



Final Transcript

**HUD – US DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT: Stakeholders Meeting – 2016 NOFA**

July 25, 2016/2:00 p.m. EDT

SPEAKERS

Virginia Holman
Lorraine Griscavage-Frisbee
Jamie Spakow
David Valdez

PRESENTATION

Moderator Ladies and gentlemen, thank you for standing by and welcome to the Stakeholders Meeting 2016 Comp NOFA conference call. At this time all participants are in a listen-only mode. Later we will conduct a question-and-answer session. We will do that throughout the conference call today. (Operator instructions.) As a reminder, today's conference call is being recorded.

I would now like to turn the conference over to your host, Ms. Virginia Holman. Please go ahead.

Virginia Thank you, Mary Beth, and welcome to today's Stakeholders meeting. We always try to seek your opinions of various things that we have done. On this particular one we want to talk to you about the 2016 NOFA and see how you liked it, any suggestions for changing it or improving it. Right now before I turn it over to our host, I'd like to go over some logistics with you.

HUD – US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Host: Kristen Villalvazo

July 25, 2016/2:00 p.m. EDT

Page 2

As the operator said, the webinar is being recorded. The audio along with the PowerPoint and a transcript is going to be available on HUD Exchange under their training icons, and that usually takes four or five days for that to get posted. Listserv will be sent out when that happens.

All your lines are currently muted, but when we have poll-in questions or other discussion questions, your lines will be opened up, and the operator will again give you instructions on how to do that. You do not need to give your name and agency and state to participate in any of these discussions.

But your feedback, as I said, is critically important to us, so if you don't want to get on the phone and ask your question, you can write it into us. The control panel on the right-hand side of your screen, there's a box that has a little space that says questions. If you enter your question there, we'll be monitoring those and get to them during the session if at all possible. If not, we will get to them later. If after this event you have more questions, send them to housing.counseling@HUD.gov and put the webinar topic, in this case the 2016 NOFA, in the subject line, so we get it to the right people.

If the lines are opened, we want you to make sure you mute your phones. It's critical if they're open and there's a lot of background noise, we lose the intent of what you're trying to say, so just be courteous when we're working with these questions and answers.

At the end there will be a brief survey, and we would really appreciate you taking that, because that helps us overall plan our webinars. We take your comments to heart as to how we can make our presentations better because one of our main goals of the Office of Housing Counseling is to give you the very best training that we can.

At this point I'd like to turn the webinar over to Lorraine Griscavage-Frisbee, the Deputy Director of the Office of Outreach and Capacity Building. Lorraine?

Lorraine

All right, thank you very much, Virginia, for going over the logistics for this webinar. I just want to repeat something that Virginia said that we think is very important, and that is that you do not have to give your name or the name of your agency when you talk to us. We really hope to hear from you verbally. It makes for better discussion than just basically

having us talk amongst ourselves, so if you have any comments, we really appreciate the opportunity hearing from you in person. The operator when we ask those questions will tell you how you can go ahead and get in the queue to give us your feedback very much.

So again, thank you very much for taking the time out of your busy day for joining us. Our agenda for today is we're going to basically focus on the 2016 NOFA process which was just completed. We're looking forward your feedback on that process from submitting the application and the different rating factors. We're going to talk about that in detail.

One point I want to make is this is not training on the grant agreements. We actually conducted training on July 6th, and that training has been archived, so if you have received your grant package and you want a little assistance in completing that, we recommend that you go ahead and review that archived training on July 6th. We will be providing our website at the end of this webinar today, so you'll have that resource address available. You can also reach out to your head point of contact for questions on completing your grant application.

Let's just briefly talk about what is the general purpose for stakeholders meetings. Virginia started out by saying that we really appreciate your feedback and giving you the opportunity to communicate with us and interact with us. This is a great way for us to hear your feedback and your input on program policies and procedures. Every year that we do the NOFA, we go ahead and we have a stakeholders meeting. Some of the feedback that you provide to us, whether you realize it or not, does impact future NOFA design, so this is a great opportunity for letting us know how we can improve the process. If you're very happy with the way it is now, please let us know that as well because that's important for us to know we're on the right track.

It's also an opportunity in general for agencies to get together and share best practices and challenges as part of these stakeholders meetings, and the end purpose, there's twofold. First of all, one of the end purposes that we all have is to ensure that we're helping our consumers achieve their housing goals, and definitely getting funding is a big help to you in achieving and meeting your clients' housing goals. The other thing is it give us the opportunity to provide your feedback to the leadership of Office of Housing Counseling and to our housing to let them know how the stakeholders feel about our policy development, budget, training, and

program evaluation oversight. Again, this is very important and we really appreciate you taking the time for providing us feedback.

I'd like to now turn it over to our FY2016 NOFA team leader, Jamie Spakow. She is a housing program specialist in the Office of Policy and Grant Administration in Denver, Colorado. Jamie?

