HUD Office of Housing Counseling

Grant Administration for Oversight Agencies (Intermediary Organizations, State Housing Finance Agencies, and Multi State Organizations)

Oversight of Networks Webinar Series

June 25, 2015
Welcome

• William “Bill” McKee, Deputy Director, Office of Policy and Grant Administration, U.S. Department of Housing and Urban Development (HUD)
Moderator & Presenters

• Moderator
  – **Shawna LaRue Moraille**, ICF International

• Presenters
  – **Aisha Williams**, ADW & Associates, subcontractor to ICF International
  – **Jason Zavala**, MitiGate, Inc., subcontractor to ICF International
  – **Stephanie Williams**, Sr. Housing Program Officer, Office of Policy and Grant Administration, OHC, HUD
  – **E. Carolyn Hogans**, Division Deputy Director, Office of Oversight and Accountability, OHC, HUD
Q and A

• Questions – supported by **Chantel Key**, ICF International
  
  – **Written Questions Box:** You may enter your question into the question box at any time during the presentation. The questions will be read aloud at the end of each section
  
  – **Audible Questions:** If listening to the presentation over the phone, make sure to press in your audio pin provided (#xx#). Please raise your hand and we will unmute your line to ask your question.
Q and A (Cont.)

GoToWebinar: Ask Questions

Your Participation

Please submit your text questions and comments using the Questions Panel.

You can also send questions and comments to:

housing.counseling@hud.gov

Note: Today’s presentation is being recorded and will be provided within 48 hours. The replay information will be sent out via ListServ.
Webinar Series Overview

1. Oversight of Networks (10/15/14)
2. Network Monitoring (2/27/15)
3. Grant Administration (Today)
4. Network Agency Eligibility and Evaluation (Upcoming)
5. Right-Sizing Your Network (Upcoming)
6. Performance Reviews (Upcoming)
Today’s Webinar Series Agenda

• Part 1: Review
• Part 2: Grant administration basic definitions and key facts
• Part 3: 7 Steps of the grant life-cycle for oversight agencies
• Part 4: Recap and additional resources
• Q & A

This presentation is intended to help oversight agencies achieve efficiencies in grant administration and implementation. It does NOT replace the grant agreement or other webinars concerning grant requirements.
Part 1: Review
Who are we talking to today?

• Audience
  – Agencies with Oversight Responsibilities
  – Grant administrators at oversight agencies

• Network agencies impacted by today’s information
  – Subgrantees (i.e. funded affiliates)
  – Limited alignment to unfunded affiliates
Alignment with Network Monitoring

• Last topic covered in this series
• 4 types of network monitoring: ongoing monitoring (OM), periodic monitoring (PM), financial monitoring (FM), technical support (TS)
• Required and relevant OM and FM activities
  – Collect and review Form HUD-9902s
  – Review counseling and education activities reflected in CMS
  – Collect and verify personnel activity charges and documentation
Alignment with Network Monitoring (Cont.)

- Required and relevant OM and FM activities
  - HCS verification
  - Monitor financial performance and use of pass-through funds (i.e. perform accounting of admin costs; verify documentation of expenses)
Alignment with Network Monitoring (Cont.)

- Required and relevant OM and FM activities
  - Ensure 2 CFR 200 (Omni Circular) integration
  - Review source documentation of direct and indirect costs
  - Perform accounting for financial performance
  - Review personnel costs and activities
  - OHC and Booth Management Inc. webinar on Omni-Circular Training

Alignment with Network Monitoring (Cont.)

- Required and relevant OM, PM, FM, TS
  - Providing training
  - Communicate regularly
  - Follow up and follow through
  - Review work plans
  - Develop checklists and document templates (e.g., standard operating procedures (SOPs))
Pop Quiz

• Which of these required network monitoring activities is relevant to grant administration?

  a. Collect and review Form HUD-9902s
  b. Review counseling and education activities reflected in CMS
  c. Collect and verify personnel activity charges and documentation
  d. Monitor financial performance and use of pass-through funds
  e. All of the above
Part 2:
Grant Administration Basic Definitions and Important Facts
Grant Administration Basic Definitions

• **Government Technical Representative (GTR)** monitors the grantee’s grant agreement performance, pay requests and reports. Performs technical and financial oversight of grantee.

• **Government Technical Monitor (GTM)** monitors the activities of grantee. May be assigned duties by GTR.

