

# Self-Helper

Spring 2005  
Volume 86

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## Stop, Look, and Listen

It is important for nonprofit housing and community development organizations to stop and pay attention to the federal budget process for 2006, as many changes are proposed. 2006 could be a pivotal year with much drama depending what Congress does with the administration's proposal.

Within USDA, reductions in rural housing programs such as direct homeownership loans, home repair grants, rental housing loans, farm labor housing grants, and rural community development initiative grants, are proposed for next year. While Self-Help TA Grants stay level, the program could be impacted by reduced mortgage money.

Eighteen federal programs currently funded at \$5.31 billion are proposed for consolidation into a Strengthening America's Community Initiatives economic development block grant to the states, to be administered by the Department of Commerce. The 18 include such programs currently administered by HUD, USDA, Treasury, and HHS as Community Development Block Grant, Community Services Block Grant, Community Development Financial Institution Fund financial assistance, Rural Housing and Economic Development, and more. The consolidation is proposed along with a 30% reduction in funding.

Take time to look at what is happening with the federal budget through the many housing networks and contacts. Read the various newsletters and analyses of the situation. Discuss it with staff, boards of directors, and peers. Take time to figure out and actually calculate what the impact of such eliminations, cuts, and consolidations would be on your organization and the people that you serve. Finally, and most importantly, find ways to articulate that impact and educate decision makers as to the consequences of their actions.

*(See actual budget figures on Page 5.)*



*First in Housing Services, Because We Care*

## Don't Delay, Register Today!!



Join NCALL and lots of other self-help organizations in Gulfport, Mississippi for the 2005 Tri-Regional Self-

Help Housing Conference. For the conference NCALL is joining forces with Florida Non-Profit Housing Corporation and Little Dixie Community Action Agency to plan a memorable and worthwhile conference. This conference will take place at the Grand Casino Gulfport in Gulfport, Mississippi on May 17-19, 2005.

The theme of the conference is "Opening Doors to a Better Life." We are expecting approximately 375 attendees. There will be educational tracks for all staff positions as well as for board members.

Located on the scenic Mississippi Gulf Coast, Grand Casino Gulfport is just minutes from the

area's top attractions — including historical sites, art museums, deep sea fishing, shopping malls and 26 miles of sandy white beaches. The hotel itself features picturesque views of the scenic Gulf Coast, a Jack Nicklaus signature golf course, world-class spa, lazy river tropical pool, fine Southern cuisine, and great entertainment.

Interested parties should have already received the registration packet, but please call NCALL at 302-678-9400 if you have not. The hotel rooms must be reserved by April 15th to secure the amazing rate of only \$65 per night.

Please complete your registration now and send it in. This will definitely be a fun and educational event!

We look forward to seeing you in Mississippi!

## Newly Funded Organizations

Congratulations goes out to the following new self-help housing agencies!

### Pre-Development Grantees

- Western Michigan Independent Self-Help Housing, Inc. (WISH) plans to build 21 homes in Ottawa and Muskegon Counties, Michigan.
- Northwest Michigan Affordable Housing plans to build 15 homes in Antrim County, Michigan.
- Highland County Community Action Agency will be building 12 homes in Highland County, Ohio.

### Operating Grantees

- Southeastern Appalachian Rural Alliance, Inc. (SARA) just received their operating grant to build 12 homes in Greenbrier County, West Virginia.

Congratulations everyone! Keep up the great work!

## Proper Planning Crucial to Winter Weather Management

This year is like any other with the amount of precipitation that has occurred either in the form of rain or snow. In some areas in Region III, the families are able to build year round, with minimal interruptions in the site work schedule. In other areas, however, the weather becomes problematic. Most grantees that are limited by winter have adapted their building schedule to avoid delays and have plans in place so that they are prepared for mother nature.

