

HUD Moving To Work Expansion Training

MTW Finances: SPVs and VMS Reporting

Marianne Nazzaro: Fantastic. Thanks, John and good afternoon, MTW agencies. I hope everybody is doing well this afternoon. Thank you for joining us today to talk a little bit more about MTW finances, specifically, special purpose vouchers and reporting into VMS.

We've got an all-star cast of presenters with us today with -- from the MTW staff side is Phillip Pless, Jeree Turlington, John Concannon, Pravin Krishnan and from the voucher office financial management center, we've got Deb Hamblin [ph], Jean Reed and Samantha Faught. So you've got an all-star cast and we're here to hopefully give you some clarification to anything that you ever wanted to know about special purpose vouchers and MTW and reporting into VMS.

So how today's going to flow is first, we're going to have a lot of fun, so bring your energy, bring the fun. We're going to hear a conversation with the executive director of our fictional MTW agency, Housing Innovations, Inc. and a conversation that person would be having with the housing choice voucher with the FMC staff or SPVs and funding flexibility and MTW policies and such.

We will then take a deep dive into special purpose vouchers and you'll hear some from the team on that. You will also hear -- we're going to really kind of dig into VMS and Samantha and the FMC team are going to really show us VMS and how things work and give us a really good demonstration that will hopefully answer any questions that you might have.

And then after that, we will break into smaller groups and we -- you all received a [inaudible] and have it memorized. Just kidding, hopefully you read it, but don't have to have it memorized and then we'll kind of work through the case study and just to see how things click and then we'll open it up for questions.

So again, as John mentioned, it's a lot of cover, but we think that it's going to be a lot of fun and we think it's a good way to learn. If you have any questions, as soon as you think of a question, type them into the chat and we will get to them in real time as possible at the end of the conversation, as necessary.

So definitely, as you think of a question, put it into the chat for everybody and we will get to it as soon as we can. And bottom line, have fun, get ready for a good time talking about MTW finances. All right. So now, Lara [ph], if you could go to the next slide, I would like to, once again, introduce our executive director of Housing Innovations, Inc., Jeree Turlington and she is going to be having a conversation with a financial analyst at HUD played by Phillip Pless.

In this hypothetical situation, the housing authority has executed its MTW ACC Amendment, which almost all of you have and the Housing Innovations, Inc. has several special purpose voucher types, including HUD VASH, EHV's, foster youth initiative. And so the following is a type of conversation that might happen between the PHAs, executive director, finance director played by Jeree Turlington and the voucher FMC staff person.

Again, Jeree is the finance person and Phillip is the financial analyst at HUD and with that, I'm going to turn it over to you all. Take it away, Phillip and Jeree.

Phillip Pless: Oh, good afternoon. This is Phillip with the Financial Management Center, how can I help you?

Jeree Turlington: Hello, Phillip. This is Jeree Turlington, finance director at Housing Innovations, Inc. I have a few questions about how to handle SPVs as an MTW and hope you can give me some direction.

Phillip Pless: Of course, that's what we are here for. Please feel free to go ahead and ask any questions that you have today about SPV reporting.

Jeree Turlington: Great. Well, my first question is can we apply MTW funding flexibilities to our SPVs?

Phillip Pless: So yes. This is a great question and the answer is, bottom line for the most part, you will need to use any funds associated with your SPVs for the program purpose that they have been appropriated for. So for example, you all have HUD VASH vouchers. And so those vouchers were appropriated by Congress to serve homeless veterans in tandem with the VA.

So you cannot apply -- bottom line, for any SPV types that you have, with a few exceptions and tenant protection vouchers that we'll cover later, you cannot apply MTW funding flexibilities to your Special Purpose Voucher programs.

Jeree Turlington: Okay. Thank you for that clarification. A question now from our program delivery team, may we apply MTW programmatic flexibilities to our SPVs that we administer? And if so, what is the process for exercising this option?

Phillip Pless: So this is a great question and the answer to that question regarding MTW administrative flexibilities and applying those to your Special Purpose Voucher programs, it depends specifically [inaudible] of voucher program that you're talking about with SPVs.

So in just a few minutes, we will cover very in-depth all of the different administrative flexibility options, but for the most part, you will notice that there's a general pattern that is -- are permissible if they don't conflict with the Appropriations Act and/or the -- either the authorizing language or the NOFA associated with that SPV type, but there are some nuances there that we'll cover in more detail in just a few minutes.

Jeree Turlington: Okay. That will be very helpful information to know. Of course, our agency has a lot of questions about the differences in administering SPVs as MTW PHAs. So we're looking forward to that information. But overall, are there major differences in how these SPVs should be administered as an MTW as opposed to a non-MTW?

Phillip Pless: So overall, the big thing that you really want to take away with is not a lot is changing in regards to SPV programs and administering those now that you have transitioned from being a non-MTW PHA into MTW PHAs. You are still going to need to really maintain accurate and detailed accounting references -- sorry, accounting records to differentiate fund balances for all of your SPVs and voucher types.

And as we had just discussed, that MTW funding flexibility that's available under your other normal housing assistance payments, your normal housing choice voucher funding, that is not applicable to SPVs. So that's not really going to change so much. So we'll cover some other differences in just a few minutes, but overall, not much is changing. So that should be a little bit of [inaudible] news for you.

Jeree Turlington: It is and I appreciate it, definitely understand. One last question related to SPVs, more so with the reporting in VMS, will my VMS reporting change significantly now that I'm an MTW?

Phillip Pless: So just in -- similar to the last point, there are a couple of changes with VMS reporting now that you're an MTW PHA, but for the most part, things are going to be staying pretty consistent and Samantha Faught, who is a fellow and financial analyst with the FMC, will be discussing this in detail a little bit later in her VMS demonstration. So just a few minutes we'll get to that -- those and really highlight those differences, but for the most part, it's largely the same.

Jeree Turlington: All right. Well, Phillip, that's all I have. Thank you for your time and the information as well as the information you're about to give. So keep a look out for our first VMS reporting and I'll be sure to reach out if I have questions. Thank you, again.

Phillip Pless: Not a problem. Again, that's what we are here for and we look forward to getting your first submission here shortly. So I'm going to pass it back to Marianne.

