



# LEAD THE WAY

The User's Guide to *Lead the Way*

# Welcome

Welcome to the **User's Guide to Lead the Way**. We created the **User's Guide** to assist you in finding your way around the curriculum and tailoring your learning so that you can find just what you need to know in the moment. Look here to find details on what to expect in each section of the curriculum:

- What are the key areas covered?
- What can you expect to learn in each section?
- What are the resources you may wish to download and consult on each topic?

The Department of Housing and Urban Development is committed to maximal accessibility in all its products and projects. A tutorial on navigating Lead the Way using its accessibility features is available on the “How to Use Lead the Way” page of the online Lead The Way. (Select the “About” link and then the “Next” button.) The tutorial gives detailed examples of these features and will guide you through pages that illustrate their use.

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For additional information or issues with addressing accessibility needs, please see <https://www.hudexchange.info/accessibility/>.



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## PIH Lumberton Case Study

- Meet members of HUD’s Greensboro Field Office and the Office of Inspector General (OIG) as well as the Commissioners and the interim and current Executive Directors of the Lumberton Housing Authority in North Carolina.
- Watch a three-part video that examines the public housing agency’s (PHA’s) problems uncovered by a management review and audit. See how the Lumberton Housing Authority tackled these problems with the help of HUD’s Field Office, the OIG, and its Board of Commissioners.



## Fundamentals of Oversight

- Learn the role of Commissioners in overseeing housing agencies as Executive Staff, Commissioners, and HUD Staff describe the Commissioners' tasks and responsibilities.
- Learn about PHA risk management: Common types of fraud, who commits fraud, and how housing agencies must report fraud.

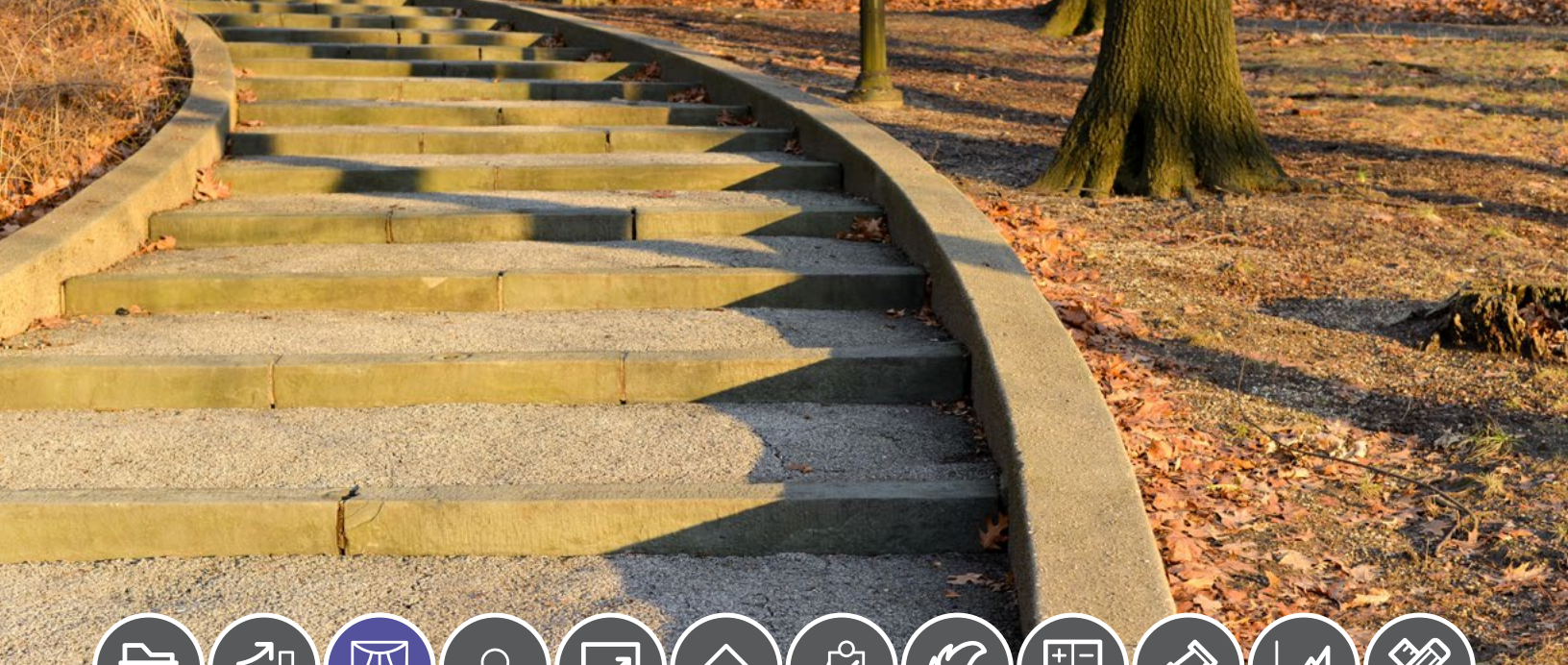
### Contents:

