

Family Self-Sufficiency Program Master Book

December 2024

Revision Date	Revision Date



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ROLES IN SUBSIDIZED HOUSING

Congress

- Congress created and continues to shape subsidized housing through laws and statutes. HUD implements the legislation and cannot waive laws or statutes. To further explain and implement legislation, HUD creates and publishes regulations.
- PHAs use the laws, statutes, and regulations to define local policies and procedures. Lawsuits can challenge any of the legislation, regulations, policies and procedures, which in turn further shape subsidized housing.
- Congress establishes HUD's budget with a programmatic breakdown of funding.

U.S. Department of Housing and Urban Development (HUD)

HUD Headquarters in Washington

- The primary role of HUD headquarters is decision-making and disseminating information.
- Headquarters writes and publishes:
 - Regulations to implement laws (proposed, interim or final published in 24 Code of Federal Regulations)
 - Handbooks and guidebooks
 - HUD notices and memoranda

HUD State and Field Offices

- The primary role of HUD state and field offices is to monitor PHAs for compliance and to provide technical assistance.

Real Estate Assessment Center (PIH-REAC)

- PIH-REAC assesses PHAs under the Public Housing Assessment System (PHAS) and determines what level of scrutiny a PHA should receive. Troubled PHAs are referred for intensive technical assistance and monitoring.
- In addition, PIH-REAC evaluates the overall condition of HUD's housing portfolio.

Administration of Subsidized Housing

- HUD is charged by Congress as the department to administer subsidized housing activities.
 - However, HUD contracts with PHAs who actually build, manage, and maintain the buildings and administer the rent subsidy programs.

Public Housing Authorities (PHA)

- The primary role of a PHA is the delivery of housing.
- PHAs have a contractual relationship with HUD. PHAs implement programs established by Congress and regulated by HUD.
- PHAs must operate in accordance with HUD regulations and with funding provided by HUD.

Public Housing

- Public housing is owned and managed by the PHA. The PHA, both the administrator and landlord in public housing, executes lease agreements with tenants.
- The PHA establishes policies in all areas of program operations and administration, using laws, statutes and HUD regulations to govern the administration of the program.

CREATION OF A HOUSING AUTHORITY

- PHAs are created under state enabling legislation. Housing authorities are similar but not identical. Each state has laws that define and stipulate:
 - The number of commissioners and procedures for appointments of commissioners
 - The legal powers and restrictions of a PHA
 - The operational jurisdiction of a PHA
 - The jurisdiction could be city, county, multicounty, or statewide, depending on the enabling legislation.
 - The activities that may be undertaken by a PHA.
- By-laws are established stipulating:
 - The place and time of regular board of commissioners' meetings
 - Authority delegated to the executive director
 - How the PHA will conduct business

Roles of the PHA

	Public Housing	Section 8
Primary Role	Delivery of housing (owner and manager)	Subsidize families
Primary Contractual Relationship	Tenants	Families and owners
Primary Functions	<ul style="list-style-type: none"> • Manage the wait list and determine eligibility • Certify/recertify families • Manage and maintain buildings • Monitor program performance 	<ul style="list-style-type: none"> • Manage the wait list and determine eligibility • Certify/recertify families • Issue Housing Choice Vouchers and approve tenancies • Inspect and reinspect units to assure HUD HQS compliance • Execute HAP contracts with owners and pay monthly subsidy • Monitor program performance
PHA's Responsibilities defined in:	24 CFR Parts 5, 902, 960, 965 and 966	24 CFR Parts 5, 888, 982 and 985

Basic Program Information

Section 1: Program Components

	Public Housing	Section 8
Type of Subsidy	Project based: Families have to live in the building which has the subsidy attached to it.	Tenant-based: Families choose the unit.
Annual Contributions Contract	The Annual Contributions Contract (ACC) is a written contract between HUD and a PHA. Under the ACC, HUD agrees to make payments to the PHA, over a specified term. The ACC specifies the maximum payment over the ACC term. The PHA agrees to administer the program in accordance with HUD regulations and requirements.	The Annual Contributions Contract (ACC) is a written contract between HUD and a PHA. Under the ACC, HUD agrees to make payments to the PHA, over a specified term, for housing assistance payments to owners and for the PHA administrative fee. The ACC specifies the maximum payment over the ACC term. The PHA agrees to administer the program in accordance with HUD regulations and requirements.
PHA Administrative Policies	Admissions and Continued Occupancy Policy (ACOP)	Administrative Plan

The PHA Agency/Annual Plan

- Each PHA submits to HUD:
 - A 5-Year Plan once every five PHA fiscal years
 - An Annual Plan each fiscal year.
- The purpose of the plan is to provide local accountability and an easily identifiable source by which public housing residents, tenant-based program participants, and other members of the public may locate basic PHA policies, rules, and requirements concerning its operations, programs and services.
- The Agency Plan includes a statement of:
 - The PHA's mission for serving the needs of low-income, very low-income and extremely low-income families in the PHA's jurisdiction
 - The PHA's goals and objectives that enable the PHA to serve the needs of the families.
- The Annual Plan contains the discretionary policies of the various components or elements (for example, selection policies) and not the statutory or regulatory requirements of these components.

Contents of the Annual Plan

- A statement of housing needs
- A statement of financial resources
- A statement of the PHA's policies that govern eligibility, selection, and admissions
 - This includes admission preferences, assignment, maintaining the waiting list (including any site-based waiting lists), and deconcentration and income-mixing.

Section 1: Program Components

- A statement of the PHA's rent determination policies
 - This includes applicable flat rents.
- A statement of the PHA's operation and management
- A statement of the PHA's grievance procedures
- A statement of needed capital procedures
- A statement of any demolition and/or disposition
- A statement of the public housing projects designated as housing for elderly families or families with disabilities, or elderly families *and* families with disabilities
- A statement of the conversion of public housing to tenant-based assistance
- A statement of the conversion of public housing to project-based assistance under the Rental Assistance Demonstration (RAD) program
- A statement of homeownership programs the PHA administers
- A statement of the PHA's community service and self-sufficiency programs
- A statement of the PHA's safety and crime prevention measures
- A statement of the PHA's policies and rules regarding ownership of pets in public housing (not yet effective)
- Civil rights certification
- Recent results of the PHA's fiscal year audit
- A statement of asset management
- Resident advisory board (RAB) comments
- Other statements and certifications, as required

How HUD Communicates

- The Internet:
 - HUD's site: www.hud.gov
 - Nan McKay's site: www.nanmckay.com

How to Read a HUD Regulation

- Rules issued in the *Federal Register* are organized as follows:
 - List of regulations affected
 - Subject
 - Rule status (final, interim, proposed)
 - Effective (implementation) date
 - Contact person for comments
 - Preamble
 - Comments
 - Text of new or revised regulations
- See sample pages following.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**24 CFR Parts 5, 200, 247, 880, 882, 884, 891, 960, 966, and 982****[Docket No. FR-4495-P-01]****RIN 2501-AC63****One-Strike Screening and Eviction for Drug Abuse and Other Criminal Activity****AGENCY:** Office of the Secretary, HUD.**ACTION:** Proposed rule.

SUMMARY: This proposed rule would amend the regulations for the public housing and Section 8 assisted housing programs, and for other HUD assisted housing programs, such as the Section 221 (d)(3) below market interest rate (BMIR) program, Section 202 program for the elderly, and Section 811 program for persons with disabilities, and Section 236 interest reduction program. All of these programs were affected by recent statutory amendments. These amendments give Public Housing Agencies (PHAs) and assisted housing owners the tools for adopting and implementing fair, effective, and comprehensive policies for denying admission to applicants who engage in illegal drug use or other criminal activity and for evicting or terminating assistance of persons who engage in such activity.

DATES: *Comments Due Date:* Comments on the proposed rule and the proposed information collection requirements are due on or before September 21, 1999.

ADDRESSES: Submit written comments regarding this proposed rule to the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410. Comments should refer to the above docket number and title. A copy of each comment submitted will be available for public inspection and copying between 7:30 a.m. and 5:30 p.m. weekdays at the above address. Facsimile (FAX) comments will not be accepted.

FOR FURTHER INFORMATION CONTACT: For Section 8 certificate, voucher, and moderate rehabilitation programs—Gerald J. Benoit, Director, Real Estate Performance and Housing Division, Office of Public and Indian Housing, Department of Housing and Urban Development, Room 4210, 451 Seventh Street, SW, Washington, DC 20410; telephone (202) 708-0477. For public housing—Patricia Arnaudo, Senior Program Manager, Office of Public and Assisted Housing Delivery, Department

of Housing and Urban Development, 451 Seventh Street, SW, Room 4224, Washington DC, 20410; telephone (202)

Regulations affected

For the Section 8 project-based programs “Willie Spearmon, Director, Office of Multifamily Business Products, Office of Housing, Department of

Subject**Rule status**

Resource Center number is toll-free. Persons with hearing or speech impairments may access these numbers via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:**I. Background**

President Clinton, in his 1996 State of the Union address, proposed the “one strike and you’re out” policy. The President challenged local housing authorities and tenant associations to stop criminal gang members and drug dealers who were destroying the lives of decent tenants. In response to the President’s “One Strike” mandate, HUD expeditiously issued guidelines and procedures and conducted extensive training for PHAs around the country. Public housing agencies, localities, police departments and judges have all

Implementation or Comments due date

might criminal activity, so that residents in their communities can also live in peace. This proposed rule provides for that broadened authority and responsibility. The rule is intended to give PHAs and assisted housing owners the tools for adopting and implementing fair, effective, and comprehensive policies for both crime prevention and enforcement. Crime prevention will be advanced by the authority to screen out those who engage in illegal drug use or other criminal activity, and enforcement will be advanced by the authority to

Contact person for comments

120, 110 Stat. 834-846, approved March 28, 1996) (“the Extension Act”) amended the United States Housing Act of 1937 (42 U.S.C. 1437a, *et seq.*) (“the 1937 Act”). The Extension Act added significant crime and security protections for public housing and

section 8 residents. It made an individual who has been evicted from public housing or any Section 8 program for drug-related criminal activity ineligible for admission to public housing and the section 8 programs for a three-year period, beginning from the date of eviction. The evicted family becomes eligible for re-admission, however, if the individual who engaged in the activity has successfully completed a rehabilitation program approved by the PHA or if the PHA determines that the circumstances leading to the eviction no longer exist.

The Extension Act also required PHAs to establish standards that prohibit occupancy in any public housing unit or participation in a section 8 tenant-based program by any person the PHA

Preamble Starts here and goes on

enjoyment of the premises by other residents of the development. In this connection, the Extension Act authorized the PHA administering the program to determine whether an applicant has been rehabilitated from drug or alcohol abuse. In addition, the Extension Act provided PHAs the opportunity to access criminal records for public housing applicants and residents.

HUD issued a variety of guidance on implementing the Extension Act (PIH Notice 96-16, issued April 12, 1996 and PIH Notice 96-27, issued May 15, 1996). HUD published proposed rules for the section 8 tenant-based and moderate rehabilitation programs on March 31, 1997 (62 FR 15346) and for the public housing program on May 9, 1997 (62 FR 25728).

Sections 575-579 of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276, approved Oct. 21, 1998, 112 Stat. 2634-2643) (“the Public Housing Reform Act” or “the 1998 Act”) revised provisions of the 1937 Act (sections 6 and 16) and created other statutory authority to expand crime and security provisions to most federally assisted housing. Instead of issuing a final rule on the admission and eviction provisions of the Extension Act, HUD is publishing this new proposed rule on the provisions as they exist after the revision to the drug abuse and criminal activity requirements made by the Public Housing Reform Act.

The 1998 Act revised the prohibition on admitting families for three years because of eviction from public housing or Section 8 units for drug-related criminal activity to cover admissions to

criminal activity that may be a basis for denial of admission under § 960.203; or
(B) Whose prior tenancy records indicate that the proposed household member:

- (1) Engaged in the destruction of property;
- (2) Engaged in violent activity against another person; or
- (3) Interfered with the right of peaceful enjoyment of the premises of other residents.

