TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

WAP WORKGROUP #1
FOR
SUBRECIPIENTS

Joe C. Thompson Conference Center
Room 3.102
2405 Robert Dedman Drive
Austin, Texas

Thursday,
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1:02 p.m.

FACILITATORS:

GAVIN REID, TDHCA Community Affairs Division
LAURA SAINTEY, TDHCA Community Affairs Division

1 P R O C E E D I N G S

2 MR. REID: It's a little bit past 1:00, we need
3 to get started here and get this WAP workgroup begun. We
4 might have a few stragglers coming in. It's Austin,
5 traffic even at lunchtime in Austin.
6 Anyway, so we had a CSBG workgroup this morning
7 and I know we have some people who were here this morning
8 but we're going to kind of go through the same thing as
9 far as introductions so you know some of the Community
10 Affairs staff. And I'm just going to introduce myself and
11 kind of go around the room as far as Community Affairs
12 staff. I've got myself, I'm Gavin Reid, I'm in the
13 planning section, the manager of that section. And just
14 going around the room, we have Michael De Young, of
15 course, director of Community Affairs. Over here is Laura
16 Saintey. She'll be doing the majority of the leading of
17 the discussion today. Next to hear is Jason Gagne, a
18 trainer. We've got Karen Keith over here in the corner.
19 She is one of the planners, and she's been on board six
20 seven months now, several months. Marco Cruz, he's also a
21 trainer; I'm sure all you guys know Marco very well. Our
22 newest member is Stephen. Stephen, would you raise your
23 hand? He's probably been on board like a whole, what, six
24 days? Week and a half. So he's were observing, getting
25 used to the crowd and everything.

1 All right. This afternoon we're going to talk
2 WAP de-ob/re-ob and some other topics because we don't
3 think we're going to use the whole three hours for just
4 that. If we have to, we will, but Laura has got some
5 other topics she's going to lead on.
6 We have a court reporter right here in this
7 corner next to us, and you'll see different microphones
8 placed throughout on the tables. Just so we can pick up
9 the sound clearly, try to keep papers off of them or big
10 objects like maybe briefcases next to them because it
11 interferes with the sound because we do want to hear what
12 you have to say and we're going to take it back and we
13 have to refer to it. The other thing is speak clearly,
14 try and project your voice into it, and try not to talk
15 over one another.
16 MR. DE YOUNG: And before you say your comment,
17 go ahead and say your name and what agency you're with.
18 And I know it sounds repetitive, but it's very confusing
19 for them when we've got 40 people. We all know who you
20 are but she'll be able to really quickly say, oh, that was
21 Bobby again.
22 (General talking and laughter.)
23 MR. REID: I think that's all the opening
24 comments I have to make.
25 MS. SAINTEY: Hello, everyone.

We did the ACSI survey, we got a lot of information back. We at TDHCA on that ACSI survey that was done probably from three years back that we just got last February, we scored very poorly, and so we had a session this morning with CSBG about the issues there were and what things we've put in place to remediate those. So during this session I'm going to try to just keep it on weatherization and that way we can keep moving on.

So one of the key things with training and technical assistance was doing some regional series on some topics that came up. Our compliance team, Kevin and Chad, I think a year ago they spent the entire year giving one-on-one sort of instruction and checking of people doing CAZ testing to make sure that everybody was up to par on that, so that's sort of the end of that one. And this year they're working on zonal pressure diagnostics, ZPD testing. And so they're going to be doing a lot of that, showing you how by throwing a manometer hose under a door and closing the door, you can see the pressure differences so that you know instead of smearing caulk in a hallway that doesn't have the pressure losses, it's that one bedroom where you have the biggest loss that you can focus and prioritize for air sealing and insulation issues. So they'll be doing a lot of that this year.

They also helped the training team in rewriting

1 and updating all of the best practices, so we reviewed,
2 rewrote, updated every single one that's on the website.
3 I think they're finally all posted, so if you haven't
4 looked at those recently, please make sure you do to make
5 sure they were all lined up correctly. We're trying to
6 get all the new TAC rules changed into all the guides so
7 that they all line up. We're looking at standard work
8 practice specifications, MISM, Material Installation
9 Standards Manual, the IUCC, and think Robert has been
10 actually working on lining all of those up, which that
11 would be an amazing document, so hopefully we'll see a
12 copy of that, and we can maybe vet that with DOE and see
13 if we can't get something going on with that, and it would
14 be more Texas appropriate.
15 So we've met with our DOE monitor, we've been
16 monitored. Things turned out okay. All of you that got
17 visited, thank you, you did a great job.
18 So we thing that we thought was probably the
19 biggest topic for today with this group was probably re-
20 ob/de-ob, and so we sent you an attachment that has this
21 sort of bar graph showing progress as a network and then
22 it gave some information as to last year, 2015 contracts.
23 We had re-ob/de-ob in place but we didn't trigger any of
24 the letters to send out to you if you missed a benchmark.
25 Jason worked with every agency one-on-one, gave

information, started tracking you, gave you extensions, worked with you in order to get it done, and by the end of the year almost everyone was expended except one agency was at like 88 percent, a couple of agencies were at the 88 percent range.

One agency was only about halfway expended, and that particular agency is a public entity that deals with some layering of fiscal issues that keep delaying their stuff. They've gotten the work done but they can't report they're expended because of their fiscal process, so we're going to need to work with them on how to help them get their process sped up and how we can join in partnership with them and help them with that.

Everybody else was in the upper 90s, 100 percent expended, which was great because our DOE monitor was all over us for the last two years or more.

MR. DE YOUNG: And let me pick up on that. Historically DOE has been willing to allow grants to roll forward. For the longest time the DOE funding period was a five-year contract, so the State of Texas had a contract with DOE for five years, we'd go through that five-year period, and then at the end if there was a balance, they would allow us to move it forward, carry forward into a new five-year contract. For a lot of reasons, a lot of this started to change during ARRA. They implemented the

1 three-year period which is rule but then they extended the
2 three-year period by a one-year period and now they've
3 extended it again for a one-year period so we're kind of
4 back to a five-year period. But we won't be able to carry
5 over, so any money that's left this year is done, we will
6 not get it back, it is not an option.
7 So DOE, realizing this two years ago, started
8 really putting pressure on states to make sure you fully
9 expend your five-year award. So I don't imagine that this
10 pressure that we've had over the last two years will
11 abate, however, we've significantly improved our picture
12 for carryover coming into this year. So we have less of a
13 mountain to climb but the mountain is still there. A lot
14 of it is due to hard work at the local level by all of the
15 agencies. It is not lost on us that DOE is a tough
16 program to administer, it's tough for you, it's tough for
17 the state, and we've talked about ways of trying to
18 improve on how we can increase our expenditures.
19 And de-ob/re-ob was pushed by DOE most
20 recently. We had it during ARRA, and what you see is
21 pretty similar to what we had in ARRA except a lot of the
22 burdensome tasks have been removed from you all but it's
23 not dissimilar to what you experienced during the ARRA
24 period if you were around during ARRA.
25 Incidentally, I'm just going to ask who wasn't

1 around during ARRA?
2 (Some raised their hands.)
3 MR. DE YOUNG: Lucky, lucky.
4 It was much more sophisticated during ARRA but
5 that was because we had $327 million that we had to track
6 and we were being stood up to expend it. So I think we've
7 taken a lot of the burden off of the process but still
8 looking for input and feedback on this because DOE
9 probably would not approve our plan if we didn't have some
10 kind of a de-ob/re-ob policy in effect. So feel free to
11 critique and tell us where we could change it. We've got
12 to have something that works, though, because if we go
13 back to DOE and they don't like it, we have one person
14 that sits over everything that we deal with on DOE, and
15 they are particularly detail-oriented. De-ob/re-ob is not
16 a new creation, this is hopefully a new iteration of
17 something that existed before.
18 MS. SAINTEY: Laura Ponce.
19 MS. PONCE: Two questions. One is I guess how
20 much went unspent this year versus last year and the year
21 before, just so we have a good picture of how the system
22 worked out this year compared to previous years. And then
23 the other question is with these expenditures did any of
24 these agencies have money de-obligated. Because I see
25 that everybody spent 100 percent but maybe some of them

1 spent 100 percent because they've been de-obligated funds.
2 MS. SAINTEY: Well, one particular agency on
3 this list relinquished their program, and so that was one
4 of them. The other is a county entity that's dealing with
5 a layering of systems that we're trying to work through.
6 MS. PONCE: So should that mean that pretty
7 much nobody got money de-obligated from them and pretty
8 much most everybody spent 100 percent or close to it?
9 That's what this is saying. Correct?
10 MR. DE YOUNG: Yes, that's correct. And I'm
11 going to do round figures. We put about $6 million into
12 the field with DOE, maybe a little bit less, with a 92
13 percent expenditure rate, you're looking at $5.5 million
14 getting spent so you're looking at maybe a half million
15 dollars that did not be spent. And I'm doing this off of
16 the percentages. I didn't look at the dollar figures and
17 I apologize for that. But by and large, yes, everybody is
18 spending the dollars we're giving them in DOE.
19 And as you see the progression down the sheet,
20 there are times when you would look at someone's
21 expenditure rate and say we need to look at what's going
22 on to see if they're going to be successful. And then you
23 can see CA Corpus South Texas, number 8, 2 percent, 12
24 percent, 18 percent, and boom, then they hit 89 percent.
25 And I get it, DOE can be a program where a bunch of things

1 hold up the realization of the expenditures, maybe just
2 some inspections or whatever it is, and that's the hard
3 part of trying to come up with a tool that helps assure we
4 expend fully but also is sensitive to not ding someone
5 unnecessarily because if you've got units sitting there in
6 progress that are waiting on inspections or you've got a
7 contract that's backed up, he's in a final three or four.
8 And for many of these entities, we're not talking 30-40
9 homes, I don't know what the average number of homes is,
10 but for the most part DOE is not a large sum of money so
11 three or four homes in a lot of agencies makes all the
12 difference in the world on the expenditure of the
13 contract.
14 So save for two, three or four agencies, you
15 don't get 40 homes. Your big ones, Houston, Dallas, AACOG
16 and CA-Corp, I think those are the four big contracts, and
17 probably GETCAP now would be the fifth one.
18 MS. PONCE: I didn't hear it, so last year and
19 the year before how much money did we not spend?
20 MR. DE YOUNG: I don't know the figure.
21 MS. SAINTEY: I remember we had carryover that
22 was over 20 percent of the contract for one year.
23 MR. DE YOUNG: So that's going to be $1.2
24 million, roughly.
25 MS. SAINTEY: And that was when our monitor