Jamie

Thanks for that background information, Lorraine, and as Lorraine said, we really do appreciate your feedback and consider it when we're developing our annual notice of funding availability. And Jovan, if you're able to go to the next slide, that would be great as well. So throughout today's meeting we'll be using a combination of polling questions and open lines so that you can give us your feedback. Remember that you also have the ability to type in your comments online at any time during the presentation.

With our polling question number one, so that we can get a good sense of our audience today, please use your keypad to indicate whether you're representing an intermediary, a multistate organization, a state housing finance agency, a local housing counseling agency that's a direct grantee, or an affiliate or sub-grantee of the network. If you can have the ability to use your keypad to select one of those choices, we'll give the results a few minutes to populate.

Great, thank you for helping us out with that. We see that 36% of the participants today are representing an intermediary, that we don't have anyone from a multistate organization, but we do have 10% from a state housing finance agency and 38% of you from a local housing counseling agency, and 17% of you that are with an affiliate or a sub-grantee of an intermediary, so you didn't apply to us or didn't receive your funding this year directly from us. That's a pretty good cross-representation.

Let's move on then our next slide and our next polling question. Let's also get a sense of how your organization is accessing or going to access our fiscal year 2016 Housing Counseling funding. Again, using your keypad, let us know whether you applied for and were awarded under the 2016 NOFA, whether you're receiving funding through a sub-grant, whether you applied but did not receive fiscal year 2016 program funding, or whether you did not apply.

And again, we're waiting a moment for those results to come in. All right, so we see a good cross-section. Sixty-three percent of you on the line today applied and are receiving funding through the NOFA that was

published in February, 24% of you through a sub-grant from an agency that received those funding opportunities, 5% of you did not receive 2016 funding, and 7% of you did not apply.

So let's move onto the next slide. Thank you, Jovan. Let's talk a little bit about spurring our memory about some of the things that happened in this year's competition starting with the 2016 funding process timeline. Now, the NOFA was published on February 18th. This is a little bit earlier than in some years but not quite as early as we estimated and hoped for. Applications were due on April 4th. This deadline allowed a 45-day application window, which was about 10 days longer than in 2015.

The rest of the timing that we see here falls roughly in line with recent years. We announced awards on June 21st and mailed the grant agreements on June 30th and as Lorraine mentioned, we provided grant agreement training on July 6th and grant execution documents were due last Friday on the 22nd, although you can always work with your HUD point of contact if you need additional time for submitting that information. Of course, today we're having our NOFA stakeholder meeting so we can get your feedback while the process is fresh in your mind.

So let's move onto the next slide to get your feedback on the application window this year. As I mentioned, this year's NOFA extended the application period by 10 days to 45 days, and we want to make sure that you have enough time to apply, but we also want to make sure that we can get annual funding out to you as early as possible, and so we're trying to weigh the information on the application window to help us find the best balance of that. So using your keypad, give us some feedback on this year's 45-day application period. Let us know whether you would have liked additional days to apply, whether the timeframe was comfortable for you, or whether you thought it was too long. There's also a choice if it's not applicable to you because you didn't apply, so again, the polls are open.

We have some good results, some mixed results. Twenty-nine percent of you would have liked additional application days. Over half of you, 52%, thought the timeframe was just right, 10% of you thought the timeframe was too long, and then 10% of you didn't apply this year, so it's non-applicable with this question.

We have another question, polling question number 4, about your experience this year with grants.gov submission process. On this question you can select more than one response, so using your keypad let us know whether you were able to submit through grants.gov without any issues. You can also let us know if you've experienced grants.gov issues related to your DUNs or SAMs registration—you would have known this because you would have received application rejection notifications that referenced DUNs or SAMs—whether you experienced difficulty in getting a successful application status because of system transmission problems and timing out. Would you have liked to know how to see and print the application that was submitted in the system and received by HUD? And finally, let us know if you were really having difficulties and unable to submit your application or are aware that application materials you tried to submit were not received by the system. Again, this polling question you can select all that apply, and it'll be great feedback for us, so it'll take a minute for those results to come in.

And we're working our way towards the slide that has the results of this question. That's an encouraging response. Sixty-seven percent of you didn't have any issues submitting your application, 3% of you did have issues with the DUNs or SAMs registration, 12% of you had transmission problems and experienced timing out while you were trying to submit, a good third of you, 33%, want to know how to see the application that you submitted, and 3% of you could not complete the process or had significant problems getting your application materials through the system. That's great feedback for us in how we can better structure training next year to help you prepare for applying and getting the information on your submission.

So we've had several polling questions, but we'll move on and we can get ready for opening the lines and having conversations on the next slide. Additionally, remember that you can also type in your comments. Talking about our funding methodology rather than having applicants apply for a specific grant amount, HUD's Office of Housing Counseling uses a funding methodology to distribute grant funds to all applicants that achieve a score over a minimum threshold.