Marianne Nazzaro: Awesome. Thank you, Jeree and Phillip. And everybody, that is the kind of an example of the conversation you guys could have with your very own FMC staff who are on the line today. I'm going to turn it over to John Concannon who's going to kind of start walking us through just an overview of special purpose vouchers and MTW and with that, John Concannon, take it away.

John Concannon: All right. Thanks, Marianne. That's a hard act to follow, Phillip and Jeree. So I'm going to talk -- just give an overview on Special Purpose Vouchers while we're all here today and then Phillip and Pravin are going to walk through them, all the different SPV types in more detail and how they interact with MTW.

Next slide, please. So just some high-level key points, there aren't many huge differences between MTW agencies and non-MTW agencies when it comes to Special Purpose Vouchers, but just a reminder that MTW expansion agencies must continue to account for the different SPV types separately in order to differentiate between the fund balances.

So just to keep them separate and I think that's something we've hammered home before on our finance webinars. The voucher management system for reporting SPVs for MTW agencies and non-MTW agencies, again, very similar, except for a few exceptions and fields to use, which we're going to go through today.

And a reminder about timing for MTW funding flexibility and reporting using MTW-specific fields in VMS. This first sub-bullet, utilizing MTW flexibility, for the first month following -- utilizing MTW funding flexibility the first month following the ACC Amendment execution and that's when it becomes available and reporting in MTW-specific fields is the first month following the start of the utilizing MTW funding flexibility.

And again, we're going to go through that a little more in detail. But one consideration I just want to throw out there for everyone is to think about your portfolio as we walk through this, there might be some PHAs on the line, like Houston, that may have all of these different SPV types and there may be other agencies that only have a couple.

So I would -- because one lesson learned from the existing agencies is that it really helps to have your policies aligned, your MTW policies affecting your tenant based program and your PBV program, that's also in line with HUD VASH and FUP and EHV and we're going to walk through how you can align those and if it's possible given the different voucher types.

Next slide, please. What are special purpose vouchers? They're designated to serve a specific population. Some restrictions apply depending on the SPV type. You cannot apply MTW funding, fungibility or flexibility unlike HAP and HC admin fees. So once the funds are appropriated for, say, HUD VASH, FUP or NED, they must be used for that purpose and they must be used for the reason that Congress appropriated the funds.

So the statutory language prevails. And certain SPV types may be used in conjunction with MTW administrative flexibilities, what I was talking about sort of to keep in mind, but they must still serve the intended audience that's written in the statutory language. Next slide, please. So I'm going to pass it to Pravin if he is on. He may be having some technical difficulties.

Pravin Krishnan: Yes.

John Concannon: Okay. Hey, Pravin.

Pravin Krishnan: Can you hear me?

John Concannon: Yeah.

Pravin Krishnan: My laptop is on its last leg here. I got kicked out, but I'm back on, right on time. All right. Thanks, John.

John Concannon: It's okay.

Pravin Krishnan: Okay. I will quickly go over the different types of SPVs. It's a lot, I know HUD -- we keep adding new SPVs to make life easier; right? But actually, when we go through all of these, you'll see that, as it relates to MTW and reporting and applying flexibilities, it's actually all pretty standard with the exception of a couple cases.

You'll see that what we're going to reiterate over and over again for these SPVs is pretty standard. Next slide, please. First one, which you should all be familiar with, are HUD VASH vouchers. So this is specifically for homeless veterans with case management and other services provided by the local VAMC.

It's been around for quite a while. The main takeaway here, as with other SPVs, you cannot use the funding flexibility option here in the example that you just heard with Phillip and Jeree where the financial analyst asked about HUD VASH, the answer is no, you can't apply funding flexibilities.

Now, when it comes to operating flexibilities, say you want to apply some sort of operating flexibility, re-exams or something like that, for VASH specifically, you have to go through an approval process and the approval process here is kind of framed out here like in a flowchart.

I will put a plug in for our SPV FAQ document, which is on our website, it goes through every single SPV we're talking about today in more detail on reporting, including 50058 reporting and this process is also explained there. Bottom line is you go through the field office with justification, I want to apply this list of MTW flexibilities and justification and then it sends to the HCV office and then once it's approved, you can update your Section 8 administrative plan.

Next slide, please. So Emergency Housing Vouchers, EHV's, those are very recent in the last year. It provides agencies with 70,000 vouchers for individuals and families who may be experiencing homelessness, at risk of homelessness, fleeing or attempting to flee domestic violence or they are recently homeless or high risk of, quote-unquote, housing instability.

This is a pretty big undertaking and pretty important initiative here to allocate more vouchers for these purposes. This is very similar to what I just talked about with VASH vouchers. Next slide, please. So what I'm saying is for funding flexibilities, you cannot apply funding flexibilities, however, for EHV's, you also have to go through the approval process, which is the same as we do for VASH.

So again, you submit it through your field office with justification and you go through the same approval process. So main takeaway, I'm going to go through -- we're going to go through a lot of the SPVs here, but these are the only two, because they're very specific and there are a lot of different considerations here.

For EHV's and VASH, you have to go through the approval process. For the others, which we'll get into, as long as those flexibilities don't conflict with any specific requirements of those SPVs, you may apply your MTW flexibilities without receiving prior HUD approval. Next slide, please. TPV's, which we know can be pretty confusing, the purpose of TPV's is to protect HUD-assisted families as a result of a conversion action from public housing properties.

So if there's any sort of conversion going on at a public housing property, often you may issue tenant protection vouchers in order to prevent displacement of families. So the main takeaway here is that this is one of the exceptions; right?

What you've heard so far is no, you can't apply funding flexibility and that's generally true, however, for replacement TPVs, once the initial funding increment has been renewed, so after that first year, then it's comingled -- then it's reported on as an MTW voucher and you may apply funding flexibilities, however, relocation TPVs have an actual, quote-unquote, sunset period and you may not apply funding flexibilities to relocation TPVs.

So that's the main takeaway between the two types of TPVs. Again, I'm just touching high-level on this. This really is the main takeaway on TPVs, but definitely look at the SPV FAQ and the cheat sheet that Phillip provided that kind of breaks it down. It goes into much greater detail on the reporting requirements, but that's really what we want to take away from here on Tenant Protection Vouchers.