1 started really pushing for us to report to her every other
2 week where we were, where we were on expenditures and
3 homes.
4 MR. DE YOUNG: In a phone call. We had to sit
5 down on a phone call and go through, and she can go
6 through agency by agency, what's their current status,
7 what are the units in progress. And if they reported four
8 ready for final inspection and none of those came through,
9 what happened, why didn't they inspect it. It gets pretty
10 detailed.
11 MS. SAINTEY: So if you look at the bar graph
12 down below, 14 agencies fully expended, four were between
13 the 85 and 86 percentile, and then two were below 85
14 percent, about 83 percent, and then we had two outliers
15 and the one had relinquished its program. So this last
16 year it was almost fully expended which was great.
17 And then if you have your handout if you flip
18 it over, this is where we are to date on this year's
19 contract, and everyone, except for two agencies or three
20 agencies, are within meeting their benchmarks. One of
21 those actually doubled their production this month, we got
22 it in just before we showed up, and so they're actually
23 okay now. One of the other ones subs out their QCI
24 inspections because they don't have an on-staff QCI, and
25 that person comes out at certain intervals and they're

1 there now doing inspections, and so once those are done,
2 they'll be back on target as well. So there's some
3 situations that happen.
4 And if you trigger a benchmark on that
5 re-ob/de-ob, where it says if you don't have this by the
6 fist date you're going to get a letter, blah-blah-blah, so
7 we decided that we weren't going to make the judgment as
8 to who gets a letter, who doesn't get a letter if you
9 trigger it. If you trigger it, we're just going to send a
10 letter and then you can respond back to us, and then we'll
11 have that on file for you that we know what you're going
12 to do, we know your plan, and we'll keep moving forward
13 and you make your adjustment. We had, I think, three
14 entities that got the first letter. Is that correct?
15 SPEAKER: Correct.
16 MS. SAINTEY: And everybody looks pretty much
17 on target now.
18 If you look at the previous year on 2015,
19 there's highlighted blocks where Jason went back and
20 looked at all the production from all those months and
21 said, Who would have gotten a letter if we would have
22 actually doled them out in '15? And so there's a
23 smattering of those all over the place. Some triggered in
24 the first quarter, some didn't trigger till the third,
25 some triggered all of them, but then in the end they

1 expended. So interesting. So just FYI, that's kind of
2 how that lays out.
3 And then we have re-ob/de-ob in the rule
4 rewrite. All weatherization, DOE and LIHEAP got put under
5 the one section, and so re-ob/de-ob applies to both
6 programs now, so we're looking to see production in both,
7 and then that way you can keep track of it. I was looking
8 at expenditures and performance on about four or five
9 agencies in the last few months in preparing for board
10 trainings to kind of do dashboards for them, and it was
11 really interesting looking at those to say you predicted
12 in your initial production that you needed to do 33
13 houses, to date you've done 32, you have one more left,
14 and the amount of money you have left is just about enough
15 money to finish that last house, that was an awesome
16 prediction on the LIHEAP contract. On your DOE contract,
17 you predicted you had to do eight, you've done seven and
18 you're not even halfway expended. Wow, what happened?
19 And when you look at the CPU, the cost per
20 unit, they were almost fully expending on their LIHEAP
21 houses and they were like spending $3,000 a house on their
22 DOE. So you know the rule, the more money you spend, the
23 less houses you have to do, the less money you spend, the
24 more houses you have to do. Right?
25 I just got a report back from compliance and

I'm going to call you out, City of Fort Worth, they were over there and they were like oh, my God, they're leveraging, they have three programs, three dollar pots, they leverage at least two, sometimes three on every house, so they're weatherizing houses, expending 10 to 14 grand on these units, but every single client said their utility bills were cut more than half, and that they hadn't turned their heater on in three which had never happened, and they were so happy. Replacing duct runs, whole duct systems if it was allowed.

So I encourage you, we only get to weatherize a house once for the most part, it's going to take decades before they're eligible again, and so encourage you to do like the best job possible on that one house, take more time to assess it, take more time to finalize, take more time to do the work, spend more money on it and give that client a really good product, versus giving a whole bunch of clients a mediocre product. Because it is all about reducing energy.

So kudos for that. And I know some of the rest of you do this as well, I just didn't have your name and your facts about it so I'm not going to call you out.

Any questions, comments, changes, concerns that you have about re-ob/de-ob? Something you'd like to see different? Is it working once you got through the

1 process? Don't be quiet if you have something to say.
2 MR. MARTINEZ: Is there going to be I guess
3 it's like an exemption or something? Because we just got
4 an amendment on the DOE grant, so of course, our
5 production percentage is going to decrease, and prior to
6 the amendment we were right on target. So are you guys
7 going to consider that?
8 MS. SAINTEY: Michael, do you want to address
9 that?
10 MR. DE YOUNG: Sure. The de-ob rule is
11 designed around your whole contract, and yes, if you get
12 an amendment, certainly it affects you but it affects
13 everybody the same amount because you're all done on a pro
14 rata funding basis. So we can talk internally about how
15 to take that into account. It may delay a portion for the
16 de-ob rule. We haven't talked about it specifically
17 because, to be honest, if the amendment is going to only
18 add 5 percent or if we see the decreasing amount of
19 carryover, us adding 5 percent to your contract shouldn't
20 cause a lot of problems. I don't know how much you get
21 annually. What's your annual contract for DOE?
22 MR. MARTINEZ: I think we started with $176-.
23 MR. DE YOUNG: $176-,so a 5 percent increase
24 would move to $185-. And what I'm hoping for is that we
25 continue to expend as a network so that when we do those

1 amendments, they're not significant.
2 MR. MARTINEZ: And of course, we'll try to make
3 the appropriate adjustments based on the increase and all
4 that.
5 MR. DE YOUNG: But hopefully we won't put money
6 out -- I want to get it out as fast as I can, but if we
7 put it out and then right away the next week we go now put
8 out your production schedule, certainly I can get in to
9 Brooke and Patricia and talk about, look, we just put in X
10 amount of dollars, so we're going to do the analysis on
11 the pre-amendment dollar figure. So in other words, if
12 you weren't in violation prior to that amendment and only
13 the amendment created the problem for you, I think we
14 would have some flexibility to say we put the money out
15 quickly but we caused the violation, in essence.
16 That being said, if you're at 50 percent of
17 your expenditures and you should be at three-quarters of
18 your expenditures, I am not going to go in to Brooke and
19 go well, I just added 5 percent to their contract and we
20 need to hold back. We need to send that letter out and
21 get a corrective action plan knowing what you're going to
22 do and how you're going to address it. I can say -- and
23 Jason can probably talk to it a lot better -- those of you
24 that have gone through this and replied to the letter and
25 said this is what our plan is, you've done that.

1 Now, it might take some time to get it fully
2 worked out, but we like the results of what we see here.
3 We have a couple that we need to work with or instances.
4 I think one of the things that concerns me is not being
5 able to do QCI inspections, that delays reporting, but as
6 long as we know that that's going on and we've got five
7 houses that are ready to be inspected, we're just waiting
8 on someone to arrive, that's a different scenario, I can
9 live with that.
10 And so yes, I can intervene in those instances
11 where we put out money and we caused the violation of the
12 rule. What I'll try and do is hopefully manage this
13 process well enough that it will go out early right after
14 the rule has been, say the third month, hopefully we get
15 that money right in that fourth month and you've got the
16 fifth money to deal with that 5 percent increase, or
17 hopefully more than 5 percent, 6 percent increase. As
18 that carryover gets bigger, it certainly causes more
19 heartburn for us.
20 MS. SAINTEY: It's the same effect that it has
21 for you guys. If you have carryover from one year to the
22 next, you can't start expending your new funds until your
23 old funds are expired. Right? So if you couldn't expend
24 your full contract in 18 months, how are you going to
25 expend the new contract in nine? And so that's sort of

1 the same thing, if we get a lot of carryover, then it
2 pushes that same sort of camelback effect on you, so
3 hopefully if we can continue to fully expend or get really
4 close to fully expending, it shouldn't affect you as much.
5 So that's the goal.
6 Jason, you monitor. Jason continues to monitor
7 all the production reports. Do you have any feedback that
8 you want to give regarding that?
9 MR. GAGNE: Basically there's some safeguards
10 in there, I think it's item M in the TAC or something like
11 that, all the way to the bottom of the de-ob/re-ob
12 chapter, where basically if you're within a certain
13 percentage of your initial projection and it's like 80
14 percent, so that's basically if you meant to do five
15 houses but you only did four, that kind of keeps you in
16 that safe window from month to month. It's that buffer
17 for when you get that 5 to 6 percent in your extra
18 contract amendment. So if I see maybe you didn't hit the
19 25 percent benchmark but you were within 8 percent of what
20 you said you were going to do is what the TAC says, then
21 you're still safe. That kind of gives you a little bit of
22 wiggle room, most of you guys are going to catch up the
23 next month or two.
24 Also that little statement in the Wufoo that
25 says like what you guys did isn't what you thought you

1 were going to do, tell us why, and that actually preempts
2 a lot of stuff right there as well. If you're not
3 communicating to us what's going on, then we can't see it
4 right away. So that whole little item M really helps a
5 lot.
6 MS. SAINTEY: Any other concerns or input
7 regarding re-ob/de-ob?
8 MR. DE YOUNG: For those of you who did this
9 last year, LIHEAP is a little bit different because we had
10 more and more as the year gets to a close, we've had
11 agencies come to us with amendment requests to move money
12 out of weatherization back to CEAP, and certainly that's
13 an option to keep in mind. It makes it a little bit more
14 complicated when you're taking it from an area where you
15 do a bigger WAP area than your CEAP area. I'm a little
16 concerned that someone at the federal level may, if they
17 dig, well, are you redistributing that money to the right
18 CEAP agencies.
19 Certainly keep in mind that that is an option,
20 and for those of you who have a predictor that you're not
21 going to spend it, I would much rather make that move to
22 CEAP than let it sit in WAP and just carry over. Trying
23 to get the '16 contract spent during the '16 contract
24 period, move to the '17 and keep it in '17 and not doing
25 this rollover each time. The more we can accomplish