In talking about our funding methodology in 2016, we use several factors to determine award amounts for each agency. These included a base award, which is a standard amount determined considering the size and nature of the applicant and its network if applicable. We also had a competitive funding amount that was distributed based on the application

score itself. We included an amount based on the number of counselor full-time equivalents that the applicant included in the application. We had additional funding for agencies that oversee a network of agencies to recognize the additional work required for quality network oversight. This year a portion of the factor was distributed based on an agency's commitment to perform up to five performance reviews of sub-grantees using HUD's 9910 performance review form and sharing these results with HUD.

In our funding methodology we typically also reserve the right to establish a maximum grant award. This year we tried something new in the application process, and we allowed applicants an optional ability to tell HUD what the maximum amount they could use was. Where applicants provided this optional information, it was considered as a cap in awarding funds to the agency.

So based on your feedback from last year's stakeholder meeting, while we continued to recognize size and staffing factors, this year's funding methodology actually included increased emphasis on quality and application score, and that's directly a result of feedback that we received last year.

So, operator, if we could open the lines, we'd like to allow participants an opportunity to provide feedback on how we can do a better job of recognizing and rewarding quality, as well as any other feedback that you may have on our funding methodology approach. Remember that if you have a comment that you prefer to make in writing, you can do that in the questions box as well and so, operator, I'll turn it over to you to open those lines.

Moderator

Certainly. (Operator instructions.) There are currently no questions in the queue at this time.

Jamie

All right. Let me double check with the online questions to see if we have anything there, and we do have a comment that I'll go ahead and read. Funding based on the size of counseling network is a disadvantage to agencies that may be high capacity, high performing agencies, even though they have fewer agencies in their network. HUD might consider looking at the average number of households served to address agency capacity rather than the number of individual agencies.

HUD – US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Host: Kristen Villalvazo

July 25, 2016/2:00 p.m. EDT

Page 8

Thank you very much for that comment. That is a good consideration. I know several places in the application we do actually look at clients served and other things as well, but those typically have been in the scoring area, so I appreciate that comment.

Are there any other comments?

Moderator I'll go to the line of Ms. Sharon Evans. Please go ahead.

Jamie Okay, great, Sharon.

Sharon Hi. While you're in the queue you can't hear what the question was and I'm surmising by the end of the comment that was just made that maybe it's similar to what I was going to comment on. I worked the Family Self-Sufficiency and the IDA grants and they have a number calculation where it's based on the number of clients that they serve, and then they actually equate that to a dollar amount.

Their application process, even though I really appreciate how much more streamlined the HUD NOFA, the counseling NOFA is, that application is so streamlined it's like three pages long and it's based on a formula rather than forecasting numbers that you proposed they look at what you have done in the past. I'm just wondering if that is a consideration that HUD might look at where you actually have a dollar amount associated with, let's say, pre-purchase counseling and/or for closure counseling post-purchase services.

Jamie That's a great suggestion, and just to make sure that I have good notes on that, you said that was the Family Self-Sufficiency application.

Sharon That is correct. The Family Self-Sufficiency goes with the rental voucher program, so you're familiar with that. And that's how they do it is it's based on the number of clients that they actually are providing services to, and then there's a formula that they use per client. I think it's \$25 a month that they get per client, but yours would have to be a little bit different than that, but it's a very similar process as is the IDA counseling component with the individual counseling program.

Jamie All right, thank you so much for that comment. Operator, do we have any more comments in the queue?

Moderator There are no further questions in the queue, ma'am. Thank you.

Jamie

Okay, we'll go ahead and close the phone lines on this topic, but we do have a couple of other written-in comments that I want to make sure that we have an opportunity to hear about. There were some more comments related to efficiency and volume and clients served as being a really good measure. We have a comment that if an agency wants to find out their score in the grant because they were not awarded, what's the guideline or contact person. Let me respond to that right now, and we'll also be hearing the information again later in the presentation.

What you should be doing, whether or not you were funded, if you want information on your application and how it was scored, you should send an email to housing.counseling@HUD.gov, which will be on a later slide and ask for a debrief on your application.

There was a suggestion that the format on the characteristics spreadsheet is difficult for intermediaries to use and verify information and that particular spreadsheet is difficult to manipulate. That's another piece of great feedback for us, so I appreciate that.

Let's move on then from this conversation the funding methodology to rating factors. This year's rating factors were similar to those that we used in prior NOFAs, but I'll give you a little bit of overview of those factors and point out where we changed in 2016, so you have that information on the top of your mind. Again, we'll be opening the lines to get your thoughts on the rating factors and scoring, so as we go through the conversation about this, you can start preparing your comments and what you want to say to us either in writing or on the phone line.

In rating factor one, applicant capacity, that was worth a total of 31 points, and that was 2 points less than in 2014 and 2015. So in applicant capacity we thought about and considered information about staffing, staff training, counseling standards, modes and formats used, also your performance review history for the fiscal year 2015 based on HUD's records and your efforts to measure client satisfaction as you described in your application.