(2) The policy adopted by the PHA must be included in the PHA administrative plan and the PHA plan.

(f) *Records management and confidentiality.* (1) Each PHA that receives information from a drug abuse treatment facility under this section must establish and implement a system of records management that ensures that any information which the PHA receives from the drug abuse treatment facility about a person:

(i) Is maintained confidentially in accordance with section 543 of the Public Health Service Act (12 U.S.C. 290dd-2);

(ii) Is not misused or improperly disseminated; and

(iii) Is destroyed, as applicable:
(A) Not later than 5 business days after the PHA admits the person as a household member under the PHA's public housing program; or

(B) If the PHA denies the admission of such person as a household member, in a timely manner after the date on which the statute of limitations for the commencement of a civil action based upon that denial of admissions has expired.

PART 966—PUBLIC HOUSING LEASE AND GRIEVANCE PROCEDURE

23a. Revise the heading for part 966 to read as set forth above.

24. The authority citation for part 966 is revised to read as follows:

Authority: 42 U.S.C. 1437d and 3535(d).

25. Revise § 966.1 to read as follows:

§ 966.1 Purpose and applicability.

(a) This part is applicable to public housing.

(b) Subpart A of this part prescribes the provisions that must be incorporated in leases for public housing dwelling units.

(c) Subpart B of this part prescribes public housing grievance hearing requirements.

26. Add a new § 966.2 to read as follows:

§ 966.2 Definitions.

(a) *Terms found elsewhere.* The following terms are defined in part 5,

subpart A of this title: *1937 Act, drug, drug-related criminal activity, HUD, public housing, public housing agency, Section 8, violent criminal activity.*

(b) *Additional terms* (for purposes of

That portion of the CFR section not listed remains unchanged

housing assisted under any of the following programs:

- (1) Public housing;
- (2) Housing receiving project-based or tenant-based assistance under Section 8 (42 U.S.C. 1437f);
- (3) Housing that is assisted under section 202 of the Housing Act of 1959 as amended by section 801 of National Affordable Housing Act) (12 U.S.C. 1701q);
- (4) Housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the National Affordable Housing Act;
- (5) Housing that is assisted under section 811 of the National Affordable Housing Act (42 U.S.C. 8013);
- (6) Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. 1715l(d)(3)) that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act (12 U.S.C. 1715l(d)(5));
- (7) Housing insured, assisted, or held by HUD or by a State or State agency under section 236 of the National Housing Act (12 U.S.C. 1715z-1); or
- (8) Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949 (42 U.S.C. 1483, 1484).

Household. The family and any PHA-approved live-in aide.

Premises. The building or complex in which the public housing dwelling unit

Compare with previous regulation

add new paragraph (l)(5) to read as follows:

§ 966.4 Lease requirements.

(f) * * *

(12)(i) To assure that no covered person engages in:

- (A) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents; or
- (B) Any drug-related criminal activity on or off the premises.

(ii) To assure that no member of the household engages in an abuse or pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises by other residents.

* * * * *

(l) * * *
(2) *Grounds for termination of tenancy.* The PHA may terminate the tenancy for any of the following grounds:

(i) Serious or repeated violation of the lease. Serious violation includes, but is not limited to:

(A) Failure to pay rent or other payments due under the lease; or
(B) Violation of household obligations as described in paragraph (f) of this section;

(ii) Criminal activity or alcohol abuse as provided in paragraph (l)(5) of this section; or

(iii) Other good cause. Other good cause includes, but is not limited to:

(A) Criminal or other activity by a member of the household that threatens the health or safety of other public housing residents or of persons residing in the immediate vicinity of the premises; or

(B) Criminal or other activity by a member of the household that threatens the health or safety of PHA management staff.

(3) *Lease termination notice.* (i) The PHA must give written notice of lease termination of:

(A) 14 days in the case of failure to pay rent;

(B) A reasonable period of time considering the seriousness of the situation (but not to exceed 30 days):

(1) If the health or safety of other residents, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or

(2) If any member of the household has engaged in any drug-related criminal activity or violent criminal activity; or

(3) If any member of the household has been convicted of a felony;

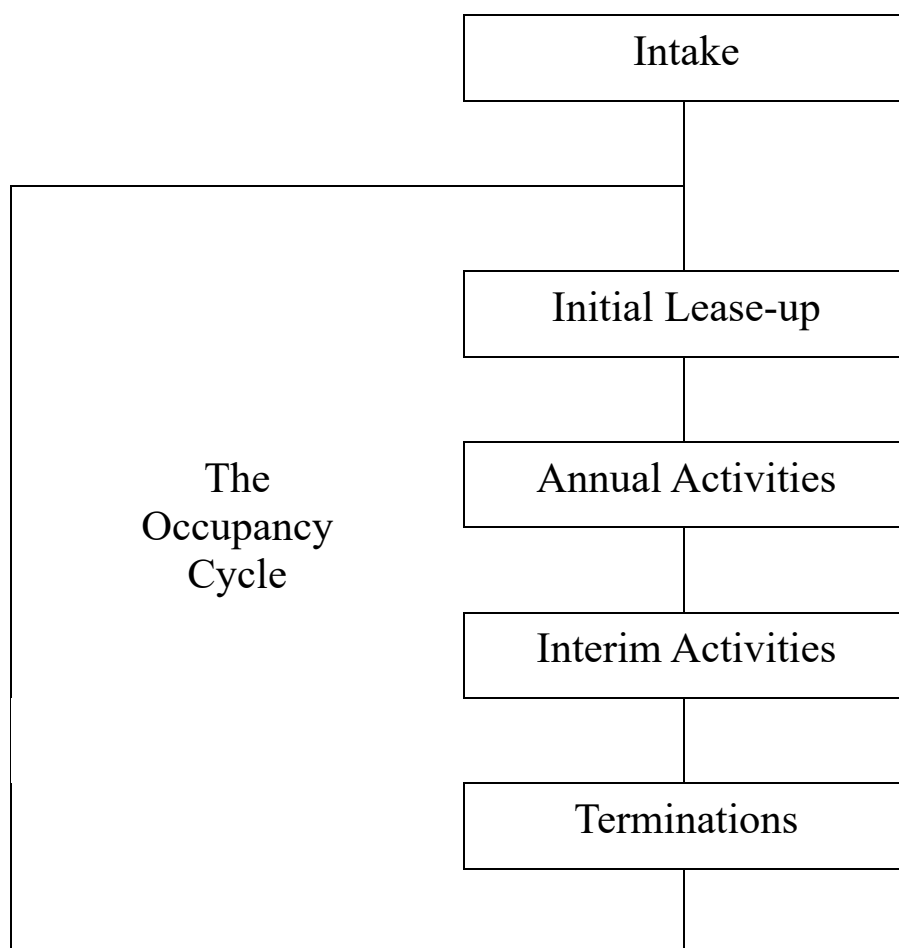
(C) 30 days in any other case, except that if a State or local law allows a

That portion of the section either above or below remains unchanged

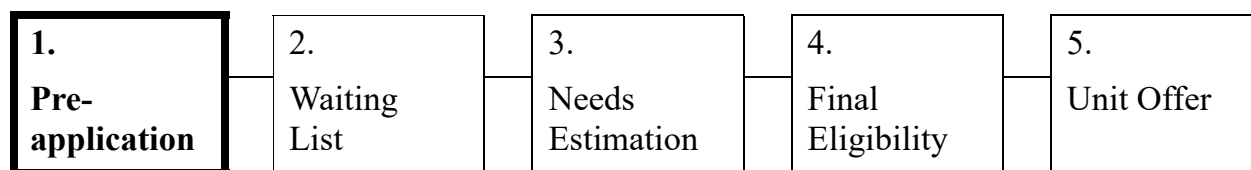
on or off the premises. The lease must provide that the PHA may terminate the tenancy if any covered person has engaged in any drug-related criminal activity on or off the premises, including cases where:

Section 2 Overview of the Housing Process

THE PUBLIC HOUSING PROGRAM

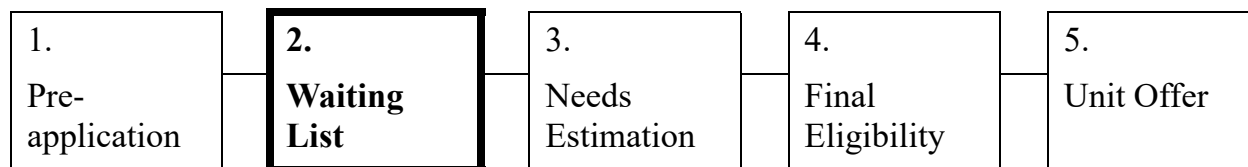


THE INTAKE PROCESS



- a. Family submits a preapplication if the waiting list is open.
- b. Preapplication has less information than full application, but enough to determine preliminary eligibility and placement on the list. The preapplication is usually not verified.
- c. If the family is eligible, send a letter stating:
 - Preliminary eligibility
 - Name on the waiting list
 - Approximate wait
- d. If the family is ineligible, send a letter:
 - Notifying of ineligibility
 - Stating the reasons why
 - Notifying of the right to an informal hearing

THE INTAKE PROCESS



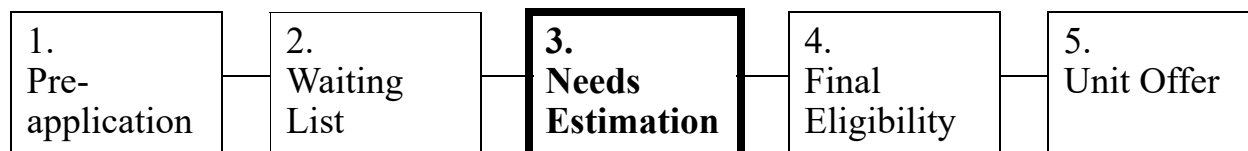
- a. The PHA determines waiting list bedroom size according to occupancy standards.
- b. Only eligible families go on the waiting list.
- c. The waiting list is divided by bedroom size for public housing.
 - The public housing list is usually separate from the Housing Choice Voucher (HCV) program list.
 - Moderate Rehab may be combined with the HCV list.
- ¹d. The PHA must establish local preferences.
 - The PHA may use date and time as a local preference, or
 - The PHA may apply additional local preferences used to select from among applicants without regard to date and time.
 - The PHA must establish local preferences that promote deconcentration and income mixing in public housing developments.
- e. PHAs may establish a system of site-based waiting lists.
 - The system of site-based waiting lists must be described in the Annual Plan; or
 - The PHA may apply to HUD to establish a system of site-based waiting lists before submission of the Annual Plan.

1. The Quality Housing and Work Responsibility Act of 1998 permanently repealed the use of Federal preferences. See *Federal Register* Notice, QHWRA Initial Guidance, 2/18/99.

Section 2: Overview of the Housing Process

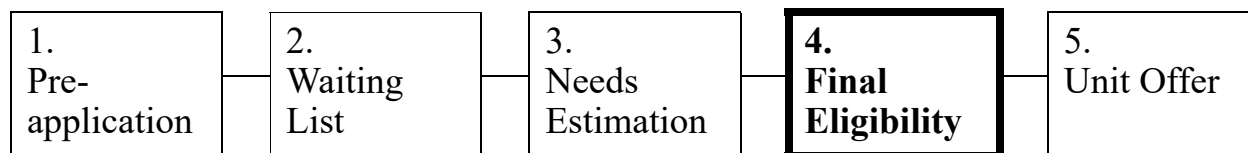
- f. PHAs must reserve a minimum of 40 percent of new admissions to public housing each fiscal year for extremely low-income families.
 - Referred to as “Income Targeting.”
 - Extremely low-income families are families whose income doesn’t exceed 30 percent of area median income (AMI).
- g. Waiting lists are purged every 12 to 18 months (industry practice).