1 there, the more it's easier to make a case at the federal
2 level that we need more funds at the state level in Texas.
3 If you haven't availed yourself of that option, it
4 probably means you're doing all the work you need to do in
5 LIHEAP/WAP and that's good.
6 A while back we did do 20 percent in
7 LIHEAP/WAP, we moved it back to 15, because quite honestly
8 at the end of the year, even though we set the budget at
9 20, after all the budget amendments were done, we were at
10 15.3 percent weatherization expenditures. And so we had
11 to go through this huge effort to get the Federal
12 Government to even approve 20 percent, whereas, with 15 I
13 don't need their approval, I can just set it at 15 in the
14 plan and it goes, but if I do anything above 15.00, I have
15 to have a justification for it and prove the case that
16 we're doing everything we're supposed to be doing, and
17 it's a significant effort, and then all of a sudden all
18 the money got switched over at the end of the year back to
19 15.3 percent. So we made the decision to set it at 15. I
20 know some of you probably could spend more but the vast
21 majority said let's get back to around 15 percent. So
22 that's why in this last year or two we've gone back to 15.
23 MS. SAINTEY: So in the ACSI survey there were
24 several categories that when we looked at all the comments
25 it kind of came down to several topics, so I'm going to

1 put this out to the weatherization group as to if there's
2 anything that you need. We've addressed a lot of these
3 but I'm not sure if we've addressed it to your
4 satisfaction.
5 So the first one was input from you to the
6 Department on things like rules, trainings, plans and use
7 of funds. So do you have any information that you feel
8 like you need input toward in any of those areas? Is
9 there anything that you think that we need to do to help
10 communicate those things better to you, to engage you in
11 the process more?
12 I can share that we're in the process of
13 redrafting the health and safety plan and I don't know how
14 many of you have really read through that document. It's
15 a beast, and so we got approval that we can write it like
16 in paragraphs like a normal person instead of using the
17 template, and we're in the process of rewriting that, so
18 if there's any of those sections in the health and safety
19 plan that you really have an issue with and you want to
20 see something in it or the guidance in that differently,
21 please email that to me so that we can take a look at
22 doing that when we're writing this draft. But we need it
23 quickly because we need to have our draft kind of at least
24 roughly done by the first week of February, so we're
25 pushing through. So if you have anything that's clicking

1 in your brain, any piece of it, send it in.
2 MS. RODRIGUEZ: Laura?
3 MS. SAINTEY: Yes.
4 MS. RODRIGUEZ: Stella Rodriguez.
5 You mentioned this health and safety rewrite.
6 Would it go out to the network to review.
7 MS. SAINTEY: It will go through the whole
8 public comment process.
9 MS. RODRIGUEZ: Okay. Thank you.
10 MR. DE YOUNG: What's our current health and
11 safety plan length?
12 MS. SAINTEY: It's like 56-57 pages, I'm going
13 to try to get it down to about 26, 30 at the most, maybe
14 less if we can really get good at that wording.
15 MS. RODRIGUEZ: We'd be happy to help
16 coordinate whatever feedback.
17 MS. SAINTEY: Okay, good.
18 And then the second area was contracts and
19 funding, getting contracts out on time, giving good
20 notification if there were any delays or setbacks on
21 approvals, PPRs delaying contracts. So we've worked
22 really hard this last round at getting contracts out
23 before January 1, and we started the process way early and
24 Brooke really pushed it through at the end. So our goal
25 is to continue to do that so that you have the contracts

1 before the start date. And then PPRs we're going to be
2 sending out 90 days in advance. They have to be turned in
3 90 days prior to the contract so that we'll have time to
4 process them so that they won't hold them up.
5 Anything with contracts that is problematic for
6 you or that you want input on?
7 MR. MISENHEIMER: I know that there's language
8 in there about costs incurred during that contract period.
9 So one of the challenges is you go through a contract
10 year, you're posting all these jobs in the queue, well,
11 you may have started something that you can't finish. I
12 know that there was some changes made that once the
13 assessment is done you'll get some additional time for
14 requalifying the client for DOE, so that's very
15 appreciated. But one of the challenges is that you've got
16 X number of jobs at various states of completion so if you
17 had done an assessment on a job say in November but you're
18 not going to finish it before the end of that year, my
19 understanding is you can't capture that cost that you did
20 to do the assessment the next program year. You lose the
21 ability to claim that money or that expenditure in the
22 next contract. Is that correct?
23 MR. DE YOUNG: Where's Earnest?
24 MR. HUNT: So if I understand you correctly,
25 you're accruing the current year.

1 MR. MISENHEIMER: But you're not reporting that
2 job until the next program year. Otherwise, you have to
3 stop everything that you're doing and find something else
4 to do for a certain amount of time. For contractors maybe
5 it's not as big of a deal, but when you have staff that
6 you have no payroll and you still have to pay them, I'm
7 just saying capturing that cost just seems to be a
8 problem.
9 MS. FALCON: [inaudible].
10 MR. MISENHEIMER: The staff specifically but
11 any costs. Just say that HVAC system went in but that job
12 wasn't completed, wanting to capture that cost in the next
13 program year because otherwise you'd have to stop at a
14 certain point and then you can't do anything else to a new
15 house until you get a new contract.
16 MS. SAINTEY: And it won't be finished before
17 the closeout period?
18 MR. MISENHEIMER: Well, that's what I'm saying,
19 you have jobs in various stages. You may have assessment
20 done, you may have the crew that's finished it up and
21 you've got a final. And I know you have a closeout period
22 to capture the ones that you completed by December 31, so
23 you have 45 days to do your final inspection, that kind of
24 thing, capture your final costs. But if you go out and do
25 an assessment, at least in ours, it's going to be six

1 months later before we complete that work. My
2 understanding is we can't claim the three items of program
3 support on that job, we just lose it.
4 MS. SAINTEY: I think I have to put this on a
5 take-back list.
6 Marco, did you have something?
7 MR. CRUZ: Marco from TDHCA.
8 I'm not sure where you got that, Doug. If you
9 did the work, you went out and looked at the house, I
10 don't see that as any different from having a denial. In
11 other words, even though you did the work -- let me take
12 that back. That type of expense, so I go look at the
13 house, I go do an assessment, that is an expense for that
14 current year. Now, whether you put in the materials in
15 the next year, that's a different expense. So the way
16 that I see it, and I've always taught it this way, is if
17 you went out and did an assessment in 2016 November, that
18 expense was incurred in that contract year. If you go out
19 and actually do the house, put in the materials, put in
20 the furnace, put in whatever in 2017, then that expense
21 occurs in this program year. It's not any different than
22 going out and assessing a house and saying I'm not going
23 to do anything, it didn't work, this house is denied.
24 That expense was still incurred.
25 MR. HUNT: Marco has probably given you a

1 better response than what I planned to here. I'm looking
2 at it strictly from an accounting perspective. If we
3 realize an approved expense in the contract period that
4 you include that cost. So if your assessments occurred in
5 '16, that's going to be realized as a cost. What you're
6 talking about is kind of two different issues, one is
7 performance reporting and the other is realizing an
8 expense. And so like I said, I think he's put it in a
9 much better fashion. You can have work done on a
10 particular dwelling and if it extends into two different
11 periods, you're going to have a different set of costs in
12 both periods. But regardless of the reporting of that,
13 that dwelling is still tied to the performance. Does that
14 make sense?
15 MS. FALCON: So separate your salary cost from
16 your material and labor cost. Your salary cost is
17 reported in that program year so that's your CPU for that
18 year but it's still reportable that it's accrued and it's
19 done that year. Your material and labor, that's where the
20 performance comes in, in addition to actually being able
21 to do that. [INAUDIBLE]. So those would be carried over
22 into your program year '17 or the following program year,
23 your salary would be separate.
24 MS. SAINTEY: And along that same lines was
25 some other questions that came up about having to

1 re-qualify the client in 2017. If the client is on the
2 wait list in 2017 but you haven't done anything with that
3 client yet, then yes, in 2017 you're going to have to get
4 current income and update the application. If the client
5 was started, you've initially assessed it, you've started
6 the progress in 2016, you're good, finish it.
7 MR. CRUZ: Right. And I think Rosy hit it on
8 the head, those are two different activities. And maybe
9 it's what you're thinking, that it all has to be part of
10 the 7,000, I agree, but you're saying they're married
11 together and the reality is they're not. Does that make
12 sense? So when that activity occurred it can be expensed
13 when that contract is alive, and then the other part can
14 happen later because it hasn't occurred. You don't have
15 to have assessment and installation has to happen, they're
16 married together, you can't do anything, they're not
17 separated. Yes, they can be separated.
18 Because think about this, let's say at the end
19 of the year you only have $2,000, you're one of those that
20 did the 10 percent expenditures, and you only have $2,000
21 left. Are you going to sit on the $2,000 and not do an
22 assessment? I would go out and do an assessment so I can
23 spend the $2,000, get 100 percent expenditures, and then
24 do the house next year.
25 MS. GIBSON: Well, clients are qualified for a

1 12-month period, right, not calendar year.
2 MR. CRUZ: Correct. And once you start it, you
3 don't worry about that.
4 MR. MOORE: You have to re-qualify them every
5 year according to the TAC rules.
6 MS. SAINTEY: But not if you've started those.
7 MR. MOORE: Robert Moore from Community Council
8 of South Central Texas.
9 The problem that we run into is we don't have a
10 wait list, we have a priority list. If I tell a client
11 we've got a wait list, you will get hammered because
12 they'll call you every week: Where I am on that wait
13 list? Knowing that on a priority list they're going to
14 move around depending on they're qualified. The problem
15 that I have is we have 116 people on our priority list
16 that qualified in 2016. I'm done with my 2016 contract.
17 I can't spend anything in 2017 house-wise until I
18 re-qualify them, so that means now I'm scrambling to
19 re-qualify. This is the response that I got from folks
20 that qualified in November: Wait a minute, I just turned
21 that in, now you're telling me I've got to do it again? I
22 don't need your services, I'll just go get my utility
23 assistance.
24 (General talking.)
25 MS. SAINTEY: I think initially the intent of

1 the rule was weatherization was supposed to have the rule
2 it's always had and CEAP was supposed to have the other
3 rule, but somehow it got written whether DOE and LIHEAP,
4 and so that's on the list of rules to readdress when we
5 meet again, so we'll be definitely looking at that. But
6 yes, the way you describe that is the way the rule is
7 written now.
8 MR. MOORE: But also understand that's going to
9 play into our production schedule, that plays into your
10 re-ob/de-ob because if you can't get folks in your area
11 excited enough to come in and reapply -- and trust me, in
12 some areas it's extremely difficult -- then guess what,
13 you stand the fact that now I'm going to meet that
14 re-ob/de-ob because I can't get people to come in and
15 reapply.
16 MR. REID: I want to remind everybody when
17 they're about to speak, you know, your name and
18 organization just to the court reporter can get it. Just
19 as a reminder. Thank you.
20 MR. TARANGO: Henry with South Plains Community
21 Action.
22 This is one of the reasons that we would like
23 to see more of the agencies get involved when it comes to
24 the TAC rules so we can provide input so none of us would
25 actually have to meet that.