In rating factor two, need and NOFA priorities, this was worth a total of 14, the same as in the last two years, a total of 14 points. And here we considered things like needs of the service area and populations that you serve, including rural areas, geographically isolated agencies, impediments to fair housing choice and program access to persons with disabilities and limited English proficiency. We also considered how your agency

HUD – US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Host: Kristen Villalvazo

July 25, 2016/2:00 p.m. EDT

Page 10

responded to the NOFA priorities of affirmatively furthering fair housing and increasing energy efficiency and health and safety of homes.

Rating factor three, soundness of approach and scope of housing counseling, was worth a total of 41 points, and this was 2 points more than in 2014 and 2015. In this factor we considered things like past performance and impact, including participants served in fiscal year 2015 based on HUD records, budget and cost per client in 2015, and counseling oversight and quality control activities that you already provided in 2015. We also moved onto your projected performance for 2016, including the services you proposed as well as the oversight and quality control activities you would perform. We also considered the activities you'll undertake to affirmatively further fair housing and how you'll measure your accomplishments in this area and finally, whether you coordinate your efforts with other partnerships and collaborative as well as whether you provide counseling services in connection with other HUD programs.

Almost through the rating factors, rating factor four, leveraging, was worth a total of six points. This was two points more than in 2014 and 2015. Since recipients of housing counseling grant funds are expected to seek other funding sources, in this factor we considered the amount of non-federal funding available to support your counseling program during 2016. And finally rating factor five, achieving results in program evaluation, this was worth a total of eight points, two points less than in 2014 and 2015.

This year we didn't require the submission of a narrative succession plan, but this year we did consider the components that you used to evaluate your program as you described in your application and a new sub-factor this year, your success in timely expenditure of 2014 grant funds based on HUD's records.

So with all that in mind and looking at the rating factors on the screen that I reminded us a little bit about what we thought about, if, operator, we could open the lines, we'd like to allow participants the opportunity to provide us with feedback on how we assigned points and weights to the rating factors. And we'll also be looking at the comments online.

Moderator

Certainly. Did you wish for me to open all the lines at once, ma'am?

Jamie

You could open the lines or use whatever method you're using for folks that are calling in with questions.

- Moderator Absolutely.
- Jamie So participants know the best way.
- Moderator Absolutely, (Operator instructions.) Currently there are no questions in the queue at this time.
- David Jamie, if I may address—this is David Valdez. May I address a question that came up on the queue here?
- Jamie Sure, absolutely.
- David Sure, so the question that's asked is for repeat applicants, they believe it would be helpful for new information requirements in the NOFA and grant agreements to be highlighted. They'd like to be able to have some sort of easy reference to know what's changed one year over the next. I just want to add that in our NOFA in the funding opportunity description Section 1A is our program description. In this program description we do have a section that outlines the changes from the previous NOFA, so this will include any kind of procedural changes or any kind of similar changes to funding methodology and definitions and things like that.
- So there is a way. You just look at the NOFA every year and in that section it'll spell out those differences over the last year. It'll also tell you any kind of practices we're continuing, so, for example, we did a two-year NOFA last time around. In this year's NOFA we do outline that we will be continuing that change, so that's a quick reference for you to understand what has and what has not changed over the year.
- Jamie Okay. Thank you, David. We also have a comment in the queue that I'd like to learn more about. "Has HUD considered having the five rating factors be part of an entity's ability to become a HUD partner and not part of the NOFA? For example, you'd have to score 80% or greater to be able to apply for HUD funds. Then your NOFA application would be based on numbers of clients served or proposed to serve and certified counseling staff."
- That's an interesting comment that if the commenter wants to send information to housing.counseling@HUD.gov with additional information about how we could do that, we'd like to be able to consider that suggestion.

I think the comment recognizes that HUD has a process for becoming a HUD approved or HUD participating housing counseling agency, which is actually separate from the process for applying for funding, so not all of our HUD approved and participating agencies are receiving funding, but all must be approved to participate in our website listings and other options that the program has.

A question just came up before we move on again to another topic. “David just mentioned any changes are described in the NOFA. Do those cover particular changes in the grant agreement as well, or does the NOFA just cover overarching concepts?” I would answer to say that we have a separate grant agreement training that tends to let successful grantees know what changes are in the grant agreement itself. The NOFA just tends to cover the requirements for this year for applying for HUD funding and how applications will be reviewed. You might see changes come up that are discussed in both the grant agreement training and the NOFA application training.

Great, so operator, if there aren’t any more questions or comments in queue, I think we’ll move on, but I wanted to double check to make sure that we weren’t cutting someone off.

Moderator Absolutely, there are no further questions in the queue. You may continue.

Jamie Very good, thank you so much. I see that we’re already on to the next screen, which is grant agreement and training. As we talked about our timeline earlier a couple of slides ago, we’re well into the grant agreement processing phase for successful grant applicants, and we’d like your feedback on the grant agreements in our recent grant agreement training if you have any. Again, we’ll go to the lines as well as reading the online comments, if the operator could see if there was anyone in queue to provide information to talk about the grant agreement related items and training.