They are limited however not only by the severity of cold, wind

and snow, but also are hampered by road restrictions that limit the weight of trucks that may pass. This restriction can effect materials delivery to the job site. Operating grantees must also ensure that the houses are enclosed prior to the winter so that the participants are able to work indoors. The families are responsible for snow removal on the site on an ongoing basis. This is imperative, as vendors, suppliers, subcontractors, inspectors and Rural Development personnel need to have safe and adequate access to the sites throughout the

week. This snow removal is not limited to driveway access, it also needs to include walkways, steps and/or garage areas. In areas where rain is the consistent issue, grantees need to have installed walkways or paths to allow safe passage to/from the house entranceway.

In order to successfully handle such challenges, grantees must be prepared. Proper planning is key to running a successful program no matter what the weather.

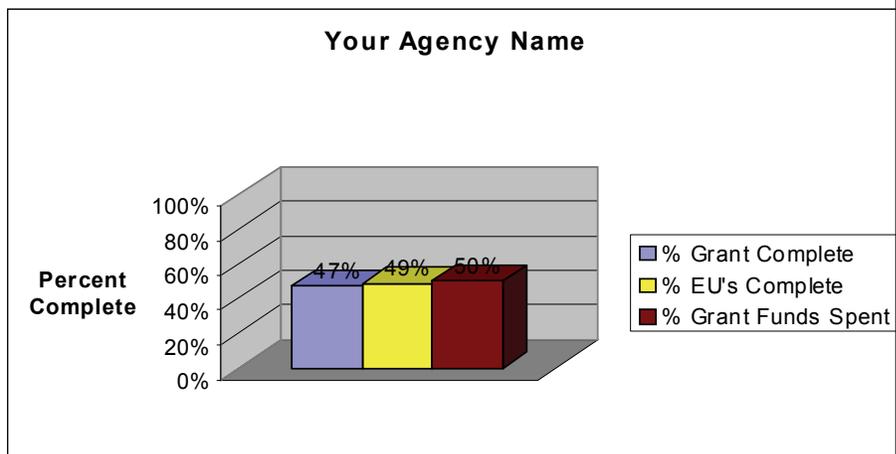
## Typical Steps to Software Selection

Many self-help grantees throughout the region are using computerized accounting systems, but if the accounting process is not already computerized or if it's time to upgrade, the helpful steps suggested below might make the process of selecting accounting software much easier.

1. Determine the requirements that must be met by the software.
  - Concentrate on critical and unusual requirements
  - Consider system-generated calculations
  - Define all significant reporting requirements
  - Consider the nature and sources of transactions
  - Consider required interfaces among modules / systems
  - Consider any limitations on computer hardware or costs
  - Prioritize by importance
2. Identify likely packages for detailed review.
  - Use requirements list to screen potential vendors
  - Focus on critical and unusual requirements
  - Eliminate unsuitable packages based on requirements /cost
  - Narrow list to two or three vendors
3. Perform a details evaluation of the finalist vendors.
  - Prepare a detailed list of questions to ask each vendor
  - Arrange to have vendor provide a detailed demonstration
  - Evaluate functionality and ease of use
  - Obtain examples of documentation, manuals, reports
  - Obtain financial information /

## New Status Report Available

Beginning in February, NCALL is providing an easy way to check the status of your grant at a glance. All grantees will receive a monthly summary chart by email, and a copy will be sent to the appropriate Rural Development office. Information from the SHARES report will be used to create the chart. It is our hope that this service will help grantees see the progress they are making quickly and easily. Take a look at a sample:



Of course, in order to receive the summary chart, please remember to update the monthly SHARES report by the 5<sup>th</sup> of every month, so that we are able to send the summary out by the middle of the month. Please contact Julie Loescher at 302-678-9400 if you have any questions about the summary charts or, if you are not receiving your email.

business history of the vendor

- Obtain at least three references from each vendor
4. Contact vendor references. Develop questions including:
    - Perception of software strengths and weaknesses
    - Software problems encountered and limitations
    - Ease of use / implementation
    - Report-writing capabilities and ease
    - Software modifications made
    - Availability and adequacy of vendor training / documentation
    - Vendor support / responsiveness
    - Overall satisfaction with software performance

5. Obtain and compare cost information:

- Computer equipment requirements
- Accounting modules
- Other software
- Installation, modifications, data conversion, and training
- System implementation
- On-going maintenance

6. Make a selection.

- Be willing to compromise
- Consider alternatives for missing requirements
- Select the software vendor with the best overall match
- Base final decision on value, not just lowest cost

## New Emergency Guide for Homeowners Released

Department of Homeland  
Security (DHS)  
joined with  
Homeownership  
Alliance to create  
a new



Emergency Preparedness Guide  
for homeowners. The guide was  
released in late January.