1 MS. FRANKE: And we were involved. Kelly
2 Franke, Combined Community Action.
3 We were involved in this last rule change, we
4 missed it.
5 MR. DE YOUNG: Michael De Young, TDHCA.
6 There are going to be things over the next
7 year. This rule rewrite, those of you who participated in
8 the process, this was a massive undertaking. Quite
9 frankly, I'm surprised we haven't had other little
10 glitches that have cropped up. And that's the feedback we
11 need from this group is: Hey, here's the wrinkle I see in
12 this and how is it going to present itself? So we can get
13 back and come up with some kind of proposed language, get
14 it out to you all, and then go through that same process
15 we just spent the last year doing: What do you think
16 about this and how does it impact you?
17 And today is not designed to get the exact
18 wording for the rules or anything like that, it's trying
19 to understand how is this working at the local level. For
20 Travis County, they've got a unique structure. Doug has
21 got probably more resources than most people, but he's got
22 a fairly heavy bureaucracy behind him and it takes a while
23 for expenditures to be realized and a lot of audit going
24 on on what he's doing because of the process at Travis
25 County.

1 But it's good to get feedback because the whole
2 thing about de-ob/re-ob, that never hit me until you just
3 said it, and now I'm starting to see it. So this is the
4 good conversation. We need this and this is the feedback
5 we need filtered in to Jason when it comes. If he's
6 sending you an email, take some time to go: Jason, here's
7 what this means. So he can get that feedback to us so we
8 can get the rule right when we rewrite it this next time.
9 I'd like to not rewrite it three times but two times is
10 okay.
11 MR. DEIKE: Bobby Deike, Community Council of
12 South Central Texas.
13 MR. DE YOUNG: Again.
14 (General laughter.)
15 MR. DEIKE: Again, just for Michael.
16 In this particular case when there was
17 realization that wait just a second, LIHEAP/WAP wasn't
18 supposed to fall into this but it did, why do we have to
19 wait another year? It's obviously an oversight, nobody
20 meant it to be that way, all of our programs are going to
21 be affected, our clients are being affected. Why can't we
22 amend it now instead of having to wait to the next rule
23 write and penalize all these people?
24 MR. DE YOUNG: I don't think anybody thought
25 about it in terms of we'll wait one year. I think it was

1 we want to have this clean rule in effect when the July 1
2 DOE contracts start.
3 MS. SAINTEY: I truly can't believe that none
4 of us caught it because I don't think any of us intended
5 for that to be the way it was written, but nobody caught
6 it.
7 MR. DE YOUNG: We can go back and say okay,
8 let's start working on some new language. One of the often
9 heard complaints is don't do rule rewrites in the middle
10 of a contract, make it effective at the first day of the
11 next contract because you have to have a record. We used
12 to just do them when we could, and we got critiqued on it,
13 so it has been let's clean up. So that's why you saw the
14 massive rule rewrite in one chunk. Rather than saying
15 let's do CEAP and then let's do WAP, let's do the whole
16 thing all at once, and then hopefully we have this annual
17 cleanup.
18 In this instance, because it was never intended
19 this way, we can go and sit down with Patricia and Earnest
20 and Brooke and I can sit down and say we probably need to
21 get something working on this quickly either to resolve
22 the issue or lessen the burden until we can get it
23 correct. I'll talk to Brooke and Patricia and Earnest and
24 I can meet with them pretty quickly next week and at least
25 get it on the radar screen.

1 MR. CRUZ: Marco from TDHCA.
2 So in a roundabout way, Doug, did you get your
3 answer?
4 MR. MISENHEIMER: Pretty much, I guess. That's
5 the way I always understood it.
6 MR. DE YOUNG: And we'll have a separate
7 dialogue with you to talk about it.
8 MS. SAINTEY: So I think one of the other areas
9 was communication, and you have each been assigned a
10 trainer that's your contact person. We still encourage
11 you to do the Wufoo. As I shared with the CSBG group, and
12 some of you are here again, we use the Wufoo submitted
13 questions to drive a lot of decisions. When you send us a
14 question, it goes to every trainer, we vet the answer, we
15 send it out and CC each other to make sure we all read it
16 the same way. And then we dump it into an Excel program
17 that we can filter every question by topic, by agency, by
18 word, and then we can look at that to decide which ones we
19 want to post FAQs, that we want to write a best practice,
20 or ones that we think we need to actually design a
21 training or give training on.
22 And it's also a way to hold us accountable that
23 we're answering you back in a timely manner. If you don't
24 get an answer from a submitted Wufoo question by the third
25 day, call your trainer, because our goal is to get back to

1 you within a couple of days. Like I said before, we're
2 perfectly imperfect and we make mistakes and we might have
3 dropped a ball. So just cue us, let us know, and we'll
4 get working on it for you. At least we should give you a
5 response that says we're working on it, we have to take it
6 through some areas, we'll get back to you.
7 We've been trying to do some more face-to-face
8 training. We've implemented the WAP network quarterly
9 calls to address your specific area for technical
10 subjects.
11 Is there specific trainings that you feel that
12 you need?
13 MS. PONCE: This is Laura Ponce with Project
14 BRAVO.
15 My one recommendation on the trainings is if we
16 stick to the WebEx just because we've had so many problems
17 with conference calls and people leaving their phones on
18 hold. At least through the WebEx there's some control and
19 you're in to not have that kind of distraction. And then
20 also, visual aids really help, like even if it's just you
21 guys sitting in a room, or power points. The visual
22 really helps, I think. But mainly the conference call
23 doesn't work because we have some people that keep putting
24 you guys on hold.
25 MS. SAINTEY: Okay. Thank you.

1 Anything else?
2 MR. MISENHEIMER: Doug Misenheimer, Travis
3 County.
4 So I do have a question about the HEP
5 trainings. I know that QCI became mandatory, I know that
6 there's some other ones out there that don't apply to most
7 of that don't have a crew base. Do we know the status of
8 like entity auditors, are they still kind of optional at
9 this point or is that being pushed more from DOE to be
10 more mandatory, and do we have a timeline in place? I
11 know multifamily QCI has become mandated now as well.
12 MS. SAINTEY: They've kind of let go of those
13 at this point. And if you notice, you have a fairly
14 chunk of T&TA money in your DOE contracts, and so that you
15 can take care of things like your Safe Renovator, your
16 OSHA, things that are specific to your agencies that you
17 can do those on your own, that you can just have those
18 classes and courses.
19 I know that Marco has been out doing some
20 regional series on CAZ testing. When we do regionals, in
21 the future we're going to try to do them pretty timely,
22 close to close so that everybody gets them within a
23 certain time frame.
24 I know that Santa Fe has a lot of offerings but
25 I've been told that their pricing was kind of high, but

they can bring it to here also. I'm not sure about the rest of them. But if there's something in particular that you really feel that you need, you need to let us know.

Marco, where are we, do you know, in the mobile home?

MR. CRUZ: I need to get with Gavin and actually we'll get a person to do it.

MS. SAINTEY: Because we're trying to get a mobile home insulation because that was a big finding with DOE that we weren't insulating the ceilings of mobile homes and that we needed to do that, and they didn't want to hear any excuse about it, so we're going to try to find somebody who can train us how to do that really well.

MR. CRUZ: Marco from TDHCA.

One thing I do want to mention is when we do go out and train, the salaries for that day or your travel -- I know Rick is not here but Rick traveled to El Paso, and it's not just your meal money and your hotel money, but I was over at Mike's office, that day for Mike, whatever it was, you should charge that to your travel and training. That helps you with your program support and saves a little bit of money, but it also expends your travel and training. If you have $22,000 and I show up for two days or whatever it may be, then those two days for all three of your staff members, whoever it was, should be charged

1 to TA that day for those two days. And that's how you can
2 get that expended.
3 I know I go to people's agencies and they think
4 that, oh, I'm not spending any TA money. You should even
5 though I'm at your office. You don't have to have an
6 overnight stay and you don't have to spend your own money.
7 Like today as an example, this could be a training
8 expense.
9 MS. SAINTEY: So Marco, Jason, do you have
10 anything in particular that you want to go over?
11 Before I let you do that, I've got one, I don't
12 want a senior moment, I don't want to lose it. So Kevin
13 and Chad created an Excel version of the assessment
14 packet. I think they've given it out to several people,
15 but we pulled a lot of those forms that were in the entire
16 assessment packet that we're going to be posting on the
17 web by tomorrow afternoon, and they have automated
18 calculations in them, all you do is up in the information
19 and it will calculate everything. It's got callout boxes
20 on every single thing that you have to fill in. It tells
21 you what you need to put in there, it has guides as to
22 what are the percentages or whatever it is that you need
23 to do.
24 It looks overwhelming when you first look at
25 the whole assessment packet, but I believe if you were to

1 take that and actually learn it and apply it, your up-
2 front initial assessments may take longer but your final
3 outcome would be a lot more energy saving measures on a
4 house with a lot more expenditures and a lot better job
5 for the client.
6 The entire packet, if you put in the client's
7 name and address and phone number on the first page, it
8 then puts it onto every page for you. We actually did a
9 test showing one person typing it into the system using
10 the Excel and one person who handwrote the name and
11 address on every page. The handwritten person took 20
12 minutes to do what the other person took 30 seconds. So
13 it's something to think about. Time-wise there's
14 tradeoffs with it, but then the mathematical errors are
15 taken out of it because all of the equations are built
16 into it, it automatically does it for you, so if you put
17 your information in right, it's going to calculate it for
18 you right.
19 So it's something I would really encourage you
20 to try a learning curve on it and give it a shot. It
21 would probably save a lot of issues. Every form you have
22 to have within your file is in there. It has an
23 electronic signature. It combines forms so you have one
24 page instead of two. So I would really suggest giving it
25 a shot and giving us feedback, because this is our