#### Board Basics and Tools for Commissioners

- What Is Governance and the Role of the Board?
- Fundamentals of Oversight
- Common Pitfalls
- Video: Fulfilling the Housing Agency's Mission
- Downloadable Tools:
  - Guidelines for Effective Board Meetings
  - Public Housing Financial Report
  - Public Housing Performance Report
  - Monthly Report
  - Compliance Report
  - Board Selection Criteria
  - Sample Board Bylaws

#### Risk Management Overview

- Common Audit Findings at PHAs
- PHA Fraud Reporting Requirements
- Why Do People Commit Fraud?
- OIG Investigations of PHAs
- Frequent Types of Risk in PHAs
- Reasons Why PHAs Fail to Detect Signs of Fraud
- Who Discovers Fraud?
- Reporting Fraud and Mismanagement



## Public Housing Basics

- Review the types of public housing that your PHA may manage.
- Learn about the key guidance and specific regulations that govern your PHA's operations, including relevant statutes and regulations, planning documents, and policies.
- Read and listen to a high-level overview of PHA funding streams that Commissioners help manage.
- Listen as Executive Staff and Commissioners explain budget management.

### Contents:

#### Public Housing Guidance and Regulations

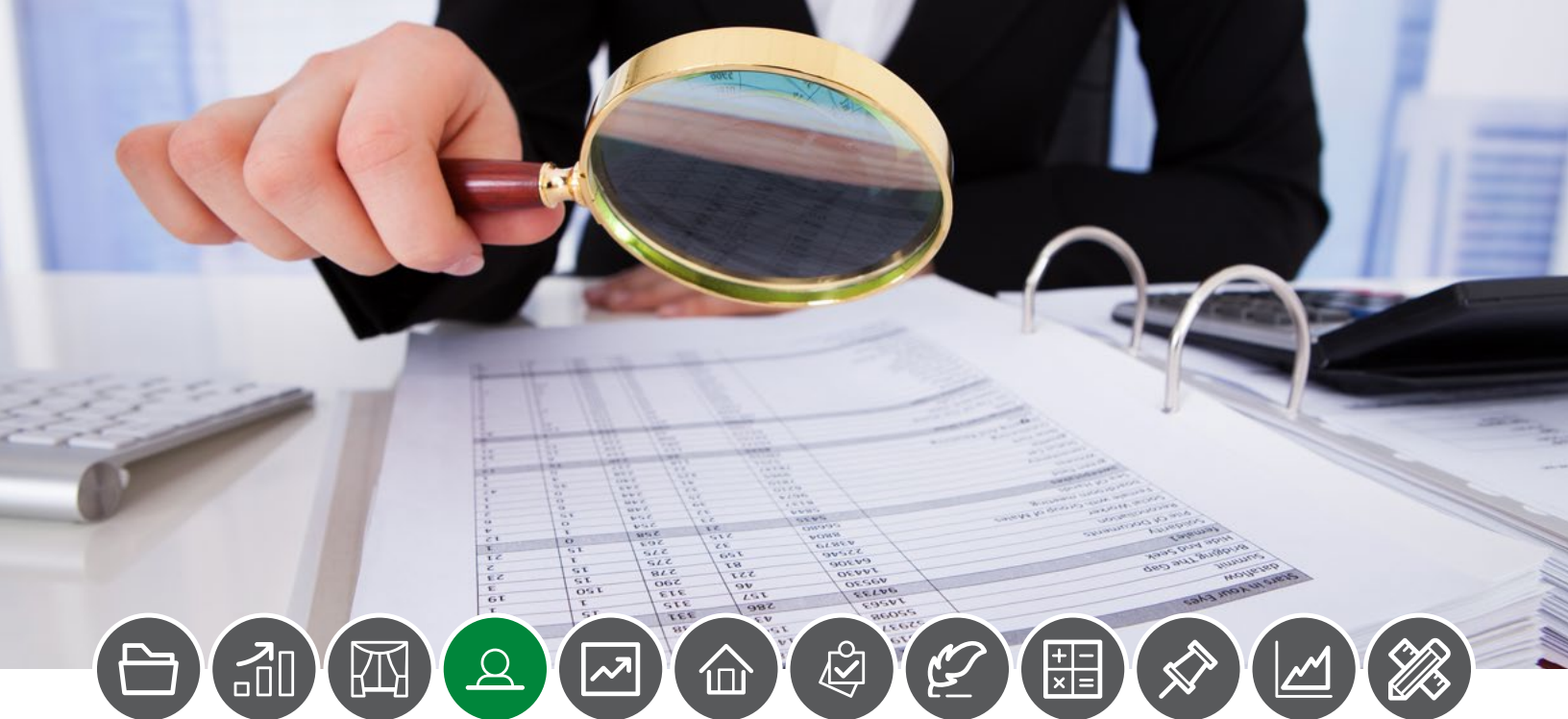
- Statutes and Regulations
- Annual Contributions Contract
- Declaration of Trust
- PHA Policies and Procedures
- PHA Admissions Criteria

#### Program Funding

- Overview of Program Funding
- Revenue Streams
- Programs
- Funding Facilities Maintenance
- Video: Budget Shortfalls