THE INTAKE PROCESS



- a. The PHA estimates opening slots by bedroom size, based on projected unit turnover.
 - The PHA should be projecting ahead for about 90 days, not waiting until opening occurs.
- b. The PHA estimates the number of families needed to fill each slot.
 - This will be influenced by the accuracy of the waiting list and many other factors (i.e., quality and location of units).
 - Look at past data.
- c. The PHA must provide for deconcentration of poverty by attempting to bring:
 - Higher income tenants into lower income public housing developments
 - Lower income tenants into higher income public housing developments.
- d. The PHA verifies preferences for the top “X” number of families on the list.
 - The PHA sends the family a preference claim and verification form.
 - If the preference doesn’t verify, the family is offered a meeting and placed in the proper order on the waiting list.
 - If the preference verifies, the PHA proceeds to final eligibility verification.
- e. If there is no response from the family, the PHA sends notice of denial of assistance and opportunity for an informal hearing. When the period expires, the family is removed from the waiting list. The PHA may elect to send follow-up letters.

THE INTAKE PROCESS



- a. The PHA schedules the family for an interview (or asks the family to contact the PHA to set up the interview).

Industry practice

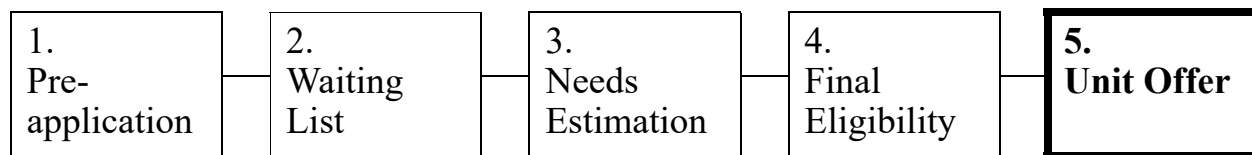
- b. The family fills out a personal declaration form; the PHA or family fills out the application form. The family signs release forms. The PHA photocopies documents submitted by family.

24 CFR 5.512; Notice PIH 2018-18

- c. The PHA processes applicable noncitizen verifications and follows HUD's verification hierarchy for verifying other eligibility factors.
 - If higher-level verifications are not obtained within the time frame in the administrative plan, the PHA uses lower levels of verification and documents the reason in the file.
- d. The PHA compares annual income to income limits to determine income eligibility.
- e. The PHA verifies Social Security numbers.
- f. The PHA verifies citizenship status.
- g. The PHA calculates the total tenant payment (TTP) from verified information.
- h. The PHA offers the family choice between income-based rent (TTP) and flat rent.

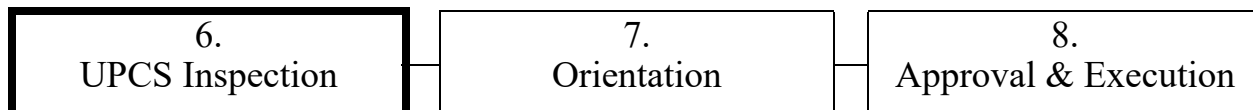
- i. The PHA determines if the unit is actually available for the family.
 - If the PHA offers a system of site-based waiting lists, the family is offered a unit in the designated development.
 - The PHA takes into account deconcentration of poverty and income-mixing in deciding to offer the unit.
 - Final eligibility is determined and the public housing unit is made ready to offer.
 - If the family is ineligible, the PHA sends notice of denial and opportunity for an informal hearing.
- j. If no unit is available, the family stays in the verified pool of applicants waiting for an available unit.

THE INTAKE PROCESS

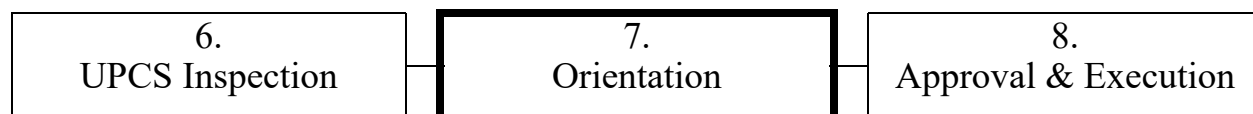


- a. The PHA reviews the units available of the appropriate size.
- b. The PHA must develop an offer system
 - Plan A (one offer) or Plan B (two or three offers)
 - A system of site-based waiting lists has the option of adopting Plan A, Plan B, or another reasonable system.
- c. If the family refuses the offers made, their name goes to the bottom of the waiting list.

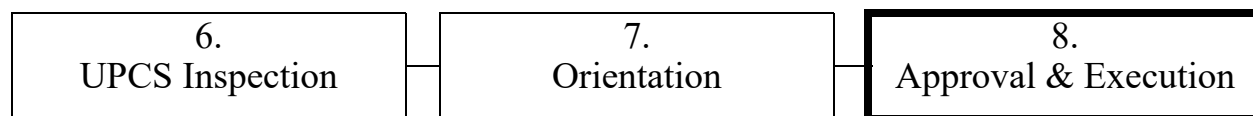
LEASE-UP PROCESS



- a. The PHA schedules and conducts an inspection of vacant units according to Uniform Physical Condition Standards (UPCS) and any higher PHA standards.
- b. The PHA prepares the units for move-in.
- c. The PHA conducts an inspection with the family at the time of move-in..



- a. Orientation is held to explain tenant and PHA obligations and go over the lease.
- b. Questions are answered.
- c. The unit is shown to the family.

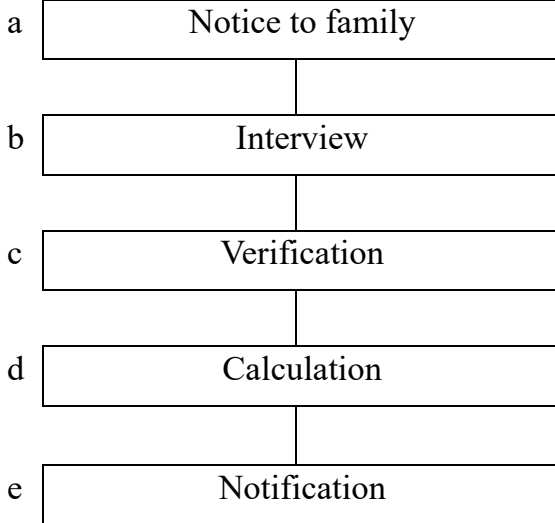


- a. Documents are reviewed, including:
 - Lease content
 - Security deposit
 - Others as required by the PHA
- b. The move-in inspection is conducted by the PHA and the family or representative.
- c. The PHA and family execute the lease.
- d. The PHA collects the rent and security deposit.
- e. The PHA gives the family keys.
- f. The PHA makes any additional unit repairs.
- g. The assisted tenancy begins on the effective date stated in the lease.

ANNUAL ACTIVITIES

9. Recertification

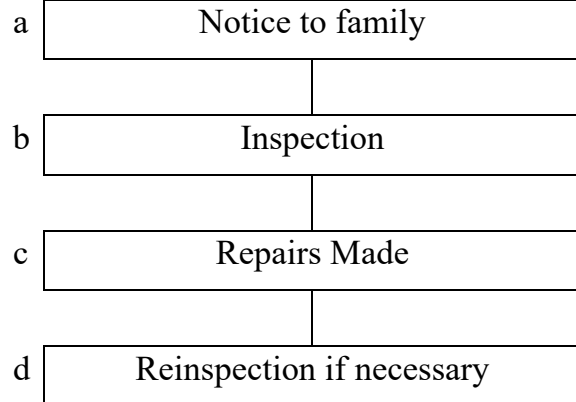
(Annual if the family pays income-based rent, at least once every three years if the family pays flat rent)



Process similar to 4a-d

10. UPCS Inspections

(At least biennially)



INTERIM ACTIVITIES (Between Annual Activities)

Interim Recertification

Same steps as annual recertification except only verify the changes.

- Or -

UPCS Compliance

Same steps as biennial inspection except only inspect complaint items. Include any fail items that may be observed.

TERMINATION OF TENANCY

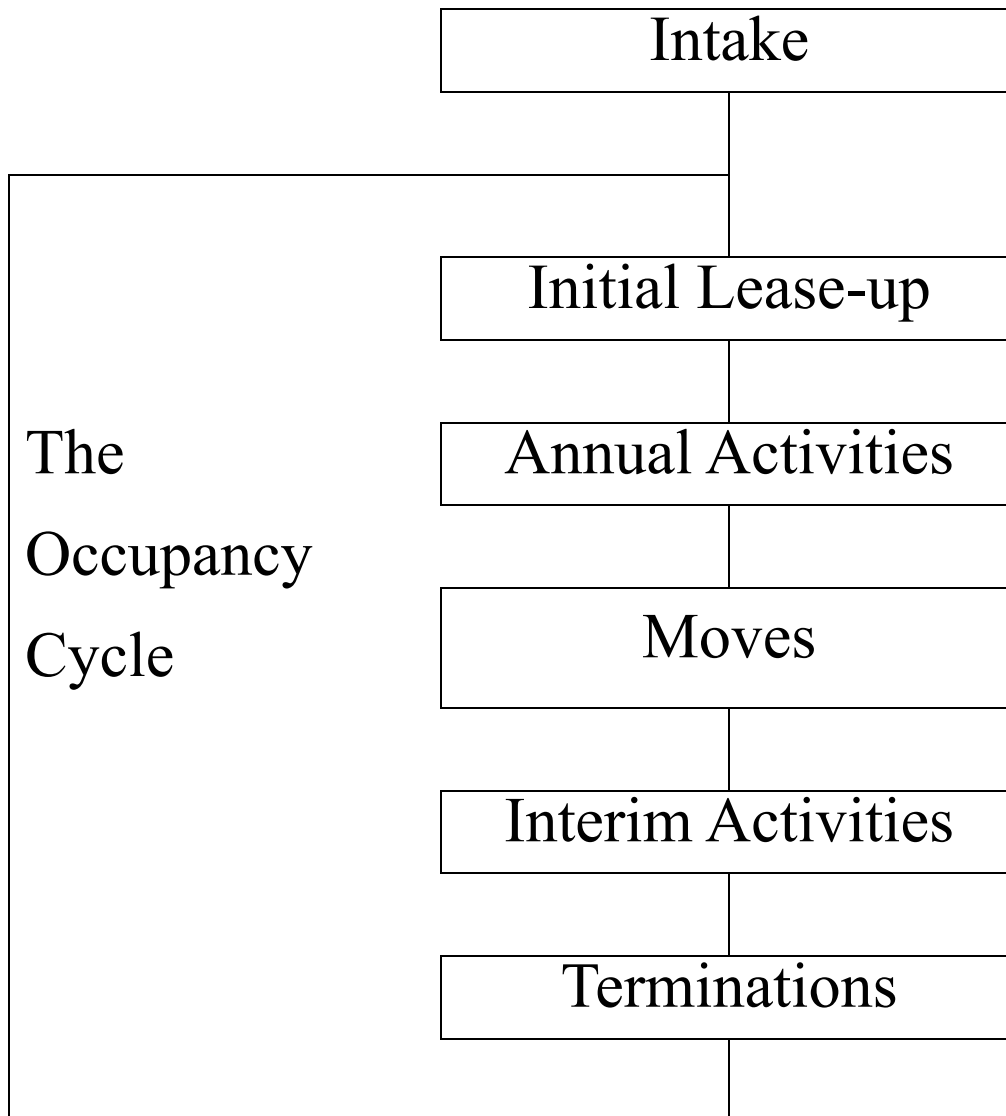
11. Family

- a. The family terminates by giving proper written notice or moving.

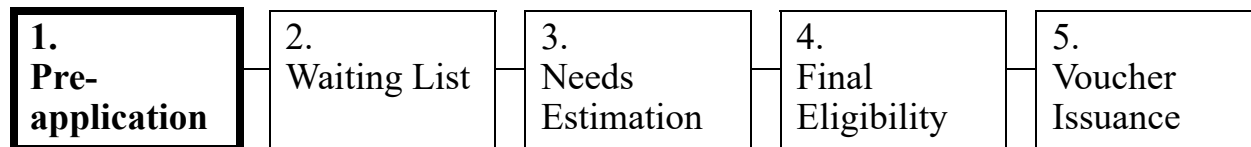
12. Housing Authority

- a. The PHA terminates for violation of lease.
- b. The PHA gives written notice according to the lease and grievance procedures.