Next slide, please. And this is just on VMS. So what we just talked about, you would report this under the tenant protection field as long as the TPVs are used by the, quote-unquote, impacted family. The replacement TPVs are reported under the moving to work field if the impacted family exits and the voucher is reissued to another family.

The only -- that should be your normal practice anyway if you're non-MTW, the only difference is instead of reporting it under the all other vouchers field, you're reporting it under the moving to work field, but the exercise is the same, when that family exits and you're reissued another voucher, it's considered a, quote-unquote, other voucher, it's no longer a TPV.

And that's it, that's the main takeaway. Definitely look at the user manual and I know our folks here from the financial management center will go through some good examples, but that's all I have on VASH and EHV and TPVs. And next slide, please. And Phillip will be talking about the family unification program.

Phillip Pless: Okay. Thank you, Pravin, for getting us started off with our detailed discussion of the special purpose voucher types and covering VASH and EHV and TPVs. So now we're going to get into the rest of the normal special purpose voucher types and some key points on those.

So just to reiterate, you will notice then all of the SPV types that I am covering there is this general overarching principle regarding administrative flexibilities and that is this, essentially, it goes down to this, so as long as the MTW administrative flexibility that you are proposing from the operations notice does not conflict with either the Appropriations Act that either authorized the SPV or the operating requirements or the applicable NOFA that implemented that program --

As long as it's not conflicting with that, you may use it without having a prior waiver process that is different from the HUD VASH and EHV programs, but anyway, I just wanted to reiterate that point, because you will notice that as we move along here. So the first SPV type that I'm going to address is the family unification program.

And so these are really meant to serve families who have a lack of adequate housing that either results in the placement of a child out of home care or delays a discharge of the child to out of home care from a family or also helps youth between the ages of 18 and 24 who are at risk of

homelessness or homeless and have left foster care at the age of 16 or older or will leave within the next 90 days.

And as you will notice, with the other MTV [sic] -- or sorry, the other SPV types that we have already covered, you cannot use funding flexibility with this voucher type, absolutely cannot. Next slide. So this is pretty much consistent with what I just said with a little bit more specificity.

So the key important thing to keep in mind here is that you may administer this program with MTW administrative flexibilities unless those provisions are inconsistent with the Appropriations Act that authorized the FUP program or the FUP program NOFA and it is always important to remember that the Appropriations Act and any FUP program, NOFA requirements govern or trump over any flexibilities that are outlined in the operations notice.

And you report these vouchers in the family unification 2008/Forward-MTW field in VMS now that you're an MTW PHA. Next slide. So the Foster Youth to Independence program is similar to the FUP program with a little bit more nuance.

So these vouchers are used to assist -- basically, agencies are partnering with public child welfare agencies and they're requesting vouchers to eligible youth that are outlined below for a period up to 36 months and the eligible population for this program are youth between the ages of 18 and 24 that have left foster care or will be leaving within 90 days and are at risk of homelessness or are homeless.

And just like before, you cannot utilize MTW funding flexibility in this program. Next slide. So again, you may choose to use MTW administrative flexibilities in this program as long as those provisions don't conflict with the Appropriations Act that authorized the FYI program or any other FYI program guidance that is out there.

The Appropriations Act and those program requirements for the Foster Youth to Independence program govern over any of the flexibilities that are outlined in the MTW Operations Notice and just like the FUP program, you are going to report these vouchers in the family unification 2008/Forward-MTW field VMS. Next slide.

Mainstream vouchers. So mainstream vouchers are really meant to assist families that have people between the ages of 18 and 62 at the time that the HAP contract is signed and sorry, would assist people ages between of 18 and 62 that have disabilities. Sorry I didn't make that clear.

And in regards to funding flexibility, again, this is a no, because Congress authorized this program to serve that very specific population and just like with the other SPVs that I've covered so far, you can choose to utilize those MTW administrative flexibilities that are spelled out in the operations notice as long as they don't conflict with the Appropriations Act that authorized the mainstream program or the FY 2017 or FY 2019 Mainstream Notice of Funding Opportunity or Notice of Funding Availability.

And both the Appropriations Act and those NOFAs, the 2017 and 2019, govern over any flexibilities that are outlined in the operations notices. And in VMS, you are going to use the mainstream 5-Year field to report that. So that is not really a change. Next slide. Non-Elderly Disabled, so these are special purpose vouchers that are meant to assist families who have a head of household, a spouse or a co-head of household that has a disability that's under the age of 62.

So hence the non-elderly disabled name. And so these funds must be used to assist this population. They cannot be used for any other MTW purposes.

You cannot fudge them and just like the other special purpose voucher programs that I've covered so far, you will notice that you can use those administrative flexibilities, I think Pravin gave us a couple of examples, and you can use those as long as they are not inconsistent with the NED Appropriations Act that authorized NED or the FY 2009 NED NOFA or the FY 2008 Certain Developments and Designated Housing NOFA.

So you don't need to request a waiver approval from OPHVP like in HUD VASH and the EHV program. And this is just to highlight, those vouchers will be reported in VMS and the Non-Elderly Disabled 2008/Forward-MTW field. And so in just a few minutes, Sam Faught from the FMC, will show you VMS and what those MTW fields look like.

And so that'll be covered in just a few minutes. Next slide. So just a word here and we want to talk about future special purpose voucher programs. So the key thing to keep in mind here is we know that Congress has been adding new special purpose voucher types through the Appropriations Act processes over the last couple of years.

And so this is just to keep in mind that in the future, if Congress chooses to authorize additional special purpose voucher types, HUD, the MTW office, will tell all MTW PHAs if they can apply MTW administrative flexibility and/or MTW funding fungibility. We do not yet have FY '22 appropriations yet, but this is just a general note that in the future, if we do see additional special purpose voucher types, we will make sure to let you all know that [inaudible] as soon as practicable.

Next slide. So I know that we have covered a lot of information in a relatively short period of time. And so I want to spend a couple of minutes going over this summary slide. So this slide basically just covers everything that we just said with regards to different special purpose voucher types in regards to MTW funding flexibility, administrative flexibilities and the VMS reporting field.