Moderator (Operator instructions.) And there is no one in the queue for my line to open.

Jamie All right. I’ll wait just one more minute. My experience has been that typically the written comments take a moment to come in, and we did just have a comment that came in that the grant agreement was less confusing

than in previous years, so we appreciate that feedback. Also got feedback that the training was helpful, and so that's wonderful feedback.

Certainly if you have other suggestions you can continue to type them in. We did get a comment that they've been able to go back to the handouts to answer questions from the grant training, and that has been very helpful, so that's great feedback.

Wow, coming in a lot. I do have a question or comment that came up that I have very recent information on today, and that is the comment that FSRS reporting continues to be a challenge, and they're still asking their HUD point of contact for assistance. I have late breaking news. I just found out this morning if you're not familiar with FSRS, there's a federal funding accountability and transparency act called FFATA is the acronym that requires grantees with sub-awards over a certain amount to enter that information into the FSRS or federal sub-award reporting system. That was one of the grant execution steps. I found out this morning that there are problems with the system, and I can tell you that many of the awards were not preloaded into the system. We'll be sending out information on the Listserv about when that's been corrected, so that is a step that most likely you won't be able to complete at this time.

Also, I had a final comment that they appreciated the training was held so quickly after the agreements were mailed out and that it was helpful, so thank you for all that feedback.

Let's move on in the presentation, and at this point I'll turn over the presentation to David Valdez, who will lead the conversation on some of our policies related to the notice of funding availability for the housing counseling program. David, if you're ready.

David

Thank you, Jamie, and thanks, everyone, for joining us today. My name is David Valdez, and I'm a Housing Program Specialist in HUD's Office of Policy and Grant Administration. I'm going to be talking a little bit about some of our policies both past and present. As some of our speakers have previously alluded to, it's very important to get your feedback. We do implement a lot of the suggestions that we receive from our stakeholders, so this is of utmost importance to us. Some of the things that I'll be talking about are getting at whether we should keep up with some of the changes that we've made recently or perhaps introduce new ideas that may come to fruition at some point, and we'd really like your feedback on these.

For the first one we want to ask a poll question in that how does your network experience change, and this is specific to our parent organizations, our intermediaries, state housing finance agencies, multistate organizations. We'd like to know are your sub-agencies added and removed throughout the grant period or do you do this during the application process? Do you rarely make any kind of changes to your network or has your agency just been recently approved and you haven't had to make any kind of network changes? And we'll go ahead and wait a couple seconds for the results to come in.

It looks like the bulk of us say that sub-agencies are rarely added and removed from the network. We did receive a question at one point during our last training about what is the procedure for when sub-agencies are added and removed. We intend to issue some maybe some frequently asked questions, some guidance on that issue in the event that an agency does have to add or remove any of their subs during the grant process cycle. It is a little reassuring to know that that isn't a widespread issue.

And then the second largest category here was the agency is recently approved and hasn't had much network change. Thank you for your responses.

Okay, and here's another—this is actually the slide that we just went over, so we can skip this one

All right, and this is specific now for our LHCA's, affiliates, and sub-grantees. And we'd like to know what your plans are for the next HUD grant cycle. Our first option is you plan to apply for funding directly from HUD and you've already done so assuming it's an LHCA. It's a separately approved agency. Do you plan to apply for funding directly, but you're thinking about maybe joining up with an intermediary? Do you get funding from an intermediary, but you're thinking about applying directly next year? Or do you not apply for HUD funding and you don't have any plans to apply in the next year?

It looks like the results that are coming in are pretty expected from the group we're asking, which is our LHCA's. So 81% of you say that you are applying for funds directly from HUD and plan to do so next year. And it's surprising and really helpful for us to know that almost a fifth of you get funding from an intermediary, but you may apply directly next year, so really insightful, so thank you for that.

Okay, and here's where we want to open up the lines in just a bit, but we've got two separate sets of questions here, and we'll first tackle the parent agency questions. Again, this is our intermediaries, state housing finance agencies, and multistate organizations. What we want to know are what are some of the factors that you consider then you're selecting potential sub-grantees? How important is network flexibility to you? We want to know if you made any recent changes to your network through expansion or do you have any plans to expand your network? And again, you can type your answers or comments in the side question box, or we'd like to also take this opportunity, operator, to go ahead and ask our participants to open up the lines please.

Moderator Certainly, sir. (Operator instructions.) And no questions in queue at this time.

David Thank you, and so some of the comments that I'm reading here are quite helpful as well and quite expected. Some of the major things you're looking at according to these comments would be the need, so evaluating need in the area, plus the capacity of the agency, of the potential sub-grantee, as well as looking to see if counseling staff have the required amount of education and pretty soon certification.

Another one, another major selection factor here is some of our parent agencies are looking to see if their sub-grantees are actually already HUD approved, which is quite surprising and that's also a really helpful insight.