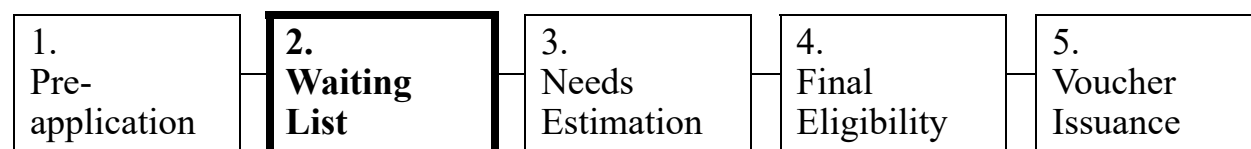
THE HOUSING CHOICE VOUCHER PROGRAM



THE INTAKE PROCESS

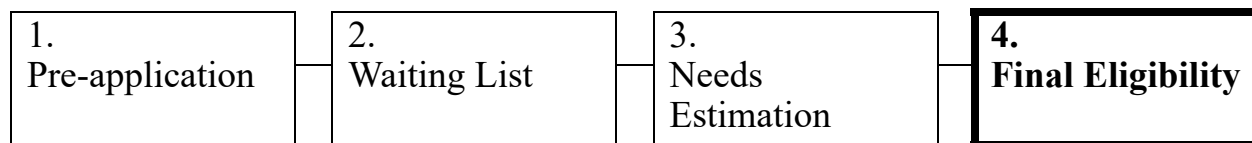


- a. The family submits a preapplication if the waiting list is open.
- b. The preapplication has less information than the full application, but enough to determine preliminary eligibility and placement on the list. It is usually not verified.
- c. If the family is ineligible, they are sent a letter:
 - Notifying of ineligibility
 - Stating the reasons why
 - Notifying of the right to an informal review



- a. The PHA determines the waiting list bedroom size according to subsidy standards (for needs forecasting).
- b. The PHA applies admission preferences to families on the waiting list.
- c. It is recommended that waiting lists be purged every 12 to 18 months. (The PHA should establish a policy.)

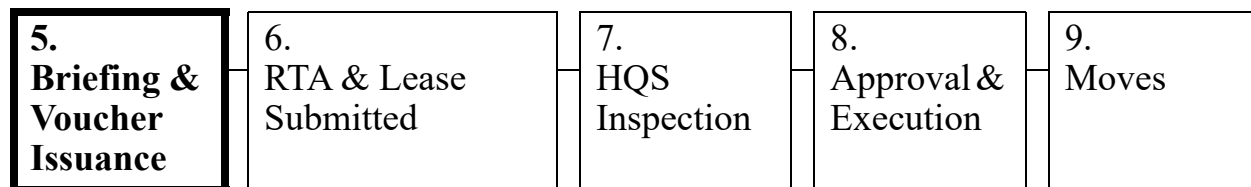
INTAKE PROCESS



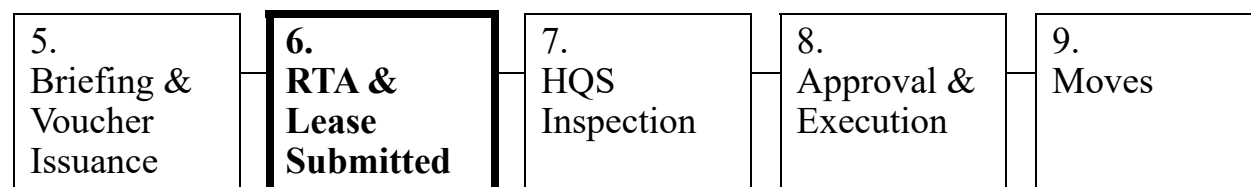
- a. The PHA schedules the family for an interview (or asks the family to contact the PHA to set up an interview).
- b. The application form is completed. The family signs release forms. The PHA photocopies documents submitted by the family.
- c. The PHA processes applicable noncitizen verifications and follows HUD's verification hierarchy for verifying other eligibility factors.
 - If higher-level verifications are not returned within the timeframe in the administrative plan, the PHA uses lower levels of verification and documents the reason in the file.
- d. The PHA requests criminal records for household members as described in the administrative plan.
- e. The PHA compares annual income to income limits and calculates the total tenant payment (TTP).
- f. The PHA determines if funding is available for the family.
 - If so, final eligibility is determined.
 - If the family is ineligible, the PHA sends notice of denial and opportunity for an informal review.
- g. If no funding is available, the family stays in the verified pool of applicants.

Note: The PHA must maintain a system to ensure that the PHA will be able to make housing assistance payments for all participants within the amounts contracted under the annual contributions contract (ACC).

LEASE-UP/MOVE PROCESS



- a. The briefing is held to explain the program and issue the voucher. Briefings can be group or individual at the PHA's option.
- b. The initial term of the voucher is at least 60 days. The family has the time specified on the voucher to find a unit.
- c. The family searches for a unit.



- a. The family finds a unit to lease and discusses the program with the owner.

Section 2: Overview of the Housing Process

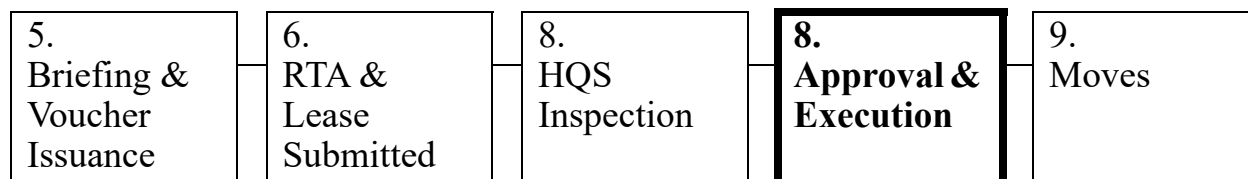
- b. The family submits a request for tenancy approval (RTA) and a copy of the lease.
- The lease must include the tenancy addendum.
 - The RTA must be submitted during the term of the voucher in the manner required by the PHA.
 - The PHA determines that the owner is approvable.
 - If all are approvable so far, the PHA schedules an HQS inspection.
 - If the rent is not approvable, the PHA negotiates.
 - If the owner agrees to changes, an HQS inspection is scheduled.
 - If the owner disagrees, the family has to locate another unit to continue the process.

LEASE-UP/MOVE PROCESS

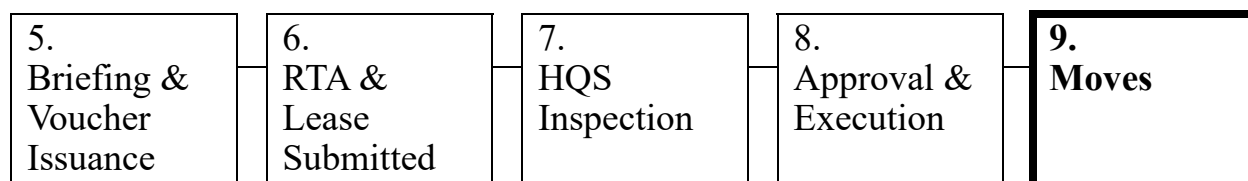


- a. The PHA schedules and conducts an inspection according to housing quality standards (HQS).
- b. The PHA provides a report of inspection defects to the owner (and sometimes family).
- c. The PHA gives the owner a PHA-specified time to make repairs if necessary.
- d. The PHA determines if rent is reasonable, i.e., comparable to rents for similar unassisted units in the area. If not, the PHA negotiates with the owner.
- e. The PHA reinspects failed items.
- f. If the owner does not agree to make repairs, or if the rent is not reasonable, the PHA disapproves of the unit.
 - If the family still has time remaining on the voucher, or if the PHA will extend, the family has to find another unit to continue the process.

LEASE-UP/MOVE PROCESS

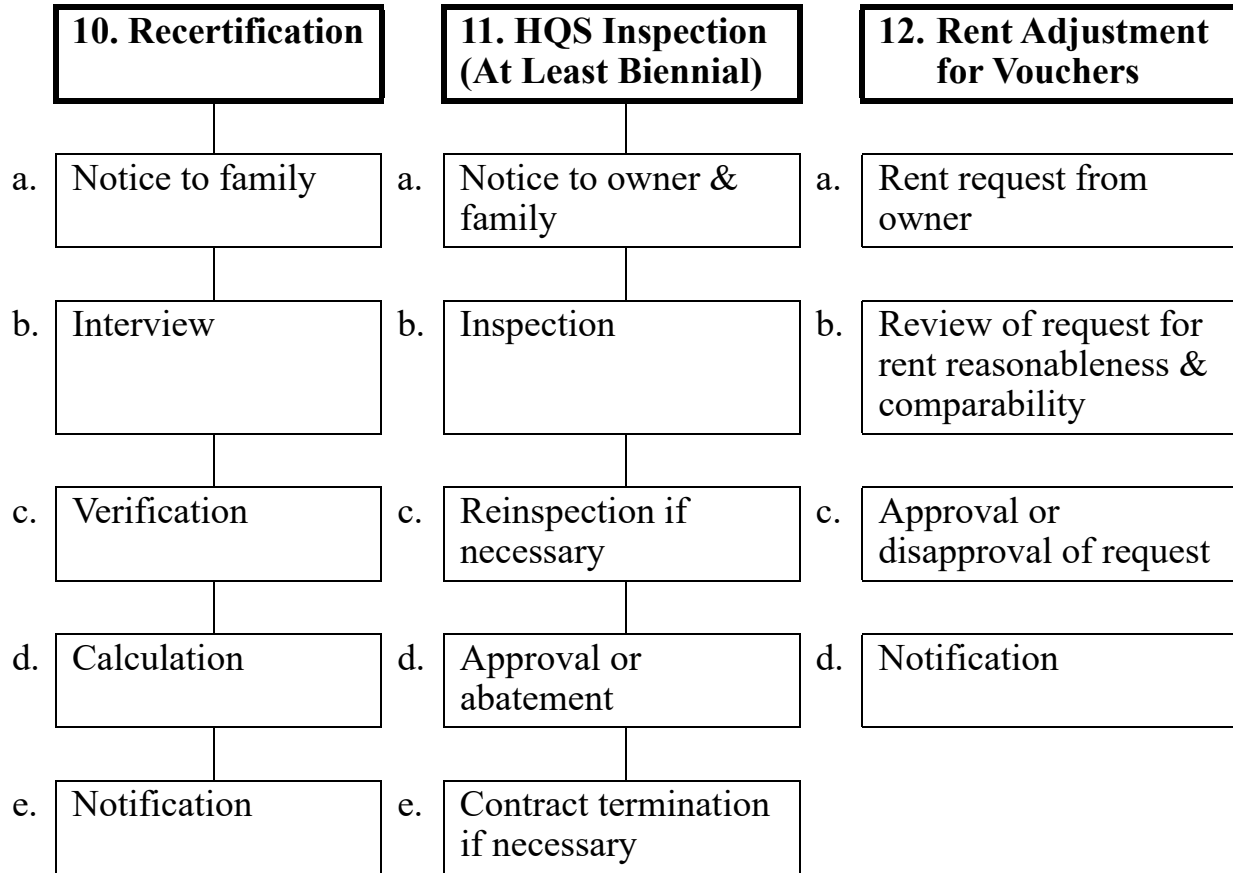


- a. If these things are approvable, documents are executed:
 - The owner and family execute the lease.
 - The owner and PHA execute the housing assistance payments (HAP) contract.
- b. Assisted tenancy begins on the effective date stated in the lease and contract.



- a. The family may move to another unit, and the same lease-up steps are followed. An annual recertification at this time is at the PHA's option.
- b. HUD regulations and PHA policy determine when and if a family can move to another unit.

ANNUAL ACTIVITIES



INTERIM ACTIVITIES

(Between Annual Activities)

Interim Recertification

Same steps as annual recertification except verification only of changes

- Or -

HQS Compliance

Same steps as biennial inspection except inspection only of complaint items

TERMINATIONS

13. Housing Choice Voucher

- a. The PHA terminates for reasons in the regulations.
- b. Notice is required, including the opportunity for an informal hearing.

14. Lease

- a. Family can be terminated with proper notice.
- b. Not more than 60-day notice is required (usually 30-day notice in the lease).
- c. The owner terminates through eviction.

