

# Presentation to ITAC



## Agency Vision

Our vision is a state where individual lives are impacted by our commitment to providing the opportunity for people to live the life they love in their own home. To bring that vision to reality, we continuously improve ways to create, finance, repair, community build and provide services. We produce progressive solutions which create strong, vibrant neighborhoods for citizens throughout Arizona.

## Agency Mission

Housing is the foundation for success. We lead and collaborate with our community partners to create, preserve and invest in affordable housing. We protect housing consumers and revitalize communities to make Arizona the best place to live.

## Homeowner Assistance Fund (HAF) Financial Management System

State of Arizona – Department of Housing

July 21, 2022

# Project Introduction

## **Problem Statement:**

- The agency is required to implement a Federal Homeowner Assistance Fund Program (HAF). The HAF was established under section 3206 of the American Rescue Plan Act of 2021 (the ARP). Administered by the US Department of the Treasury, the Program allocates \$9.9 billion to state and municipal governments to provide financial assistance and housing stability services to eligible households. Homeowners are eligible to receive amounts allocated to a HAF participant under the HAF if they experienced a financial hardship after January 21, 2020 and have incomes equal to or less than 150% of the area median income.

## **Benefit of a New System:**

- An automated application and payment process will streamline the Statewide implementation of the Homeowner Assistance Fund Program (HAF). The HAF was established to mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.

# Proposed Solution

## Procurement

- The Arizona Department of Housing (ADOH) sought to utilize a SaaS Solution similar to the Department of Economic Security's Emergency Rental Assistance Program (ERAP). The ERAP Solution provides an automated process by which eligible applicants impacted by the COVID-19 Pandemic may apply for and receive rental and utility assistance benefits. ADOH requires the same general functionality for homeowners, including the landing site, application process, identification process, document upload and storage, utility assistance, and electronic payments with a few modifications to accommodate mortgage assistance payments to mortgage servicers rather than landlords.
- ADOH viewed demonstrations from three other vendors offering comprehensive HAF Program solutions
- Speridian offers the same comprehensive solution, on State contract, and they are already providing the State's ERAP system

## Technology

The chosen vendor, Speridian, will deliver a Financial Assistance Management Solution (FAMS) with a responsive, secure web-based Applicant Portal where citizens of the state can register, login and apply for assistance, while also providing necessary additional information throughout the lifecycle of the application

FAMS provides:

- Online application
- Verification and eligibility based on configurable program rules
- An approval process via configurable workflows
- Program-specific document management / Ability to upload documents
- Ability to electronically disburse funds
- Securely transmit and store data, including PII
- Audit trail
- All federal, state and constituent reporting capabilities

# Project Responsibilities

## Agency

1. **Cindy Stotler** – Deputy Director
  - Program oversight and success
  - Federal Reporting
2. **TBD** – Project Manager
  - Project Management
  - Monitoring Customer Service and Disbursements
  - Contract Monitoring
3. **Chris Zygmunt** – IT Manager
  - Technical lead
4. **Lori Moreno** – Procurement Administrator
  - Procurement
  - Contract Monitoring