So I just -- here's a couple things I want to highlight. So first of all, you'll notice in that first column to the left of the type, the MTW funding flex?, you will see that those all say no, no, no, no, no, no, no, no except for enhanced TPVs that have after the initial funding increment has been renewed by the FMD, the Financial Management Division, that you can use funding flexibility only in that case.

So big, big takeaway point just to keep in mind with SPVs at the end of the day, you cannot fudge these funds. They need -- they absolutely have to be used for the purpose that Congress

appropriated them for. And so just keep that in mind as you are moving forward and preparing your supplement and kind of getting your HW program up and running.

The MTW administrative flexibilities you will notice as we covered during the webinar today that for the most part, you can use MTW administrative flexibilities as long as they don't conflict with program requirements; okay? So either program requirements refer to either those Appropriations Act that authorize that voucher type or the NOFA or any other sort of PIH Notices that cover those programs with the exception of HUD VASH and emergency housing vouchers.

So just remember that for those two voucher types specifically, if you want to use funding flexibilities -- or sorry, MTW administrative flexibilities that are outlined in the operations notice, you will need to go through that waiver process that Pravin mentioned and really make sure you submit that to the field office to get that process started.

And we also have some additional information here about SPVs -- or sorry, about TPVs. So take a look at Page 12 of the SPV FAQ and you will see that we have a link to the SPV FAQ document at the end of this webinar in the resources section. Please, please, please, please bookmark this page, it is a wealth of information and it is extremely useful for you all just to recall and remind yourself of these different requirements.

And then finally, the last thing I will say is you will see the specific MTW VMS reporting field that's associated with this voucher type. You will notice for the most part that there's not a lot of changes but there are a couple of changes and Samantha Faught, who is the financial analyst in the financial management center will be covering that specifically in just a few minutes.

So next slide. So I want to turn this back to Marianne. And I think Marianne, we are looking pretty good on time. Marianne, you're on mute.

Marianne Nazzaro: Oh man, you would think after all this time I would remember to unmute. So Lara, if you could go back to the previous slide, this is a teaser, guys. We're about to go on break so your brain cells can absorb all of this great information, but before we do, we're doing really well on time, so I want to see if there's any questions from you all.

I see a couple in the chat that we can take and then also if there's anybody else, feel free to send - submit any questions in the chat feature, excuse me, and make sure to put it to everyone so that we can see it. So for this first one, Pravin, I'm going to toss this one to you. The question is, for special purpose funding, it is usually rolled into the HCV funding. So how do you know what funding is for special purpose vouchers? Pravin?

Pravin Krishnan: Yeah. That's actually a good question. So you are given the initial increment when you have been issued specific SPVs. Really, the tracking is the PHAs responsibility to track in terms of what they're spending into, ensure that they're not applying any fungibility.

So it's not like we are, on our end, monitoring the dollar amount that you're spending and if it seems that you might be using SPV money on MTW purposes, but more when you're VMS

certifying your information that you are certifying that you're not using the SPV funds for any MTW purposes.

This is actually a really good question that I think maybe in an FAQ we are actually going to try to sell that out better in terms of a process for you guys, because we know that for the new MTW agencies, it is all rolled in together. So I would say for this one, just stay tuned a little bit and we will -- I think we might be able to provide a more detailed answer to that specifically on how you know how high you can estimate how much SPV funding you might have ever year.

Marianne Nazzaro: Fantastic. Thank you for the great question and thanks, Pravin. So for this next one from Liz, Phillip, I'm going to send this your way. No funding flexibility...does that mean that within the program, for example, within the FUP allocation, we cannot flex HAP with FUP admin fees or does it only mean that we can't flex FUP funds with other programs? And I would like to hear you say that three times fast.

Phillip Pless: Yeah. So when we're talking about -- first of all, let me just make a comment about MTW funding flexibility. So when we're talking about MTW funding flexibility, we are specifically talking about the use of housing choice voucher, housing choice voucher admin fee, capital funds and operating funds.

Those purposes -- so basically, all those fund types, the use of those funds for other purposes that is not necessarily eligible under the normal program. So for example, if you were -- if you have operating fund allocations, if you were using those funds to pursue a local nontraditional activity that is being included in your MTW supplement, that's what we're talking about.

We're talking about funding flexibility here. And so to answer your question, you would need to use your family unification program, HAP and your family unification program admin fee for those eligible purposes. So for eligible FUP, HAP and FUP admin fee purposes. So when we're talking about the intersection of MTW funding flexibility here with SPVs, what we're specifically talking about is you cannot use those SPV funding types for purposes that are not eligible under that normal program.

So either in the NOFA or whichever notice governs that program, for example, you can't use FUP funds to create a local nontraditional program, that's not possible with special purpose voucher types. That's what we're talking about there. Hopefully that answers your question.

Marianne Nazzaro: Yeah. Thank you, Phillip. And I think John wants to make another just clarifying point on that question. So John.

John Concannon: Yeah. Thanks, Marianne and thanks, Phillip. I'm just going to talk about just when Phillip was explaining funding fungibility, a lot of this webinar is focused on you're not allowed to take SPV allocated funds and funnel them out to another MTW allowed purpose, but you can take, say, your housing choice voucher funds, the tenant based program, your capital funds, your operating and if you wanted to support them, enroll them into your -- to support your VASH program, for instance, you could do that.

So if you wanted to do some sort of landlord incentive program, you may not have enough HUD VASH funding for it, you could take your other sources of funds, non-SPV, and augment them and move them over. That's if you get sort of that approval from -- that Pravin walked through those steps, say, for if we're talking about VASH.

So I just wanted to make that clarification, again, if you're looking to -- especially landlord incentives cohort, try to align things with your SPVs as well.

Marianne Nazzaro: All right. Thank you, John and Phillip. So for this next question, I'm going to ask Pravin and I think I might roll these next two together. So the first question is a great question, Terry [ph], Pravin, what is meant by MTW administrative flexibilities?

