



March 1, 2007

CHDO Recertification Qualifications

Service to the Community

To maintain CHDO certification, current CHDOs must document experience serving the community during the previous year. This can be documented by keeping notes from meetings with the community or a list of services performed within the community. Services must benefit the community within the defined service area and cannot benefit persons from outside the Harris County jurisdiction. Services do not have to be housing in nature. Prior service to the community cannot consist of a for-profit organization's work in the community.

Financial Capacity

As with the initial CHDO certification, CHDO recertification requires proof of financial capacity to perform housing activities. This can be demonstrated by providing an audit conducted in accordance with Generally Accepted Accounting Principles (GAAP) or a certified financial statement prepared by a certified public accountant for the previous year.

Staff Capacity

Continued staff capacity to carry out HOME CHDO activities must be demonstrated for recertification of the CHDO. CHDOs can attach resumes of key staff that have successfully completed projects similar to those proposed by the CHDO or contracts with other organizations or consultants that have housing experience. If a contract with another organization is used, a written plan detailing how the other organization/consultant will train the key CHDO staff must also be attached to the recertification application.

Highlights!

- ⇒ Service to the community must benefit persons in the defined service area.
- ⇒ Service to the community does not have to be housing in nature.
- ⇒ Financial capacity can be demonstrated by providing an audit or a certified financial statement.
- ⇒ Staff capacity can be demonstrated by resumes or contracts with consultants.
- ⇒ CHDOs must continue to demonstrate financial accountability standards that conform to 24 CFR 82.21.

For additional information or assistance with specific questions, contact
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Financial standards

CHDOs must continue to demonstrate that they have financial accountability standards that conform to the requirements detailed in 24 CFR 82.21 "Standards for Financial Management Systems". A notarized statement signed by the President or Chief Financial Officer or a certification from a certified public accountant must be submitted documenting accountability.

Standards for Financial Management Systems 24 CFR 84.21

Recipients' financial management systems shall provide for the following:

1. Accurate, current, and complete disclosure of the financial results of each federally-sponsored project.
2. Records that identify adequately the source and application of funds for federally-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income, and interest.
3. Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and assure they are used solely for authorized purposes.
4. Comparison of outlays with budget amounts for each award.
5. Written procedures to minimize the time elapsing between the receipt of funds...and the issuance or redemption of checks...for program purposes by the recipient.
6. Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of Federal cost principles [Circular A-122] and the terms and conditions of the award.
7. Accounting records including costs accounting records that are supported by source documentation.