### Key Resource

- [Public Housing Basics: Quick Reference Guide](#)



## Roles and Responsibilities

- Read about the Board’s responsibilities for leadership, compliance, finances, and operations.
- Watch as a Commissioner, an Executive Director, and a representative from HUD’s Office of Field Operations discuss what it means to be an effective Commissioner.
- Learn about the key guidance and regulations that govern your PHA, including relevant statutes and regulations, planning documents, and policies.

### Contents:

#### Role of the Board

- Role of the Board
- What Should Boards Know?

#### PHA Roles

- Who Composes the Board of Commissioners?
- Role of Resident Commissioners
- Role of Executive Director
- Executive Directors and Commissioners Working Together
- Role of Other Executive Staff
- Role of Residents
- Role of HUD

### Key Resources

- [Roles and Responsibilities: Quick Reference Guide](#)
- [My Board Worksheet](#): Use this worksheet to become acquainted with your fellow Board members, their experience, and skills



## Asset Management

- Learn about the asset management approach to tracking a PHA's financial performance.
- Hear about the advantages of the asset management approach from a housing agency Commissioner and HUD Field Office Staff.
- See how the asset management project (AMP) model organizes management at the project level.
- Learn the steps in capital planning and ways to fund capital improvements at PHAs.
- Complete a story-led activity about a PHA and its capital needs.

