



Certification Guide
for the
Certified Management Executive
(CME)
Examination

Copyright © 2011 National Association of Housing and Redevelopment Officials
630 Eye Street, NW
Washington, DC 20001

This guide reflects the current policies and practices as of March 1, 2011. All policies and procedures are subject to change. If you require additional information, please visit the NAHRO website at www.nahro.org/npds or contact the NAHRO Professional Development staff.

NAHRO Professional Development
630 Eye Street, NW
Washington, DC 20001
Toll Free: 877.866.2476, Fax: 202.289.8181
www.NAHRO.org

Sharon Sherrill
Director, Professional Development
Toll Free: 877.866.2476, ext. 7229
Direct: 202.580.7229
E-mail: SSherrill@NAHRO.org

Lori Myers-Carpenter
Deputy Director, Professional Development
Toll Free: 877.866.2476, ext. 7221
Direct: 202.580.7221
E-mail: LMCarpenter@NAHRO.org

TABLE OF CONTENTS

Chapter	Page
I. Welcome	5
II. Overview	
• Background	6
• Credentialing/Certification	7
• CME Credential Program	8
• CME Assessment Board Members	8
• Description, Eligibility and Requirements	9
• Recertification or Maintenance Requirements	11
III. Registration for the CME Certification Examination	
• Important Points for Registration	12
• Completing Your Registration Form	12
• Payment – If Online	13
• Payment – If By Fax or Mail	13
• Test Dates	13
• Registration Fees	13
• Retake Fees	14
• Special Arrangements for Disabled/Handicapped Candidates	14
• Cancellation	14
IV. NAHRO Code of Professional Conduct	15
V. Taking the Examination	
• Admission to the Test Location	17
• At the Test Location	17
VI. Examination Results	
• Required Passing Score	19
• Scoring and Results Letter	19
• Verification of Test Scores and Analysis	19
• Cancellation of Scores	20
• If You Retake the Examination	21
• Appeals	21
• If You Have a Concern	21

VII. General Test/Exam Taking Information	
• Suggestions to help you prepare for the examination	22
• Suggestions to help you do your best when taking the examination	24
VIII. Knowledge, Skills and Abilities: Question Areas by Category	
• Job Analysis Summary	27
• Job Analysis Questionnaire	28
IX. Sample Questions	37
X. Additional Resources	46

Chapter I Welcome

Welcome!

The National Association of Housing and Redevelopment Officials (NAHRO) established the Certified Management Executive (CME) Certification in March 2011. The CME is part of the NAHRO Professional Development System (NPDS), which is a portfolio of various seminars and workshops, as well as 12 certifications for the Affordable Housing and Community Development Industry. There are four categories of certification including: Commissioner; Specialist; Operations Managers; and Executive Management. The CME is the highest level of certification for those employed by the industry.

Individuals who hold the CME have demonstrated that they have the knowledge, skills, and abilities relevant to senior level positions within the assisted and affordable-housing industry and are committed to adhering to the highest standard of professional conduct.

This Guide is designed to provide candidates with information about CME requirements, to help candidates determine their course of study and preparation for the examination, to provide examination information procedures, and practice sample questions.

All certification candidates may access this complimentary copy of the CME Certification Guide on the NAHRO website at www.NAHRO.org.

Thank you for choosing to advance your professional development and add value to your organization through the NPDS Certification Program.

Chapter II Overview

Background

The National Association of Housing and Redevelopment Officials (NAHRO), established in 1933, is the professional membership organization representing housing and community development agencies, policy-makers and practitioners throughout the United States.

NAHRO members administer policies and programs primarily originating from Legislation of the United States Congress and administered by the U.S. Department of Housing and Urban Development (HUD). The NAHRO Mission promotes both Professional Development and Advocacy for housing and redevelopment programs in local communities. NAHRO informs, educates and assists its members in understanding and implementing HUD directives and initiatives. In addition to compliance issues, NAHRO programs seek to facilitate the ethical, efficient, and effective administration and delivery of programs and resources at the local level.

The overall NAHRO mission, and that of its members, is to create affordable housing and safe communities that enhance the quality of life for all citizens, primarily those with low and moderate incomes.

NAHRO was created by an affiliation of local officials with a common concern for the nation's housing, and they were determined to develop programs to address those needs. Their actions resulted in the U.S. Housing Act of 1937, which was the first legislation that committed the federal government to assist communities with building low- and moderate-income housing and to redevelop declining areas.

Since that time, NAHRO has continually taken an active role in developing key housing and community development legislation including the Housing Act of 1949, and the Quality Housing and Work Responsibility Act of 1998.

NAHRO members are professional managers and administrators of Federal and state housing programs and other financial methods to improve the availability of affordable housing and healthy communities. As a result, they have specialized knowledge and skills in technical and qualitative aspects of general business and government programs.

Credentialing/Certification

The purposes of credentialing/certification are to recognize capabilities, provide uniform professional attainment qualifications, and offer continuing education seminars to improve the level of performance for practitioners.

NAHRO has always promoted professional development and credentialing and continues to expand professional development programs to its members and practitioners. In 2003, NAHRO's Board of Governors passed a resolution to initiate, develop, and implement the NPDS certification and credentialing program. The resolution identified four categories of certification and credentialing.

- Certified Specialist
- Certified Operations Manager
- Certified Executive Management
- Commissioner Certification

For all of NAHRO's categories, individual credentialing currently serves as a voluntary designation that represents professional recognition to employers, housing service providers, colleagues and staff, product and service vendors, and the general public.

The use of NAHRO designation and initials on business cards, letterhead, stationery, office plaques, and lapel pins represents an individual's professional achievement.

Attainment of a credential/certification acknowledges expertise, improves career opportunities, serves as support and documentation for employment promotion and compensation, increases proficiencies through preparation and study, affords continuing education and training, provides a certificate of accomplishment in the field (which is similar to a diploma), and enhances personal and professional self-esteem.

CME Credential Program

NAHRO's Certified Management Executive (CME) is a major extension of an important purpose of the association: to develop and maintain the highest standards of professional performance for those engaged in housing and community development programs. *The CME establishes national criteria and sets standards for those who are in executive or senior management, or those who wish to aspire to those positions.*

The NAHRO Professional Development System's CME Certification Credential is designed to assess a candidate's knowledge, skills and abilities to serve in the capacity of executive or senior management of local housing and community development organizations. A candidate must receive a passing score on the CME certification examination, and meet the other requirements to attain the CME. It is achieved through classroom settings, internet based courses, examination, as well as experience serving at senior management level capacities in the affordable housing and community development environment.

The Board of Ethics and Credentialing Trustees (BECT) is NAHRO's certifying body and is responsible for the governance of all certifications, including the policies and practices related to certification. The Board is composed of industry practitioners and commissioners who are recognized by the public and their peers for proven service to the profession.

The CME Assessment Board is responsible for conducting job analysis, item writing review, and areas related to scores. The CME Assessment Board is composed of five NAHRO professionals/practitioners who are recognized leaders in the industry.