1 prototype, it's our first run on it, and if you find
2 problems with it, let us know, if you like it let us know
3 or if you don't like it let us know. But I think it's
4 something that would help immensely with compliance,
5 calculations, better whole house assessments.
6 I cannot tell you how many times I've gone out
7 to do a NEAT training with an agency and I've said, Okay,
8 bring me your initial assessment so we can start inputting
9 it, and we get on page 3 and we realize that they're
10 missing some data that we can't finish the NEAT. Bring me
11 the next file, missing some things, can't do it. So
12 that's return trips for you guys, that's expensive.
13 Versus if you do everything up front and you have it all
14 it one electronic file, it's all in one place, it's all
15 done, you can't miss anything if you fill it all out. So
16 I just want to give you a heads up on that, and now I'll
17 be quiet.
18 Go ahead, Marco.
19 MR. CRUZ: Actually, I've been very happy with
20 the agencies that I've visited. And I think Chad and
21 Kevin have done a great job that only verifying what
22 they've learned, it's pretty exciting seeing you guys
23 doing a good job. So far, so good.
24 MS. SAINTEY: And I think goes to attest to we
25 have another finding within the ACSI survey was that

1 compliance and training was not aligned, and we're meeting
2 with them all the time and we're co going through
3 everything before we put it out to you. So just FYI.
4 Jason, anything?
5 MR. GAGNE: Jason Gagne, TDHCA.
6 So we are breaking out all the different tabs
7 as well, so they'll be stand-alone documents as well, so
8 just a matter of separating out the circular references
9 and all this other stuff. When you do open that whole
10 house assessment, it's going to say assess circular
11 references, hit the cancel button to continue as normal
12 instead of okay. It's just Excel. But of course, if
13 you've got any questions about the form, please give us a
14 call, if there's anything wonky. We're sure we'll find a
15 few more glitches in it as we go along, so please keep us
16 up to date on it.
17 MS. SAINTEY: So at this point I'm just going
18 got open it up to you guys to bring up anything you want.
19 MS. VARGAS: Christy with South Plains
20 Community Action.
21 We're going to be hiring a new assessor here in
22 the next month or so, and you asked about training and
23 stuff. I'd like to request beginner's training just from
24 the ground-up on the use of DebtBlaster, all of that.
25 Even for myself because I'm an officer person, I don't

1 have all that experience, I'd like to learn it myself.
2 And I don't know if there's other agencies too that will
3 have new assessors that could benefit from that.
4 MS. SAINTEY: We'll get with you on that.
5 MS. GIBSON: And keep us posted on that too.
6 If you set up a training, let us know.
7 MS. SAINTEY: Same? Okay.
8 MS. GIBSON: Jenny Gibson, West Texas
9 Opportunities.
10 MS. SAINTEY: I know one of the things that
11 we're doing at our office for Jason, because he is new on
12 board -- well, he's been there over a year now -- he's
13 going to actually take the building analyst course in
14 Dallas. So we got three bids and he's going to go do the
15 course in Dallas so that he learns all of those things and
16 gets a BPI certification which is another way that you can
17 go about that with your T&TA money, but of course, you can
18 call us too.
19 MR. CRUZ: And the other thing is it helps with
20 your points. Marco from TDHCA. So if you get your BPI
21 certification and you add that to your list, because it
22 ends up being if you're doing your quality control person
23 you have to do so many audits, but if you load up on a
24 bunch of certifications, it kind of offsets the number of
25 hours. So let's say if Jason gets his OSHA and gets his

1 BPI analyst, with every certification you start getting
2 points that you need less hours, so it balances out. So
3 like Christy, if you want to go, even though it's not the
4 QCI one, you can do and do it. It will help you get
5 stronger, and even your new person can go to have an
6 introduction to eventually where he's going to get as a
7 QCI. Any certification, anything that you get will give
8 you a number and a card and everything, you can use those
9 to apply toward your QCI.
10 CAROL: Carol, Combined Community Action.
11 Would you, first of all, add me to your list there. And
12 then also the program you were talking about earlier,
13 where is that located?
14 MS. SAINTEY: For the building analyst? We
15 just did some research on who gave building analyst
16 certifications and then picked the best price for the
17 travel and everything, and this was in Dallas.
18 CAROL: No, not that. The Excel form you were
19 talking about.
20 MS. SAINTEY: Kevin Glienke and Chad Turner
21 from our Compliance Division, because they're out there
22 every week. They do a full QCI on every home that they
23 inspect with you guys, so they've been seeing all of it so
24 they were able to say these are the things that we see
25 that need to be done within a home and these are the best

1 ways of doing them.
2 MR. DE YOUNG: Is it on the website right now?
3 MS. SAINTEY: It will be up tomorrow by the
4 close of business.
5 MR. GAGNE: There is a slightly older version
6 but there's already stuff that had to be fixed but that
7 will be up tomorrow afternoon.
8 MR. DE YOUNG: After it goes up, we'll put out
9 a link so you all can get a direct link to the new one,
10 new and improved one.
11 MS. RODRIGUEZ: Stella Rodriguez with TACAA.
12 Just an FYI, at our May conference this year we
13 will offer several tracks that you can earn CEUs to keep
14 up your certifications, so we are planning to do that.
15 MR. CRUZ: And I do want to mention, you talked
16 about website; as a reminder there are videos, there's
17 instructional stuff, there is a full video library, maybe
18 20 videos, I don't even know what the number is, there are
19 step-by-step guides. If you haven't been on our website
20 in a while or you want to refresher, there's two duct
21 blower type videos, there's a blower door video, there's
22 three of them there, the beginner, the setup, the
23 intermediate. There's insulation type of stuff. I mean,
24 there's just a boatload of videos that you can be looking
25 at and say I don't know how to do that, let me check to

1 see if there's a video on there. And I guarantee you, I
2 think we did a pretty good job of selecting videos that
3 are useful to us, and what I tend to find out is that
4 people don't know that they're there. And it's on our
5 regular WAP webpage and it's a video library and you've
6 just got to go there, and there's all kinds of stuff on
7 there. It's pretty cool to watch.
8 I think, Doug, you're in one of them. So you
9 may see some familiar faces but you may also see the
10 experts from the network that you see at the national, but
11 they're there. We can't be everywhere, remember that we
12 also do CSBG, and so if it takes a month before we can get
13 to your spot, it may be useful to you to look at the
14 videos and then take your equipment to your home and hook
15 it up as you're watching the video, pause it, set it up,
16 do it again and make it happen. Those videos have been
17 there. We haven't added any new ones in recent memory,
18 but they're all pretty good.
19 MS. SAINTEY: Anything else?
20 MS. VARGAS: Christy with South Plains
21 Community Action.
22 One of the things that we were having issues
23 with is how you had said about taking applications this
24 program year 2016 and then not completing the home until
25 the following program year is with the CSBG reporting is

1 that I guess their year runs different than ours.
2 Capturing the outcomes, we use Shah to capture our client
3 reporting and all that, and if we take an application in
4 program year 2016 and the home is not completed until
5 2017, it's not reported correctly, like we have to redo
6 the client intake. The risk we run is that their
7 circumstances could have changed during that time and they
8 may not qualify whenever it's actually time to work on the
9 home.
10 MS. SAINTEY: So on CSBG reporting they have to
11 report enrollment and then outcomes. So if you do it in
12 say 2016, they're reported in the enrolled category under
13 1.2, whatever it is, or 6.4, whatever it is. But then the
14 achieved, the outcome doesn't happen until 2017, and
15 that's okay. They don't have to say one enrolled, one
16 achieved. As a matter of fact, this is one of those new
17 trainings that we're going to come out with is that's bad
18 data from you. When I'm trying to analyze my data, if I'm
19 only reporting the ones who achieved with that enrollment,
20 say I have 100 people that I put in a GED program and five
21 got it, versus I report five and five, those are two
22 different stories. This says I got 100 percent with
23 everybody I put through, this says I only get 20 percent
24 success rate. That's huge to know.
25 And so when they do their CSBG reporting

1 they're supposed to do enrolled and not report achieved
2 until the outcome happens. And who knows, you may have
3 people that went through their GED who dropped out, they
4 got enrolled and then they gave up. So I might only have
5 five and four. That's fine. They should not be the same
6 unless it is. But I cannot tell you how many times I go
7 through the CSBG reports and it's 100 percent, 100 percent
8 batting average on every single thing when that's not
9 true.
10 And so when you have to analyze your data, in
11 order to decide what you need, the staff you need, the
12 programs you need, the resources you need, and I have 100
13 percent achievement on everything, then I've got
14 everything I need to run exactly what I'm doing. Well,
15 that's not true. So I need to be able to analyze and make
16 good decisions off of it. Bad data in, bad decisions out.
17 So I'm just going to say to you it's okay for them to
18 enroll you in 2016 but you not to report the unit as
19 closed out and finished until 2017.
20 MR. CRUZ: Marco, TDHCA.
21 I get what Laura just said, but I want to ask
22 this. I don't do Shah. I just saw this in my head. What
23 you said was if it's in '16, you get an application, you
24 put the person in there, blah-blah-blah. You have to
25 enter them again in '17. Is that right?