### Contents:

#### Asset Management Business Model

- Asset Management Business Model
- Concept of Asset Management
- Asset Management Goals
- Board and Staff Roles
- Asset Management, Entities, Roles, and Functions

#### Project-Based Housing

- Project-Based Housing

- Project-Based Funding
- Project-Based Budgeting
- Project-Based Accounting
- Project-Based Management
- Performance Assessment

#### Capital Planning

- Overview
- Physical Needs Assessment
- Capital Fund Program
- Capital Fund Grant Planning Requirements

- Why Is the Capital Fund Submission Decoupled from the PHA Plan?
- Energy and Performance Information Center

#### Strategies for Improvement

- Strategies for Improving your Asset Management Projects
- The Importance of Property-Level Familiarity
- Public Housing One-Stop Tool

#### Disaster Resilience

- Overview
- Disaster Resources

#### Key Resources

- [Asset Management: Quick Reference Guide](#)
- [Understanding PHAs](#)
- [Asset Management Fees](#)
- [Story-Led Activity, Carter Housing Authority](#): Complete this activity as a Board by applying key content from the Asset Management module





# Housing Choice Voucher (HCV) Program

- Explore different ways of using HCV vouchers, including their portability.
- Understand the different roles played by the PHA, landlord, participant, and HUD.
- Apply the concepts of rent reasonableness and the payment standard to a case study.
- Consider the effect of a reduction in payment standard.
- Use a story-led activity to review strategies for ensuring HCV program success.

## Contents:

### About the Housing Choice Voucher Program

- Overview
- What is Choice?
- Using HCV
- HCV Contractual Relationships
- HCV Contracts
- Portability

### The Payment Standard

- Overview
- Rent Reasonableness
- Story-Led Activity: Payment Standard

### Housing Choice Voucher Funding

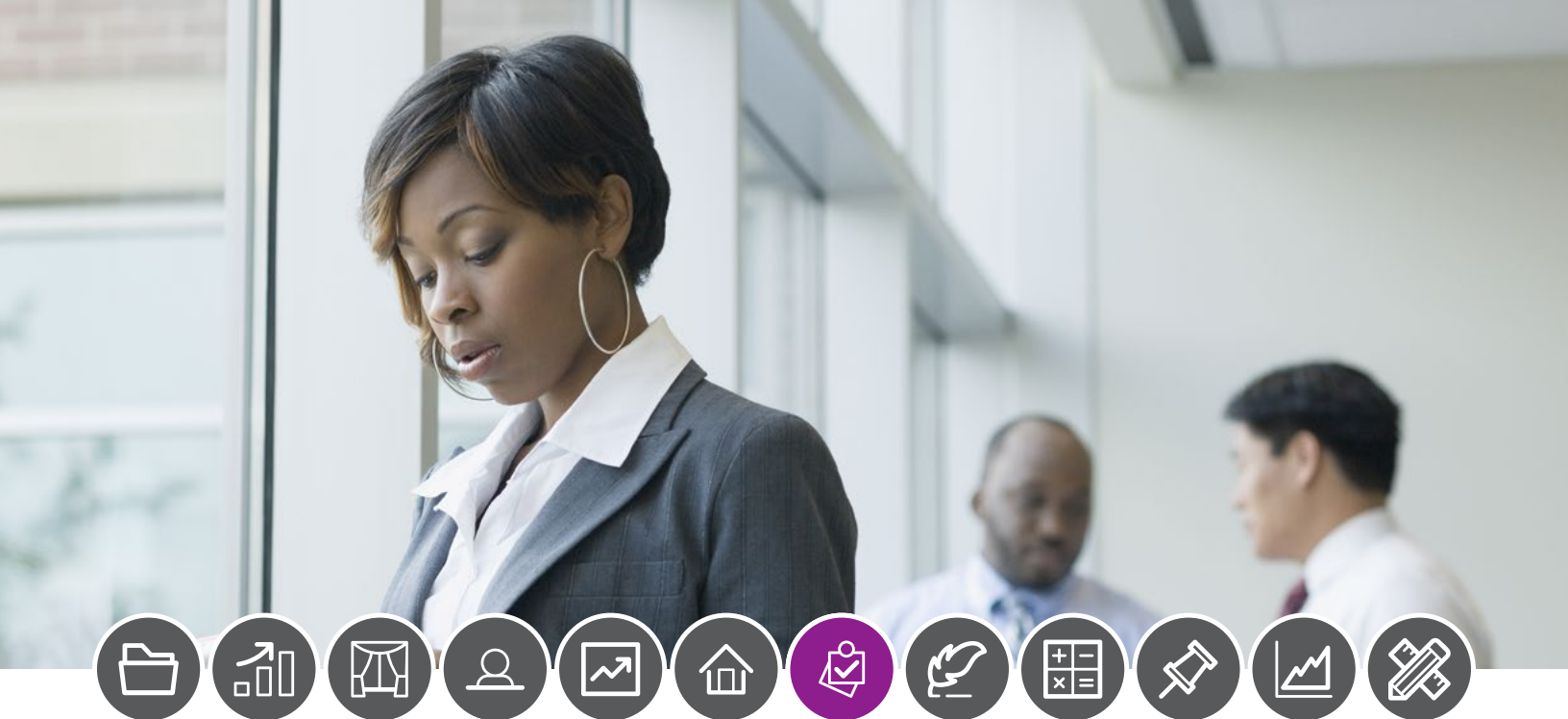
- Implications for Reduction on Payment Standards
- Overview
- Shrinking HCV Funding and the Effects on Budgets