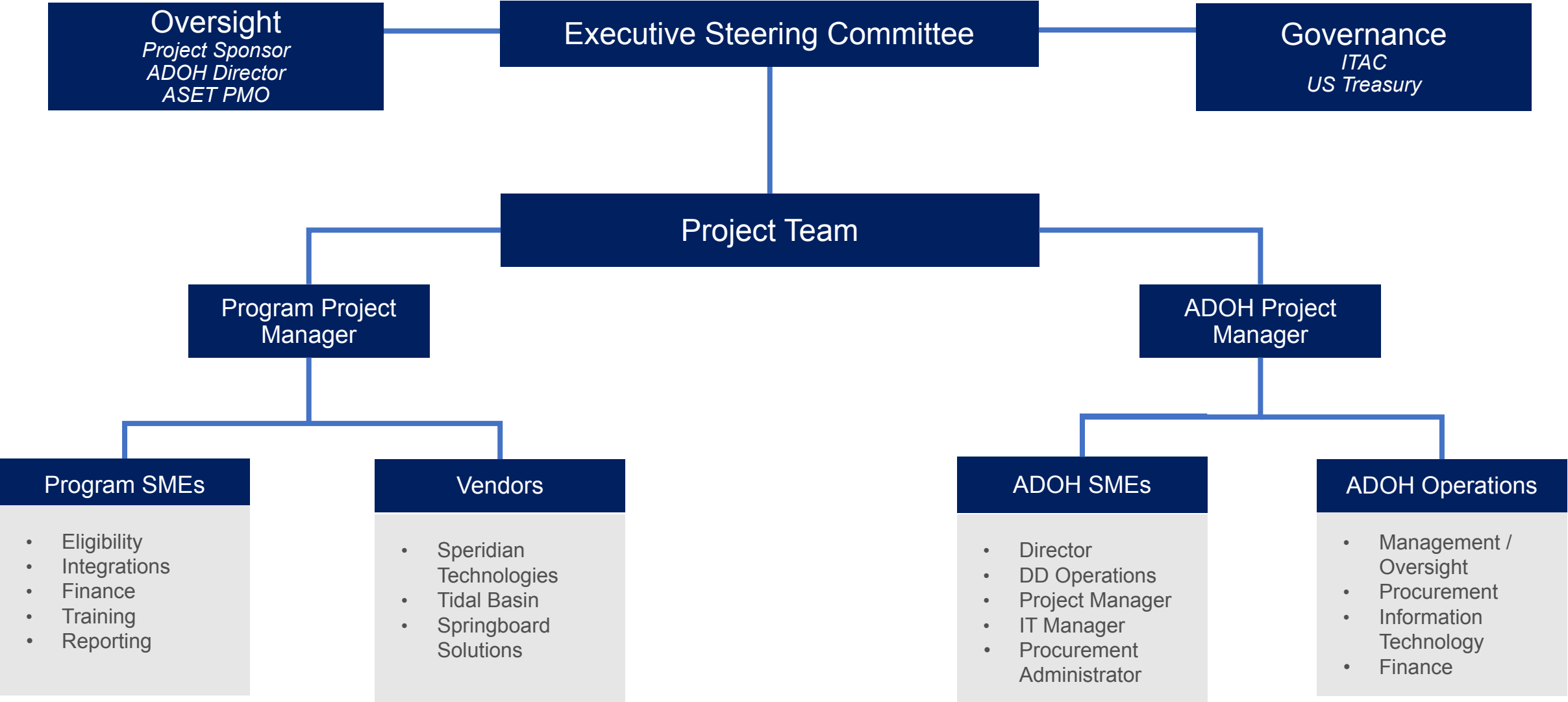
## Shared

1. Eligibility Requirements
2. Implementation Plan
3. User Acceptance Training (UAT)
4. Change management oversight
5. Report Design
6. Federal reviews/audits

## Vendor/Contractor

1. **Speridian Technologies**
  - Onboard ADOH into existing FAMS system with customization to meet HAF requirements
  - Establish integrations with mortgage servicers, financial institutions, utility companies, County Recorder
  - Establish ACH protocols for payment disbursements
  - Data Security
  - Ongoing Support
  - Real-time Dashboard
  - Audit trail
  - Generation of Reports

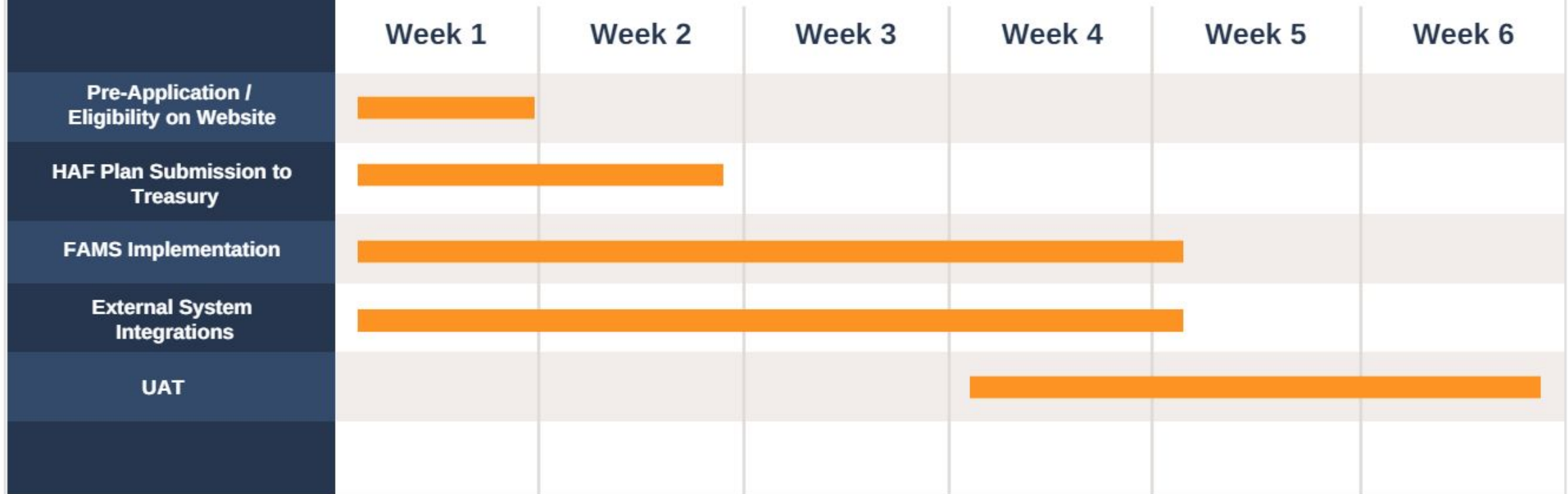
# Program Structure



# Project Timeline

## Project Schedule

Accelerated schedule anticipated due to existing programming in place for Emergency Rental Assistance Program (ERAP).



# Project Costs

Project Costs by Category	FY22	FY23	Total
Professional & Outside Services (Contractors)	\$1,040,724.66		\$1,040,724.66
Hardware			
Software			
Communications			
Facilities			
License & Maintenance Fees	\$1,159,272.42	\$280,188.00	\$1,439,460.42
Other Operational Expenditures			
Total Development	\$2,199,997.08		\$2,199,997.08
Total Operational		\$280,188.00	\$280,188.00

# What Success Looks Like

## Measures of Success

- Goals
  - Process applications timely
  - Disburse all available funding
    - Targeting low income and minority communities
  - Timely reporting to Treasury



# Q & A Session