

Rhode Island Housing and Mortgage Finance Corporation
Minutes of the Meeting of the Management Committee
March 7, 2022

A meeting of the Management Committee of the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Board of Commissioners was held on Monday, March 7, 2022 at 3:00 p.m. The meeting was held via telephone conference call pursuant to Executive Order 22-01 (as extended by Executive Order 22-20 and as may be further amended or extended).

Carol Ventura, Executive Director, stated that this was a telephonic meeting of the RIHousing Board of Commissioners Management Committee. Ms. Ventura then introduced Carl Rotella, Director of Information Technology, who summarized the parameters of the meeting.

Mr. Rotella stated that (i) this meeting would be recorded and available for review on the RIHousing website within 3-5 business days after the meeting and (ii) except for specific RIHousing staff participating telephonically in the meeting, all callers would be muted during the meeting. Mr. Rotella also asked that to prevent any feedback or background noise, telephone participants to please mute the telephone if not speaking. Additionally, Mr. Rotella announced that if during the meeting anyone had technical difficulties with audio or accessing the call, they should call (401) 457-1240.

Next, Corinne Myers, General Counsel, provided additional guidance for the meeting. Ms. Myers stated that pursuant to Executive Order 22-01, (as extended by Executive Order 22- 20) the meeting was being held via teleconference. Members of the public could visit the RIHousing website to view the agenda and information on the actions being taken and in the event the teleconference was interrupted, staff would stop the meeting until audio was restored.

Ms. Myers also stated that Committee Chairman Thorsen would preside over the meeting and requested that any Commissioner or staff member state their name prior to speaking for the benefit of listeners and to mute the phone when not speaking. She then invited Committee Chairman Thorsen to call the meeting to order.

A quorum being present, Committee Chairman Thorsen introduced himself and officially called the meeting to order at approximately 3:08 p.m. Committee Chairman Thorsen then invited Ms. Ventura to proceed with the roll call of Commissioners.

Ms. Ventura conducted a roll call of Commissioners and staff participating in the meeting. Commissioners participating were: Committee Chairman Thorsen and LeeAnn Byrne, Designee for General Treasurer Seth Magaziner. Stephen McAllister was absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Christine Hunsinger, Chief Strategy and Innovation Officer; Kara Lachapelle, Chief Financial Officer; Lisa Primiano, Chief Operating Officer; Bernadette MacArthur, Director of Finance; Corinne Myers, General Counsel; and Carl Rotella, Director of Information Technology.

Members of the public were also present.

The following matters were discussed by the Committee.

1. Approval of Minutes of the Management Committee Meeting Held on February 7, 2022

Committee Chairman Thorsen asked for a motion and a second for the approval of the minutes of the Management Committee held on February 7, 2022. A motion was duly made by Commissioner Designee Byrne and seconded by Committee Chairman Thorsen.

There being no discussion, Corinne Myers, General Counsel, conducted a roll call vote of the Commissioners. The Commissioners voted as follows:

Commissioner Thorsen	Aye
Commissioner Designee Byrne	Aye

Ms. Myers then stated that the following was unanimously adopted.

VOTED: That the minutes of the Management Committee Meeting held on February 7, 2022, hereby are approved.

2. Recommendation for Approval of Delegation of Corporate Authority for Government National Mortgage Association (Ginnie Mae) MBS Program

Committee Chairman Thorsen introduced Bernadette MacArthur, Director of Finance who made this presentation.

Ms. MacArthur began by saying that this request was administrative in nature said that the recommendation was for authorization of certain designated officers and employees of RIHousing to execute and deliver to the Government National Mortgage Association (“Ginnie Mae”) such instruments as may be necessary for RIHousing to participate in the Ginnie Mae Mortgage-Backed Securities (“MBS”) Programs.

RIHousing has been an approved Ginnie Mae Single-Family MBS issuer/servicer since April 2009 and an approved Multi-Family issuer/servicer since June 2014.

Ginnie Mae requires that the RIHousing Board of Commissioners (the “Board”) authorize designated officers and/or employees to execute and deliver to Ginnie Mae instruments necessary to participate in the Ginnie Mae Single-Family and Multi-Family MBS Programs. Ginnie Mae requires that the Board authorize named officers and employees to act on behalf of RIHousing, rather than designating authorized persons by position, which is the usual commercial practice. In addition, Ginnie Mae requires the use of a particular form of resolution for this purpose. From time to time, staff will seek authorization of other specifically identified officers and employees due to turnover or reorganization of functions. This designation of officers and employees authorized to act on behalf of RIHousing with respect to the Ginnie Mae Single-Family and Multi-Family MBS Program supersedes any previous such designation.