### Program Improvement Strategies

- Maintaining Positive Relationships with Landlords
- Maintaining Positive Relationships with Applicants
- Adopting Appropriate Policies and Plans
- Ensuring High Quality Programming (housing quality standards and the Section 8 Management Assessment Program)
- Story-Led Activity: HCV Program Strategies
- Key Activities of the HCV Program

### Key Resources

- [Housing Choice Voucher Program: Quick Reference Guide](#)
- [Understanding the Section 8 Management Assessment Program \(SEMAP\)](#)
- [Story-Led Activity, Mesa Glen Housing Authority](#): Complete this activity as a Board by applying key content from the HCV Program module



## Assessing Your PHA

- Become familiar with key oversight and financial reporting for PHAs.
- Review strategies for improving the performance of asset management projects.
- Use a story-led activity to practice improving PHA performance.
- Explore the details of HUD’s Section 8 Management Assessment Program (SEMAP).

### Content:

#### Source of Information

- The Importance of Assessment and Evaluation; Information Sources

#### Oversight

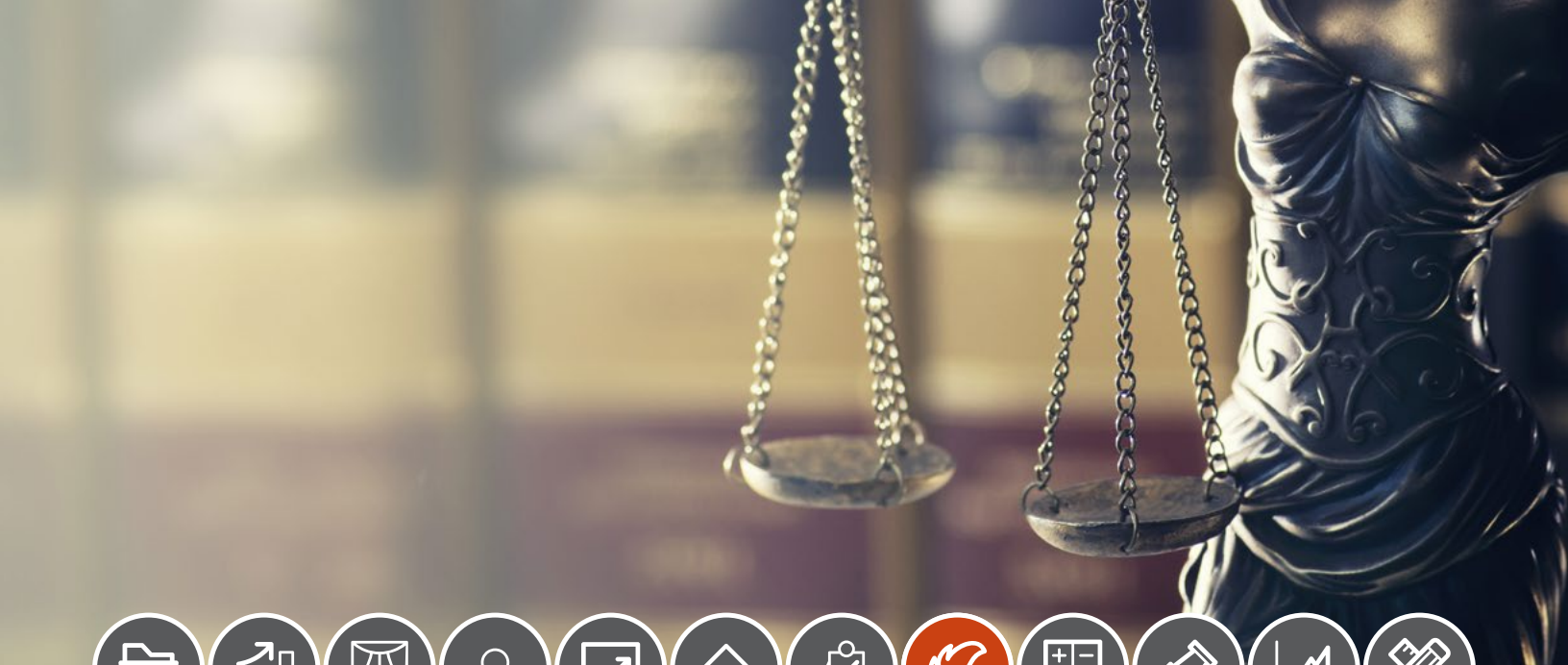
- Oversight to Monitor and Improve the PHA’s Financial Viability
- Audits
- Financial Improvement
- Story-Led Activity: Denton County Housing Authority

#### Performance Assessment

- Public Housing Assessment System (PHAS)
- Story-Led Activity: Denton County Housing Authority
- Section 8 Management Assessment Program (SEMAP)

### Key Resources

- [Assessing Your PHA: Quick Reference Guide](#)
- [Understanding SEMAP](#)
- [Understanding PHAS](#)
