

FULL CHDO CERTIFICATION CHECKLIST

The information contained in this checklist pertains to the definition of Community Housing Development Organization (CHDO) §92.2 Subpart A of the HOME Final Rule.

This checklist is a guide to help identify the requirements and documents needed when seeking CHDO Certification. Additional information available on CHDO is available in Chapter 5 of the current HOME Administrative Plan. [Current HOME Administrative Plan Chapter 5](#)

All documents referenced below must be uploaded separately to the assigned work center as part of the full certification process.

Location of Requirement references the exact location in the document (i.e. page and paragraph) the specific requirement is located.

I. LEGAL STATUS

A. The nonprofit organization is organized under State or local laws, evidenced by one of following:

☐ Charter	_____	Location of Requirement
☐ Articles of Incorporation	_____	Location of Requirement

B. No part of organization's net earnings inure to the benefit of any member, founder, contributor, or individual, evidenced by:

☐ Charter	_____	Location of Requirement
☐ Articles of Incorporation	_____	Location of Requirement

C. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986, evidenced by:

☐ **IRS Certificate**

D. The provision of decent housing that is affordable to low and moderate-income individuals and/or households is one of the purposes of this organization evidenced in:

☐ Charter	_____	Location of Requirement
☐ Articles of Incorporation	_____	Location of Requirement
☐ By-laws	_____	Location of Requirement

E. The CHDO is neither controlled by nor receives direction from individuals or entities seeking to derive profit or gain from the organization evidenced by

☐ By-Laws	_____	Location of Requirement
☐ Articles of Incorporation	_____	Location of Requirement

II. ORGANIZATIONAL CAPACITY

A. Conforms to requirements found at 2 CFR 200 Part D, including financial management systems (A-110), procurement standards, reporting and record-keeping standards, evidenced by

☐ Notarized statement from the Board President or Chief Financial Officer	
☐ Certification from Certified Public Accountant	
☐ HUD approved Audit Summary	_____ Location of Requirement

B. Demonstrated capacity to carry out CHDO-activities evidenced by one of the following:

_____ **Resumes and/or Statement of Experience that describe capacity of key staff who have successfully completed projects similar to those assisted with HOME funds**

_____ **An Organization that has limited or no development capacity/experience may use an experienced consultant for the first year as a CHDO to train Key Staff. However, there must be an IHFA-approved written agreement in place with the consultant outlining the training and development milestones to be completed during the first year.**

C. If this is the initial CHDO certification, the organization must have a history of serving the community where housing, assisted with CHDO set-aside funds will be developed. Evidenced by

_____ **Statement that documents at least one year of experience in serving the community** (For newly created organizations formed by local churches, service or community organizations, a statement that documents the parent organization has at least one year of experience serving the community is allowed)

III. ORGANIZATIONAL STRUCTURE

A. CHDO must maintain at least one-third (1/3) of the governing board membership with one of the following: (1) residents of low- income neighborhoods(census tract) or; (2) other low-income community residents or; (3) elected representatives of low-income neighborhood organization as evidenced in one of the following:

_____ By-Laws	_____	Location of Requirement
_____ Charter	_____	Location of Requirement
_____ Articles of Incorporation	_____	Location of Requirement

B. CHDO must have an adopted (written and approved) formal process that outlines how low-income program beneficiaries can advise the organization regarding the design, siting, development, and management of HOME-assisted housing activities. This process is evidenced by:

_____ By-laws	_____	Location of Requirement
_____ Adopted Board Resolution	_____	Location of Requirement

C. Previously certified CHDO must submit evidence their Formal Process was followed during the past year, notices, flyers, advertisements, survey results, etc. as described in the CHDO's Formal Process.

_____ **Submitted**

IV. RELATIONSHIP WITH SPONSORING ENTITIES

A. A CHDO can be chartered or sponsored by a unit of government, however (1) the unit of government cannot appoint more than one-third of the of the governing board; (2) these board members (appointed by the unit of government) may not, appoint any of the remaining two-thirds of the board. No more than one-third of the entire governing board members can be defined as "public sector". These requirements must be evidenced in:

_____ Not Applicable (CHDO is not chartered or sponsored)		
_____ By-laws	_____	Location of Requirement
_____ Articles of Incorporation	_____	Location of Requirement

B. A CHDO can be sponsored or created by a for-profit entity, however, the for-profit entity cannot be a developer or manager of housing. Evidenced by:

_____ For-profit's Articles of Incorporation	_____	Location of Requirement
---	-------	--------------------------------

C. If a CHDO is sponsored or created by a for-profit, it cannot appoint more than one-third of the

membership of the CHDO's governing body; those board members, in turn, may not appoint any of the remaining board members. Evidenced by

_____ **Not Applicable**

_____ **By-Laws** _____ **Location of Requirement**

_____ **Articles of Incorporation** _____ **Location of Requirement**

D. The CHDO must be free to contract for goods and services from vendor(s) of its own choosing, as evidenced by

_____ **By-Laws** _____ **Location of Requirement**

_____ **Articles of Incorporation** _____ **Location of Requirement**

V. Organization's Service Area _____

A. Has the Service Area Changed? Yes _____ No _____ If yes, please provide supporting documentation that describes why the governing body adopted this change.

VI. Board of Directors

* No more than 1/3 of a CHDO board is defined as "Public Official"

* No less than 1/3 of a CHDO board is defined as a "Low-income Community Representative"

Board member name	Most recent appointment date	Public Official Yes/No	Low-Income Community Representative yes/no

I certify the information provided herein is true and accurate.

Signature

Date

Title