15. Contract

- a. The PHA terminates for violation of the contract terms, including violations of HQS.
- b. PHA may terminate when funding under the ACC is insufficient to support continued assistance.
- c. Owner may also terminate the contract.
- d. Contract may be terminated if the unit fails to meet HQS size standards.

RENT CALCULATION

Vouchers

Figure family's TTP first. It is the greater of:

30% of monthly adjusted income

10% of monthly income PHA minimum rent

Welfare rent

Figure PHA's maximum payment

Lesser of payment standard or gross rent

– TTP

= Maximum Subsidy

Family share depends on what the owner's rent is.

If gross rent is more than the payment standard, the family pays 30% plus the excess over the payment standard.

Section 3 Special Purpose Vouchers

SPECIAL PURPOSE VOUCHERS

- Special purpose vouchers are specifically funded by Congress in separate appropriations from regular Housing Choice Voucher (HCV) program funding in order to target specific populations. Special purpose vouchers include, among others, vouchers for the following programs:
 - Family Unification Program (FUP)
 - Foster Youth to Independence (FYI) program

FAMILY UNIFICATION PROGRAM

Program Overview

Family Unification Program (FUP) Fact Sheet

- The Family Unification Program (FUP) was authorized by Congress in 1990 to help preserve and reunify families. PHAs that administer the program provide vouchers to two different populations-FUP families and FUP youth.
- Families eligible for FUP are families for whom the lack of adequate housing is a primary factor in:
 - The imminent placement of the family's child or children in out-of-home care; or
 - The delay in the discharge of the child or children to the family from out-of-home care.
- There is no time limitation on FUP family vouchers, and the family retains their voucher as long as they are HCV-eligible. There is no requirement for the provision of supportive services for FUP family vouchers.

Section 3: Special Purpose Vouchers

- Youth eligible for FUP are those who:
 - Are at least 18 years old and not more than 24 years of age;
 - Have left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 and older; and
 - Are homeless or at risk of becoming homeless.
- FUP youth vouchers are limited by statute to a period between 36 and 60 months of housing assistance. Supportive services must also be provided to FUP-eligible youth by the Public Child Welfare Agency (PCWA) or by another agency or organization under contract with the PCWA for the period of time defined in the notice or Notice of Funding Opportunity (NOFO) for which funding was made available.
- PHAs that wish to administer FUP vouchers must apply to HUD by submitting an application under an active Notice of Funding Opportunity (NOFO). While the FUP program is administered in accordance with HCV regulations, the FUP NOFOs issued by HUD provide specific program information and requirements.
- In order to administer the program, the PHA must also form a partnership with a local PCWA who is responsible for determining whether the family or youth meets FUP eligibility requirements and referring them to the PHA. Once the referral is received, the PHA is responsible for placing the FUP family or youth on the PHA's waiting list and determining whether they are eligible to receive assistance under the PHA's HCV program.

Public Child Welfare Agency (PCWA)

- Families and youth do not apply directly to the PHA for FUP vouchers. They are instead referred by a PCWA with whom the PHA has entered into a Memorandum of Understanding (MOU). The partnering PCWA initially determines whether the family or youth meets the FUP program eligibility requirements and then refers those families or youths to the PHA.
- HUD strongly encourages PHAs and PCWAs to make decisions collaboratively on the administration of the program and to maintain open and continuous communication.

Supportive Services

- The PCWA must provide supportive services for the period of time defined in the notice or NOFO for which the funding was made available to all FUP-eligible youth regardless of their age. The MOU between the PHA and the PCWA identifies the period of time in which supportive services will be provided.

Section 3: Special Purpose Vouchers

- Supportive services may be provided to FUP-eligible youth by the PCWA or by another agency or organization under agreement or contract with the PCWA, including the PHA. The organization providing the services and resources must be identified in the MOU. The following services must be offered:
 - Basic life skills information or counseling on money management, use of credit, housekeeping, proper nutrition or meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
 - Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance or referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
 - Providing such assurances to owners of rental property as are reasonable and necessary to assist a FUP-eligible youth to rent a unit with a FUP voucher;
 - Job preparation and attainment counseling (where to look and how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
 - Educational and career advancement counseling regarding attainment of general equivalency diploma (GED), or attendance or financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.
- A FUP-eligible youth cannot be required to participate in these services as condition of receipt of the FUP voucher.

FUP Family Voucher Eligibility Criteria

FUP FAQs

- FUP family assistance is reserved for eligible families that the PCWA has certified are a family for whom a lack of adequate housing is a primary factor in:
 - The imminent placement of the family's child or children in out-of-home care, or
 - The delay in the discharge of the child or children to the family from out-of-home care.
- Lack of adequate housing is defined in the FUP NOFO.
- Since HUD does not define imminent placement, the partnering PCWA uses its discretion to determine whether the potential out of home placement of the family's child or children is imminent.

FUP Youth Voucher Eligibility Criteria

- While FUP family vouchers operate as regular HCVs after the family is referred from the PCWA, there are several aspects of the FUP youth vouchers that make them distinct from the FUP family vouchers and from regular HCVs.

Eligibility Criteria

FUP FAQs

- A FUP-eligible youth is a youth the PCWA has certified:
 - Is at least 18 years old and not more than 24 years of age (has not yet reached their 25th birthday);
 - The FUP youth must be no more than 24 years old at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
 - Has left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;
 - Foster care placement can include, but is not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576.
 - Is homeless or at risk of becoming homeless at age 16 or older;
 - *At risk of being homeless* is fully defined at 24 CFR 576.2.
 - This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution).
 - Therefore, youth being discharged from an institution may be eligible for a FUP voucher.

Section 3: Special Purpose Vouchers

- Has an annual income at or below 30 percent of area median income; and
- Does not have sufficient resources or support networks (e.g., family, friends, faith-based or other social networks) immediately available to prevent them from moving to a supervised publicly or privately operated shelter designed to provide temporary living arrangements.

Referrals

Notice PIH 2011-52

- The PCWA must establish and implement a system to identify FUP-eligible families and youths within the agency's caseload and make referrals to the PHA.
- A PHA must serve any referrals (youths or families) that meet all program eligibility requirements.
- If a PHA determines that it has received a sufficient number of referrals from the PCWA so that the PHA will be able to lease all FUP vouchers awarded, the PHA may request that the PCWA suspend transmission of referrals. If the PHA determines that additional referrals will be needed after it has made such a request, the PHA may request that the PCWA resume transmission of referrals.

Lease Up

FR Notice 1/24/22

- Once the PHA determines that the family or youth meets HCV eligibility requirements, the family or youth will be issued a FUP voucher in accordance with PHA policies.

Assistance Period

Maximum Assistance Period

FR Notice 1/24/22

- Although there is no time limit on FUP family vouchers, FUP youth vouchers are limited by statute. Unless the FUP youth meets an exception outlined below, after 36 months of assistance, the FUP youth voucher must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the 36-month limitation.

Extension of Assistance

- FUP youth who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).
- While FUP youth cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months. In order to receive this extension of assistance, a FUP youth must accept an FSS slot if it is offered to them prior to the 36-month mark in order to receive an extension of assistance (unless the youth meets one of the statutory exceptions).

Statutory Exceptions

- A FUP youth will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA's FSS program if they certify that they meet one of the exceptions specified in the Fostering Stable Housing Opportunities (FSHO) Amendments implementation notice, dated January 24, 2022.

Education, Workforce Development, or Employment Activities

- If a PHA that conducts an FSS program is unable to offer a FUP youth an FSS slot during their first 36 months of receiving FUP youth assistance, the youth is considered to have been "unable to enroll" in the program and may have their voucher extended by meeting certain education, workforce development, or employment criteria, as described in the FSHO Amendments implementation notice.

FSS Enrollment at 24 Months

- If the FUP youth has not been provided an opportunity to enroll in the FSS program during the first 24 months of FUP assistance, HUD encourages the PHA to remind the youth at the 24-month reexamination of the education, workforce development, and employment requirements described above so that the youth has enough time to meet these requirements prior to the expiration of the 36-month time period for FUP assistance.

FSS Enrollment Between 36 and 48 Months

- If an FSS slot becomes available between the 36-month and 48-month mark:
 - The PHA must offer the slot to a FUP youth who had their voucher extended based on meeting the education, workforce development, or employment requirements as discussed above, or one of the statutory exceptions (even if the youth previously declined an FSS slot because they met one of the statutory exceptions).
 - The PHA must work with the youth to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the youth is engaged in and any statutory exceptions that apply to the youth, as well as the remaining time on their voucher.
 - If the FUP youth accepts the FSS slot, the PHA must work with the youth to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.
- If the FUP youth is offered an FSS slot prior to the 36-month mark, the youth:
 - Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions).
 - Will not be considered to have been "unable to enroll" in the FSS program as described above, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements described above.

FSS Enrollment After 48 Months

- The PHA may, but is not required to, offer a FUP youth an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the youth will have already received their second and final extension.

Extensions of Assistance

- At the 36-month and 48-month reexamination, the PHA must extend FUP youth assistance if the youth is participating in and in compliance with the FSS program as long as the youth is still eligible for the HCV program.
- In any case, the FUP youth cannot receive more than a total of 60 months of FUP youth voucher assistance, even if the FSS Contract of Participation time period extends beyond the voucher 60-month mark.

No FSS Program or Unable to Enroll in FSS

- If a PHA does not conduct an FSS program or the FUP youth has been unable to enroll in the program during the first 36 months of receiving FUP assistance:
 - The FUP youth is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the youth engaged in at least one of the education, workforce development, or employment activities described in the FSHO implementation notice for not less than nine months of the 12-month period preceding each extension.
 - In order to meet the nine months out of the preceding 12 months requirement, the youth may have engaged in one of the education, workforce development, or employment activities discussed above or a combination of these activities.

Verification Prior to Annual Reexam

- In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods.
- The PHA does not need to verify compliance with these requirements at the end of the 60-month time period since the maximum length of assistance is 60 months.

Section 3: Special Purpose Vouchers

- A FUP youth who received an extension of voucher assistance at the end of the 36-month time period based on meeting one condition does not have to meet the same condition when they reach the end of the 48-month time period. If the PHA determines that the youth meets one of the statutory conditions, the PHA would then conduct an annual reexamination. If the youth is still determined eligible, the PHA must provide an extension of voucher assistance.

Termination of Assistance for Failure to Meet Conditions

- Failure of the FUP youth to meet the conditions discussed above only impacts extensions of assistance and is not a basis for terminating FUP assistance prior to the annual reexam. That is, if the youth does not meet any of the conditions discussed above, they are subject to the statutory time limit of 36 months or the time limit of any extension that the already received. The FUP youth voucher must be terminated once the youth reaches this time limit.

Termination of Assistance

General Requirements

- With the exception of terminations of assistance for FUP youth after the statutorily required time period, terminations of FUP assistance are handled in the same way as the regular HCV program. Termination of a FUP voucher must be consistent with regulations for termination in 24 CFR Part 982, Subpart L and be in compliance with PHA policies.

FUP Family Vouchers

- If parents lose their parental rights or are separated from their children after voucher lease-up (or their children reach adulthood), the family is still eligible to keep their FUP assistance, as the regulations do not permit HCV termination for a family losing parental rights or the children reaching adulthood. However, the PHA may transfer the assistance of a FUP family voucher holder to regular HCV assistance if there are no longer children in the household.

FUP Youth Vouchers

- A PHA cannot terminate a FUP youth's assistance for noncompliance with PCWA case management, nor may the PHA terminate assistance for a FUP youth for not accepting services from the PCWA.
 - The PHA may not transfer the assistance of a FUP youth voucher holder to regular HCV assistance upon the expiration of the statutorily required time period, but may issue a regular HCV to FUP youth if they were selected from the waiting list in accordance with PHA policies and may also adopt a preference for FUP youth voucher holders who are being terminated for this reason.
 - Upon the expiration of the statutorily required time period, a FUP youth voucher holder who has children and who lacks adequate housing may qualify for a FUP family voucher provided they are referred by the PCWA as an eligible family and meet the eligibility requirements for the PHA's HCV program.