CME Assessment Board Members:

Mr. Clif Martin, CMPO, SPHM, PHM, CEO of the Anne Arundel County Housing Commission and Vice President of the NAHRO National Professional Development Committee

Ms. Renee Rooker, SPHM and NAHRO Fellow, Executive Director of the Walla Walla Housing Authority and immediate past President of NAHRO

Ms. Robbie Levey, Deputy Director of the Housing Authority of the City of Las Cruces and Member of the BECT

Mr. Preston Prince, Executive Director of the Fresno County and City Housing Authority

Mr. James Inglis, Executive Director of the Livonia Housing Commission and past President of NAHRO

NAHRO Professional Development Staff administers the program and Bukowski Stanton Associates have been retained to assist with the development of the CME Certification Examination.

Description, Eligibility and Requirements

The CME Certification Examination consists of **50** multiple-choice questions. Any person submitting a complete registration and fee is eligible to take the CME Examination. However, obtaining the CME Credential requires additional elements (see chart below). Membership in NAHRO, while encouraged, is not required. Examinations are scheduled on a regular basis throughout the United States. Please note that the CME is evolving and requirements may change.

CME Certification Requirements		
LESS than Ten Years Experience in the Housing & Redevelopment Industry	Ten to Fifteen Years Experience in the Housing & Redevelopment Industry	MORE than Fifteen Years Experience in the Housing & Redevelopment Industry
1. Hold a NAHRO Manager of Operations Certification	1. Must have ten to fifteen years' experience in a Senior Management Position (CEO, Executive Director, Deputy Director or Department Director. Other senior positions will be considered); and 2. Must have held a leadership office at the chapter, regional or national level of an affordable housing professional membership organization	1. Must have more than fifteen years' experience in a senior management position (CEO, Executive Director, Deputy Director or Department Director. Other senior positions will be considered)

LESS than Ten Years Experience in the Housing & Redevelopment Industry	Ten to Fifteen Years Experience in the Housing & Redevelopment Industry	MORE than Fifteen Years Experience in the Housing & Redevelopment Industry
<p>2. Successful completion of one of the following:</p> <ul style="list-style-type: none"> • Senior Professional Housing Manager Certification • Executive Management and Leadership Seminar + Self-Assessment <p>And one of the following:</p> <ul style="list-style-type: none"> • Property Portfolio-Asset Management Analysis and Investment Strategies • Introduction to Mixed Finance Development for Public Housing Authorities • Beyond the Basics: Mixed Finance Development for Public Housing Authorities; or • Executive Management and Board of Commissioners Relations 	<p>2. Successful completion of the following:</p> <ul style="list-style-type: none"> • Ethics for Operations Management e-Learning 	<p>2. Successful completion of the following:</p> <ul style="list-style-type: none"> • Ethics for Operations Management e-Learning
<p>2. Passing grade on the CME Certification Exam</p>	<p>3. Passing grade on the CME Certification Exam</p>	<p>2. Passing grade on the CME Certification Exam</p>
<p>3. Completion of Certification Application</p>	<p>4. Completion of Certification Application</p>	<p>3. Completion of Certification Application</p>

NAHRO's CME was developed to:

(1) Objectively measure the important **knowledge, skills, and abilities** required of a competent and effective manager and leader responsible at the executive and senior management level in a housing and/or redevelopment/community development organization.

(2) Foster uniform standards for measuring such knowledge, skills, and abilities. The breadth and depth of coverage and the passing scores for the Examination are set at levels to ensure that candidates possess at least the minimum degree of knowledge, skills, and abilities necessary to protect the organization's assets, programs, public interest, and ethically administer resources as part of the public trust.

Recertification or Maintenance Requirements

All NAHRO Certifications require a recertification or maintenance component. Please check the NAHRO website for the most up-to-date information related to recertification, seminars and examinations, including information about dates and locations.

NAHRO will notify certificants, alerting them to the number of CEUs necessary to take for recertification.

NAHRO requires individuals to fulfill recertification activities/education for a multitude of reasons. Recertification is necessary since rules and requirements in the housing and redevelopment industry can change. It is necessary for all individuals to refresh their knowledge.

NAHRO NPDS was developed to encourage continuing professional development and to promote learning of all individuals in the housing and redevelopment industry. Recertification embraces the goal of having individuals develop as a professional.

Chapter III

Registration for the CME Certification Examination

Important Points for Registration

1. Register as early as possible.
2. Register carefully. Use the registration form provided by NAHRO. This form must be accurately and neatly completed to facilitate its rapid and efficient processing. If hand written, please block print the candidate name.
3. Register fully. Check to be certain that your registration form is complete.
4. Enclose the correct payment. Please enclose payment for the full cost. NAHRO also accepts credit card payments. Do not send cash. Fees are stated in the registration materials. Please note that full payment is required before the examination result is released.
5. Keep this Guide. It contains information you may need after registering. Read this Guide and all forms, NAHRO website information, and communication sent to you carefully before directing questions to NAHRO. If you correspond with us, please be sure to give your name and all other identifying information as entered on your registration form.

Completing Your Registration Form

It is very important that your registration form be completed carefully and accurately. The information you provide on this form will be used to communicate with you. You may complete your registration form online at www.NAHRO.org under the Professional Development section. You may also download a registration form from the website. Please read the following instructions before completing your registration form.

- Print your name, title, organization and address. Make sure you have included your NAHRO identification number, if you know it.
- Print your e-mail address clearly.

- Print clearly the event for which you are registering. If you are interested in the seminar before the examination, be sure NAHRO has scheduled a seminar at the testing location. The seminar/exam fees are listed on the web site, www.NAHRO.org, or call NAHRO at 877.866.2476 for additional information.
- If special services are required, include a description with the registration and indicate the nature of your request.

Payment – If Online

Simply click on the seminar or examination of your choice, select the register online option, and complete the information required. Please note that only credit card payment will be accepted for online registration.

Payment – If By Fax or Mail

Check, money order, or credit card information for the fee should be made payable to The National Association of Housing and Redevelopment Officials (NAHRO). Do not send cash. Mail or Fax credit card information for the fee and the registration form to:

NAHRO Professional Development
National Association of Housing and Redevelopment Officials
P.O. Box 90487
Washington, D.C. 20090

If you use a credit card, include this information on your registration form and fax to NAHRO at 202.289.8181.

Test Dates

The CME Examination will be given at the test locations on the dates posted on the NAHRO web site, www.NAHRO.org, or in our promotional materials.

Registration Fees

All appropriate fees for the seminar and/or the examination must accompany the registration form.

Retake Fees

If you fail to achieve a passing score on the examination, you may retake the examination at the “exam-only” fee.

Special Arrangements for Disabled/Handicapped Candidates

If you have a visual, sensory, or orthopedic handicap that would prevent you from taking the CME Examination under standard conditions, you may request special accommodations at the testing site. NAHRO will honor all reasonable accommodations at no extra charge to the registrant. Any request for translation services will be honored. However, the cost of these services will be the responsibility of the registrant.