1 MS. VARGAS: The way it was explained to me is
2 in order for it to be captured, it has to be within the
3 same program year for CSBG. But our contract, they're not
4 necessarily January through December, we have some
5 rollover there where we take the application one year and
6 complete it in another year.
7 MR. CRUZ: Right. But all of their demographic
8 information and everything is in 2016, you have to wait
9 until that's closed before you can get a '17. Is that
10 right? Is that kind of how I see it?
11 MS. VARGAS: Until the unit is completed can we
12 report it.
13 MR. CRUZ: I don't think that has anything to
14 do with us. What I hear is that you have to speak to Shah
15 about this is how do I get this person migrated to this
16 one over here without having to start all over again.
17 MS. SAINTEY: So you have Shah?
18 MR. CRUZ: I'm just seeing this as a bad data
19 thing because if you enter them twice, then I don't know.
20 MS. CHRISTINE MARTINEZ: If they applied in
21 2016 and they do weatherization and utility assistance,
22 everything is in Shah, we complete the home in 2017, all
23 you have to do is just go in there and put your notice of
24 payment and then it retracts it somehow.
25 MR. CRUZ: That's what I'm getting at is that I

1 don't want it to be in two different Excel sheet type
2 stuff or whatever. I don't know how Shah works.
3 MS. FRANKE: Kelly Franke, Combined Community
4 Action.
5 I thought every year we had to shut Shah down.
6 MS. VARGAS: This is the new one.
7 MS. FRANKE: We shut it down and we have to
8 start over. I don't use the Shah, I just know what they
9 tell me.
10 (General talking.)
11 MR. CRUZ: I don't want to start something up,
12 but I also want you guys to be aware that having in there
13 twice can create bad data type stuff. I'm not a Shah guy,
14 we don't run it here, we don't have any reason to run it
15 here. I just would like for you guys to go back and make
16 sure that if it's in '17 that it's not done twice, it's
17 just kind of migrated over there. I don't know. I kind
18 of see a problem here where it's in two places and it
19 could get reported incorrectly or whatever.
20 MS. GASTON: Tina Gaston, EOAC.
21 And I think this hits two different things. In
22 2016, going by this scenario, we would have that person in
23 there and you would have how much you usage you would have
24 in there to report for LIHEAP, at the end of the year you
25 would close it out. So in 2017, although you put a NPI in

1 the 2016, in 2017 you closed it out, you cannot put an
2 outcome in there because you don't have an enrollment.
3 MR. CRUZ: Correct. But my question would be
4 would you have to redo the application in 2017 in Shah
5 again?
6 MS. GASTON: In order to be able to do the
7 LIHEAP report, you've got to have that person in there.
8 MS. PONCE: Laura Ponce.
9 My question is the other side of the coin which
10 would be, okay, so you have 100 people enroll in 2016, you
11 don't have enough funding, and then the next year you have
12 a whole bunch of funding to do X, Y or Z, so all of these
13 people carried over, and so you have 80 people that
14 achieved but only like 20 people applied. So that's okay
15 with the data. Correct?
16 MS. SAINTEY: I would think that those people
17 carry over because they're still in the program while
18 you're still working with them.
19 MR. CRUZ: You would have to re-enroll them in
20 '17.
21 (General talking.)
22 MS. LYLA MARTINEZ: It was just like he said
23 yes, you would have to re-enroll then in 2017. You did
24 this application back in June of 2016, they qualified at
25 whatever. Well, now you actually finished the house in

2017, do you have to redo their income or do you go based on 2016 income?

MS. SAINTEY: These are great questions.

(General talking and laughter.)

MS. LYLA MARTINEZ: And then on top of that, I also have another question about the enrollment. We got in trouble two years ago for having lots of enrollments and no outcomes. They told us don't do that. They pretty much told us record your enrollment when you record your outcome.

MS. SAINTEY: We'll have to have a talk internally.

MS. LYLA MARTINEZ: So we need to go back to every referral for child support, whatever we need to enter as an enrollment. Correct?

MS. SAINTEY: No. Only if that client enrolls for child support. You're going to refer like crazy, but how many of those referrals actually applied for the child support? Those that apply are enrolled. Whether they get the outcome, I don't know.

MS. LYLA MARTINEZ: So it's not based on referrals then, it's based on the number of people who actually go over there.

MS. SAINTEY: Not referrals, by enrolled. Like I can tell you to go get a GED but if you don't go to sign

1 up for it, you're not enrolled. Right? And you might
2 even sign up for it but maybe you don't even go, you sign
3 up and then you never show up. So I have to determine
4 when is that enrolled point. The enrolled point may be
5 when I get a report that you attended the first session.
6 That's your internal decisions.
7 Good questions. The only concern that I had
8 about yours, Lyla, your scenario, is if you started the
9 assessment, you started weatherizing the house in 2016,
10 you don't finish it until 2017, but when you go to get a
11 new application on that client they're no longer eligible.
12 That would be a I don't know what to do. So that's why I
13 made that face and said that's a good question.
14 (General talking and laughter.)
15 MS. VARGAS: This is Christy with South Plains
16 Community Action.
17 On the application being in the same program
18 year, like with 2017 did that go into effect with this
19 2017 LIHEAP? Because we're still working on 2016.
20 MS. SAINTEY: That's a good question. We're
21 talking about CEAP now. We'll do a little map since some
22 of you are here. So you have two things, you have
23 performance and you have expenditures. Right? So you
24 have two pots of money, you have 2016 and 2017 money that
25 you're using, but all the performance is under 2017. So a

1 client comes in, I get an application, I pay their current
2 bill plus arrears. Their current bill is their December
3 bill, still their most current bill; I don't care if that
4 was 2016 December, it's still their current bill, current
5 bill plus arrears. Then I pledge out their next six
6 payments. So this one gets paid out of that one, maybe
7 you have some more money, maybe bill number one and bill
8 number two gets paid out of that one, and then when you
9 get to that third pledge you're closed down on the 2016,
10 you're on 2017.
11 The performance on that client, what you do
12 with that client is like what you do every single year, a
13 fresh start, it's just what money you're using. Does that
14 make sense?
15 MS. VARGAS: Now, with weatherization, I'm
16 still working on my 2016 contract and we want to
17 weatherize a home in 2017 starting in January.
18 MS. SAINTEY: Same philosophy: your
19 performance is going to be in 2017 but your expenditures
20 are going to be on 2016.
21 (General talking.)
22 MR. CRUZ: I think your question is I've got
23 2016.
24 MS. FRANKE: What contract? Are we talking
25 about weatherization?

1 MR. CRUZ: Weatherization. I've got 2016, I
2 qualified the person in 2016, now it's 2017 today. Do I
3 have to go and re-qualify that person because now it's
4 2017. Is that your question?
5 MS. VARGAS: Yes.
6 MR. CRUZ: So the answer goes back to the bad
7 tackle. So in order to deal with the bad tackle, yes, you
8 have to make a new application. You got them going in
9 June, you got them going in July, they're on the list,
10 they have qualified, they're waiting, they're waiting,
11 they're waiting, you're ready to do their house. You need
12 to get a new app because we have a rule.
13 (General talking.)
14 MR. ROBERTS: Kelsey with GETCAP.
15 It depends on which contract. If you're still
16 using 2016, because that got extended till March. Is that
17 correct? End of March. So if you're still using the 2016
18 contract, you don't have to re-qualify them even if you go
19 to February. It's just that in the 2017 contract.
20 MS. FRANKE: So you would have a year from the
21 date of your income to finish that house.
22 MR. CRUZ: I want to make sure everybody
23 understands this. So you made a 2016 application in June,
24 you're ready to spend your 2016 money in February, that
25 application we're saying is still good, you don't have to

1 redo it because it's not 2017 money.
2 MS. SAINTEY: Well, Jenny, you answered the
3 problem to the bad rule. 2016 contracts, 2016 rules.
4 MR. MOORE: It doesn't change the situation, it
5 just means yes, our contract is extended but if I spent
6 all of my 2016 in 2016 and I'm ready to start my 2017, I'm
7 still in the same issue.
8 MR. CRUZ: So now we have another issue. So
9 let's go to Robert's issue. You qualified the client in
10 2016, your money is gone, you're okay, you're 100 percent
11 expended, you're one of those long yellow ones, you're 100
12 percent. Now it's February 2017. Even though I qualified
13 the client in June of 2016, if you don't have '16 money,
14 you have to get a new application because it's the new
15 contract.
16 MR. ROBERTS: Kelsey with GETCAP.
17 So is that going to be going forward from here
18 on out, every year. So we're going to be kind of like
19 under the same thing as CEAP?
20 MR. CRUZ: I would say that that is one of the
21 rules that we want to look at. I think for right now,
22 that's how it has to be. We can always change it
23 MR. ROBERTS: That's fine because that's the
24 thing with the Shah software is they have to redo it every
25 single year, so if we're both doing the same thing.

1 (General talking.)
2 MR. CRUZ: Did I confuse anyone? Because I
3 don't want anybody to leave saying, man, Marco just got me
4 all wonky.
5 MR. TARANGO: She just said you can't put two
6 contracts in Shah, so we're going to have to close out of
7 our 2016. I got two extensions for 2016 money in this
8 last year because my territory expanded a little bit, so
9 I'll probably go to March of 2016. So I can't put my 2017
10 contract in the Shah until probably March or April.
11 MR. CRUZ: Correct.
12 MS. VARGAS: Christy with South Plains
13 Community Action.
14 Since we still are expending the 2016 LIHEAP
15 money, how does that affect the de-obligation schedule for
16 the 2017 LIHEAP?
17 MR. CRUZ: I'm going to leave that up to
18 Michael, but it doesn't look good.
19 (General laughter.)
20 MR. DE YOUNG: So your question is if I didn't
21 spend my money in '16, how does that impact my not
22 spending money in '17.
23 MR. TARANGO: Well, she's going to reword that
24 for you. We got additional money for 2016.
25 MS. VARGAS: We got an amendment that extended

1 our contract.
2 MR. DE YOUNG: Did you get additional money or
3 an extension?
4 MR. TARANGO: We got additional money with an
5 extension. We got them both in December.
6 MR. DE YOUNG: And everybody in the room?
7 MR. TARANGO: I think you already went over
8 this, same thing, I'm pretty sure.
9 MR. DE YOUNG: It impacts everybody and we're
10 all dealing with the same equation which is we need to
11 make every effort to expend our entire contract, whether
12 it's DOE, whether it's LIHEAP, CSBG, CEAP, WAP, whatever
13 it is. We've tried in the last year, and we're not
14 perfect yet in getting money in and out the door. We
15 still have to go sometimes to our board, especially with
16 re-obligation of money. We're doing a better job on the
17 front-end saying, Look, TDHCA Board, give us the authority
18 to do CSBG throughout the year. So we get authorization
19 and then the fourth quarter awards come in and we can
20 pretty much get that money out.
21 But when we have these extra balances that are
22 either given out -- I'll give you an example, LIHEAP sent
23 us an award September 30 at 4:45 in the afternoon: Please
24 make sure you obligate this award in program year '16.
25 Which means in the next 15 minutes. It was an award of

1 $26,000 total to TDHCA. So at the best scenario, the
2 biggest agency got $5,000 -- no, $4,000. Needless to say,
3 we can't obligate money that quickly. We have to go to
4 the Board because we never knew that money was coming.
5 So it depends on the pot of money how quickly I
6 can actually get the money out. What we've done in the
7 last year is try and figure out how can we write Board
8 items to be as expansive as they can so that we can deal
9 with the pots of money we know are coming in. But from
10 time to time, the Federal Government does drop dollars on
11 us, or we have a re-obligation activity, someone says I
12 can't spend my money, will you go ahead and re-obligate it
13 for me. I will do my best to get those out as early as
14 possible, understanding that I've got to go through my
15 entire process with the Board if it's a new pot of money.
16 In that instance where you're getting money --
17 when did you get it, December? -- you're asking for an
18 extension so this is my concern is that if we grant an
19 extension for three months to finish out your
20 weatherization, I'm giving you 12 months of weatherization
21 in January in LIHEAP and we're going to spend three months
22 of it spending last year's money, so now we need a program
23 to spend 12 months of money in nine months so that we can
24 get back on track to next year having a 12-month plan with
25 12 months of money.