The publication, which is based  
on the recommendation of DHS'  
Ready campaign, outlines steps  
homeowners can take to  
prepare for an emergency and  
includes information on:

- Emergency supplies
- Effective emergency plans
- Various threats homeowners  
may face
- Resources available to  
homeowners through DHS,  
the Homeownership Alliance  
and local government and  
community officials

The Emergency Preparedness  
Guide is available online at  
[www.homeownershipalliance.com/documents/emergency\\_final\\_000.pdf](http://www.homeownershipalliance.com/documents/emergency_final_000.pdf).

## HAC Publishes Public Relations Guide

The Housing Assistance Council  
(HAC) has recently published a  
PR Guide for Rural Housing Or-  
ganizations. Providing sugges-  
tions for organizations of all  
sizes and budgets, this manual  
is free at [www.ruralhome.org](http://www.ruralhome.org), or  
\$5.00 from Luz Rosas at HAC,  
202-842-8600, or  
[luz@ruralhome.org](mailto:luz@ruralhome.org).

## A Moving Reminder

The following letter is a reminder of why most of us love our jobs  
in housing. Many people take housing for granted, but some  
definitely cherish what the self-help program can do for their lives.  
The following letter was received by Central Wisconsin  
Community Action Council during their initial search of interested  
participants in the Pre-Development stage of the self-help housing  
program.

*Dear Diane,*

*How are you? I was at energy  
assistance today and my fiancé  
saw the add on the wall for the  
houses that will be built in the  
Wisconsin Dells. I did not know  
that you were doing that kind of  
stuff now a days. We have been  
trying to buy the house we are  
living in for almost nine  
months now, we just cannot find  
anyone to give us a loan. What a  
great opportunity that will be for  
someone. Diane we have wanted  
to own our own house for a very  
long time. What are the  
qualifications for the program?  
How many people will be chosen?  
You have known me for a very  
long time Diane. I have not had  
the best of luck my whole life, it  
sure would be nice is something  
as wonderful as that would  
happen. Mostly for the kids. My  
fiancé has done everything from  
roofing to building decks,  
putting up gutters, installing  
carpet, siding, ceramic tile, and  
building garages and sheds. He  
worked with his Dad most of his  
life until he got into the  
restaurant business. As for me I  
think it would be a wonderful  
experience to be able to help build  
a house that I will be living in for  
a very long time. What a dream  
it is for us, being able to pull in*

*you own driveway, and see the  
boys playing basketball in the  
driveway. Some people take  
home ownership for granted, for  
some people it is so easy and for  
others it is only a dream. It  
would be nice to be out working  
in the yard and know that  
everything you are doing isn't  
going to go away someday,  
because its not yours. I have  
been in the area since 1996, we  
like it here; the school is great  
and so are the people. Summer  
can get a little crazy but besides  
that I think it is a great place to  
raise the kids. So anyway  
Diane, if you could send me the  
paper work for this program.  
That would be wonderful! To  
anyone who makes these  
decisions please choose us. We  
would not let you down, we  
promise with all of our heart.  
Anyone is welcome to come to  
our home now and see how we  
live anytime. Thank you so  
much for taking time out of  
your day to read my letter.*

*Sincerely,  
Heather, Jeffery, Tyler & Gavin*



## New USDA Secretary Promises to be Fair but Tough

Mike Johanns was sworn in as the 28th Secretary of the U.S. Department of Agriculture (USDA) on January 21, 2005.