Some others have said that they only consider making changes to their network during the application period, so these changes aren't being considered actively during the grant cycle. One agency says that the reason why they didn't become a sub-grantee of another agency is they just feel as though as they're reimbursed slowly and they would like the ability to control their own funds, so we certainly understand that flexibility.

And also understandably, we have a message here indicating that with current funding levels, the agency does not intend to expand their network in the near future, but generally they like to give more funding to fewer agencies with high capacity and quality. That's been a successful model for them. And changes in this instance from this agency are often made during the grant execution process, so this is all the type of responses that we are looking for and very helpful.

And you can continue to send in your responses, but I'm going to go ahead and move onto the next portion, which is the questions for our locals and affiliates and sub-grantees. And similarly, when you're deciding whether to submit an application for HUD approval or you decide to simply affiliate with a parent organization, what are some of the factors that go into that decision? What makes you choose affiliating over applying for direct HUD approval or vice versa? These are very important policy considerations for us to consider going forward, so that would be helpful to get some feedback on that issue.

And also, we want to talk about changing from a grantee, so you're HUD approved and you apply directly for grant funds, and then you next time around change to an affiliated sub-grantee or vice versa. We'd like to get some feedback on that experience. What were some of the advantages and disadvantages on either side maybe from making that switch? These are all very important things to us.

Let's go ahead and try to open the lines once more and if not, I'll take some questions from the queue.

Moderator Certainly. (Operator instructions.) There are no questions in queue at this time, sir.

David Okay, and I don't see anything in our written question queue that directly addresses the LHCA questions and the affiliate and sub-grantees, so I encourage you if you have not submitted a response yet or maybe a comment has not occurred to you yet but does in the future, please, please reach out to us at housing.counseling@HUD.gov, and we love your feedback.

One thing I did see and I think this relates to the previous question for parent agencies is that somebody brings up the point that there's not a forum to discuss expansion of networks with basically if I understand the comment correctly, there's not an appropriate forum for parents to reach out and to find, I guess, willing and able sub-grantees, so there's no easy way to ascertain which sub-grantees are seeking to actually join with an intermediary. I think that is an excellent comment and I do see that perhaps HUD could play a role in bringing those two groups together, so this is the type of information and feedback we're looking for that's very helpful.

We'll go ahead and continue with the next slide. Okay, and here's another polling question, so this relates to the 18-month period of performance. As you know, a traditional period of performance it has been 12 months. It's been over essentially a fiscal year, and we'd like to know what you think of the change. As applicants and grantees, do you like the flexibility of the extra six months on that period of performance? Similarly, do you like not having to request an extension? We found in the past a lot of agencies needed an extension and had to consistently ask for one. Do you feel that your agency needs to stretch this money over the entire span of that 18-month period? Are you just confused and you needed some more guidance from HUD? Or do you prefer the 12-month period of performance? This is a very important question going forward, one we consider in the future if we'd like maintain the 18-month period of performance. We'll give it a couple of seconds for some responses to trickle in.

Okay, so it looks like here we have 42%—this is an interesting split. So 42% of respondents like the flexibility of the extra 6 months, making it an 18-month period of performance rather than 12. But also, it's pretty close here, we've got 35% who prefer the traditional 12-month period of performance, and then an even split 12% and 12% between an agency feels like they need to stretch that money over the 18 months and 12% also find it confusing. This is also helpful for us in designing future training on the period of performance and grant reporting of any expenditures and draw-downs, so we will definitely take this into consideration and built it into our training going forward, because that is a substantial number of people who either aren't comfortable with the 12-month period or just don't understand it at all. Let's go on to the next slide.

And this is still related to that. With those results, I'm really interested in finding out for those of you who like that extra six months of flexibility, what is it about it that makes it helpful? And similarly, for those that prefer the 12 months or find it confusing as a whole, what are some of the challenges? We also understand there's overlapping periods of performance you're dealing with. And then obviously with 12% of respondents saying it's confusing, I think we know that we need to provide more guidance, but what we're looking for here is which aspect of this issue would you need guidance on and what kind of formats are useful to you—formats like this with the go-to webinar, in-person meetings maybe at annual stakeholder events? What would be helpful for you? And again, I encourage you to write in your responses and also let's try to open the line and see if anybody would like to make a comment.

HUD – US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Host: Kristen Villalvazo

July 25, 2016/2:00 p.m. EDT

Page 18

Moderator Absolutely. (Operator instructions.) One moment please, we do have a comment coming in queue. We'll go to the line of Dana Hodge. Please go ahead. Your line is open.

Dana Hello?

David We can hear you.

Dana Okay, cool. I keep typing and I figured I might as well just talk. I have a few things to say. I did select that I like the flexibility of the extra 6 months, but the reason that I like it, but I would prefer the 12-month period, but the extra six months is good because of the delay in releasing the funding. Having that extra 6 months, that flexibility is extremely helpful. I also think that it can be kind of confusing as far as if you're trying to document over that 18-month period, that extra 6 months, which grant, HUD grant maybe was used to pay for counseling activity, especially in our client management systems. That can be a little confusing and how do we accurately track which HUD grant paid for which in those lovely months of October through March, so that's it.