Pravin Krishnan: So we're trying to differentiate between funding flexibility, which is a type of MTW flexibility, right, and administrative flexibility. So an administrative flexibility is something you might be implementing that doesn't require the use of comingling funds. I guess I can first give you an example of what would be funding flexibility.

I want to use my public housing dollars, say, my capital funds to support the VASH HUD program or a RAD conversion to help augment rent, something like that, that is strictly using my funding flexibility. Now, admin flexibility is I want to change the frequency of my re-exams; okay? There is no cost component there.

There's -- you're not taking money from one bucket to support the other. Or I want to change the way I'm calculating income from assets, something like that or the frequency of inspection, things like that do not have a financial component where you are using one bucket of funds to support the other, if that makes sense.

So we're trying to differentiate between that and actually using money for other intended purposes.

Marianne Nazzaro: Fantastic. Thank you, Pravin. And so Tony, I'm going to ask -- so your -- if that did not answer your next question here, if you could come off mute and kind of give us a little bit more. The question was, can you give us some time, that did it, to talk a little bit more about funding administrative flexibility. So great, thanks, Tony. Glad we got to that. Thanks, Pravin, for that answer.

Any other questions for -- kind of on the policy side as it relates to SPVs? So that was a lot of really good information. If I were you, my one key takeaway from all of that would be -- well, two, look at the special purpose voucher, thank you, because there's probably information you needed there, is this first column here, are these special purpose vouchers able to fudge the special purpose voucher money to another program?

And the answer is, no, no, no, no, no, no, no, no. Yes, maybe later. No. No. No. That is a good number one key takeaway. So with that, Lara, next slide. We are going to now take, I'll say, five, six, seven minutes for -- to allow some of this to absorb into our brain cells. I ask that you not log out, if you could keep your -- stay here, just put your phones on mute, you can stop the video.

My clock here says 2:44 Eastern. So we will meet up again at 2:50 -- 2:50 Eastern. We'll start up again and start digging into the VMS and get a great demonstration. So go grab some water and enjoy your break and see you in six minutes. Bye, everybody.

[break]

All right, everybody, we are back. So now the fun, fun -- the extra fun part of the -- today's session begins. And so starting with kind of a demonstration from our colleagues in the voucher offices, the FMC, Financial Management Center, Deb Hamblin, Jean Reed and Samantha are going to talk about VMS, give you a demonstration, talk about common pitfalls and all of that. So with that, I am going to send it over to you, Samantha and team. Take it away.

Samantha Faught: Good afternoon. My name is Sam and I am the new MTW financial analyst for all the new MTW agencies. So I will be working very closely with you guys on your VMS reporting as well as any HUD-held requests that you have and also any other questions you have along the way.

I will go ahead and share my screen here. Let's see, and we will get right into all the VMS fun things going on. So whenever you first become a MTW agency, we try to send a welcome email out to you guys so that it kind of gives you a heads-up on when you're going to start reporting and the fields you're going to be using to report.

So with that said, when you become an MTW agency, the following month is when you'll start reporting as an MTW agency in VMS. So you sign your ACC in June, for example, and in July is when you'll actually become an MTW agency. So you will report in VMS for your July data. So I'm going to log in right now and I'm just going to pull up one of our new MTW agencies.

I got permission from the housing authority county of Kern, to use their data, thank you, Angela for giving the permission for that. This PHA became an MTW agency as of July. So they signed their ACC in June. So I'm going to go into their June data first to show you what it used to look like and kind of give you an idea -- what it looked like before and then what it looks like now that they're reporting as an MTW agency.

So I chose this particular agency, because they have several different types of SPVs and they also are receiving some erroneous hard edits that I'm sure some of you have started recognizing and seeing as you begin reporting as a new MTW agency. So I kind of wanted to touch on those as well, because we are working on the system to make sure that his transition is a little more seamless as we keep moving forward.

So this is their June data. This is the last month that they were an HCV agency. They have their RAD, they have homeownership, they have their family unification non-MTW, they have their NED vouchers non-MTW, portable vouchers, tenant protection enhanced vouchers, they have VASH and then all their HCV vouchers are in all other vouchers.

So I'm sure a lot of you are familiar with that. And then if we keep going down, it totals it all, their expenses after the 1st of the month for their all other vouchers and then their five-year mainstream. And on their income expense tab, this also looks a little different in this tab, because this was before the EHV vouchers came into place.

So when we go down, their non-MTW admin expenses were reported here and that is something to note. So I'm going to go back and I'm going to pull up what they're reporting like now that they are officially reporting as MTW. So as I said before, they sign their ACC in June and the first month reporting would've been in July.

So they've been reporting for a few months. So I'm going to pull up their most recent month's data. I mentioned a little bit earlier that we are experiencing some erroneous hard edits that people are seeing and that is just because the system was not designed for going from HCV to MTW.

We had the initial MTW agencies, like the OG agencies that always began this way and then this is the first time we've actually transferred HCV to MTW. So there's just some systematic things that we're going through to try and nail down and get that a lot cleaner going forward, but I think we're almost there, the hard edits have gotten a lot smaller than I've seen in the last month.

So just like before, they're reporting their RAD in the RAD section, homeownership still in the homeownership section. This is the new field, as a moving to work agency, that you will begin reporting your all other vouchers in. So your HCV vouchers that were originally down here in the all other vouchers are now going to be in the moving to work field.

You will use this field regardless of when you began using your funding flexibly. So as you become an MTW agency, that is when you are officially reporting as moving to work in that following month. So even if you're not going to start using the fungibility, you are an MTW agency from here on out and on this page, these are the fields that you will be using as an MTW agency regardless.

So if you have any one-year mainstream, that's pretty rare. I've noticed a lot of you guys don't have that, that's more of a legacy thing, but there are a few cases. Your FUP vouchers, so your Family Unification, or your FYI vouchers, they'd be reported in this field now, Family Unification 2008/Forward-MTW. So as you can see, they stopped reporting them in the non-MTW field and they are reporting them in the MTW field now.

You can also see that they received a hard edit this month. This is an example of something that we're trying to figure out why they received that. The system is a little confused still from moving from HCV to MTW. So there are certain fields that are kind of getting flagged and they shouldn't be right now and it's really not a hard stop, it's not a big deal at this time, you just have to enter a comment saying when you became an MTW agency and you can get through it.