Submit your request in writing, specifying the conditions you need, when you send your registration form to NAHRO. After your registration form and test fees are received, NAHRO will send you a letter confirming the arrangements made for you and indicating the date, time, and location for the special test administration, if required.

Cancellation

Written notice of cancellation is required and must be received prior to the seminar and/or examination. If your cancellation is received at least 20 business days prior to the start of the course, NAHRO will credit the full tuition amount toward another seminar/exam, which you must attend/take within one year of your cancellation to avoid forfeiting your tuition, or provide you with a full refund (at your option). In the event that you cancel without at least 20 business days notice and do not wish to have your tuition credited towards another seminar/exam (under the terms specified above), a \$75 cancellation fee will be retained from your tuition refund to cover administration costs.

Chapter IV

NAHRO Code of Professional Conduct

The purpose of the National Association of Housing and Redevelopment Officials is:

- (1) to be the leading housing and community development advocate for the provision of adequate and affordable housing and strong viable communities for all Americans, particularly those with low and moderate incomes;
- (2) to strengthen the capacities of member agencies; and
- (3) to develop and deliver the highest quality products and services for housing and community development practitioners.

Each NAHRO individual associate, allied individual member and those formally certified through one of NAHRO's Professional Development System (NPDS) Specialist, PHM, Operations Management and Executive comprehensive examination programs will adhere to a Code of Professional Conduct that supports this purpose and pledges to:

- Promote the public interest through the advocacy for responsible administration of housing and community development programs.
- Perform work responsibilities with the highest degree of integrity and professionalism in order to merit the respect of the beneficiaries of programs, elected officials and the general public.
- Exercise diligence, objectivity and honesty in executing professional responsibilities.
- Avoid any activities which conflict with official duties and not accept directly or indirectly any fee, rebate commission, discount, gratuity or other benefit whether monetary or otherwise for the professional discharge of duties except an authorized established salary, expenses and other benefits.
- Serve the public with dedication, concern, courtesy and responsiveness.
- Continually strive for professional excellence personally and encourage and support associates in their professional development efforts.

- Avoid misuse or misrepresentation of any of NAHRO's comprehensive certifications.
- Promote and encourage the highest level of ethics within the industry.
- Immediately report known violations of this Code of Professional Conduct to the Executive Director of NAHRO.

This Code of Professional Conduct has been adopted to promote and maintain the highest standards of personal and professional conduct. Adherence to this Code is required for continued NAHRO associate status and/or retention of any comprehensive credential achieved through NAHRO's professional development program.

Chapter V

Taking the Examination

Admission to the Test Location

Bring some form of photo identification bearing your signature and a recent photograph. Examples of acceptable forms of identification include a driver's license, employee ID card, or passport if they provide these forms of identification. The test proctor will accept a driver's license or other identification with your signature and such descriptive information as height, weight and eye color. Social Security card, draft card, library card, credit card, etc. are not acceptable.

You will be admitted to the test location only if your name is on the examination attendance roster. Space and materials permitting, NAHRO will allow an individual to register on-site for the examination. However, in these cases, full payment must be received by NAHRO before the individual may take the examination, or a billing payment form completed. Examination results will not be released until full payment of the fee is made to NAHRO.

At the Test Location

The following procedures are observed at every test location:

- The examination will be administered only on the day and at the time scheduled. **Please be prompt. Candidates will not be admitted to a testing room after the session has begun.**
- Bring three or four sharpened No.2 (medium-soft) pencils, a sharpener or a mechanical pencil, and a good eraser. Pencils with extremely soft lead, colored pencils, or pens may not be used.
- You have 2 hours in which to complete this exam. The proctor will indicate time remaining at the 30-, 15-, and 10-minute milestones during the exam session. You will not be permitted to continue the examination beyond the established time limits.

- Books, dictionaries, and papers of any kind may not be referenced during the exam. A quiet calculator is permissible, if applicable. Electronics such as cell phones, iPads, laptop computers, or other types of electronic devices are not permitted to be used during the exam. Cell phones, Blackberries, smart phones, etc. must be turned off and not in plain sight.
- Visitors are not permitted to enter the testing room.
- Scratch work may be done in the test pamphlets. There is ample space provided. Scratch paper is not permitted in the exam room.
- If you must leave the room during the examination, you must obtain permission from the test proctor. You will not be permitted to make up the time you lose.
- A test proctor may dismiss you from the examination for reasons such as:
 - If your admission to the test location is unauthorized.
 - If you create a disturbance or give or receive help.
 - If you attempt to remove test materials or notes from the examination room.
 - If you impersonate another candidate

Chapter VI Examination Results

To be certified by NAHRO as a Certified Management Executive (CME), you must pass the CME Certification Examination. In addition, you must accept and adhere to NAHRO's Code of Professional Conduct included in this Guide.

Required Passing Score

In order to become a NAHRO Certified Management Executive, candidates must meet the minimum examination score requirement as established by NAHRO's Certified Management Executive Assessment Board and the NAHRO Board of Ethics and Credentialing Trustees. There are 50 total questions. **All examination scores are kept confidential.**

Scoring and Results Letter

Your results are confidential and are scored at NAHRO. Scores are determined by the number of questions answered correctly. Any unanswered question or multiple answers to a question will be marked incorrect.

All examinees will receive a results letter stating the point score achieved on the exam. This letter will be mailed to the address provided by the examinee in his/her exam booklet approximately four to six weeks after the examination. Please note that full payment is required before the examination result is released. **In order to protect the confidentiality of the exam, no information on exam results is ever given over the phone, fax or e-mail.**

Verification of Test Scores and Analysis

Any individual who did not achieve the minimum passing score may request a rescoring and/or score analysis report. These requests must be made in writing to NAHRO within 30 days after the examination was administered. Please note that score analysis is only available to individuals that were unsuccessful on the exam.

Cancellation of Scores

After taking the NAHRO CME Examination, if you decide for any reason that you do not want your examination scored you may do one of two things:

- Tell the test proctor before you leave the testing room.
- Mail a signed letter to NAHRO to request that your score be canceled.

Be certain to sign your request letter; unsigned requests, phone calls, or e-mails for score cancellation will not be honored.

Your request must reach NAHRO within **seven days** of the test date; requests received later than that cannot be honored since the processing has begun or has been completed.

No refund of any fees will be made, and a new application/registration form and fee must be submitted if you want to retake the examination. Any scores canceled will not be reported to you. Once scores have been canceled, no record of the scores will be kept, and you will not be able to receive them at a later date.

Because NAHRO is concerned that valid scores are reported, doubts that are raised about the validity of candidates' scores will be thoroughly investigated. For example, some scores may be rendered invalid because of circumstances beyond the candidates' control, such as gross mistiming, no examinations or test proctor on site. When such circumstances are discovered, the NAHRO Washington, D.C. office will be notified that there are no reportable scores for reasons beyond the candidates' control. In such instances, NAHRO will arrange a free make-up test for the candidates at their earliest convenience.