Secretary Johanns' strong agricultural roots stretch back to his childhood. He was born in Iowa and grew up doing chores on his family's dairy farm. As the son of a dairy farmer, he developed a deep respect for the land and the people who work it. He still describes himself as "a farmer's son with an intense passion for agriculture."

Johanns' served as Nebraska's 38th governor. During his six years in office, Johanns was a strong advocate for rural communities and farmers and ranchers. Johanns served as chairman of the Governors' Biotechnology Partnership and as the state government representative on the advisory committee to the Export-Import Bank of the United States. As a member of both the National Governors' Association and the Western Governors' Association, Johanns concentrated on issues important to agriculture, including drought relief, ethanol, and the 2002 Farm Bill.

Secretary Johanns is a graduate of St. Mary's University of Minnesota in Winona. He earned a law degree from Creighton University in Omaha and practiced law in O'Neill and Lincoln, Nebraska. Johanns served on the Lancaster County Board from 1983-1987, and on the Lincoln City Council 1989-1991. He was elected mayor of Lincoln in 1991. He was reelected in 1995, and successfully ran for governor three years later. Secretary Johanns is married and has two children.

NCALL welcomes Secretary Johanns!

### Important National Office Information

- This year \$150,000,000 has been set aside for 502 Direct Self-Help housing loans.
- The current interest rate for Rural Housing 502 Low or Moderate Income loans is 6%.

### Federal Rural Housing Appropriations FY 05 Final and FY 06 Budget

RHS Programs	FY 05 Final	FY 06 Budget
Section 502 Direct	1150	1000
Section 502 Guaranteed	3309	3474
Section 504 Loans	35	36
Section 504 Grants	31	30
Section 515	100	27
Section 514	42	42
Section 516	16	14
Section 523	34	34
Section 538	100	200
Rural Rental Assistance	592	650
Housing Preservation Grants	9	10
Supervisory TA Grants	1	1
<b>HUD Programs</b>		
HOME	1900	1741
American Dream Down Payment Assistance	50	200
CDBG*	4711	0
SHOP	25	30
Rural Housing—Economic Development	24	0
Youthbuild**	62	0
CDFI*	55.2	8

(Dollars in Millions)

\*Transferred to the Commerce Department under Strengthening Communities

\*\*Includes only funds to administer existing portfolio and New Markets Tax Credits

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## Free Credit Reports Already Available to Some

As part of the Fair and Accurate Credit Transaction Act, adopted by Congress in 2003, all citizens will eventually be able to order a free copy of their credit report annually. The new right to a free credit report is being rolled out gradually to consumers across the U.S. and will be available throughout the country by September 1, 2005.

Credit counselors advise all consumers to stay on top of their credit reports. Credit ratings determine loan approval, interest and insurance rates and even factors into certain job applications. Due to the sheer volume of information credit reporting agencies handle, mistakes are sure to happen. It's in a consumers best interest that the report is as accurate as possible. Fixing errors can save money on loan interest and it can prevent identity theft.

Starting March 1st, Midwest resident can access one free

credit report per year from each of the three major credit bureaus, Equifax, Transunion and Experian. Residents in the East will have to wait until September 1st.

Requests can be made online at [www.annualcreditreport.com](http://www.annualcreditreport.com), or over the phone (800) 322-8228. Reports are also available by mail, by filling out a form on the internet at [www.ftc.gov/credit](http://www.ftc.gov/credit).

When the report is received, learn how to spot red flags. First, look at the personal profile and make sure the name is correct. An error here could mean someone else's information is influencing your credit report. Then, check the credit inquiries. This will disclose how many businesses are checking on their credit -- too many inquiries can hurt the rating. Finally, look at the account history. This is where consumers may find an old unpaid bill that has been forgotten about. Late payments

will be listed, too, and they stay on the record for seven years. Bankruptcies stay on a credit report for 10 years.

If any errors are found, fill out the protest form that comes with the credit report. Then follow-up to ensure the correction is made.

Regularly reviewing their credit report can prevent costly errors and remind consumers to take their credit rating seriously.

**Published Quarterly by  
NCALL Research**

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