• **Point of Contact (POC)** assists with policy and guidance, technical assistance. One or two HUD staff may simultaneously serve as GTR, GTM, and/or POC.

• Housing Counseling Agreement is the NOFA grant agreement

• HUD Handbook 7610.1 REV-5

• HUD Handbook 2210.17, Discretionary Grant and Cooperative Agreement Policies and Procedures, Chapter 5
Grant Administration Basic Definitions (Cont.)

- Housing counseling system (HCS) is a web application used for agency program data
- Client management system (CMS) is used for service data storage and report production
- Electronic Line of Credit Control System (eLOCCS) handles access and draw-downs of grant funds
- HUD-9902 is a report that captures housing counseling activity (submitted quarterly)
Grant Administration Important Facts

• Implementation occurs through the HUD housing counseling network
• Oversight agencies and their network agencies must manage their own daily program operations based on grant agreement and applicable laws
• Agency with oversight responsibilities accepts responsibility for network production, performance, and compliance under agreement
Part 3:  
7 Steps of the Grant Life-Cycle for Oversight Agencies
7 Steps of the Grant Life-Cycle

- NOFA APPLICATION (PROPOSAL)
- AWARD
- GRANT AGREEMENT READ IT!!
- SUBMIT PROJECTED BUDGET AND 9902
- GRANT REPORTING
- eLOCCS
- PERFORMANCE REVIEWS
7 Steps of the Grant Life-Cycle
Review Plus Additional Information

1. Application
2. Award
3. Signed Grant Agreements
4. Projected Budget and 9902 (Performance projections)
5. Grant Reporting
6. eLOCCS
7. Performance Reviews
**Step 1: NOFA Application**

- Critical, defining activities
  - Collect and verify subgrantee application
  - Submit network grant application to HUD

- Tips
  - Verification of subgrantee data:
    - Do units add up?
    - Do units make sense given last year’s performance?
    - Does budget support performance?
    - Do activities sufficiently fulfill HUD requirements?
Step 1: NOFA Application (cont.)

• Tips
  – Verify that subs meet/exceed HUD approval or are HUD approved
  – Verify that there are no significant former unresolved compliance issues
  – Grantee application
    • Do numbers add up and align with subgrantee apps?
    • All factors properly addressed?
    • Are all the columns completed?
    • Were narratives completed where there were opportunities?
    • SUBMIT APPLICATION ON TIME!!!
Step 1: NOFA Application (cont.)

• Tips
  – Accounting Tips:
    • Use Budget Form HUD-424-CB to compare value proposition of services across subgrantees
  – Non-accounting Tips
    • 9906 Chart B: Subgrantee check
    • 9906 Chart G: OA self-check
    • 9906 Charts B & G: Network functioning and grant performance
Step 1: NOFA Application (Cont.)

**HUD 9906 – Chart G**

**Chart G.1: Intermediaries, MSOs and SHFAs Only**

For Rating Factor 3, Sub-factor 1(c), in addition to providing a narrative describing network management activities performed as part of the actual FY 2014 with intermediaries, MSOs and SHFAs must complete Chart G.1, by placing an X in Column B and the number of sub-grantees/branches in which oversight and quality activities were performed as part of the actual FY 2014 work plan in Column C.

For Rating Factor 3, Sub-factor 2(b), in addition to providing a narrative describing network management activities that will be performed as part of the proposed plan, intermediaries, MSOs and SHFAs must complete Chart G.1, by placing an X in Column D and the number of sub-grantees/branches in which oversight activities that will be performed as part of the proposed FY 2015 work plan in Column E.

<table>
<thead>
<tr>
<th>Rating Factor 3, Sub-factor 1 (c)</th>
<th>Rating Factor 3</th>
<th>B</th>
<th>C</th>
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**NOTE:** Below is a completed example of Chart B. Complete the blank Chart on Page 2. Applicants proposing to fund sub-grantees and/or branches* must list the number of proposed sub-grantees and branches which will provide the proposed services. *Include branches of sub-grantees.