1 The less extensions we grant, the better. And
2 it's not an internal issue, it's just from a programmatic
3 spending money position it's better for me. I would much
4 rather get to a point where you all don't need three
5 months extensions, we need two months extensions, then
6 hopefully one month extensions. I get the CSBG extension,
7 you want to have some money to carry you over until we get
8 the allocation from the Federal Government, and
9 unfortunately, that's the one that's always the hardest to
10 get the documentation on.
11 We'll do our best to take into account getting
12 the money out quickly, but everybody is going to
13 participate in all the money because I only have a formula
14 to run the money through. That will impact your
15 expenditure, and I think as an agency it would always be
16 best not to assume that that's the only money you're going
17 to get in your first contract. There's going to be
18 someone who either de-obligates or says we can't spend
19 this year for some reason. Plan for a little something
20 but no one knows what that dollar figure is.
21 In a perfect world, I'd never de-obligate a
22 dollar from anybody so I don't have to move money and
23 create problems for other people. Because in a worst case
24 scenario, it is problematic for me to turn around and say,
25 well, twelve of you triggered de-ob, now I've got to ten

1 agencies and put money on them that they weren't planning
2 on expending, and potentially -- and this happened all
3 during ARRA, trust me -- putting them into a default
4 position.
5 And I can't remember exactly which agency it
6 was, but during ARRA, I took money from someone one month,
7 made them successful, and turned around and re-obligated
8 that same money to them the next month, like within 28
9 days money was removed and put back in their contract in
10 equal amounts because the tools said to do that. That
11 kind of scenario is not going to happen under this rule,
12 trust me, but the desire is not to move money between
13 agencies. That just add to someone else's plate that
14 they've got to take care of more money.
15 And it's getting started on the right foot, us
16 getting the money out to you all in a timely fashion, and
17 then if you have the opportunity or if you're triggering
18 getting the information to Jason and say, Jason, we've got
19 a scenario where we could trigger, but here is our plan,
20 this is what we're going to do, this is what's in our
21 workflow or in our pipeline -- if you go back to the ARRA
22 language that we were using. And giving us that plan so
23 that we don't have to take money. We'll do what we can to
24 get you your money faster and give as much time to deal
25 with it.

1 MS. RIVERA: I am Mayra from AACOG.
2 But in the TAC where it says by the first
3 period deadline, if we don't report one unit, we will
4 receive that notification of de-obligation. That first
5 period will be March where we are finishing LIHEAP 2016,
6 so that means that we will be receiving anyway that
7 letter, that notification of de-obligation? Did I explain
8 myself?
9 MR. DE YOUNG: Go through it again. I want to
10 make sure I understand it.
11 MS. RIVERA: The notice of de-obligation
12 indicates that in the first period of the production
13 reporting period of the LIHEAP 2016, we haven't reported
14 one unit because they're still spending 2016 money, we
15 will not be reporting any production on the 2017 contract.
16 Will we still receive that de-obligation notification?
17 MR. DE YOUNG: Yes, I believe so.
18 MR. MISENHEIMER: So when you do your
19 production report and if you're putting your units out
20 there, you only going to put how many units that you're
21 going to be able to complete, so if you can't complete any
22 units within that first quarter, then you would put a zero
23 in there. But I don't know how TDHCA looks at it as far
24 as the triggering point.
25 MR. DE YOUNG: Do you have folks putting in

1 zeroes for the first quarter?
2 MR. GAGNE: Yes. So it's not automatic de-
3 obligation. Basically we send a letter saying hey to the
4 administrator. And then you have to send back what's
5 called a mitigation action plan, and so we look at that,
6 we review that and say this is going to get you to meet
7 the full extent of the program year. So it's just going
8 to be correspondence back and forth, but if your plan
9 doesn't look like it's going to do well, that's when
10 de-obligation would come into play. But we say your plan
11 looks great, let's roll with it, we'll go from there.
12 MR. DE YOUNG: So the trigger is automatic in
13 that scenario, it's automatic that you're going to trigger
14 it. You file a mitigation action plan, this is what we're
15 going to do. If we accept that, then you don't have the
16 de-ob. The next quarter, the next time it's going to come
17 up, fifth month it's going to come up, if you've got a
18 unit done -- and you guys are one of the bigger ones that
19 you probably have to have two or three units done, it's
20 always going to be you have an opportunity to respond to
21 us. That's where you need to focus your energy on.
22 And again, if you're carrying over, you're
23 starting the problem by carrying over because you're not
24 going to have a reported unit in '17. Trying to get that
25 '16 done is huge so you can roll into '17. And for

1 agencies that find that going on repeatedly, we need to
2 address it through training and technical assistance, what
3 is causing this lag every year that we're not getting the
4 complete contract done.
5 And I get from time to time there are reasons
6 why you wouldn't be able to get a unit done or two units
7 done or if you're doing a multifamily complex that, oh, my
8 gosh, something happened, the city didn't get out to do
9 the inspection and we can't report it so we're having to
10 wait on that. That's the anomaly. What we need to look
11 at is if there's a systematic reason why we're not
12 completing our contract each year and it's causing us to
13 always trigger that first de-ob trigger -- not to say
14 you're going to lose money, but then we're having to go
15 into this mitigation action plan routine.
16 It may hit you, and those of you in bigger
17 cities, you probably have a more robust inspection
18 permitting and those can cause issues. Doug's is in a
19 fiscal, something that happens after him that causes some
20 of the issues. For Fort Worth it may be another issue --
21 I'm not picking on you guys; she praised you, I'm going to
22 pick on you -- it might be different in Fort Worth.
23 You're in San Antonio. Especially for you all, we may
24 have to talk through what it is that's impacting you and
25 how we may have a different reaction to Fort Worth and a

1 different reaction to San Antonio, AACOG, about how you
2 deal with this rule.
3 MR. CRUZ: So are you worried about that
4 letter? Ultimately, you worry that the letter is going to
5 go to your president and he's going to say: What the hell
6 is happening? I mean, in this case the letter is going to
7 go to Bobby, but I think they just need to be aware of
8 this letter is coming and let me tell you why. Because I
9 get it, board members, all the other people, they see this
10 letter and they're going: Guys, what's going on, we're
11 paying you to do this and it's not happening.
12 But yeah, I think we have to stick to our guns
13 by giving you the letter. Whether something actually
14 happens, there's a process behind it that we don't know
15 what it is until we start getting documentation, and I
16 think that's what you have to explain to you board members
17 and your executive director ahead of time.
18 MS. GIBSON: Are those letters going to go to
19 congressmen?
20 MR. DE YOUNG: No.
21 MS. GIBSON: They did in ARRA.
22 MR. DE YOUNG: Everything went to the
23 congressman in ARRA.
24 MR. CRUZ: Well, they were taking credit for
25 your work.

1 MS. SAINTEY: And the bottom line is that you
2 get several letters and opportunities to respond, and the
3 only thing that eventually triggers that we de-obligate is
4 that you kept saying that you were going to do things that
5 you never did and you didn't do your plan at all. Like
6 you have all these opportunities to revise your plan and
7 to let us know what you're doing and what's happening,
8 which that's the point of it, to communicate, and it's
9 only when you don't follow through on any of that that it
10 would actually trigger the potential action of
11 de-obligation. So this is just like notifications to keep
12 us all on track, not so much to cut you off.
13 MR. TARANGO: Henry with South Plains Community
14 Action.
15 This is actually part of the TAC rules,
16 correct, the percentages?
17 MS. SAINTEY: Yes.
18 MR. TARANGO: I would like to revisit these
19 percentages due to the fact that at the beginning of the
20 contract year we do have a lot of closing out programs, we
21 do have expenditures, carryovers from the previous month,
22 we do have having to take new applications due to the new
23 TAC rules, so that's going to hinder us. And I would like
24 to revisit the percentages in the TAC rules. I don't want
25 to set anybody up for failure. I mean, it's pretty

1 serious.
2 MS. PONCE: And I guess if we're going to
3 revisit that -- Laura Ponce from Project BRAVO -- can we
4 have some sort of visual about what your timeline is and
5 how our timeline fits into it? So in other words, what's
6 the latest you can de-obligate funds and give them to
7 another agency and what really is your cutoff date for
8 certain contracts, where if you delay certain things how
9 it affects everything down the road.
10 MR. DE YOUNG: Henry, on the percentages, have
11 you looked at these percentages and which one?
12 MR. TARANGO: Well, I think some of the
13 carryovers, and I guess part of it we're going to have to
14 really spend that money of carryovers from 2016. I don't
15 know, I just don't want to have something in place that's
16 really going to set us for failure. I do understand that
17 we do need to spend the monies, I'm really for that, but I
18 think somewhere down the line maybe after the fifth or
19 sixth month is where most of the expenditures -- I don't
20 know if you can look at your reports -- most of the
21 expenditures really happen somewhere in September, August
22 or September. You can probably look back at data and look
23 at the expenditures for January, February, March, I'll bet
24 it's very, very limited. I don't know, I think we need to
25 revisit those.