Following the presentation, Committee Chairman Thorsen asked for a motion and a second to recommend to the Board of Commissioners Approval of Delegation of Corporate Authority for Government National Mortgage Association (Ginnie Mae) MBS Program.

A motion was made by Commissioner Designee Byrne and seconded by Committee Chairman Thorsen.

Committee Chairman Thorsen asked Ms. MacArthur how this designation differs from the previous year. Ms. MacArthur responded that this year the list includes the additions of new accounting and administrative staff members.

There being no additional questions, Corinne Myers, General Counsel, conducted a roll call vote of the Commissioners. The commissioners voted as follows:

Commissioner Thorsen	Aye
Commissioner Designee Byrne	Aye

Ms. Myers then officially stated that the recommendation for Approval of Delegation of Corporate Authority for Government National Mortgage Association (Ginnie Mae) MBS Program was unanimously approved.

3. Recommendation for Approval of Certificate of Incumbency for Federal Home Loan Mortgage Corporation (Freddie Mac)

Committee Chairman Thorsen again invited Ms. MacArthur to present this request.

Ms. MacArthur stated that this action was similar to the previous request, as it is administrative and a routine update to signature authority for Freddie Mac. This request is to authorize particular employees of RIHousing to provide fund transfer instructions in connection with the sale and servicing of Federal Home Loan Mortgage Corporation (“Freddie Mac”) mortgages and to control staff access to Freddie Mac’s loan selling software.

RIHousing has been an approved Freddie Mac seller/servicer since November of 2019. As part of an annual recertification process, Freddie Mac requires that RIHousing’s Board of Commissioners (the “Board”) designate employees to provide Freddie Mac with instructions to transfer funds by wire transfer, Automated Clearing House (“ACH”), or other funds transfer system in connection with the sale and servicing of Freddie Mac mortgages. Freddie Mac also requires that RIHousing’s Board authorize designated employees to grant staff access to Freddie Mac’s loan selling software. Freddie Mac requires that the Board authorize officers and employees by name rather than by position, which is the usual commercial practice. In addition, Freddie Mac requires the use of a particular form of resolution for this purpose. From time to time, staff will seek authorization of other specifically identified employees due to turnover or reorganization of functions. A supplemental form may be submitted to Freddie Mac in the future to authorize additional employees for that reason. This designation of officers and employees authorized to act on behalf of RIHousing with respect to the sale and servicing of Freddie Mac mortgages supersedes any previous such designation.

Staff recommends that the Board approve the incumbency certificate and resolution, which authorize designated employees to act on behalf of RIHousing with respect to Freddie Mac seller/servicer activities as presented in an attachment included as part of the March 7, 2022 Management Committee package.

Following the presentation Committee Chairman Thorsen asked for a motion and a second to recommend to the Board of Commissioners Approval of Certificate of Incumbency for Federal Home Loan Mortgage Corporation (Freddie Mac).

A motion was made by Commissioner Designee Byrne and seconded by Committee Chairman Thorsen.

Committee Chairman Thorsen was curious on how the Freddie Mac designation differs from the previous designation for Ginnie Mae. Ms. MacArthur explained that the way that authorization is designated is different. Ginnie Mae's signature authority is granted at staff level whereas Freddie Mac allows staff to grant authority outside of the approved list to an individual for performing certain tasks or functions. Ginnie Mae is more constricting on how they assign authority.

Committee Chairman Thorsen asked Ms. MacArthur if she is aware of any fraudulent activity experienced in the past with the signatory approvals. Ms. MacArthur said that she is not aware that RIHousing has experienced the type of issues he was alluding to.

Committee Chairman Thorsen then asked if staff is comfortable with the level of security that exists within the confines of the document. Additionally, the Committee Chairman wanted to know if there are other documents or policies in place to ensure security measures.

Ms. MacArthur replied that for these specific business lines, access is restricted to the staff members authorized on the form. RIHousing's list allows the Corporation to be flexible in performing the necessary functions within the business units. She was not aware of any issues with the authorizations.

Ms. Ventura further explained that RIHousing does have signatory authorization documents for multiple programs across the agency. Those documents typically have been prepared by the Legal Department to protect the Corporation and to mitigate any unforeseen risks. RIHousing is very thorough as far as documenting who can execute on behalf of the Corporation for various business units.

