Okay, the final question is, are there any expected changes to the certification test?

Lorraine We are—I'm trying to think how I can answer that—stay tuned. That's all I'll say for right now, but stay tuned for that. Sign up for your HUD listserv [ph] messages.

Nancy No more questions on this end, Lorraine.

Lorraine Alright, well terrific. Again, thank you very much.

Nancy Lorraine, there is one more.

Lorraine

Okay.

Nancy

Can you go over the process for recertification. Our agency needed to be recertified in December.

Lorraine

Ah, okay, so that kind of doesn't have to do specifically with Housing Counselor certification. If your approval is set to expire in December, your HUD point of contact should probably contact you in October or November to set up a performance review. If you haven't heard from your HUD point of contact by the end of October, you can send an email to housing.counseling@hud.gov. If you don't have your HUD point of contact name and ask that same question, say our certification—our approval. We don't use the word certification. We use the word approval. Our approval's going to expire. We would like to talk to our HUD point of contact. They'll get you to the right party.

Okay, with that again, I thank very much Virginia Holman, and Nancy West, and Roger Jacobs very much for all of your support, and to our AT&T operator Caroline. Folks, we're going to go back into the host room speakers after that. Caroline, you can tell everybody to hang up.

Moderator

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