FUP Portability

- Portability for a FUP family or youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for a FUP family or youth for reasons other than those specified in the HCV program regulations.

Considerations for FUP Youth Vouchers

- If the voucher is a FUP youth voucher and remains such upon lease-up in the receiving PHA's jurisdiction, termination of assistance must still take place once the youth has received assistance for the statutorily required time period. If the receiving PHA is administering the FUP youth voucher on behalf of the initial PHA, the two PHAs must work together to initiate termination upon expiration of the statutorily required time period.

Project-Basing FUP Vouchers

Notice PIH 2017-21; FR Notice 1/24/22

- The PHA may project-base FUP vouchers without HUD approval and all statutory and regulatory requirements for the PBV program. Project-based FUP vouchers are subject to the PBV program percentage limitation.
 - The PHA may limit PBVs to one category of FUP-eligible participants (families or youth) or a combination of the two.
 - See Notice PIH 2017-21 and the FSHO implementation notice for further requirements.

FOSTER YOUTH TO INDEPENDENCE INITIATIVE

Program Overview

Notice PIH 2020-28; Notice PIH 2023-04; FR Notice 1/24/22

- The FYI initiative allows PHAs who partner with a Public Child Welfare Agency (PCWA) to request targeted HCVs to serve eligible youth with a history of child welfare involvement that are homeless or at risk of being homeless.
 - Rental assistance and supportive services are provided to qualified youth for a period of between 36 and 60 months.
 - Funding is available either competitively through an FYI NOFA or noncompetitively on a rolling basis in accordance with the application requirements outlined in Notice PIH 2020-28, Notice PIH 2021-26, or Notice PIH 2023-04, as applicable.

Partnering Agencies

Public Child Welfare Agency (PCWA)

Notice PIH 2023-04;

FYI Updates and Partnering Opportunities Webinar

- The PHA must enter into a partnership agreement with a PCWA in the PHA's jurisdiction in the form of a Memorandum of Understanding (MOU) or letter of intent. The PCWA is responsible for:
 - Identifying and referring eligible youth to the PHA
 - Developing a system of prioritization based on the level of need of the youth and the appropriateness of intervention;
 - Providing a written certification to the PHA that the youth is eligible;

Section 3: Special Purpose Vouchers

- Providing or securing a commitment for the provision of supportive services once youth are admitted to the program; and
- Providing or securing supportive services for 36 months.

Continuum of Care (CoC) and Other Partners

- HUD strongly encourages PHAs to add other partners into the partnership agreement with the PCWA such as state, local, philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates.

Youth Eligibility Criteria

Notice PIH 2023-04; FYI Q&As; FYI FAQs

- The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. As determined by the PCWA, eligible youth:
 - Are at least 18 years of age and not more than 24 years of age (have not yet reached their 25th birthday);
 - Youth must be no more than 24 years of age at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
 - Have left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;
- Placements can include, but are not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576;

Section 3: Special Purpose Vouchers

- Are homeless or at risk of becoming homeless at age 16 and older;
 - At risk of being homeless is fully defined at 24 CFR 576.2.
- Eligibility is not limited to single persons. For example, pregnant and/or parenting youth are eligible to receive assistance assuming they otherwise meet eligibility requirements.

Supportive Services

Notice PIH 2023-04;

FYI Updates and Partnering Opportunities Webinar;

FYI FAQs

- Supportive services may be provided by the PHA, PCWA, or a third party. The PCWA must provide or secure a commitment to provide supportive services for participating youth for the period of time defined in the NOFA/O for which the funding was made available. At a minimum, the following supportive services must be offered:
 - Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
 - Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
 - Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher;

Section 3: Special Purpose Vouchers

- Job preparation and attainment counseling (where to look/how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
 - Educational and career advancement counseling regarding attainment of general equivalency diploma (GED) or attendance/financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.
- Since participation in supportive services is optional, but strongly encouraged, an FYI participant may decline supportive services.

Referrals and Waiting List Management

Referrals

Notice PIH 2023-04;

FYI Updates and Partnering Opportunities Webinar;

FYI FAQs

- The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement.
 - Once the PCWA sends the PHA the referral certifying the youth is program-eligible, the PHA determines HCV eligibility.
 - The PCWA must have a system for identifying eligible youth within the agency's caseload and reviewing referrals from other partners, as applicable. The PCWA must also have a system for prioritization of referrals to ensure that youth are prioritized for an FYI voucher based upon their level of need and appropriateness of the intervention.
 - Referrals may come from other organizations in the community who work with the population, but the PCWA must certify that the youth meets eligibility requirements, unless the PCWA has vested another organization with this authority.

Section 3: Special Purpose Vouchers

- The PHA is not required to maintain full documentation that demonstrates the youth's eligibility as determined by the PCWA but should keep the referral or certification from the PCWA. The PCWA is not required to provide the PHA with HCV eligibility documents.

Waiting List Placement

Notice PIH 2023-04 and FYI FAQs

- The PHA must use the HCV waiting list for the FYI program. Youth already on the HCV program may not be transferred to an FYI voucher since they are not homeless or at-risk of homelessness.
 - Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on the PHA's HCV waiting list.
 - If the PHA's HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new referrals.

Waiting List Selection

- The PHA selects eligible youths based on the PHA's regular HCV waiting list selection policies including any preferences that may apply.

PHA HCV Eligibility Determination

FYI FAQs

- Once an eligible youth is selected from the HCV waiting list, the PHA must determine whether the youth meets HCV program eligibility requirements.
 - Applicants must be eligible under both FYI eligibility requirements and HCV eligibility requirements as outlined in PHA policy.
 - Youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FYI voucher.

Lease Up

FR Notice 1/24/22

- Once the PHA determines that the family or youth meets HCV eligibility requirements, the youth will be issued an FYI voucher in accordance with PHA policies.
- During the family briefing, PHAs must inform the FYI voucher holder of:
 - The extension of assistance provisions and requirements;
 - The availability of the FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (provided the PHA has an FSS program); and
 - The supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FYI assistance.

Section 3: Special Purpose Vouchers

- Once the youth locates a unit, the PHA conducts all other processes relating to voucher issuance and administration per HCV program regulations and the PHA policy.
- Should a youth fail to use the voucher, the PHA may issue the voucher to another eligible youth if one has been identified Notice PIH 2023-04.

Maximum Assistance Period

Notice PIH 2023-04;

FYI FAQs;

FR Notice 1/24/22

- Vouchers are limited by statute to a total of between 36 months and 60 months of housing assistance.
 - Participants do not “age out” of the program. A participant may continue with the program until they have received the period of assistance for which they are eligible. Age limits are only applied for entry into the program.

Section 3: Special Purpose Vouchers

Extension of Assistance

- FYI voucher holders who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit for a total of 60 months of assistance.
 - While FYI voucher holders cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months.
 - In order to receive an extension of assistance, FYI voucher holders must accept an FSS slot if it is offered to them prior to the 36-month mark, unless the youth meets one of the statutory exceptions described below.

Statutory Exceptions

- FYI voucher holders will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA's FSS program if they certify that they meet one of the exceptions specified in the Fostering Stable Housing Opportunities (FSHO) Amendments implementation notice, dated January 24, 2022.
- An FYI voucher holder that meets one of the exceptions must still be offered an opportunity to enroll in the PHA's FSS program (if it is available to them) and receive any supportive services available to FYI voucher holders.

Section 3: Special Purpose Vouchers

- An FYI voucher holder may choose to participate in an FSS program or engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

Education, Workforce Development, or Employment Activities

- If a PHA that carries out an FSS program is unable to offer a FYI voucher holder an FSS slot during their first 36 months of receiving FYI assistance, the FYI voucher holder is considered to have been "unable to enroll" in the program and may have their voucher extended by meeting certain education, workforce development, or employment criteria, as described in the FSHO Amendments implementation notice.

FSS Enrollment at 24 Months

- If the FYI voucher holder has not been provided an opportunity to enroll in the FSS program during the first 24 months of FYI assistance, HUD encourages the PHA to remind the FYI voucher holder at the 24-month reexamination of the education, workforce development, and employment requirements described above so that they have enough time to meet these requirements prior to the expiration of the 36-month time period for FYI assistance.

FSS Enrollment Between 36 and 48 Months

- If an FSS slot becomes available between the 36-month and 48-month mark:
 - The PHA must offer the slot to an FYI voucher holder who had their voucher extended based on meeting the education, workforce development, or employment requirement listed above, or one of the statutory exceptions listed above (even if the FYI voucher holder previously declined an FSS slot because they met one of the statutory exceptions).
 - The PHA must work with the FYI voucher holder to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the FYI voucher holder is engaged in and any statutory exceptions that apply to the FYI voucher holder, as well as the remaining time on their voucher.
 - If the FYI voucher holder accepts the FSS slot, the PHA must work with them to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.

Section 3: Special Purpose Vouchers

- If the FYI voucher holder is offered an FSS slot prior to the 36-month mark, the FYI voucher holder:
 - Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions described above).
 - Will not be considered to have been “unable to enroll” in the FSS program, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements discussed above.

FSS Enrollment After 48 Months

- The PHA may, but is not required, to offer an FYI voucher holder an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the FYI voucher holder will have already received their second and final extension.

Extensions of Assistance

- At the 36-month and 48-month reexamination, the PHA must extend FYI assistance if the FYI voucher holder is participating in and in compliance with the FSS program as long as the FYI voucher holder is still eligible for the HCV program. In any case, the FYI voucher holder cannot receive more than a total of 60 months of FYI assistance even if the FSS Contract of Participation time period extends beyond the voucher 60-month mark.

No FSS Program or Unable to Enroll in FSS

- If a PHA does not conduct an FSS program or the FYI voucher holder has been unable to enroll in the program during the first 36 months of receiving FYI assistance, the FYI voucher holder is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that:
 - The FYI voucher holder engaged in at least one of the education, workforce development, or employment activities discussed above for not less than nine months of the 12-month period preceding each extension.
 - In order to meet the nine months out of the preceding 12 months requirement, the FYI voucher holder may have engaged in one of the education, workforce development, or employment activities discussed above or a combination of these activities.

Verification Prior to Annual Reexam

- In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods.
- The PHA does not need to verify compliance with these requirements at the end of the 60-month period since the maximum length of assistance is 60 months.
- An FYI voucher holder who received an extension of voucher assistance at the end of the 36-month time period based on meeting one of the conditions above does not have to meet the same conditions when they reach the end of the 48-month time period.

Termination of Assistance for Failure to Meet Conditions

- Failure of the FYI voucher holder to meet one of the conditions discussed above will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FYI assistance prior to the annual reexam.
 - If the FYI voucher holder does not meet any of the statutory conditions, the youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received
 - The FYI voucher must be terminated once they reach this time limit.

Termination of Assistance

FYI FAQs

- Termination of an FYI voucher is handled in the same way as with any HCV; therefore, termination of a FYI voucher must be consistent with HCV regulations at 24 CFR Part 982, Subpart L and PHA policy. Given the statutory time limit that requires FYI vouchers to sunset, a PHA must terminate the youth's assistance once the limit on assistance has expired.
 - A PHA cannot terminate a FYI youth's assistance for noncompliance with PCWA case management
 - A PHA cannot terminate an FYI youth's for not accepting services from the PCWA.
 - The PHA may not transfer the assistance of FYI voucher holders to regular HCV assistance upon the expiration of the limit on assistance.

Portability

FYI FAQs

- Portability for an FYI youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for an FYI youth for reasons other than those specified in the HCV program regulations.
 - An FYI youth does not have to port to a jurisdiction that administers FYI vouchers.

Project-Basing FYI Vouchers

FYI FAQs;

FR Notice 1/24/22;

Notice PIH 2024-03

- PHAs that have initiated the selection process to project-base FYI and/or FUP vouchers may be eligible to project-base FYI and FUP units formally identified for project basing in accordance with all applicable PBV regulations and PHA policies.
- This includes FYI vouchers awarded under Notices PIH 2020-28, PIH 2021-26, and PIH 2023-04. Assistance awarded under Notice PIH 2019-20 is prohibited from being project-based.