NAHRO reserves the right to cancel the scores for any candidate discovered engaging in any kind of misconduct including, but not limited to, giving or receiving help; using books, notes, papers, or other aids; attempting to take the examination for someone else; or removing test materials or notes from the testing room.

If You Retake the Examination

If you decide to take the test again, you should be aware that without any change in your level of knowledge, skill or abilities your test score may increase or decrease slightly. These slight changes may be caused by something as simple as the way you feel on the day of the test. It is a reality that some people do experience some degree of fear and discomfort with examinations and this can influence your successful completion of the examination. To increase the probability of improving your score, it would be advisable to increase your knowledge, skills and abilities by considering NAHRO Seminars and Training in the areas that need improvement and build your confidence.

Appeals

Any person who is denied a credential shall have the right to appeal to the Board of Ethics and Credentialing Trustees and, depending on the action taken by the Board, the person may also appeal to the NAHRO Board of Governors.

If You Have a Concern

If you have a concern or wish to make a comment about test facilities and/or supervision, examination content, or any other matter related to the testing program, please write to NAHRO at the following address:

Director, Professional Development
National Association of Housing and Redevelopment Officials
630 "Eye" Street, NW
Washington, D.C. 20001

In all correspondence, please be sure to give your name and address. If your questions or comments concern a test you have already taken, you should also include the name of the test, the date you took it, and the location of your test center. NAHRO will investigate each complaint and respond to your comments within a reasonable length of time.

Chapter VII

General Test/Exam Taking Information

Taking tests of any kind is hard for some people and easy for others. The reason is not always how much one knows about the content of the test/examination. Some people have mastered test-taking skills, while others are unfamiliar with testing methods and are afraid of testing in general. Proper preparation for a test/examination is the best way to overcome such problems.

You should begin using this Guide in advance of the CME Certification Examination. Careful study of the information in the Guide, review of sample questions, and a review of the Resources identified in the Guide before you take the examination are strongly recommended.

If you try to cram, you may do poorly because you will have tried to gather too much information in too short a time, and you probably will not have mastered the information or successful examination approach. Cramming can also lead to worry and nervousness, which can keep you from doing your best.

It should be kept in mind that the purpose of this Guide is to **acquaint you** with the **format of the CME Certification Examination** and with the Body of Knowledge the NAHRO CME Assessment Board determined as knowledge, skills and abilities in function areas you may be expected to have in both preparation for the examination and to effectively serve the roll and responsibility at the executive and senior management level within an industry organization. The Guide also can help you to become aware of gaps in your knowledge and areas where you need to improve your knowledge, skills and abilities. However, the Guide is not a substitute for training and experience at an executive or senior management level position.

Suggestions to help you prepare for the examination:

STUDY ALONE

Studying alone will help you concentrate on the material in this Guide. If you have any questions, make a list and ask colleagues, peers or other knowledgeable and effective manager you know. Once you have reviewed the guide, you may wish to study with others who are preparing for the examination.

STUDY FOR UNINTERRUPTED PERIODS

Reserve time for an uninterrupted study session. This allows you to focus more effectively on the material at hand without any distractions that may interfere with your concentration.

UNDERSTAND HOW TO HANDLE THE DIFFERENT TYPES AND FORMAT OF QUESTIONS ON THE TEST

Some questions involve key words like: not, except, least, first; and some questions have two parts followed by a list of possible answers. The discussion of sample test questions later in this Guide should help you deal with the kinds of questions you will be asked. Practice handling these various questions so that they will not give you trouble during the test.

GET MORE INFORMATION ON YOUR WEAK SUBJECT AREAS

The examination is based on knowledge, skills and abilities in three categories and fifteen areas of the body of knowledge and abilities at executive and senior management level positions in the affordable housing and community development industry. The exam questions directly test the candidate's knowledge, skills, and abilities in these areas. **See Chapter VIII** for this Summary of Important Certified Management Executive Knowledge, Skills and Abilities.

If you think that you lack sufficient experience in any particular area, you might try to learn more about that area by talking to an experienced colleague/peer and discuss the situations within that area of responsibility. Another option is to attend a NAHRO Training or Seminar in that specific area.

DISCUSS THE SAMPLE TEST AND REVIEW WITH OTHERS WHO ARE STUDYING FOR CERTIFICATION

After studying the materials in this Guide and working on the sample questions, it might be helpful to get together with other people who are preparing for the CME Certification Examination. Discuss in a group the questions or exercises that you have found difficult to handle. Some people may not be troubled by the same things you are. They may be helpful to you, and you may be helpful to them. The group also might

discuss the range of problems arising in an executive or senior management level job and results of different courses of action in dealing with each problem. This practice might help people in the group improve their problem-solving skills in the affordable housing and community development environment. These skills are important both on the examination and on the job.

MAKE A FINAL REVIEW OF THE GUIDE AND YOUR NOTES

A final review will refresh your memory on points you may have forgotten. Select the most important points of your final review, and do not try to read the Guide from start to finish again. Such a read-through should not be necessary if you have adequately prepared up to this time.

Suggestions to help you do your best when taking the examination:

GET A GOOD NIGHT'S SLEEP BEFORE THE EXAMINATION

Most people do not do their best work if they have not had enough sleep or taken care of their routine physical needs, such as wake-up time, breakfast, having sufficient time to arrive promptly, etc. The CME examination would be particularly difficult to do well under such conditions.

ARRIVE EARLY

By arriving early, you will avoid any nervousness that may be caused by a last-minute rush. Sometimes the test center must change the room where the examination is given. If you arrive early, you will have time to go to the new location. If there should be any other problems, you will have time to go to the front/information desk and ask where the NAHRO examination is being held.

CAREFULLY LISTEN AND READ THE INSTRUCTIONS

Your examination booklet will contain instructions which you should review before beginning the examination. Your proctor may also give instructions. Your examination will not accurately show your knowledge, abilities and skills if you fail to follow instructions. For example, on the examination you

must be sure to mark your answers on the examination answer scan sheet provided, if you want to get credit for correct answers.

GIVE ONE ANSWER TO EACH QUESTION

Any unanswered question or multiple answers to a question will be marked incorrect. Answer every question possible; make an “educated” guess if necessary.

ANSWER TEST QUESTIONS THAT YOU ARE SURE OF FIRST

It is wise to answer questions you are sure of first then, if time permits, go back and attempt the more difficult questions and make the best possible guess at the correct answers. Skip the more difficult questions on your first pass through the test. Put a check mark or circle by these questions in your exam booklet so that you can find them quickly when you go back through the test.

Be sure to go over your entire answer sheet when finished, if time permits. If you skip questions in the examination booklet that you will revisit, assure yourself that you are skipping the answer line on the scan sheet. It is best to check yourself every five or so questions. “I am answering number 5 in the booklet and recording my answer on line 5 of the scan sheet. I am answering number 10 in the booklet and recording my answer on line 10 of the scan sheet, etc.”

PACE YOURSELF

Work as steadily, quickly, and methodically as you can. Also, do not spend a lot of time on a few test questions and then be forced to rush through the rest. Rushing could cause you to make many mistakes. Do not spend too much time on one question, skip it and then come back to it after you finish all the other questions.