So I have reported all of these erroneous hard edits that we've received and the VMS developers are working on it and I think they've figured out a fix for most of them, but we'll continue to

monitor them, but this is actually reported correctly. This is where it should be now as MTW 2008/Forward for FUP.

So that is good. The hard edit should not have happened this month, but when that happens, you can send me an email and let me know you received a hard edit, but we also get a report every day showing us the hard edits that need to be approved. So I'll see it anyway and I've been taking note of all the agencies that are getting these hard edits and sending them to our developers.

So we're trying to stay on top of it. Hopefully we're getting them cleaned up soon. The NED vouchers, originally they report in the non-MTW fields and now they're in the 2008/Forward field. As you can see, this one did not receive that erroneous hard edit. So that was good to go. Portable vouchers, tenant protection, enhanced vouchers, those are the same.

VASH vouchers are still the same. All other vouchers, we no longer report in that field, because we're using the moving to work field. These are some fields that are new to you guys that you didn't have to use before. So the family unification, HAP expenses after the 1st of the month, NED, after the 1st of the month, VASH after the 1st of the month and 1-year mainstream after the 1st of the month.

So these are new fields to you guys just because you're an MTW agency. I know that we have mentioned that as SPV vouchers should be used for their initial intended use. So the reason some of them are separated out as MTW-specific, such as the VASH, NED and FUP, that is just the way the system was designed for the initial MTW agencies.

So they still need to be separated out, but just because you're using them as an MTW-specific field doesn't mean that it's actually used fungibly, that's just the way the system is. So some SPV vouchers, like the RAD and homeownership and things like that will still be reported exactly the same, the only things that are different are the NED, FUP, VASH and that is just because they have MTW-specific fields with them.

So your all voucher HAP expenses after the 1st of the month, that's your MTW vouchers. So there isn't a moving to work after the 1st of the month field specifically for your all other vouchers. So you'll still use that just the same way you did before. And then down here still have your mainstream vouchers.

A lot of people have questions on why they're receiving hard edits for their mainstream and that's just because that program, the way the leasing up works is you'll be sitting there not leasing anything for a long time and it's connecting to PIC. So it's recognizing that you have that program, but you're not reporting any vouchers yet for it.

So you'll start getting hard edits for that as you continue to lease up. This one specifically the amounts didn't change for the UMLs, but they did for the HAP expenses. So it's just kind of saying, hey, can you double-check and make sure that that's right, because your UMLs didn't change but your HAP expenses did.

So that's the only thing noted there for that hard edit. Everything else is the same on this page. I'm going to go back up to the top for your income and expense tab. Everything will be the same here except for you're no longer reporting in the non-MTW admin expense field. You will now report it down in the MTW fields below for the admin expenses.

The fields below that for public housing rehab, debt service repayment, development activities, local housing program, those are all fields that you'll begin using as needed once you start using your funding flexibly. So if you are not starting your funding flexibility until the beginning of the next year, so January, '22, then you can start utilizing these fields.

Right now you don't have to enter anything into them until you start using that funding flexibly. So the only fields that you will be using is for your SPVs, for MTW purposes, you're moving to work fields on the previous tab and your administrative expenses. You'll still be reporting on your UNP, RNP and cash the same that you did before.

So everything else is the same. We do have that new EHVP tab and I'll just kind of touch on it. I think everyone's pretty aware of it, but if you have the EHVP vouchers regardless if you've started leasing them up, you will still be receiving the money for them so far. So you will have your UNP, RNP and your cash to enter.

I know when we send the welcome letters out from our agency, some of you that came on earlier probably received that welcome VMS guidance email from Mark. I have been sending it out moving forward and I think it works out better that way, because I am the new financial analyst specifically for the moving to work agencies for the new ones.

So if you guys have any questions, you can respond back to that email directly to me and I can answer them there. On that email, I always include a link to the quick reference guide and the instructions and I find those very helpful. I look at them all the time when you guys come to me with questions, because I want to make sure I'm not telling you anything wrong.

So you can always use the quick reference guide and the instructions here are the most up-to-date versions, they're always on the left-hand menu and that will show you different MTW fields and field definitions as well as any weird questions that you may come across that you're not sure where to put something.

So I definitely recommend utilizing these references over here. And other than that, I think that's it. Jean, can you think of anything else I'm missing as far as the new MTW agencies?

Jean Reed: Just one thing, Sam, can you go back to the expense and comment section?

Samantha Faught: Yes. The income expense or expense comments?

Jean Reed: No. The expense and comments -- that one right there. They need to report all the way down at the bottom under the MTW only --

Samantha Faught: Yes.

Jean Reed: -- and at the top. That's where they'll report it. They will report their stuff there now since they're MTW.

Samantha Faught: Yes. So if you have expense comments, like other expense comments, then you would also use that on the expense comments tab and you would use the MTW other expense category fields here.

Jean Reed: That's it.

Samantha Faught: Okay. Great. So I think that might be everything.

Marianne Nazzaro: Hey Sam, this is Marianne. Before you give Lara back the control, I'm wondering -- that was amazing, that was awesome and my takeaway from that is that the MTW agencies are very lucky to have you as their financial analyst and they're getting all kinds of good support. So thank you, thank you, thank you for that.

Folks, any questions for Sam and Jean and Deb? Again, you can type any questions into the chat or take yourselves off mute and ask the questions [inaudible]. You're still absorbing? I know for me, it's helpful to just like see it in action and kind of walk through and as you guys kind of go into the system and start reporting it, if you have any questions, Sam has made -- you know, is available to answer any reporting questions that you may have, but that's --

Samantha Faught: I will also say when I send out the welcome email to you guys, I try to -- we have a tracking spreadsheet to see when you guys are coming on and I try to send out the welcome email in the same month that you begin -- when you become an MTW.

So I've been trying to be better about switching the examples, because I give examples of when you should start reporting as an MTW agency and I've been trying to switch that based on when I send that email so it's specific to your agency on your date. So I've been trying to do that. I hope that is helpful and definitely feel free to come to me anytime you have questions about when you should start reporting or when you are reporting or if you receive weird messages or hard edits.