David Thank you very much.

Dana Thank you.

David I have to say that's consistent with a lot of the feedback that we get, and it's very useful. I think there's a lot of questions coming in the written queue that address the same situation where there is a little bit of confusion for those overlapping months and how to attribute certain grant activity to one grant and then certain grant activity to the other. We certainly recognize that it is an issue and it's causing some confusion, and again, I think going forward it's important for us at HUD to clarify and provide some guidance in that regards. I think that you can expect that going forward in future trainings. It is something that we need to work with you folks on. We do recognize that it can cause some confusion, so thank you for your comment.

 Okay, and so we'll go ahead and move on to the next polling question. We'd like to know what's been your experience with expending the grant awards in the past few years, and we have three choices here. First is have you have to return all or part of the award? Did you request an extension

or have you had no problem expending any grant funds awarded over the last few years?

The results here so far look really encouraging. A vast majority of you indicate that you haven't had any problem expending the funds, and truthfully I can understand that it's not always a substantial amount of money that you're receiving, so we do recognize that. Thirteen percent of you said that you've had to have to request an extension, so that's fairly common. Again, just to remind you, you request an extension by contacting your HUD point of contact, your GTR and just providing a justification for the reason that you need an extension and negotiating and talking with your HUD point of contact about how long that extension should run and coming up with an agreement on when you should have all of the required draw-downs and documents submitted. This is encouraging.

Let's go ahead and go onto the next slide, and next slide please. All right, we have a question here about, as Jamie mentioned earlier, this is one of the first times that we decided to implement an option for a cap on grant funds. In the NOFA application there was a space on the 9906 to indicate if your agency wished to have a maximum amount award amount. We did have a few agencies elect this option, and what we're interested in is if you did do this, what are some of the reasons why you indicated a cap and ultimately how did you arrive at that funding amount? And then a follow-up question is during our '16 NOFA we incorporated grant expenditure history into the NOFA scoring and funding methodology. And if you were aware of this, what do you think of this change? And again, we'll go ahead and open up the lines, but feel free to type your questions in the Q&A box.

Moderator Absolutely. (Operator instructions.) Thank you. Currently there are no questions in the queue.

David Okay. Let's see if we have any questions related to expending grant funds. This one agency says they did not indicate a funding cap in the application because they were told not to in the previous NOFAs. My only response to this would be that from time to time requirements and things do change from year to year, so just be cognizant of that as you go through the NOFA itself. And again, like the section I mentioned before outlines any changes that have been made over the past year or since the previous NOFA, and so that would be one of—and you are right though, in previous NOFAs we were not asking for a cap. But we decided to

institute it this time around and we're hopeful that after the fact, even if we don't get a lot of questions here, if anything, any kind of questions come up later on, you can submit those to housing.counseling@HUD.gov.

Others say that they believe it's reasonable to consider grant expenditure history and this is something we heard from a lot of our stakeholders and agencies that they felt perhaps that if there were recaptures or other agencies weren't spending all their money, they didn't think it was quite fair when that money could have been redistributed. That's definitely one of the reasons that we instituted a voluntary cap on funds. Perhaps an agency just receives other leveraged funds and didn't need a substantial amount of money from HUD, so that's one of the reasons. But we are looking for some of the other rationale supporting the indication of a capped funding if you did so.

And, Dana, she suggests that rather than having that section that I just mentioned in the NOFA actually providing a red line to identify the changes, and I think that's something that we can implement or be a little bit more cognizant about in our trainings. Rather than just relying on new applicants to notice these things in the NOFA itself, it is our job to highlight some of the important changes. I think that certainly qualifies, so in the trainings going forward we'll definitely consider highlighting the major, major changes that have taken hold since the last NOFA, so thank you.

Let's go ahead and go on to the next slide. Okay, so part of our funding methodology this year was 9902 reporting, timely 9902 reporting, and so what we're wondering and we'd like feedback on is are we doing an adequate job of incorporating 9902 reporting in the NOFA? Are there ways that we could further incorporate this? We're open to suggestions. We're seeking your input here. Similarly, for the parents, the parent agencies in particular, but how could the NOFA better recognize fund network oversight responsibilities? We are aware that we charge you with oversight over your sub-grantees, but how can HUD do a better job in the funding methodology and the scoring process itself as well to provide you with the funds that you need to conduct proper network oversight?

And our last question here is did you have any issues uploading and/or verifying relevant applications? I think we touched upon this a little bit in one of the prior polling questions that Jamie went over. But if you have any suggestions for HUD in terms of what we can do to ensure that you as applicants are able to verify that you've attached all the relevant

documents and uploaded them, we very open to that and we would like to communicate that with our grants management office and grants.gov, so your input is valuable and appreciated in this regard.