Check your watch from time to time to decide whether you are giving yourself enough time to finish. On the other hand, if you have done most of the test in far less than the time allowed, you may not be reading the materials carefully enough or giving yourself enough time to consider your answer.

DO NOT LET YOURSELF GET DISTRACTED BY ANY IRRITANTS

If someone near you constantly taps a pencil on his or her desk, or makes other sounds that bother you, try to ignore the irritation and concentrate on the task before you. If the irritant is extreme, approach the proctor to resolve the issue.

DO NOT WASTE TIME FIGHTING THE TEST

If you do not like the way some questions are worded and would state them differently, do not waste time in a mental argument with the test. Answer the question as well as you can and go on to the next question.

DO NOT PANIC DURING THE TEST

If you do not know the answers to some test questions or how to handle a particular problem posed by the test question situation, do the best you can. No one is expected to get a perfect score. If you get upset, you will only hurt your ability to think clearly about the task.

USE ALL THE TIME AVAILABLE

If you finish before time is up for the examination, and you have sincerely followed the above instructions and believe you have done your best, you might review the scan sheet to make sure you answered all the questions and your mark on the scan sheet is clear. However, research has demonstrated that if you go back to “check over your work”, that is begin to question how you answered questions, you are most probably changing right answers to wrong answers by second guessing yourself. Be careful.

Chapter VIII

Knowledge, Skills and Abilities: Question Areas by Category

The CME Certification Examination is based on knowledge, skills and abilities in three categories and fifteen areas of the body of knowledge and abilities at the executive and senior management position levels in the affordable housing and community development industry. The first CME Certification Exam was conducted on March 31, 2011. A Job Analysis was conducted earlier in the month. It was sent to Executive Directors, CEOs, Chief Operating Officers, Chief Finance Officers, Deputy Directors, and VPs.

Exam development, validation, and analysis is an evolutionary process. NAHRO and the CME Assessment Board will continue to analyze each item of the examination to assure the highest level of fairness and quality. This is to assure the knowledge, abilities and skills needed to be an effective executive or serve in a senior management position of an organization in our industry.

Job Analysis Summary

Category I – Senior Level Managerial and Leadership Skills and Abilities

- Ethics
- Effective Decision Making
- Overall Resource Management
- Communications
- Problem Solving – Critical Thinking
- Leadership
- Crisis Management
- General Personnel Management

Category II – Legal

- Fair Housing and Equal Opportunity
- Procurement
- Finance and Budgeting

Category III – HUD Affordable/Assisted Housing Programs

- Typical Housing Program Activity
- Organizational Systems and Process, and Quality Assurance
- Executive – Commissioner/Board Relations
- Supportive Services

The competencies, or the knowledge, skills and abilities, of the CME include human relations, communications, interpersonal skills, and supporting assigned staff with the resources to conduct their job roles and responsibilities productively. There is the **process** side, or **how effectively the executive acts and operates**. There is also the **task** side, or **what specific tasks the executive needs to know and do**. This is specific to each organization, especially as it relates to the size of the operation. You will find both of these elements present in the CME Certification Examination.

While it is possible that candidates may not have experience in some of the knowledge, skills and ability categories previously described in the Job Analysis, candidates should recognize and be aware that this certification is designed without regard to the size of agency, geographic location, or specific program activity in which an individual may be presently engaged. A candidate may choose to further their career by working toward the CME credential while currently holding a middle management position. NAHRO's NPDS is designed to support professionals in the housing and community development industry to move into their level of desired career achievement.

The multiple-choice examination consists of 50 multiple-choice questions that cover the main areas of the role and responsibilities at the executive and senior management level of our industry organizations. As identified in this chapter, a detailed national Job Analysis study was undertaken to determine the common responsibilities of professionals at the executive level of management regardless of the location or size of their housing authorities or the nature of their client populations. The examination is based only on those areas of knowledge, skill and ability a large majority of professionals reported to be essential responsibilities that they perform.

Job Analysis Questionnaire

The NAHRO Certified Management Executive Assessment Board developed the following questionnaire. The results for this survey will be used to help create the Certified Management Executive (CME) Examination, which is the assessment instrument for NAHRO's highest level of certification under the NAHRO Professional Development System (NPDS).

The Assessment Board, NAHRO Staff, and Consultants developed the following questions by identifying knowledge, skills, and abilities as stated in interviews that the Consultants conducted with executive and senior staff and by the Board, Consultants, and Staff reviewing job descriptions for various agency senior positions. Persons interviewed and job descriptions that were collected represent regional demographics

(northeast, southwest, pacific northwest, pacific southwest, mid-Atlantic, mountain plains, north central, and southeast), as well as a range of agency sizes (from small to large).

Note: The survey questions represent the general knowledge, skills, and abilities that are universal to all senior staff. NAHRO acknowledges that for some professionals, especially those of very small agencies, senior staff may provide leadership as well as conduct many, if not all, tasks and processes necessary to operate and manage an agency. Similarly, we acknowledge that some senior professionals operate one single program, for example only public housing or only Housing Choice Voucher. Therefore, this job analysis does not address operational management per se, but rather focuses on key elements and characteristics of senior level management and leadership.

CATEGORY I – SENIOR LEVEL MANAGERIAL AND LEADERSHIP SKILLS AND ABILITIES

ETHICS

Understands that self, as executive or senior staff, sets the tone for professional ethical conduct for the organization.

Establishes and supports an ethical organizational culture and environment.

Practices the highest standards of professional ethical behavior through both words and deeds.

Assures that an Ethics policy is in place and is practiced.

Assures that a Code of Conduct is in place and is practiced.

Assures that staff, new and seasoned, are oriented to and reminded periodically of the need to act in an ethical manner.

Practices transparency in all activities and requires all staff to conduct tasks and processes in a transparent manner.

Understands the need to take action on ethical breaches and is willing to do so.

Understands the implications of both direct conflicts of interest, and the appearance of conflicts of interest, and continually reminds staff and relevant policy body (Board of Commissioners, Directors, City Council, County Council, Board of Supervisors, City Commission, or other such entities) of the need for their diligence in such matters.
Please note that this/those body/bodies are referred to as Board/Directors in following items.

Adheres to, and assures that all staff adhere to, the ethics requirements of the Annual Contributions Contract and other legally binding agreements (for example, grants).

EFFECTIVE DECISION MAKING

Obtains sufficient information in order to make decisions effectively on a variety of issues and circumstances.

Identifies priorities and acts on them in a timely manner.

Delegates tasks and processes appropriately, and holds self and staff accountable.

Informs the Board/Directors, HUD, and other relevant stakeholders, of circumstances and critical decisions, as appropriate.

OVERALL RESOURCE MANAGEMENT

Has the knowledge, skill, and ability to direct and manage agency resources, including human capital, physical assets, financial and program assets (Operating Subsidy, Voucher Administration Fees and funds from other programs).

Assures that there is an organizational structure in place so job functions, responsibilities, and the chain of command is clear, so as to promote the organization's mission.