Those are kind of normal right now as we continue to roll everyone into this new status as a moving to work agency, but other than that, I think that's it.

Marianne Nazzaro: Awesome. Great. Thanks. And I'm sure Erica [ph] is speaking on behalf of everybody when she says, thank you, Sam, you have been very helpful both here as well as by email. So thank you so much for your support.

Samantha Faught: Of course, thank you.

Marianne Nazzaro: Any questions for Sam? Okay. So we are going to now move into the ultra-fun time and this is when you guys are doing more talking than we are. So we're trying to change things up a little bit, we sent out a case study, I'm sure you've all read it, we are now going to split into breakout rooms to discuss VMS reporting case study.

The case study covers a fictional expansion agency and its special purpose voucher programs. In a minute, you'll see a window asking you to join, click the join and you'll be able to get in there. Once you break out, your teams are going to have -- once we get into our groups, your teams are going to have 20 minutes to discuss the case study.

Each group will have a HUD facilitator as well as notetaker to help guide the discussion and to capture all of the answers. So there's going to be four breakout groups in total. At the end of the 20-minute mark, you will be automatically moved back into the main room where we will reconvene and discuss the case study and the answers kind of as we go through.

So any questions on that? And I'm sure the facilitators will make it very clear once we get into our groups. Any questions? Producer John, could you please put us into our breakout groups?

[breakout group session]

[inaudible]. See, I was on mute. Give it a couple minutes for everybody to come back. I think the yellow group had the most fun, if I say so myself and I'm not at all biased. And we had the all-star group that got 100 percent of them right. So go yellow, go yellow. So with that, we'd like to just kind of quickly go through all of the groups to see if there are any pain points that we want to talk about further.

So Phillip, if you're ready, let's just dig right in. First question was, what is the first date that the Riverdale Housing Authority can start utilizing its MTW funding flexibility? Phillip.

Phillip Pless: Okay. So I want to shout out to my group as well, they did extremely well. So kudos to my group, you guys did awesome. So the answer to that question is November 1, 2021.

Marianne Nazzaro: And --

Phillip Pless: So they already submitted their ACC to HUD on October 5th, it was signed by HUD on the 19th. So the first day of the month following that is November 1st.

Marianne Nazzaro: Perfect. And then relatedly, what is the first month that the RHA needs to utilize the MTW-specific field?

Phillip Pless: All right. So the first day of becoming into MTW PHA is November 1st. So you will do your first month of VMS-specific reporting in December, because VMS reporting always runs a month behind. So December, 2021 is the first month that you will do that and should be specific reporting VMS.

Marianne Nazzaro: Fantastic. All right. Blue team is also amazing, says Sam, and smart and wonderful. Yay. So number three, RHA is implementing some of each type of special purpose voucher. Mr. Shellstrop [ph], another hard word, wants to determine which SPVs allow RHA [inaudible], MTW funding flexibilities. Phillip.

Phillip Pless: Okay. So basically, what we were asking here is whether or not MTW PHAs can use their SPVs with funding flexibilities, i.e., use it for non-purposes that it was appropriated for and the answer to that, for the most part, is that you cannot use MTW funding flexibility with your special purpose voucher program except for the nuance that Pravin mentioned with replacement TPV funds -- or sorry, with enhanced TPV funds once the initial funding that has been renewed. So that's essentially it.

Marianne Nazzaro: Fantastic. Three for three. Number four, Mr. Shellstrop also wants to know if he can use MTW administrative flexibilities for its emergency housing voucher program. Phillip.

Phillip Pless: Okay. So again, this is -- goes back to that point about with a specific program, there is a waiver process involved.

And so the RHA, Riverdale Housing Authorities, would identify, in a letter, to the field office, what MTW administrative flexibilities they want to use and then basically, HUD will analyze that and take a look at whether that will impact EHV households in a detrimental light or not and then ultimately provide that determination on whether or not it can be. So that's essentially it.

Marianne Nazzaro: All right. Thank you, Phillip. Question number five, which field in VMS will RHA need to report as Foster Youth to Independence vouchers?

Phillip Pless: Okay. So that field in VMS is called the family unification 2008/Forward-MTW field.

Marianne Nazzaro: All right. Cool. Thank you very much. And what about VMS reporting fields for HUD VASH and EHV?

Phillip Pless: Okay. So the HUD VASH fields will be reported, again, just like before, in the HUD VASH and the Emergency Housing Voucher will be reported in the EHV with those exceptions that Sam mentioned earlier.

Marianne Nazzaro: Okay. Lots of questions. Question number seven, RHA's internal accounting system for tracking fund types and balances, for all of its voucher types, including HCV, has been set up as a non-MTW PHA. Mr. Shellstrop wants to know if the internal accounting system can be modified so that all voucher sources are comingled. What advice would you give to Mr. Shellstrop?

Phillip Pless: Okay. So recall from the beginning of the webinar today we were talking about need to continue to maintain internal agency accounting records for all fund types. This needs to be maintained as the cash management reconciliation documents that HUD provides to PHAs to your closing. Do not break down that voucher type.

So essentially, Mr. Shellstrop should not change their internal accounting records, as RHA, or Riverdale Housing Authority, will still need to track its SPV fund types.

Marianne Nazzaro: Awesome. Thank you, Phillip. As John told the super-stellar yellow team, generally, when you hear the term comingling of funds, HUD doesn't think too fondly of that. So Phillip is exactly right, no on the comingling of funds. So fantastic, everybody. So was that fun? Did you guys have fun? Yay. That's a yes.

So now, again, we're just going to open it back up to see if you guys have any other questions relating to anything that we've talked about here today, on the case study, on any of the VMS demonstration, any of the information that was covered and again, remember, you can type any questions into the chat feature to everyone and/or you can come off mute to ask your question.

And while we're here today to talk about VMS and SPV funding, if you have any other questions as it relates to MTW or the expansion, feel free to ask those too and we will do our best to answer them if we can.

Samantha Faught: This is Sam. I have kind of a clarification point that came up in the blue group. So let me see if I can share. I think I found a question. Hope it's okay I'm sharing this. So I think this is the slide that was in question, remember the timing of MTW funding flexibility and reporting using MTW-specific fields and VMS.

