

The FAHE Membership and staff have created this new Membership Criteria to bring in new members that exemplify the best practices listed below and secondly to challenge existing members to adopt and implement these best practices they have not yet incorporated into their own organizations.

Benefits:

FAHE will provide the following benefits to approved and compliant Members:

- 1. Collaboration**
 - a. Expertise among staff and peers
 - b. Networking through meetings events
 - c. Discounts for events and trainings

- 2. Capital**
 - a. Access to lending and equity products
 - i. Mortgages
 - ii. Commercial loans
 - iii. Lines of credit
 - iv. Low Income Housing Tax Credit (LIHTC) expertise

- 3. Set-asides**
 - a. SHOP
 - b. USDA Rural Development

- 4. Pass-thru funds**
 - a. NHPR
 - b. ARC
 - c. RCDI

- 5. Advocacy**
 - a. Representation on state and national level
 - b. Visibility to national funders
 - c. Relationships with state housing finance agencies

- 6. FAHE Consulting, FAHE Capital, Just Choice Lending**

Compliance:

In exchange for these benefits, FAHE expects its Members to comply with any reasonable request that furthers FAHE's ability to provide these resources. A member will be considered noncompliant if they fail to provide any of the following in a timely manner:

1. Pay annual dues in full
2. Send at least one representative at each meeting
3. Submit requested reports

If a Member is determined to be noncompliant, FAHE staff will take the following actions:

1. Issue a Notification of Noncompliance
 - a. Schedule a meeting
 - b. Submit plan to cure noncompliance
 - c. Ensure Member will take actions to clear issues within 2 weeks of notice
2. Sent a Notice of Resource Restrictions
 - a. Mortgage products
 - b. Commercial loans
 - c. Pass-thru funds
 - d. Trainings
3. Terminate Membership
 - a. Noncompliant 30-days after date of Notice of Resource Restrictions
 - b. Approved by President

FAHE **NEW** Membership Eligibility Requirements:

1.) The Organization type

- a. Nonprofit corporation with 501(c)3 status
- b. Community Action Agency
- c. Housing Authority
- d. Other Organizations as may from time to time be approved by the Board of Directors

2.) The Organization must be Serving Primarily Appalachia in:

- a. Kentucky
- b. Tennessee
- c. Virginia
- d. West Virginia

3.) The Organization must have Demonstrated a commitment to affordable housing through one or more of the following activities:

- a. Development
- b. Preservation
- c. Counseling
- d. Financing

4.) Organizational Requirements

- a. Employ staff whose full time job is dedicated to the housing efforts of the corporation.
- b. Provide FAHE with the audits for the three previous years. Audits generally should have no significant findings. Minor findings must be addressed by the organizations staff and board.

- c. Submit the current annual dues fee prior to their acceptance as a member.
- d. At a minimum provide detailed quarterly financial statements for the past 24 months. For agencies that provide other services than housing the financial statements must delineate the housing line of business. These financial Statements must include at a minimum a Balance Sheet, Income and Expense Statement and a 12 month Budget including Budget vs. Actual Expenses. The Organization must have on its staff or otherwise employ a qualified accountant capable of preparing these statements.
- e. The organization must keep detailed minutes of their Board of Director's meetings that include records of all actions taken. The minutes must also include a record of the board's review of the financial statements. New members will provide FAHE a copy of the Board minutes for the past 24 months.
- f. The organization must conduct an annual evaluation of the CEO and the person primarily serving as the Chief of the housing line of business.
- g. The Board of Directors should have designated standing committees and must have at a minimum a financial committee that meets at a least quarterly to review the financial statements.
- h. The organization must provide the board of directors with board packets that include (at a minimum): minutes, staff reports, board committee reports and financial statements. The Organization must provide FAHE these packets and reports from the past 24 months.
- i. The organization should have a strategic plan and a business plan that encompasses the planned work of the organization for the forthcoming three years. Organizations requesting membership must develop these plans within 12 months of becoming a FAHE member.
- j. The organization must disclose any pending litigation which would negatively impact the work of the organization and/or FAHE.
- k. The organization must provide, for reference purposes, to FAHE a list of its Major Partners and Funders that includes contact info from these Partners/ Funders.
- l. Affordable Housing must be a major provision of the organization's Mission Statement, Goals and Objectives.
- m. The Board of Directors must have in place a Conflict of Interest Policy.
- n. The Board of Directors must provide for the ongoing continuing education of board members as to their duties and responsibilities as a board member of the corporation.

Membership Application Process:

1. Letter of request to FAHE Membership Director will result in the invitation to submit application materials for qualified organizations (per requirements above)
2. All applicable checklist materials submitted
3. Recommendation made by appropriate caucus
4. Request approved by Board of Directors

For more information about becoming a Member of FAHE, please contact FAHE's Membership Director, Tom Carew at 606-669-0053, or tcarew@fahe.org.