

## Rent Calculation Quiz

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### Part I - True/False

T/F

1. A family’s household composition changes. As a result, the family’ 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. . . . . \_\_\_\_\_

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**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 |   |