And the first bullet says, utilizing MTW funding flexibility is the 1st of the month following the ACC Amendment execution. And I think just the clarification on that, just because you signed your ACC in a certain month that following month doesn't mean you need to begin utilizing your funding flexibility.

I think that they're giving you the option to decide when you want to start using your funding flexibly, but the first month following signing your ACC is when you are able to. So you are allowed to begin using it right after you sign it, right when you become an MTW agency, you just don't have to -- you have the option to begin starting it at a later date is what I understand.

Marianne Nazzaro: Fantastic. Great. Thank you for that clarification, Sam. Any other questions, comments? You guys aren't going to be hearing from us for a while. So speak now. No. Well, once we say goodbye, if you turn over and realize oh my gosh, I forgot to ask this, feel free to shoot your field office a note and they will get back to you and if they have any questions, they will loop in the team here, if necessary.

And also, Sam, too, will be one of your very first people. So Wendy, great question, so is there going to be a training that discusses any differences in FBS reporting? And that was not on our training plan and I think that would be a great idea. So let us take that back and maybe we could try to do something similar in FBS as we have for VMS.

So great, thanks, Wendy, for that question. And I'm getting a second please do on FBS. So thank you, thank you, good question. And so there's a question about when will we know our MTW amendments? So -- and I'm not sure if you're a cohort one or cohort two agency, the majority of the MTW agencies have received their fully-executed MTW ACC Amendments.

So if you have a question about yours specifically, if you could please send an email to mtwcohortone@hud.gov and Jenny [ph] will be able to look into that for you and like touch base with you on that, but at this point, the majority of the agencies have their MTW ACC Amendment executed.

So Anne [ph], if you have a specific question, if you could send us an email through that mtwcohortone mailbox, we'll be sure to look into that for you. Thanks. Other questions or suggestions for kind of future thinking? Yes. So Phillip, I'm going to ask this question to you. The question here is, will our funding continue to come separately beginning in 2022, i.e., CAP, HCV, HAP and admin fees.

Phillip Pless: So I believe the answer to that question is yes, when you get your letter either from the public housing, financial management division or the renewal enclosure from the housing choice voucher or financial management division, it will -- it should spell out that or applicably in the capital fund. It should show that -- it should still show up, like the final eligibility amounts.

Marianne Nazzaro: Great. So the -- thank you, Phillip. So yes, great question. Question from Andrea, have we or will we send out these slides? So we -- I believe ICS did send these out prior to today's webinar and we will also be posting these slides as well as a link to this entire presentation and webinar on ICS HUD Exchange page relating to MTW training.

So this -- these are all going to be found on that MTW HUD Exchange page as per the expansion. So this is a good question that I'm going to ask John Concannon to respond to. The question is, is there a specific timeframe deadline to implement and change the admin plan in the ACOP following the approval of the MTW supplement? John Concannon.

John Concannon: Yeah. You know, we don't have a specific timeline. We always just say, typically in our approval letters, be sure to update your ACOP and admin plans prior to implementation just so your public is aware of it, if your residents have questions. So we would just ask that you update that before actually implementing any of these activities. So it's really up to you.

Marianne Nazzaro: Yeah. And I'll say it a little bit more forcefully, you're required to update your ACOP and admin plan prior to implementing any of the activities, but we don't put a timeframe on when, it's just you can't implement anything until they've been updated. Thanks, John. This is a good question, Andre [ph], that I'm not sure, we might need to take this back.

I think Pravin -- I'm not sure who it is, Pravin or Phillip. We might need to take this back and follow up with you directly. The question is, we're in shortfall in 2021 in our voucher program, we've been holding off signing our new ACC Amendment so we don't have to use public housing funds to cover her shortfall. Should we continue to wait to sign the ACC until the 2021 funding is reconciled.

And Andre, I'm not sure which agency you're with, but if I can ask that you -- could you send that question to the MTW cohort one or cohort two agency, as applicable, and then we'll look

into that and get back to you; okay, Andre? Thumbs up? So Andre, I'm going to -- you'll send us that email.

Christina [ph], thank you guys for coming. And thinking of all the software changes and staff training and again, on the software changes, again, we will be in touch with you guys early next year about the software changing and all of that piece. So you haven't seen the last of yet and know that we will work with you and walk you through that directly.

And staff training, absolutely, is a big piece of it and we actually just had a call this morning with ICF and some of their staff to talk about like how to best support you guys as you go through this huge change management at your agencies, both at the staff level and also at the community level with your community.

So please know, Christina and everybody, that there's -- you will be hearing from us again early next year. We will be back in touch with you on that, but it's really exciting and we're here -- we, globally HUD, are here to help support you every step of the way. Any other questions? And Andre, I want to just make sure if you could just acknowledge that you'll be sending that email to us. Thank you.

I just wanted to make sure. So send us an email and then we'll get back to you directly. And happy holidays to everybody. Thank you, Theresa [ph], for that as well. So just next slide, as per usual, we wanted to leave you with a reminder as to where to find our resources. We've got the SPV FAQs that we update constantly and I know we, on the HUD side, refer to these often, because there's a lot of nuances, nobody has it all memorized.

So we have to go there to remind ourselves. There's the VMS Quick Guide that Sam referred to that has a lot -- all the information you need as to how to report into VMS. There's various PIH Notices about reporting and all of the -- those pieces as well as this piece of the training was found in the MTW Operations Notice Section 9.

So -- and with that, I think this might be the last time you hear from us in this calendar year, try not to be too sad. We -- you know, let us know if you guys have any questions. Feel free to let -- you know, your field office is here ready, willing and able. So let them know. We are very -- the field is taking a look at all the supplements, we're looking at all the agency-specific waivers, safe harbor waiver.

So we're not going anywhere, we're just going to take a break from this training platform for a few months and we will, I promise, come back next year and we'll be talking about that PIC modernization as well as maybe some staff training in change management.

So with that, I want to say thank you, thank you, thank you, everybody, so much, it's been really a lot of fun getting to know you all, great conversations today, really great questions, as always. And we look forward to seeing you in 2022. So thanks a lot, everybody.

(END)