

Rent Calculation Quiz

Part I - True/False

T/F

1. A family's household composition changes. As a result, the family's voucher changes from a three-bedroom voucher to a two-bedroom voucher. The family resides in a three-bedroom unit. The three-BR payment standard must be applied at the first annual reexamination. _____
2. Earned income of full-time students 18 and older (who are not the head, spouse, or cohead) in excess of the dependent deduction is excluded from annual income. _____
3. The PHA may accept self-certification when net family assets are valued at \$50,000 or less. _____
4. The income of a temporarily absent family member is included in the annual income. _____
5. A PHA may establish a minimum rent of \$0. _____
6. When calculating annual income at an annual reexamination, the PHA must anticipate income for the upcoming 12-month period. _____
7. Lump-sum payments are always counted as assets. _____
8. Disability assistance expenses may be deducted if they enable a family member to work or attend school. _____
9. The wages of a 17-year-old who has quit school to work but is still living with her parents are included in annual income. _____
10. The interest on the savings account of a seven-year-old boy is included in net family assets. _____
11. The unearned income of an adult full-time student who is not head, spouse, or cohead is included in annual income. _____

Rent Calculation Quiz

Part I - True/False

T/F

- 12. A family consists of a 61-year-old head of household and his 62-year-old spouse. Their annual income is \$12,000. They have anticipated verified medical expenses of \$2,000. The family's adjusted annual income is \$10,675. _____
- 13. The gross income from self-employment is used when calculating annual income..... _____
- 14. A PHA could have two different payment standards for each bedroom size within an FMR area. _____
- 15. Jeremy Cook has been receiving \$350 per month in TANF. He just enrolled in a qualifying state training program, from which he is now receiving \$500 a month. TANF benefits ended. He has no other income. The PHA must exclude the entire \$500 from his annual income. _____
- 16. If a family has had their welfare reduced for fraud or noncompliance with the welfare department's economic self-sufficiency program, the PHA must include imputed welfare income in the family's rent calculation..... _____
- 17. The average balance for six months is always used as the cash value of a savings account..... _____
- 18. Only disabled families are eligible for a disability assistance allowance... _____
- 19. Food stamp benefits are included in annual income..... _____
- 20. When income from employment is calculated, the gross income is used. ... _____
- 21. A deferred periodic payment from the late start of TANF benefits is treated as an asset and therefore excluded from the family's annual income..... _____

PART II - Multiple Choice

22. Which of the following is true about retirement accounts?
- They are assets and the periodic payments from retirement accounts are considered income
 - They are not assets and the PHA excludes the full amount of periodic payments from retirement accounts
 - They are not assets, but periodic payments from retirement accounts are considered income
23. All of the following are true, except:
- Student loans are excluded
 - Assistance under Title IV of the HEA is excluded
 - Amounts from educational savings accounts are excluded
 - All forms of student financial assistance are excluded
24. When calculating income from Social Security, the PHA uses:
- The gross amount of Social Security prior to the Medicare deduction
 - The net amount of Social Security after the Medicare deduction is taken out
25. When net family assets are valued at or below \$50,000:
- The PHA may accept self-certification
 - Imputed income is calculated for all assets
 - Income from assets is not included in annual income
 - The PHA must obtain third-party verification of all assets
26. When net family assets have a total cash valued over \$50,000:
- If actual returns can be calculated, the PHA includes actual returns for each asset
 - The PHA may accept self-certification
 - Imputed income is calculated for all assets
27. Assets do not include:
- Retirement accounts
 - The family car
 - All of the above
28. When verifying Social Security income for a program participant, the PHA uses:
- The Social Security award letter
 - The amount listed in EIV (provided the participant agrees with the amount)
 - Either the SS award letter or the EIV printout, whichever is higher

29. Jenna Jones owned a home appraised at \$300,000. There was no mortgage balance. Last month, she sold the house to her son for \$1. Her son paid all fees and costs of the sale. The PHA must:
- Count \$299,999 in the total cash value of her assets for two years from the date she sold the home
 - Count the \$1 in annual income
 - Count \$299,999 in her annual income from two years from the date she sold the home
 - Terminate Jenna's assistance
30. Which of the following types of payments from trusts is excluded?
- All periodic payments
 - Distributions of the principal corpus (body) of the trust
 - Income that is used to pay the costs of health and medical care expenses for a minor
 - Both b and c
31. All of the following are excluded from annual income, except:
- Insurance payments and settlements
 - The unearned income of a minor
 - Hostile fire pay for members of the armed forces
 - Resident service stipends
32. To convert biweekly income to annual income, multiply by:
- 52
 - 24
 - 26
 - 12
33. The Smith family's total tenant payment is based on the PHA's minimum rent of \$50. They have just requested the minimum rent hardship exemption, and the PHA has determined that the family qualifies. The Smith family has the following income information:
- 10 percent of their monthly income is \$15
 - 30 percent of the adjusted monthly income is \$4
 - Welfare rent does not apply.
- The Smith family's TTP will now be:
- \$0
 - \$4
 - \$15
 - \$50

34. The restriction on assistance based on assets applies to which of the following types of assets?
- a. A family whose net family assets exceeds \$100,000 (as adjusted annually for inflation)
 - b. A family that has real property that is suitable for occupancy and where the family has a legal right to reside in the property and the legal authority to sell the property
 - c. All irrevocable trusts
 - d. Both a and b
 - e. All of the above
35. If a PHA increases its payment standard during the term of a HAP contract, when will the increased payment standard be applied to the family?
- a. PHA policy
 - b. At the family' first interim or annual reexamination after the payment standard was increased
 - c. At the family's first annual reexamination after the payment standard was increased
 - d. At the family's second annual reexamination after the payment standard was increased

Notes

PART III - Review this family and answer the questions below

- a. Head, age 45
- b. Spouse, age 45
- c. Son, age 19, who is a full-time student
- d. Daughter, age 16, who has quit school
- e. Foster child (male), age 12
- f. Granddaughter, age one
- g. Grandmother, age 70
- h. Disabled brother of head, age 39
- i. No one

36. Who qualifies this family for the elderly/disabled allowance?

[Fill in correct letter (s)]:

37. Who qualifies for the dependent allowance? [Fill in correct letter (s)]

38. Who qualifies for the health and medical care expense allowance?

[Fill in correct letter (s)]

39. If the spouse is a person with a disability, who gets a health and medical care allowance? [Fill in correct letter(s)]

PART IV - Fill in the Blanks

40. Annual income minus HUD allowances = _____

41. There are _____ HUD allowances; they include:

Rent Calculation Quiz

Answer Key for Rent Calculation Quiz

- | | |
|-------|---|
| 1. F | 27. C |
| 2. T | 28. B |
| 3. T | 29. A |
| 4. T | 30. D |
| 5. T | 31. B |
| 6. F | 32. C |
| 7. F | 33. C |
| 8. F | 34. D |
| 9. F | 35. C |
| 10. T | 36. I |
| 11. T | 37. C, D, F, H |
| 12. T | 38. I |
| 13. F | 39. A, B, C, D, F, G, H |
| 14. T | 40. Adjusted annual income |
| 15. F | 41. Six allowances: |
| 16. T | Elderly or disabled household allowance; |
| 17. F | Dependent allowance; |
| 18. F | Child care allowance; |
| 19. F | Allowable health and medical care expenses; |
| 20. T | Allowable disability assistance expenses; |
| 21. F | Permissive deductions |
| 22. C | |
| 23. D | |
| 24. A | |
| 25. A | |
| 26. A | |