- [Story-Led Activity: Denton County Housing Authority](#): Complete this activity as a Board by applying key content from the Assessing Your PHA module



## Ethics

- Become familiar with ethical decisions you may face in PHA oversight, including conflicts of interest, procurement, and nepotism.
- Enhance your understanding of Housing Choice Voucher program regulations and ethical issues.
- Listen to Executive Staff and Commissioners discuss their PHA's ethical issues.
- Learn about your responsibilities as a Commissioner regarding ethical violations.

### Contents:

#### Public Housing Regulations

- Overview of Public Housing Regulations
- Overview of Public Housing Conflicts of Interest
- Conflicts of Interest Regulations
- Story-Led Activity: Procurement
- Nepotism
- Story-Led Activity: Nepotism
- Harrisboro Housing Authority
- Lobbying

#### Housing Choice Voucher (HCV) Program Regulations

- Overview of HCV Regulations
- Story-Led Activity: HCV Conflict of Interest
- Integrity Issues

- Responding to Unethical Behavior
- Video: Rubber-Stamping
- Litigation Reporting

#### Hatch Act

- Overview
- Frequently Asked Questions

#### Key Resources

- [Ethics: Quick Reference Guide](#)
- [Story-Led Activity: Harrisboro Housing Authority](#): Use this discussion guide to explore ethical dilemmas common to PHA management
- [Procurement](#)



## Budgets

- Learn about PHA budgets and allowable expenses.
- Review the regulations and methods for procurement that Commissioners should be familiar with.
- Use video examples to practice reading budgets and calculating per unit per month income and expenses.
- Learn key strategies for using budgets as an effective oversight tool.