Understands the complexity and need to match staff skills and abilities to various operational functions and is willing to make changes if necessary and appropriate to maintain the organization's viability, performance, and growth.

Creates and maintains a positive, supportive work environment that contributes to performance and productivity for all staff, as they conduct their duties.

COMMUNICATIONS

Communicates effectively with all internal and external stakeholders. Provides clear written and oral communication.

Solicits input from staff, Board/Directors, and stakeholders regarding situations and/or implications that may require change or improvement.

Listens actively to understand what others are saying.

Objectively identifies facts through research and interaction with staff and stakeholders.

Uses information gathered from all sources to develop clear communication that explains policy and/or actions.

PROBLEM SOLVING – CRITICAL THINKING

Deals objectively with and works through difficult, complex, and challenging issues.

Engages staff for input to identify problems and possible causal factors, and solutions to problems and challenges.

Analyzes data and interprets trends.

Recognizes the need for clear policies and procedures that facilitate guiding staff in their work duties.

Assures policies and procedures are in compliance and meet current needs.

Identifies potential problems, and takes objective, accountable actions towards their resolution.

Manages conflict situations effectively.

LEADERSHIP

Advocates for Housing and Community Development Programs and is committed to the overall success and viability of the agency.

Presents a professional and realistic attitude to staff and stakeholders.

Values the organization's human resources and the beneficiaries who are served by the organization's programs.

Assists Board/Directors, staff, and stakeholders in realizing the organization's vision and mission.

Encourages and uses strategic planning and thinking.

Demonstrates an openness to other's ideas while maintaining responsibility for setting direction and goals.

Monitors progress toward stated goals and initiatives.

Recognizes that there may exist external forces, which could impede implementation and/or progress of the organization's vision and/or mission, and is willing to work to address such influence(s).

Understands the complexities that may exist between the social versus business mission of the organization and is able to communicate such complexities to the Board/Directors and assist them in understanding the need for balance.

Recognizes staff's accomplishments and the organization's successes, both small and large, and uses appropriate vehicles to acknowledge accomplishment at the local, regional, and national levels.

CRISIS MANAGEMENT

Is aware of the potential for emergency and crisis situations, such as elevator failure, loss of power, heat, extreme weather, health pandemic, security, and crime that may occur.

Develops planned processes to address organizational readiness for emergencies and crisis in an anticipatory manner.

Maintains a calm, professional attitude, and takes initiative to implement action in a time of crisis.

Assures that there is an effective planned process and approach for dealing with media and public relations in the face of crisis or emergency situations.

GENERAL PERSONNEL MANAGEMENT

Is aware of the need for staff professional development and is willing and able to implement appropriate training, coaching and mentoring.

Understands the value of strategic planning to accommodate succession planning and is willing to implement such planning, involving all stakeholders, including staff, Board/Directors, and others as appropriate.

CATEGORY II – LEGAL

FAIR HOUSING AND EQUAL OPPORTUNITY

Is familiar with laws governing the organization's demeanor and administration, as required by civil rights laws and assures that staff is aware of and operates within the realm of such laws.

Is familiar with specifics (legal and regulatory) of Fair Housing laws as they pertain to management and administration of the organization's programs and activities and assures that the organization adheres to the law.

Is aware of and assures that the organization adheres to Equal Opportunity Laws, including basic employment law, guidelines and appropriate personnel policies, handbooks, hiring and selection, performance reviews, disciplinary actions, and compensation determination methods and benefits.

Is aware of and assures that the organization complies with the Americans with Disabilities Act, Section 504 (Disabled/Handicapped and Reasonable Accommodation), Violence Against Women Act, and Limited English Proficiency guidance, as they pertain to the agency's activities.

Reads and comprehends laws, regulations, and guidance provided by federal, state and local entities, and develops and recommends policies to the Board/Directors.

Works with staff and community stakeholders to implement procedures that assure legal compliance, where necessary.

PROCUREMENT

Is knowledgeable of funding sources and the requirements for the proper use of such funds, and uses HUD's Procurement Handbook as a guide.

Has general knowledge and understanding of 24 CFR 85.36, HUD 2580, and OMB A-87.

Develops and adheres to the organization's local, state and HUD procurement laws, policies, and requirements.

Assures that there is a clear policy and procedural requirements for all procurements and contracting, and adheres to the same.

FINANCE AND BUDGETING

Has general knowledge of budget development, monitoring, internal controls, and internal and external audits.

Has general knowledge of the basics of Generally Accepted Accounting Principles (GAAP).

Assures transparency, by self and staff, when providing financial information to Board/Directors related to the organization's financial health, including financial issues, budgets, and audits.

Assures that reports to the Board/Directors, both oral and written, are clear and understandable and provides follow up if needed.

Understands that the organization's policies, procedures, and actions influence budgets and financial viability, and articulates such to staff and the Board/Directors.

Manages the organization's fiscal viability and longevity and is aware of federal limitations, as well as opportunities, within state enabling legislation.

CATEGORY III – HUD AFFORDABLE/ASSISTED HOUSING PROGRAMS

TYPICAL HOUSING PROGRAM ACTIVITY

Knows and understands basic concepts of property management, including the Federal requirements of Public Housing, Low Income Housing Tax Credits, and other similar programs.

Knows and understands basic concepts of Tenant-based Rental Assistance, including the Federal requirements of the Housing Choice Voucher Program and other similar programs.

Knows and understands available mechanisms to fund assisted housing.

Knows and understands basic concepts of effective Asset Management and tenant-based rental assistance administration.

Has a basic awareness of potential mechanisms to facilitate providing affordable/assisted housing to meet community needs, including but not limited to Demolition/Disposition, Mixed Finance, Tax Credits, New Market Tax Credits, HOME, and CDBG.

ORGANIZATIONAL SYSTEMS AND PROCESSES, AND QUALITY ASSURANCE

Understands the capacity of the organization's systems and processes to produce desired quantifiable outcomes with quality.

Identifies systemic and process shortfalls, and solicits input from staff to address and implement improvement actions.

Implements quality assurance and control policies and procedures to track and monitor performance, and to identify potential problems and deficiencies.

EXECUTIVE - COMMISSIONER RELATIONS

Provides new Board/Directors with proper orientation related to the agency's responsibilities to HUD, and provides mentoring as to their roles and responsibilities as

an individual Board/Director member and collectively as a member of the agency's governing body.

Provides the Board/Directors with information to assist them in conducting their role and responsibility to the agency and community, and responds to specific inquiries in a respectful, professional manner.

Provides background information and policy recommendations for Board/Directors consideration, as appropriate.

SUPPORTIVE SERVICES

Identifies and acknowledges residents' needs for supportive services, and is able to initiate, develop, and maintain community partnerships with stakeholders to provide these types of services, as available and appropriate.

Chapter IX Sample Questions

This section contains sample question types designed and developed for the CME Certification Examination that reflect both content and format that can be expected on the actual examination. The intention of the sample questions is not to provide examples of all the materials or topics that may be experienced in the CME Certification Examination.