Turnover

Notice PIH 2023-04

- Awards of FYI Tenant Protection Vouchers (TPVs) continue to be administered under the requirements of Notice PIH 2019-20. This includes turnover requirements and the requirement to inform HUD should a youth not use a voucher or leave the program.

Section 4 Rental Assistance Demonstration (RAD) and FSS

RAD APPLICABLE REGULATIONS

- The regulations covering the Rental Assistance Demonstration may have critical impact on the FSS program. The following references and summary provide an overview of these regulations.
 - Notice PIH 2023-19 amends Notice PIH 2019-23 and Notice PIH 2021-07, and was effective immediately.
 - Notice PIH 2019-23 was immediately applicable at the time of closing to all projects converting assistance (notwithstanding execution of a commitment for conversion).
 - Notice PIH 2012-32, REV-3 was applicable to projects that were seeking conversion of assistance through RAD, including those where a CHAP had already been issued when it was published January 12, 2017.
 - Notice PIH 2012-32, REV-2 was applicable to projects that were seeking conversion of assistance through RAD, including those where a CHAP had already been issued when it was published June 15, 2015.
 - RAD Quick Reference Guide for Public Housing Converting to PBV Assistance (6/20)
 - RAD Welcome Guide for New Awardees: RAD 1st Component (3/15)

Section 4: Rental Assistance Demonstration (RAD) and FSS

- Notice PIH 2016-17, Rental Assistance Demonstration (RAD) Notice Regarding Fair Housing and Civil Rights Requirements and Relocation Requirements Applicable to RAD First Component - Public Housing Conversions. This Notice applies to all projects that have applied for RAD conversion but have not yet been converted as of November 10, 2016.
- Notice PIH 2014-17, Relocation Requirements under the RAD Program, Public Housing in the First Component. This notice may apply to projects that have converted to RAD prior to November 10, 2016, and who have requested and received approval from HUD to be governed by this notice. See PIH Notice 2016-17, Section 1, Paragraph 1.3 for applicability.

PUBLIC HOUSING CONVERTED TO PROJECT-BASED VOUCHERS OR PROJECT-BASED RENTAL ASSISTANCE

Notice PIH 2016-17

- The Rental Assistance Demonstration (RAD) was authorized in 2012 to assess the effectiveness of converting public housing, moderate rehabilitation properties, and units under the rent supplement and rental assistance payments programs to long-term, project-based Section 8 rental assistance. The program's four primary objectives are to:
 - Preserve and improve public and other assisted housing.
 - Standardize the administration of federally subsidized housing programs and promote operating efficiency by using a Section 8 project-based assistance model.

Section 4: Rental Assistance Demonstration (RAD) and FSS

- Attract private market capital for property renovations. Through the use of this model, properties may be able to leverage private debt and equity to make capital repairs.
- Increase tenant mobility opportunities.
- A PHA with public housing units may submit an application to HUD to convert some or all of their public housing units to long-term, project-based Section 8 HAP contracts under either:
 - Project-Based Rental Assistance (PBRA) under HUD's Office of Multifamily Housing Programs.
 - Project-Based Vouchers (PBVs) under HUD's Office of Public and Indian Housing (PIH).

RAD CONVERSION AND CONTINUED FSS PARTICIPATION

Notice PIH 2019-23

- After a RAD conversion, current public housing FSS participants continue to participate in the PHA's FSS program. PHAs are allowed to use any public housing FSS funds granted previously or pursuant to the current fiscal year (FY) public housing FSS notice of funding opportunity (NOFO) to serve those FSS participants who live in units converted to RAD and who as a result are moving to the HCV FSS program. A PHA must convert the public housing FSS program participants at the covered project to their HCV or PBRA FSS program.
- At the completion of the FSS grant, PHAs should follow the normal closeout procedures outlined in the grant agreement. If the PHA continues to run an FSS program that serves PH and/or HCV participants, the PHA will continue to be eligible (subject to NOFO requirements) to apply for FSS funding.

RESIDENTS' PROCEDURAL RIGHTS

Notice PIH 2019-23

- HUD is incorporating additional termination notification requirements for public housing projects that convert assistance under RAD to PBV and to non-RAD PBV units located in the same project beyond those for the standard PBV program. In addition to the regulations at 24 CFR 983.257 related to owner termination of tenancy and eviction (which MTW agencies may not alter), the termination procedure for RAD conversions to PBV requires that PHAs provide adequate written notice of termination of the lease, which is:
 - A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, project owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - In the event of any drug-related or violent criminal activity or any felony conviction.
 - Not less than 14 days in the case of nonpayment of rent.
 - Not less than 30 days in any other case, except that if a state or local law provides for a shorter period of time, such shorter period will apply.

PROHIBITED RESCREENING OF EXISTING TENANTS UPON CONVERSION

Notice PIH 2019-23

- Current households cannot be excluded from occupancy at the covered project based on any rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for application of any eligibility criteria to conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion.
- Post-conversion, the tenure of all residents of the covered project is protected pursuant to PBV requirements regarding continued occupancy unless explicitly modified by Notice PIH 2019-23 (e.g., rent phase-in provisions).
 - For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR 982.201, concerning eligibility and targeting, will not apply for current households.
 - Once that remaining household moves out, the unit must be leased to an eligible family.
- Existing residents at the time of conversion may not be rescreened for citizenship status or have their social security numbers reverified.

Section 4: Rental Assistance Demonstration (RAD) and FSS

- Further, so as to facilitate the right to return to the assisted property, this provision must apply to current public housing residents of the converting project that will reside in non-RAD PBV units placed in a project that contain RAD PBV units. Such families and such contract units will otherwise be subject to all requirements of the applicable program, specifically 24 CFR 983 for non-RAD PBV. Any non-RAD PBV units located in the same project are also subject to the right to return.
- For the RAD PBV program, in-place family means a family who lived in a pre-conversion property at the time assistance was converted from public housing to PBV under RAD.

RAD Fact Sheet: FSS and ROSS



*Residents will continue to be able to benefit from “self-sufficiency” programs such as the **Family Self-Sufficiency** and **Resident Opportunities for Self-Sufficiency** programs*



After RAD Can I Still Participate in FSS or ROSS?

Yes. If you currently participate in these programs at your public housing property, you may continue to participate in the Family Self-Sufficiency (FSS) and Resident Opportunities and Self-Sufficiency (ROSS) programs once your property is converted through the Rental Assistance Demonstration (RAD).



What Is the FSS Program?

FSS is a voluntary program that helps families obtain and maintain living wage employment (meaning jobs that provide enough income to cover a family’s basic needs) by connecting residents to services like childcare, transportation, education, job training, employment counseling, job placement, and substance or alcohol abuse treatment or counseling. If you chose to participate in the FSS program at your public housing property, you entered into a five-year **Contract of Participation**, which identified program rules, activities you would complete, and your program goals.

To operate the program, the public housing authority (PHA) could have applied to HUD for one-year grants to fund a **Service Coordinator** who connected residents to resources. The PHA would have also established an FSS **escrow account** for you. If your earned income increased during the program, you paid increased rent to your PHA like any other resident, but the PHA put the additional rent into your escrow account. The funds placed in the escrow account are available to you upon successful completion of the FSS program.



How Does RAD Impact FSS?

When a public housing property goes through RAD, the source of funding to maintain and operate the property and the rules governing the property switch from HUD’s public housing program to HUD’s Section 8 programs. Through RAD, the PHA can convert public housing to either Project-based Vouchers (PBV) or Project-based Rental Assistance (PBRA). Depending on which program your housing converts to after RAD, the property owners may or may not be able to accept new participants to the FSS program. **However, in**

Fact Sheet #11: Family Self-Sufficiency (FSS) & Resident Opportunities and Self-Sufficiency (ROSS)

either case, if you already participate in FSS at your public housing property, you will still be able to participate in FSS after the RAD conversion.

If your property is converted to Project-Based Vouchers, it is part of HUD's Housing Choice Voucher (HCV) program. The HCV program has a FSS program (called HCV FSS) for residents in the same way that the public housing program has a FSS program for residents. If you participate in the FSS program at your public housing property and:

- **The PHA has an HCV FSS program**, the PHA must convert you to the HCV FSS program. In this scenario, the PHA can also enroll new participants in the HCV FSS program if there is space.
- **The PHA does not have an HCV FSS program**, the PHA must establish an HCV FSS program and convert you to the program. In this scenario, the PHA is not required to enroll any new participants in the HCV FSS program.

Generally, for new participants in the HCV FSS program, the rules allow a PHA to terminate your rental assistance if you do not comply with your Contract of Participation. However, if you **currently participate** in the FSS program in public housing and then convert to the HCV FSS program through RAD, the PHA may **not** terminate your rental assistance for this reason.

If your property is converted to Project-Based Rental Assistance and you participate in the FSS program at your public housing property, you will continue to participate in the same FSS program once your housing is converted under RAD. The property owner will continue to provide you with a Service Coordinator and make payments to your escrow account until the end of your Contract of Participation. The owner is not required to enroll new participants but may choose to run its own voluntary FSS program.



What Is the ROSS Program?

The ROSS program provides supportive services and empowerment activities at public housing properties. ROSS **Service Coordinators** work with families to increase their income and become self-sufficient, and with elderly residents or residents with disabilities to improve living conditions so they can age-in-place. In public housing, PHAs, resident councils, and nonprofit organizations can apply to HUD for three-year grants to fund ROSS Service Coordinators.



How Does RAD Impact ROSS?

If your public housing property currently has a ROSS Service Coordinator and your property converts through RAD, you may continue participating in the ROSS program until the three-year grant funding is spent. Once the funds are spent, the property can no longer be served by ROSS funding because Section 8 does not have a ROSS program.

Section 5 Policy Development

THE ROLE OF POLICY IN IMPLEMENTING REGULATIONS

*PH and HCV Rental Integrity Training Manual,
Ch. 2, p. 2-3*

- A quality control study published by HUD’s Office of Policy Development and Research in 2001—“Quality Control for Rental Assistance Subsidies Determinations”—reached the following conclusions:
 - Weaknesses in PHA policies and procedures contribute to rent errors
 - Areas of PHA discretion can have both positive and negative effects
 - Areas of discretion enable PHAs to adapt their programs to local conditions, BUT
 - They also have the potential to create confusion and inconsistency
- The challenges for PHAs are to:
 - Understand what is mandatory and what is discretionary
 - Develop compliant policies for mandatory items
 - Develop reasonable policies in discretionary areas
 - Develop procedures that translate mandatory and discretionary policies into action
 - Clearly communicate policies and procedures to staff and clients to ensure consistency
 - Monitor policies and procedures to ensure compliance by staff

- To meet these challenges, your PHA should:
 - Focus on the distinction between mandatory and discretionary policies
 - Understand how a lack of PHA policies and procedures may be contributing to errors
 - Think through the manner in which your agency handles discretionary items
 - Find ways of improving discretionary policies and procedures
- HUD requires written policies, which will:
 - Provide daily guidance to PHA staff in the performance of routine activities
 - Make decisions more transparent to staff and the public
 - Are more defensible than unwritten policies when challenges arise
 - Ensure that all PHA staff members do things the same way, thus promoting consistency and fairness while also minimizing the potential for lawsuits
 - Provide a foundation for sound management and supervision
 - Approved policies and procedures allow supervisors to establish objective performance standards for their staff.
 - Provide a basis for auditor justification

MANDATORY VS. DISCRETIONARY POLICIES AND PROCEDURES

- A mandatory policy or procedure is one that is required by a current law, regulation, notice, or handbook.
- Discretionary policies or procedures are decisions made by PHAs within legal and regulatory limits for the purpose of:
 - Clarifying regulations as needed, without changing their intent
 - Providing guidance and direction in areas on which HUD is silent (such as fraud detection)
 - Following a HUD requirement with one or more discretionary components

Effect on HUD Reviews

- Many errors are the result of lack of guidance to staff. During a HUD review, if there is no mandatory HUD rule that must be followed, the reviewer will look to see:
 - What policy or procedure your PHA has established
 - Whether that policy or procedure is being followed
- If your PHA has no policy or procedure and practice is inconsistent, the reviewer will note this as a finding. Inconsistency in operations can often be resolved by providing consistent written policies, procedures, staff training, and quality control follow-up.