### Contents:

#### Cost Principles and Procurement

- 2 CFR Part 200
- Importance of Procurement
- Procurement Requirements
- Methods of Procurement
- Internal Controls

#### PHA Budgets

- Purpose of PHA Budgets
- How to Read a PHA Budget

#### PUM Examples

- PUM—Income
- PUM—Utility Expenses
- PUM—Maintenance Expenses
- PUM—Total Expenses
- PUM—Income and Expense Comparison
- Reading Budgets

#### Financial Reporting and Monitoring

- Monthly Financial Reporting and Monitoring Budgets
- Achieving Financial Viability
- Strategies to Avoid the Pitfalls of Budgeting
- Role of Budgeting in Oversight
- 2 CFR Part 200

#### Key Resource

- [Budgets: Quick Reference Guide](#)
- [Procurement: Quick Reference Guide](#)



## Priorities at Your PHA

- Increase your understanding of how HUD and your PHA address homelessness.
- Learn about how your PHA meets Fair Housing Act requirements.
- Review your PHA's programs to gain a comprehensive understanding of your PHA.

### Contents:

#### Homelessness

- Housing First
- Addressing Homelessness through Management Practices
- Partnering with Homeless Service Organizations

#### Fair Housing

- What Are the Different Requirements?
- What Are the Options for Submitting an AFH?
- What Are the Submissions Timelines for an AFH?
- What Are the Different Paths to Submitting an AFH?
- What Are the Tools for Submitting an AFH?
- Addressing Fair Housing through Management Practices

- Available Resources

#### Know Your PHA

- Funding Sources
- Asset Management
- Plan and Projects in Reflection
- Program Performance
- Budget
- Plans and Bylaws

#### Key Resource

- [Priorities at Your PHA](#): To better understand your PHA, complete this worksheet on your own or with your Board



## Risk Management

- Meet the Office of the Inspector General (OIG) and how it works with HUD.
- Watch a video explanation of the OIG audit process.
- Learn about risk management through the use of internal controls.
- Understand your role in risk management at your PHA.

### Contents:

#### Introduction to the Office of the Inspector General

- Inspector General (IG) Act of 1978
- HUD OIG Mission
- What OIGs Are Empowered to Do
- Video: The OIG Audit Process
- Obstruction of OIG Audits and Financial Controls
- Internet Resources for the OIG

#### Identifying and Controlling Risks

- What is Risk Management?
- Importance of Risk Management

#### Standards for Internal Controls: Green Book

- Internal Control Standards Overview

#### Risk Management at Public Housing Agencies

- Control Environment
- Risk Assessment
- Controls
- Information and Communication
- Monitoring

#### Key Resource

- [Introduction to Risk Management: Quick Reference Guide](#)



## Development

- Explore key areas of development regulation affecting each phase of development, from site selection to development proposals.
- Become familiar with different types of financing strategies for development.
- Learn about tools available to PHAs to finance development, including HUD programs such as Choice Neighborhood, Rental Assistance Demonstration, and Low-Income Housing Tax Credits.

### Contents:

#### The Development Process and Things to Consider

- Development Process Overview
- Site Selection and Amenities
- National Environmental Policy Act (NEPA) of 1969
- Environmental Reviews
- The Faircloth Limit
- Unit Demolition/Removals
- Development Proposals

#### Public Housing Financed Development

- Conventional Development
- Turnkey Development
- Acquisition Development
- Force Account or Materials

#### Common Tools to Finance Development

- Capital Fund Program
- Low-Income Housing Tax Credits
- Rental Assistance Demonstration (RAD)
- Capital Fund Financing Program
- Choice Neighborhood Program
- Federal Housing Administration
- Federal Home Loan Bank
- Community Development Block Grant
- Operating Fund Financing Program
- Conventional Debt

#### Key Resource

- [Development: Quick Reference Guide](#)