A discussion of the answer follows every sample question in this chapter. Make the sample questions a real test of your knowledge. Do not look at the discussion and answer to the sample questions until you have tried to answer the questions. By doing so you will find out whether you were on target and know the subject matter as well as you should and whether you are reading the questions and possible answers carefully enough.

On questions that you answer incorrectly, reread the questions and answers and try to find out where you went wrong. Often, a miss is due to not reading the question carefully or missing a key word. If you have a wrong answer, the discussion will help you understand why it was wrong and why the correct answer was the only choice that should have been made. The discussions will help you watch for important situation elements and facts that are stated in test questions and to use such facts in deciding your answer.

Directions

Each question below is multiple-choice and has four possible answers – but only one of those answers is considered the best and correct answer. Select the one that fits best in each case and then mark the letter for that answer.

Sample Questions 1 and 2

As the newly hired Director of Finance of a medium size housing authority, one of your responsibilities identified in your position description is hiring staff for your department. You have now been with the agency for one month. Although this is a new position for you, you are a long time resident of the community. You have been active in various community initiatives, and know the major players in the business and political arenas.

You have a friend who you went to school with, and have socialized with over the years. Your friend serves on the City Council.

You receive a phone call from your friend, telling you the good news that their son has just graduated from university. They tell you that they heard from one of your agency's commissioners that you will have an opening in your department shortly. They understand that one of your staff is leaving due to their spouse taking a position in another city. This is a management position. The city council member's uncle works for the agency and also advised that the position has been posted.

Your friend asks you to consider their son for the position. They will e-mail his resume to you. You know your friend has been helpful to the agency in the past. You ask which commissioner advised them of the position opening. They tell you, it was Mary Smith. You are aware that Ms. Smith is the chair of the commission's finance committee. She has a reputation for questioning in depth the financial decisions and reports provided to her committee. You have been warned not to cooperate with her requests and provide the detail she often requests.

In your orientation, you were given materials and were briefed by the agency's human resource manager concerning your responsibilities with regard to your department's staff and staffing issues. You are aware that it is agency policy to post openings for 30 days to current employees first, before extending the search outside the agency.

You really don't know if your current staff can handle the position or if any have made application to Human Resources. There are ten days left in the thirty day period for current staff at the agency to apply. Your city council friend wants to know when you can meet his son to interview for the open position.

#1. As the Director, what is your initial response to your friend the City Council member?

- A. Congratulate them on their son's achievement and tell them you will get back to them the following day, you need to consider agency policy and this situation.
- B. Congratulate them on their son's achievement and tell them you need to check some things, and will get back to them in two weeks.
- C. Congratulate them on their son's achievement and remind them that you are new to the agency, and you will need to consult with the executive director.

D. Congratulate them on their son's achievement and set up a lunch with them and their son to discuss the position and the son's interest and qualifications.

DISCUSSION:

Question #1 focuses on Managerial Category I – Managerial Skills and Abilities at the Executive and Senior level. It is specific to the candidate's understanding of general professional ethics as stewards of the public trust, and of use of position in responsible administration of an organization that benefits from public funding. An executive or senior manager position sets the tone for an ethical culture in the organization and practices standard professional ethical behavior through both their words and actions. A major tenet of NAHRO's Code of Conduct is the understanding of conflicts of interest, or even the appearance of conflict of interest. This is especially critical in terms of actions related to standing laws, regulations, and policy. Correct answer: A

#2. Given the above situation, as the new Finance Director, identify another *priority* you must consider.

A. Address the situation with Mary Smith, the Commissioner, and inform her of the agency's 30 day posting to internal staff policy.

B. Document the incident by disclosing your relationship to the city council member and the action you plan to take with a copy to the Executive Director and Chair.

C. Ask the Human Resource Manager if any internal staff have made an application for the open position in the Finance Department.

D. Review the personnel policy and determine if there is any provision for exceptions to the 30 day internal posting policy to accommodate the city council member.

DISCUSSION:

The follow-up question to the referred to scenario is a reflection of the structure of some of the questions in the CME Certification Examination. This question remains focused on ethical standards and practices. It does so with an emphasis on transparency, and by declaring the "relationship" of the Director of Finance to the City Council Member and their son. Depending on the agency's standing ethics policy, it is possible that the son

could eventually apply for the position. Nevertheless, the best answer avoids the potential for the appearance of a conflict of interest. Correct answer: B

Sample Question 3 and 4

You are the Executive Director of an agency that manages six Section 9 Conventional Public Housing developments operating under HUD's current subsidy formula. Your agency also administers a Section 8 Housing Choice Voucher program with a \$900,000 budget.

It is your practice to visit your public housing properties occasionally, to walk the property and to meet informally with the staff. Your most recent visit to Whispering Gardens has you concerned. One of the maintenance staff cornered you, and told you that something has to change with the resident households that have been certified and moved in over the past six months.

You ask the maintenance staff person if he can provide specific issues that concern him. The staff person tells you that the staff takes great pride in their work. They are responsible for both vacant apartment preparation and regular work orders. The households that moved into apartments over the past six months are problems. The apartments met the agency standards and property manager's expectations of preparation for a new resident at the time of move-in. Five of the last six families that moved in have caused significant damage to their units, such as, cabinet doors have been pulled off their hinges, toilet stop-ups caused by foreign objects being placed in the bowl and then flushed, windows broken from the inside out, and grease fire hazard on stoves.

The maintenance staff has witnessed this damage first hand, when called in to complete work orders. They believe that the problem is the push toward full occupancy, and the resulting lowered standards being used by the central office's occupancy department. They ask you to please do something, as it is contributing to low morale.

#3. The most effective initial response to the staff person in this situation is:

A. Thank them for their concern, and tell them you plan to schedule a meeting with the property manager as soon as possible as it is their responsibility.

B. Thank the staff person for their concern, and indicate that you will look into the matter as soon as possible and acknowledge you have some deadlines to meet first, so it may take a little while.

C. Thank the staff person for their concern, and respond by indicating that you sense the staff is frustrated and believes that resident selection standards are not being applied and you'll investigate.

D. Thank the staff person for their concern, and advise them that the occupancy rate must be maintained or subsidies will be lost, which might result in fewer staff and materials.

DISCUSSION

This question is also focused on managerial skills and abilities. Its prime focus is effective communication, with an emphasis on "listening for understanding" with staff and others on a day-to-day basis. Other skills that come into play in this scenario are critical thinking and resource management. The staff is describing a situation that may have a significant impact on elements of responsible administration and management beyond the morale or motivation of the staff. The most effective answer from these perspectives reflects both responsive listening and the action of investigation into the situation. It sends the message that the agency's personnel matter and are valued. Correct answer: C

#4. The major and priority element of concern for the Executive Director in the above scenario is which of the following?

A. To meet HUD compliance performance measures to gain the maximum subsidy possible.

B. Future staff performance and productivity and increased maintenance costs will impact the financial viability of the property.