Committee Chairman Thorsen said the reason he was asking was because the Department of Administration experienced an instance the previous summer with someone impersonating a state vendor who managed to procure funds by requesting a wire to their account. The only way that staff was aware of the fraudulent issue was because the real vendor contacted the office to bring the matter to their attention. Committee Chairman Thorsen appreciated the information as this is a sensitive issue for the security of the Corporation.

There being no further questions or comments, Corinne Myers, General Counsel, conducted a roll call vote of the Commissioners. The commissioners voted as follows:

Commissioner Thorsen	Aye
Commissioner Designee Byrne	Aye

Ms. Myers announced that the recommendation for Approval of Certificate of Incumbency for Federal Home Loan Mortgage Corporation (Freddie Mac) was unanimously approved.

4. Recommendation for Approval of Temporary Policy Supplement to the RIHousing Administrative Plan

Committee Chairman Thorsen recognized James Comer, Deputy Executive Director who proceeded with the presentation.

Mr. Comer said RIHousing operates several federal housing programs, one of which is the Section 8 Housing Choice Voucher Program (the “HCV Program” or the “Program”). The HCV Program offers rental subsidies to help income-qualifying families, senior citizens and disabled individuals afford safe, healthy homes of their choosing. RIHousing serves as a Public Housing Authority (“PHA”) in those Rhode Island communities that do not have standalone municipal housing authorities. RIHousing’s operation of the HCV Program is governed by an Administrative Plan, as provided by federal regulation.

In May 2021 the U.S. Department of Housing and Urban Development (“HUD”) awarded RIHousing 117 Emergency Housing Vouchers as part of the American Rescue Plan Act (“ARPA”). The targeted award requires a unique relationship with the local Continuum of Care (“RiCoC”), which is the governing and planning body enacted to address and end homelessness.

As part of the EHV award, RIHousing is required to formally adopt the terms of the program as an amendment to the Administrative Plan. The full text of the changes was included as part of the March 7, 2022 Management Committee package.

Finally, Mr. Comer said that the amendments will become effective upon approval and adoption by the Board of Commissioners.

After the presentation, Committee Chairman Thorsen asked for a motion and a second to recommend to the Board of Commissioners Approval of Temporary Policy Supplement to the RIHousing Administrative Plan.

A motion was duly made by Commissioner Designee Byrne and seconded by Committee Chairman Thorsen.

Committee Chairman Thorsen then asked if anyone had any questions.

Commissioner Designee Byrne referenced the fact that the vouchers being identified do not specify preferences in the same way as the general HCVP wait list. The Commissioner wanted to know why there were no preferences associated with these vouchers.

Mr. Comer said that the goal of these vouchers is to distribute them as quickly as possible. The vouchers are meant for those in transitional housing and for residents with expiring vouchers. Priority for these 117 emergency vouchers will be given to those at risk of homelessness.

Committee Chairman Thorsen noted that the plan refers to preferences for homelessness and human trafficking. Committee Chairman Thorsen asked if the same reasoning is applied to those populations. Mr. Comer confirmed that the plan does include those priorities; however, as explained previously, the priority for this particular allocation of vouchers will be for individuals in danger of homelessness and those with expiring subsidies.

Committee Chairman Thorsen thanked Mr. Comer for the clarification.

There being no further questions, Corinne Myers, General Counsel, conducted a roll call vote of the Commissioners. The commissioners voted as follows:

Commissioner Thorsen	Aye
Commissioner Designee Byrne	Aye

Ms. Myers then officially stated that the recommendation for Approval of Temporary Policy Supplement to the RI Housing Administrative Plan unanimously approved.

There being no further business to discuss, Committee Chairman Thorsen asked for a motion to adjourn the Management Committee meeting. A motion was duly made by Commissioner Designee Byrne and seconded by Committee Chairman Thorsen to adjourn the meeting.

Corinne Myers, General Counsel then conducted a roll call vote of the Commissioners in response to a vote for adjournment. The Commissioners voted as follows:

Commissioner Thorsen	Aye
Commissioner Designee Byrne	Aye

Ms. Myers announced that the motion to adjourn was unanimously approved. The meeting was adjourned at 3:26 p.m.

Committee Chairman Thorsen thanked everyone for participating and commended staff on a great job with the presentations.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director