**Chart B**

**EXAMPLE:**

<table>
<thead>
<tr>
<th>Type of Oversight</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
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<tbody>
<tr>
<td>Train and provide technical assistance to sub-grantees</td>
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<td>Monitoring, evaluating and ensuring quality of service including:</td>
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<td>i. Verifying sub-grantees that are not HUD-approved for approval standards.</td>
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<td>ii. Monitoring the grant funded work of sub-grantees throughout the year.</td>
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<td>iii. Identifying and rectifying service delivery deficiencies in the network.</td>
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<td>iv. Process sub-grantees’ and branches’ disbursements</td>
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<td>Requiring and reviewing supporting documentation</td>
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<td>Conducting quality control of disbursement process</td>
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<td>Recording how disbursement decisions are made</td>
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**EXAMPLE:** Housing Counseling Service

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<tr>
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<th>E</th>
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<tr>
<td>Pre-purchase/Home buying</td>
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<td>5</td>
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<td>4</td>
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<td>5</td>
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<td>Resolving/Preventing Mortgage Delinquency or Default</td>
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<td>Home Maintenance and Financial Management for Homeowners (Non-Delinquency Post-Purchase)</td>
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<td>Reverse Mortgage</td>
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</table>

**TOTAL** | 2 | 10 | 1 | 4 | 2 | 10 | 1 | 5 | 1 | 2 |
Step 1: NOFA Application (cont.)

• Booth Management webinar reminders
  – Financial cycle
  – Budgets
  – Certifications
  – Disclosures
  – Reporting
  – Acceptable practices
Step 2: Award

• Critical, defining activities
  – HUD awards money to an oversight agency for its network
  – Oversight agency makes sub-awards to subgrantees

• Tips
  – Step 2 (Award) and Step 4 (Budget) go hand-in-hand
  – Adjust production projections after confirming with subgrantees and prior to making final sub-awards
  – Double check: do the projections and budgets align with subgrantee proposed scope of work?
    – Example: # of FTEs perform housing counseling services
  – Do your OA and monitoring activities projections, can they be accomplished on the modified budget?
Step 3: Grant Agreement

- Critical, defining activities
  - Agreement between HUD and the oversight agency
  - Sub-grant agreement between the oversight agency and subgrantee
- Review (sub)grant agreements with all administrators
- Another opportunity to anticipate problems and plan adjustments
- Sub-grant agreements should mirror HUD grant agreements
- Sub-grant agreements should clearly identify sub-grant award, expected units, critical oversight and monitoring activities (e.g. performance reviews, quarterly reports, etc.)
Step 4: Projected Budget and 9902 (Performance Projections)

• Critical, defining activities
  – Submit modified budget and projected counseling and education units based on the amount awarded

• Projected Budget
  – Reallocation of funds by counseling activity and subgrantee

• 9902
  – Checking to ensure numbers make sense given the actual awarded amount vs. the requested amount
Graphic Representation of Relationship Between Steps 2, 3, and 4

**Step 1 of Lifecycle (Application)**
- HUD tells Grantees award and funding methodology, factors, and decision criteria
- Grantee (OA) tells HUD and Subgrantees the same information concerning its own process

**Step 2 of Grant Lifecycle (Award)**
- HUD announces Grantee/OA awards, which are based on factors from step 1
- OA determines sub-grant awards based on factors from Step 1 and Step 4 activities

**Step 3 of Grant Lifecycle (Grant Agreement)**
- OA signs grant agreement with HUD AND
- OA memorializes with subs what was confirmed in Steps 2 and 4

**Step 4 of Grant Lifecycle (Performance Projections)**
- OA completes modified budget and 9902 projections based on award notification from HUD and conversations with subgrantees
Step 5: Grant Reporting

• Critical, defining activities
  – Upload 9902 in HCS
  – Submit expenses and documentation
  – Submit narrative (final report)
  – Submit documentation of personnel activities
  – Note: Quarterly reports must be provided even if there is no draw request.

• Tips to use quarterly reporting as a tool
  – Ensure program administration and services occur as projected (9902, budget Chart G from step 1)
  – Performance evaluation analyzes report data
Step 6: eLOCCS

• Critical, defining activities
  – Line of Credit Control System (LOCCS)
  – System used for disbursement and cash management for HUD programs

• the Oversight agency must be registered in e Loccs in order to draw down funds.