C. The performance of the property manager and the need for additional training in budgeting, and lease enforcement.

D. The Occupancy department is meeting its goals in turnover time and in required occupancy rates.

DISCUSSION:

This question provides an example of the CME Certification Examination structure, in that it addresses elements of all three categories of managerial knowledge, skill and ability. It involves critical thinking and human resource management, legal (financial) and program knowledge, in terms of both the financial liability and marketability of agency properties.

Critical thinking requires having facts plus examining the considerations or consequences of acting (or not acting) on information or a communication. In the scenario described, the best answer reflects not only awareness, but a concern for the financial viability of an agency's revenue generating assets. In addition, staff time represents monetary costs of resource management as well. Staff productivity and performance can be impacted if the situation's causal factors are not uncovered and addressed. Correct answer: B

Sample Question 5

#5. Title VIII of the 1968 Civil Rights Act – Fair Housing Act as amended, restricts some questions to be asked of applicants for federally assisted housing, including the Public Housing and Housing Choice Voucher programs. Some questions are permitted, so long as they are asked of all applicants, current participants and residents. Identify the question that an agency is restricted from asking applicants, current participants or residents.

- A. The nature or severity of a disability.
- B. The ability to meet the requirements of tenancy
- C. Whether there is a disability, to determine eligibility to live in a mixed population housing development.
- D. Current involvement in illegal use of drugs, or other drug-related activity.

DISCUSSION

This question is an example of examining for basic knowledge in critical or key areas, in this case, Category II – Legal, specifically issues concerning Fair Housing and Equal Opportunity. The law, regulations, and HUD administrative guidance all impose the restraint of asking about the severity or nature of a disability. On the other hand,

knowledge of not only the boundaries is critical, but a knowledge of those areas of reasonable information seeking that are permitted to responsibly administer program requirements in accordance with the law and regulations is just as important.

This question is also an example of CME Certification Examination structure, in that the questions may be seeking a best or correct response that is a negative or least desirable response or action. Correct answer: A

Sample Question 6

#6. Which of the following statements *best* describes the basic difference between the Section 9 Conventional Public Housing, and the Section 8 Housing Choice Voucher programs?

- A. Section 9 and Section 8 are both Public Housing programs. There is really no difference, as both provide for rental assistance to low income households, and subsidy assistance is calculated by the same formula.
- B. Section 9 most often lacks currently expected amenities. It is viewed as less desirable housing than Section 8, due often to the age of the properties or their location in the community
- C. Section 9 is assisted rental property, where local housing agencies manage as landlord. Section 8 provides for assistance on rental properties where the private owner is landlord.
- D. Section 9 is assisted rental property subsidized by the federal government under an Annual Contributions Contract. Section 8 is funded by both federal and state governments.

DISCUSSION

This question is an example of the type of general knowledge and awareness a candidate should possess to achieve the CME level of certification. It is intended to determine the candidate's knowledge of basic information about the two most typically assisted housing programs that agencies administer and manage. It reflects a general understanding of the funding differences in these two programs. It also reflects a critical awareness of a "third party" stakeholder in one of the programs -- a private landlord. Correct answer: C

Sample Question 7

#7. Due to anticipated reduced subsidies and anticipated budget shortfalls, a local housing agency is facing immediate deficits. The executive director has assigned you as deputy director, the task of identifying, planning and implementing an action plan to correct the deficit situation.

Which of the following initiatives is *least effective* in initiating and carrying out this assigned critical task?

- A. Review staffing in each department. Identify the staff positions that will make-up the anticipated deficit as the least tenured employees. Recommend that those staff positions be slated for a Reduction in Force (RIF). These are the newest employees and have the least level of experience. The staffing review should also consider possible “early retirement” packages to tenured staff.
- B. Focus on the Housing Choice Voucher program, as the public housing program requires that subsidies be directed to the property. Identify the portion of Administrative Fees that cover staffing and equipment for HCV, and explore possible reductions that would not impact compliance requirements to make up the deficit amounts.
- C. Schedule a meeting of the department directors; Public Housing, Housing Choice Voucher, finance, and community services functions. Present the deficit situation and solicit their input. Ask the directors to survey their staffs for systems and procedural issues that might be reviewed for improved performance, and report their recommendations back to you.
- D. Schedule a meeting with your Director of Finance and Procurement. Initiate a discussion at that meeting to identify materials, equipment, vendor contracts, etc., that are currently in the budgets, and solicit their recommendations for items to be cut from the budget. Review those recommendations for impact to responsible administration of programs and staff resource management.

DISCUSSION

This question involves all three categories of knowledge, skills, and abilities required of the CME certification candidate. There is the element of leadership in a willingness and ability to make often challenging and difficult decisions through such skills as critical thinking and communication. It reflects the leadership awareness of being both realistic and aware of the impact of outside events that can impact the agency. It recognizes that with any change, particularly a negative change, staff performance and productivity can be impacted. Therefore, engaging staff and communicating with them, seeking their input can potentially reduce the backlash of negative reaction. The question further provides a realistic example of the need for the awareness that the easiest method of financial management may not always result in the ability of the agency to effectively carry out their mission. This type of challenging problem-solving may often require going beyond the obvious or easiest path. Systems and process improvements may also impact the reduction of costs.

The question also provides candidates with an example of examination structure where identifying the *least effective* response or action that might be taken is the correct response. Correct answer: A

Chapter X Additional Resources

HOME Program Resources

<http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/>

HOME Guide for Property Owners

http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/2009/2009_homerentalpo.pdf

HOME Guide for Participating Jurisdictions

http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/2009/2009_homerentalpj.pdf

Disaster Recovery Resources

http://www.fema.gov/pdf/about/org/ncp/coop_multi_year_plan_guide.pdf
(This is the guide)

http://www.fema.gov/pdf/about/org/ncp/coop_multi_year_plan.pdf
(This is the template)

Asset Management Resources

HUD Handbook 4350.01 REV-1 – Multifamily Asset Management and Project Servicing

HUD Handbook 4370.1 REV-2 – Reviewing Annual & Monthly Financial Reports

HUD Handbook 4370.2 REV-1 – Financial Operations and Accounting Procedures

Procurement

24 CFR 85.36

HUD Handbook 7460.8

Code of Federal Regulations

Notices, Rules and Regulations - Public and Indian Housing - HUD --
<http://www.hud.gov/offices/pih/publications/notices/>

<http://www.gpoaccess.gov/cfr/index.html>

Property-Based Vouchers regulations

HUD Forms --
http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/forms

HUDCLIPS -- www.hudclips.org/

Family Self Sufficiency Regulations --
www.access.gpo.gov/nara/cfr/waisidx_09/24cfr984_09.html

UPCS Protocol -- http://www.hud.gov/offices/react/pdf/pass_dict2.3.pdf

Earned Income Disregard FAQs

www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm

Fair Housing

Executive Order 11063
www.hud.gov/offices/ftheo/FHLaws/EXO11063.cfm

Reasonable Accommodation for Persons with Disability Requests
24 CFR 966.7

Housing Choice Voucher

Guidebook 7420.10G

Public Housing

Guidebook, June 2003