1 MR. GAGNE: Is that for LIHEAP?
2 MR. TARANGO: For LIHEAP.
3 MR. DE YOUNG: As I read the rule, and this is
4 just my reading of the rule, at 40 percent of the contract
5 you're in the fifth reporting month, fifth reporting
6 deadline, 20 percent of the awarded funds have been
7 expended. To make that any more flexible, you're now
8 talking going to say the sixth month and you're saying,
9 okay, we're in the sixth month but you've only expended 20
10 percent -- I'm just changing one factor in this formula --
11 I think all of a sudden we're looking at we're setting you
12 up for failure because we're allowing you to go so long
13 without performing that you're going to say, well, now
14 I've got carryover into the next year.
15 And so we're trying to write a rule that gets
16 enough action so that we can for the most part see that
17 progression to the end of the contract, and it does
18 accelerate. The idea was grant them a longer window up
19 front -- I think originally at the fourth month, I think
20 we went to the fifth month in one of the rewrites -- to
21 say give them some time to get that unit in production,
22 the first unit, and then start to report expenditures. An
23 then we go to the seventh month you're at 50 percent.
24 I'm willing to listen to how we could tweak the
25 rule, but I also want to be careful not to turn around and

1 create a scenario where we're told you allowed us to go a
2 long time without production and now we're having
3 carryover funds. The goal is to not carry over funds,
4 hopefully, and see as much production as we can, realize
5 it during that contract year so that the subsequent year
6 isn't impacted by the previous year.
7 MR. CRUZ: Marco from TDHCA.
8 I'd like to add to what Michael is saying,
9 Henry. And again, it would be nice to actually have some
10 numbers to take a look at this, but the later we get it --
11 and I'm not picking on you but since you brought it up --
12 the later we get it from you, that means it's the later we
13 give it to someone else, and the day that we give it to
14 someone else, then that person is going to have carryover
15 because we gave it to them late. So I don't know what's
16 the right month, but getting the money later from you
17 means someone else gets it later with a smaller window of
18 time to get it expended, which means they have carryover,
19 and then the cycle just goes on and on and on and on. So
20 it's the seesaw thing: if I give it to you, we caused a
21 problem for someone else with very little time.
22 Laura mentioned the timeline for us. We have
23 to go through the contract action of taking your money
24 away, then go through the contract action of giving it to
25 someone else, and if it's a county or a city, who knows

1 when that's going to happen because they're going to have
2 commissioners court or council. Do you see what I'm
3 saying? I don't know what's the best scenario, but the
4 worst scenario is that we have to take money away from you
5 because that triggers a whole bunch of problems for a lot
6 of people.
7 MR. GAGNE: And the answer to Laura's question
8 from earlier, I found out it was in program year '14 we
9 left a little over a million, and then last year it was a
10 little over $700,000. So we made a bit of headway in
11 program year '15, but I will say with the way things are
12 going, we're on a pretty good track to do much better in
13 '16 since now we can't carryover anymore.
14 MR. TARANGO: Does anybody have any other
15 input, agencies?
16 (No response.)
17 MR. TARANGO: If not, then we'll continue with
18 what the TAC rules state and I think we need to revisit.
19 MR. MISENHEIMER: Doug with Travis County.
20 Everybody has that issue. It's kind of related
21 to what I was bringing up before where you have all these
22 guys with certain things on completion and then there's a
23 cutoff where you can't report anything else and you've got
24 to turn in what you've got if it's completed, but if it's
25 midway through that process, you've already paid a

1 contractor to put in an HVAC system, they invoice it in
2 December, but that job is not completed. My understanding
3 is you can't report it as complete, so you've got dollars
4 tied to that job. My whole thing is that if there's a
5 continuation of a job, you don't report that job until
6 it's done and it gets reported in that contract period,
7 you should be able to capture that cost even if it's an
8 invoice in December. Otherwise, you've got to tell the
9 contractor: Don't bill me till January.
10 But when you've got multiple, multiple jobs in
11 the queue, you're at any particular point of completion,
12 you just don't have everything completed on the 31st,
13 everything is done. You've got other jobs that you've got
14 going on to carry you to the next year so that you're not
15 far behind and not report until July or August. And so I
16 don't know if I'm interpreting the rule wrong, or if that
17 rule can be kind of changed or relaxed for that carryover
18 of jobs and completions so that February I can report that
19 job because it's in this queue, whereas having to wait and
20 start January 1 from scratch and then I can't report it
21 till June or July. That's really kind of tied to what I
22 was referring to.
23 MS. GIBSON: Michael, I think that from what
24 I've heard that you're going to have the leeway, you know,
25 I can plead my case to you and you are going to have the

1 ability to say okay or no, but you will not me know this
2 is not acceptable, whatever. I mean, I'm comfortable with
3 that process. I mean, you know we have some situations
4 that we're just trying to work through, and I feel that
5 you have been responsive to our requests for more time or
6 whatever. Even though we're one that's not where we
7 should be right now, I feel like it's working and we can
8 continue to work with it, as long as TDHCA continues to
9 listen on a case-by-case basis.
10 MR. DE YOUNG: And that brings it probably to a
11 pretty good wrap-up to say a lot of this is about
12 communication. If you've got an issue at the local level
13 that's impacting you, letting us know what's going on,
14 what are you doing to resolve it, and then us being aware
15 and listening to that and talking it through to say: Hey,
16 technically they did trigger, here's their plan, this is
17 why we are or aren't moving forward.
18 Understand no one at TDHCA wants to take money
19 from WTO and move it to another entity. Those funds go to
20 WTO for WTO's clients, just like they go to CC South
21 Central for their clients. I don't want to ever have to
22 get up in front of the Board and say: I'm moving money
23 because XYZ didn't occur. I would much rather have that
24 money stay there. And if it's a training issue, we get
25 folks out there to train you; if it's a timing issue, we

1 figure out what that timing issue is and we somehow
2 account for that in the paperwork either through the
3 emails or in a conversation. So I can go to Brooke and
4 Patricia and Earnest and I, we usually have a discussion
5 before that ever occurs to say we agree this does or does
6 not equate to a de-ob.
7 I feel like -- pulling in what Jason said -- I
8 feel like we're on the road, we're on the right path; this
9 is getting worse folks, it's not, it's getting better. I
10 hope this rule never comes into play. It's okay if we see
11 yellow in that first reporting column. As it goes along,
12 I'd like to see less yellow, I get less heartburn, but I
13 understand that things are going to happen. And I
14 understand that Doug's situation is not something Doug can
15 change, that's just going to be that's Travis County.
16 Can we try and figure out a better way to make
17 it work? Yeah, we'll try. But you communicating to us
18 where you are in the process, what problems you're having
19 or what issues are presenting themselves, and us trying to
20 put our head around it to how can we help you around that
21 issue. Because no one wants to be moving dollars amongst
22 agencies. And I say this at the federal level oftentimes:
23 I put money where it's supposed to go because the poverty
24 is there, poverty drives these figures. We need the
25 dollars spent where the poverty is. ARRA was not fun to

1 move money, 46 different spreadsheets during the life of
2 the ARRA grant in order to move all these funds.
3 MS. GIBSON: I think that's where everybody
4 gets a little uptight is from the ARRA deal in the fact
5 that we were getting de-obligated before we even got
6 obligated.
7 (General laughter.)
8 MR. DE YOUNG: And I will tell you that the
9 rule, we pulled the ARRA rule out and said let's start
10 there. And the first cut everybody was like holy cow,
11 wow, this is regimented. And we tried to pull some of
12 that back. The mitigation action plan is a remnant of
13 that. I work for the state, I think it's a pretty good
14 compromise at this point. If it doesn't work, let's get
15 feedback and I'm willing to go back to Brooke and to
16 Patricia and say it could work better this way, if I have
17 the feedback, if I have the information.
18 Let's walk through this over the next year.
19 We've got LIHEAP money now and DOE. We're going to start
20 DOE July 1, right away hopefully if we get money out of
21 the Federal Government this year. That being said, we
22 don't even know where we're headed in the next three weeks
23 right now.
24 So all this is going to play into let's
25 everybody look at it, let's take into account what's going

1 on at your agency, how it's impacting you, and if you've
2 got feedback, don't hold onto it, give it to Marco, give
3 it to Laura, give it to the monitor, especially in WAP.
4 Chad, Rosy and Kevin, the hours they have spent in the
5 last year working on WAP to make it work at the local
6 level is huge. This rewrite of the best practices, you're
7 talking hundreds of hours that they put into this, and
8 culled from visits to all agencies where they were making
9 notes all the way through, and then at the end they said,
10 okay, now let's fix it.
11 So I hope all that boils together so that yes,
12 you may trigger, it might be South Plains could trigger,
13 that's okay. Tell us why you triggered, tell us what
14 you're going to do to fix it, and then in two months we'll
15 revisit it and hopefully it won't be an issue. So don't
16 worry that bam, right away you're going to get that and
17 you're losing money. That's not what this is designed to
18 do. This is you're at risk of losing money, let's talk
19 about how that's not going to happen. And our
20 predisposition is we don't want that to happen, let's get
21 a plan that works.
22 And just keep us informed. We understand staff
23 turnover, we understand natural disasters. A flood is
24 certainly going to impact you. It's not because the house
25 got wet for three days, it's your attention is elsewhere

1 and your eyes are off the ball for a little while, and
2 that's fine, we'll get back to weatherization as soon as
3 you can. But we need to know that. Hey, Michael, just so
4 you know, we had a flood and I had to take all my
5 weatherization staff and we were doing emergency repairs
6 under HBG, or whatever it is. Let us know and we'll take
7 that into account and we'll take that forward.
8 MS. SAINTEY: Put a fork in you, it's done, or
9 you've still got more? Going once, going twice. Okay,
10 three o'clock, we're done.
11 So we do have a February 10 scheduled as a
12 follow up if you think that we need it. Are there some
13 things you want to discuss at February 10 or do you think
14 that should be done via some other venue? What do you
15 want to do?
16 (General talking and laughter.)
17 MS. SAINTEY: I think your spreadsheet idea is
18 a really good one, kind of showing timelines.
19 MR. DE YOUNG: We can get that.
20 MS. RODRIGUEZ: This is Stella. I think we
21 should have the February meeting because we do have some
22 followup issues, health and safety, the rule.
23 MS. SAINTEY: Okay. We'll get an agenda out
24 for the February meeting.
25 Have a safe trip back, folks.

1 MR. REID: Thank you for coming and sharing
2 your ideas.
3 (Whereupon, at 3:00 p.m., the session was
4 concluded.)

1 C E R T I F I C A T E

2

3 IN RE: WAP Workgroup #1

4 LOCATION: Austin, Texas

5 DATE: January 19, 2017

6 I do hereby certify that the foregoing pages,

7 numbers 1 through 76, inclusive, are the true, accurate,

8 and complete transcript prepared from the verbal recording

9 made by electronic recording by Nancy H. King before the

10 Texas Department of Housing and Community Affairs.

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15
16 /s/ Nancy H. King 01/25/2017
17 (Transcriber) (Date)
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