• If you’re having problems with eLOCCS contact your HUD POC

• Know what’s happening with eLOCCS so you’re fully aware of what’s happening with your grant – don’t just leave it to the accounting department
Step 6: eLOCCS
Key Screens (Cont.)
Step 7: Performance Reviews

• Critical, defining activities
  – Performance reviews by HUD staff are a formal review of the OA and network agencies
    • Form HUD-9910
  – Financial audits performed by a third party contractor of an OA and network agencies
    • Omni Circular Requirements (2 CFR Part 200)
• OAs should support subgrantees during HUD performance reviews and audits
• OAs should conduct periodic performance reviews as part of network monitoring
  – Pay attention to quality and compliance, not just compliance
# 7 Steps Review by Organization Type

<table>
<thead>
<tr>
<th>HUD (Handbook 7610.1 Rev-5)</th>
<th><strong>Oversight Agencies (Agreement and NOFA)</strong></th>
<th>Subgrantee (Handbook, Subgrantee Agreement, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creates and reviews application based on OHC criteria (Step 1)</td>
<td>Compiles/writes application (Step 1)</td>
<td>Provides qualifications to OA (Step 1)</td>
</tr>
<tr>
<td>Makes award and appoints GTM/GTR (Step 2)</td>
<td>Adjust sub awards and activities. (Step 2)</td>
<td>Accepts or declines subaward after projections discussion with OA (Step 2)</td>
</tr>
<tr>
<td>Issues grant agreement (Step 3)</td>
<td>Signs grant agreement with HUD and sub-grant agreements with subgrantees. Maintains procedures, tools, etc. to ensure compliance (Step 3)</td>
<td>Signs sub-grant agreement. Implements housing counseling programs per grant agreement, workplan, etc. (Step 3)</td>
</tr>
<tr>
<td>Reviews and approves budget reallocation requests (Step 4)</td>
<td>Discusses projections with subgrantees. Submit projected budget and 9902 (Step 4)</td>
<td>Discuss budget and counseling projections with OA</td>
</tr>
<tr>
<td>Reviews CMS, quarterly reporting (Step 5)</td>
<td>Compiles quarterly reporting and review 9902 data (Step 5) <strong>Note: Also applies for unfunded affiliates</strong></td>
<td>Prepares quarterly reporting and 9902 data (Step 5)</td>
</tr>
<tr>
<td>HUD (Handbook 7610.1 Rev-5)</td>
<td>Oversight Agencies (Agreement and NOFA)</td>
<td>Subgrantee (Handbook, Subgrantee Agreement, etc.)</td>
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<tr>
<td>Reviews payments from OAs (Step 6)</td>
<td>Assembles vouchers for HUD. Keeps record of expenses, Client Management Systems (CMS) reporting and HCS reporting. Maintains and implements eLOCCs submissions (Step 6)</td>
<td>Prepares and submits vouchers to OA, keeps records of activities and work performed. Reports activities in CMS (Step 6)</td>
</tr>
<tr>
<td>Reviews financial audits (third party contractor performs) and conducts performance reviews (Step 7)</td>
<td>Develops monitoring/Quality Control Plan (prior to step 1). Performs network monitoring and provides feedback to subgrantee as appropriate throughout steps 5, 6 and 7 and anticipates/supports Financial Audits (2 C.F.R. Part 200) and Performance Reviews, fixes compliance areas (Step 7)</td>
<td>Performs self-monitoring and Performance corrective actions in response to compliance or quality issues (Step 7)</td>
</tr>
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</table>

Note: Also applies for unfunded affiliates
Common Grant Implementation Mistakes

• Grant documents that are required in the grant agreement are not returned to POC
• HUD 424 Budget does not add up to grant amount, leveraged funds are not included, and “other” expenses not detailed on a separate sheet
• Reports aren't signed by authorizing official
• Funds not expended within grant agreement period of performance
Poll Question

• Which of the steps presents the greatest challenge to your agency?
  1. Application
  2. Award, grant agreement, and budget (preliminary steps 2-4)
  3. Grant reporting
  4. eLOCCs and drawdowns
  5. Performance Reviews
Additional Resources

• OMB-related webinars and tools
  – Financial Grant Reporting Webinar by Booth Management
  – Detailed Budget Form HUD-424-CB
  – Capacity Building Toolkit: Overview of Performance Reviews
Additional Resources (Cont.)

• Prior webinars in this series

• POC Feedback (e.g. compliments)

• FY14-15 Listserv Archives

• HUD.gov site migrating to the HUD Exchange (more soon!)
  – https://www.hudexchange.info/
Wrap Up and Final Q and A

• Final questions?
• Evaluations on this webinar
  – https://www.surveymonkey.com/s/MF6FW8G
  – For housing counseling program information, grant information, training and events, counselor resources and to sign up for our listserv: www.hud.gov/housingcounseling
• Questions or comments: housing.counseling@hud.gov
• Thank you for participating!