We'll go ahead and again see if we have any questions on the line. If not, please feel free to ask your question in the box.

Moderator (Operator instructions.) There are no questions in the audio queue.

David Thank you, and I don't see any questions or comments related to these questions, so again, I encourage you, this presentation will be posted on the HUD Exchange. It's always useful, I think, to go back and take a look at the presentation, and as you go through and do that if you do have any more comments that come up or any thoughts or anything you'd like to add, we definitely encourage you to contact us at housing.counseling@HUD.gov. Just make sure to reference this training so that we can make sure to answer your question directly, and we always try to do a corresponding frequently asked questions. That's what we use a lot of these questions that come in on the written question portion, so thank you.

So let's go ahead and move on. Just generally we'd like to know maybe some of your overall impressions about the NOFA application and award process. I guess this is a two-part question since the application and the grant award and execution process are two separate processes. But if you have any comments, overall impressions about either of these things, your comments are always taken into consideration on our next cycle, and so I'll be leading the fiscal year '17 supplemental effort. I'm definitely interested in what you have to think about this, and we'd love to implement any changes that we can.

On a similar note, just generally, we're asking for suggestions, comments on any way to improve the process. This can be the application process. This can be the award process itself. This could be the draw-down process, the quarterly reporting, just any and all suggestions we're really, really looking for to make your job as grantees easier and also on our end to make things more streamlined for everyone.

We'll go ahead and one last time I believe let's just go ahead and open up the lines for some general impressions, suggestions, comments about NOFA application and grant award process.

Moderator Absolutely. (Operator instructions.) There are no questions or comments at this time.

David All right, thank you. Let's go ahead and I'm going to take a look at some of the questions that are coming in the queue.

This goes back, I think, to maybe some of the issues with the 18-month period of performance and overall one of our submitted questions says that the two year cycle has been good. It makes the second year of the NOTA streamlined in terms of just verifying that you're still interested and eligible, I suppose, and then you receive funding without having to apply again. But this person believes that it remains challenging and burdensome to retroactively bill for three quarters at once when grant funds have not been awarded until near the end of the fiscal year during that first year of the NOFA. I think rightfully the next comment says here and this would probably be one of my responses, but it really is sometimes dependent on Congress appropriating funds, but we are aware of this challenge and we do intend to address this in any way we can. So it's on our radar, and we're definitely tuned into this.

Going back just in general I think one of the big takeaways from this presentation was that for a lot of agencies the 18-month period of performance process can be a little bit confusing, and so it's incumbent upon us to make sure that you as grantees truly understand what that entails. We're going to definitely be reaching out and try to design some trainings to clarify those issues for you.

Okay, so let's go on to the next slide. With that, I think we've covered a lot and we've learned a lot as well, and it's been very fruitful discussion. And if I didn't get to your question in the answer queue, I just want to remind you again that we do review all of these questions. They're available to us after the fact, and we do use them to create the frequently asked questions and answers. You may find the answers to some of these unanswered questions in a future FAQ, so we will be working on that as well.

In conclusion I'd just like to thank you for joining us. I want to briefly talk about the debriefing process. Again, this meeting that we just held, it's not a replacement for a HUD debriefing. It doesn't serve as a housing counseling or a grant administration training exercise. Really this was just to get your feedback and to hear your voices since they are so important to our policy making.

We do want to encourage you though, whether or not you received a fundable score and ended up receiving a housing counseling grant this time around or not, we encourage you to schedule a debriefing and you do this by requesting a debriefing. All this entails is you sending an email to housing.counseling@HUD.gov and just make sure that in the subject line you type in Debriefing Request. Make sure to give us the agency, information and then we can track from there. We will assign someone to go over your application with you piece by piece and debrief you on the results. And again, we encourage all applicants, whether or not you reached a fundable score or not to do this. It's probably helpful for you the next time the NOFA process rolls around.

So with that, also just want to remind you that right after this webinar, we encourage you to stay on briefly to conduct a brief survey. It's an evaluation survey. We use this information to design future trainings. Just be brutally honest with us—what worked, what didn't work, what you found confusing, just anything you can think of. It's always very helpful, constructive criticism for us, and our goal is to make this an easy process for you and to be excellent resources as well.

And in general, if you want to learn more about our housing counseling program, grant information, upcoming trainings, any kind of resources or to sign up for our Listserv, you can do so at www.hud.gov/housingcounseling. We also have a new HUD Exchange website which we've migrated to and I encourage you to bookmark our link for HUD Exchange. And again, all questions and comments can be sent to housing.counseling@HUD.gov. Just make sure that in the title line you provide a sufficient description of the issue that you're trying to address or the question you have. Also, is it related to a certain training? Make sure to put the name of that training in the subject line, and we will answer your question.

So thank you very much, and thank you to my colleagues for joining.

Moderator

Ladies and gentlemen, that does conclude the audio portion of the conference call for today. We thank you for your participation and using AT&T Executive TeleConference Services. You may now disconnect.