Mandatory and Optional References

- The following references are mandatory and binding, meaning they *must* be followed:
 - Statutes
 - HUD regulations
 - Current PIH notices
 - PIH notices may be superseded or rescinded
 - HUD handbooks and forms required by HUD regulations (such as Form HUD-50058)
 - Opinions or rulings by HUD's Office of General Counsel (OGC)
- The following HUD references are optional and nonbinding. PHAs are urged, but not required, to follow them unless the guidance they provide is based on mandatory references:
 - Guidebooks
 - Notices that have expired
 - Handbooks that have expired
 - Recommendations from individual HUD staff

HUD Guidance as a “Safe Harbor” for PHAs

- For issues not covered by mandatory references, HUD recommends that PHAs develop policies and procedures based on HUD guidance.
- Using HUD guidance creates a “safe harbor” for PHAs because HUD has determined that the guidance is consistent with applicable requirements.
- Since HUD guidance is optional, PHAs may use alternative approaches to developing policies and procedures in discretionary areas. However, they must then make their own determination of consistency with applicable requirements. They are not protected by the “safe harbor” concept.

Notes

Section 6 Where to Get More Information

GUIDE TO HUD REFERENCES

Regulation	Topic
Part 1	Nondiscrimination in federally assisted HUD programs—effectuation of Title VI of the Civil Rights Act of 1964
Part 5	General HUD Program Requirements; Waivers
Part 8	Nondiscrimination based on handicap in federally assisted HUD programs and activities
Part 100	Discriminatory conduct under the Fair Housing Act
Part 103	Fair Housing—complaint processing
Part 107	Nondiscrimination and equal opportunity in housing under Executive Order 11063
Part 108	Compliance procedures for affirmative Fair Housing marketing
Part 110	Fair housing poster
Part 146	Nondiscrimination on the basis of age in HUD programs or activities receiving federal financial assistance
Part 761	Drug Elimination Programs
Part 902	Public Housing Assessment System (PHAS)
Part 908	Electronic submission of family data (S8, PH, IHA)
Part 945	Public Housing Designated for Occupancy by Elderly or Disabled
Part 960	Admission to, and Occupancy of, Public Housing
Part 965	PHA-Owned or Leased Projects
Part 966	Lease & Grievance Procedures
Part 984	Section 8 and Public Housing Family Self-Sufficiency Program
Part 990	Annual Contributions for Operating Subsidy

- Regulations published as proposed rules are for comment only and should not be implemented, unless otherwise instructed by HUD guidance. When rules are published as interim rules with an effective date, they are implementable when stated in the rule.
- HUD handbooks and notices and the *Federal Register* may be downloaded from the internet. Addresses at HUD's web site change from time to time, but as of this writing, the following addresses are current.

INFORMATION ON THE INTERNET

- These addresses sometimes change without warning.

HUD Web Sites	
Home page	www.hud.gov
PIH Notices	https://www.hud.gov/program_offices/public_indian_housing/publications/notices
HUD User	www.huduser.gov
HUDCLIPS	
In addition to HUD's own web page, HUD documents are available through HUDCLIPS. Sometimes HUD's site gets documents online sooner; sometimes HUDCLIPS does.	
Home page/forms	http://www.hud.gov/program_offices/administration/hudclips
Government Printing Office	
Federal Register From this site, you can search the <i>Federal Register</i> from 1936 on.	https://www.govinfo.gov/app/collection/fr
Electronic Code of Federal Regulations	https://www.ecfr.gov/cgi-bin/ECFR?page=browse
NOTE: Be aware of date last updated	
Nan McKay & Associates	
Home page	www.nanmckay.com

CHAPTER 1 FSS BASICS

Section 1 Definitions

- Working with federal regulations requires an exact understanding of the terms used. The complete definitions of the following terms are found at 24 CFR 984.103.
- *Certification* means a written assertion based on supporting evidence, provided by the FSS family or the PHA, that is maintained by the PHA in the case of the family's certification or by HUD in the case of the PHA's certification, and will be made available for inspection by HUD, the PHA, and the public, as appropriate.
- *Chief executive officer (CEO)* means the elected official or the legally designated official of a unit of general local government, who has the primary responsibility for the conduct of that entity's governmental affairs.
- *Enrollment* means the date that the FSS family entered into the CoP with the PHA.
- *Family Self-Sufficiency (FSS) program* means the program established by an PHA to promote self-sufficiency among participating families, including the coordination of supportive services to these families, as authorized by Section 23 of the 1937 Act.

Section 1: Definitions

- *FSS program coordinator* means the person who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; establishing and maintaining escrow accounts; collaborating with the community and service partners; and tracking program performance. In smaller FSS programs, one person may provide all of the tasks of the FSS program coordinator and FSS service coordinator.
- *FSS service coordinator* means the person or persons who work with FSS families. This may include assessment; goal setting; referrals; advocacy and case management/coaching of FSS participants; and collaborating with the community and service partners. In smaller FSS programs, one person may provide all of the tasks of the FSS program coordinator and FSS service coordinator.
- *FY* means Federal fiscal year (starting October 1 and ending September 30, and year designated by the calendar year in which it ends).
- *Multifamily assisted housing* (also known as project-based rental assistance (PBRA)) means rental housing assisted by a Section 8 Housing Payments Program, pursuant to 24 CFR parts 880, 881, 883, 884, and 886.
- *Program Coordinating Committee (PCC)* means the committee described in 24 CFR 984.202.

Section 1: Definitions

- *Section 8* means assistance provided under Section 8 of the 1937 Act (42 U.S.C. 1437f). Specifically, multifamily assisted housing, as defined in this section; tenant-based and project-based rental assistance; the HCV homeownership option; Family Unification Program (FUP) assistance; and the Section 8 Moderate Rehabilitation (Mod Rehab) for low-income families and Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) for homeless individuals.
- *Self-sufficiency* means that an FSS family is no longer receiving Section 8, public housing assistance, or any federal, state, or local rent, homeownership subsidies, or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS escrow account funds.
- *Supportive services* means those appropriate services that a PHA will coordinate on behalf of an FSS family under a Contract of Participation (CoP), which may include, but are not limited to childcare, transportation, education, employment support, personal welfare, household management, homeownership and housing counseling, financial empowerment, and any other services and resources determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

Notes

Section 2 Overview of Family Self-Sufficiency

PROGRAM GOALS AND OBJECTIVES

2022 FSS Program Coordinator NOFO

- The FSS program supports the Department of Housing and Urban Development's strategic goal to create strong, sustainable, inclusive communities and quality, affordable homes for all by supporting underserved and advancing sustainable communities. The FSS program provides critical tools that can be used by communities to help families develop new skills that will lead to economic self-sufficiency.

24 CFR 984.101

- The purpose of the FSS program is to promote the development of local strategies to coordinate housing assistance with public and private resources to enable assisted families to achieve economic independence and self-sufficiency.

24 CFR 984.102

- The objective of the FSS program is to reduce the dependency of low-income families on welfare assistance and housing subsidies. To meet its objective, the FSS program matches housing assistance families with existing community services to achieve economic self-sufficiency.
- Family Self-Sufficiency uses HUD housing assistance to leverage public and private sector resources that can help residents of public housing and participants in tenant-based assistance programs achieve economic independence. Use of housing as a stabilizing force permits the families to invest their energy in other efforts—including employment, education, and job training—necessary to achieve self-sufficiency.

- PHAs develop and promote local strategies that coordinate housing choice vouchers and Public and Indian Housing with existing public and private resources to ensure families have sufficient supportive services to achieve self-sufficiency.
- FSS offers a financial incentive to families through the establishment of an escrow account. This asset becomes available to FSS families upon successful completion of their Contract of Participation. If PHA policy permits, interim disbursements from the escrow account can be made upon completion of certain interim goals.

SELF-SUFFICIENCY

24 CFR 984.103(b)

- HUD’s definition of *self-sufficiency* means that an FSS family is no longer receiving Housing Choice Voucher (HCV), public housing, or Indian housing assistance, or any federal, state, or local rent or homeownership subsidies. Although this is the broader program objective, it is not a necessary condition of completion of the FSS contract and final disbursement of the escrow account. It is not a requirement of the program that the family become free of housing assistance.

Women in Poverty Project Self-Sufficiency Standard

- The definition of *economic self-sufficiency* from the Women in Poverty Project is “to have enough net income to cover all basic expenses (housing, food, childcare, transportation, medical, taxes) without the use of subsidies.”

Section 2: Overview of Family Self-Sufficiency

24 CFR 984.102

- HUD measures the success of a local FSS program by the number of FSS families who become welfare free, obtain their first job or a higher paying job, obtain a diploma or higher education degree, or obtaining similar goals that will assist the family in achieving economic independence.
- Project Self-Sufficiency and Operation Bootstrap were pilot projects implemented in 1986 and 1990 respectively to evaluate self-sufficiency programs for families with housing subsidies.
- Both pilot projects demonstrated that families needed essential support services to move toward economic self-sufficiency. These services included:
 - Childcare
 - Transportation
 - Medical care
 - Long-term education and training

LEGISLATIVE HISTORY

- The National Affordable Housing Act of 1990 created the Family Self-Sufficiency (FSS) program. FSS is one of the initiatives under the Homeownership and Opportunity for People Everywhere (HOPE) program enacted in 1990.
- FSS builds upon and refines both Project Self-Sufficiency and the Bootstrap program. It remained a voluntary program in 1991 and 1992 and became mandatory in 1993 for any new increments of funding issued to PHAs.

Section 2: Overview of Family Self-Sufficiency

- The 1993 FSS regulations were further modified by the Quality Housing and Work Responsibility Act of 1998 to discontinue the PHA's mandate to operate FSS if new HCV or public housing funding is awarded.
- In 2012, the Consolidated Appropriations Act authorized the Rental Assistance Demonstration (RAD) program. The first component of RAD provided the opportunity to convert public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance to preserve and improve these properties through access to private and public debt and equity.
- The Consolidated Appropriations Act of 2014 modified the law for FSS and combined both the funding of and enrollment in HCV and public housing FSS programs to facilitate the operation of a unified Family Self-Sufficiency program.
- In May 2018, the Economic Growth, Regulatory Relief, and Consumer Protection Act made sweeping modifications to the FSS program. HUD published the final rule to implement those changes to the FSS program in May 2022.
 - The rule enacts significant changes to the FSS program including changing the program size calculation, expanding the definition of eligible family, updating the Contract of Participation (CoP), and clarifying escrow account requirements, among other changes.
 - The rule also includes additional changes to reduce administrative burden and streamline the program for PHAs, and eligible families.

BASIC REQUIREMENTS OF THE FSS PROGRAM

Regulatory References

Notice PIH 2019-23;

Notice PIH 2023-19

- All PHAs are required to administer the FSS program in accordance with FSS regulations at 24 CFR Part 984, The FSS Frequently Asked Questions at HUD FSS FAQs, the participants' contracts of participation, and the alternative requirements established in the *Federal Register* on December 29, 2014.
 - This requirement includes FSS participants in Moving to Work PHAs (unless the Moving to Work agreement states otherwise), project-based voucher programs, and project-based rental assistance programs, regardless of whether their assistance was converted from public housing under the RAD program.

24 CFR 984.104

- An FSS program established under 24 CFR 984 must be operated in conformity with these regulations as well as the nondiscrimination and equal opportunity requirements at 24 CFR Parts 5, 402, 880, 881, 883, and 884, and the PHA's FSS Action Plan.

- A multifamily FSS program must adhere to all the requirements in 24 CFR 984 except:
 - 984.201 Program Coordinating Committee
 - 984.301 Program Implementation
 - 984.304 Rent Paid
 - 984.306 Portability
- The regulations are replaced by multifamily regulations at:
 - 887.107 Cooperative Agreements
 - 887.109 Housing Assistance, TTP, and Increases
 - Notice H-2016-8, FSS Program in Multifamily

Overview of FSS Program Steps

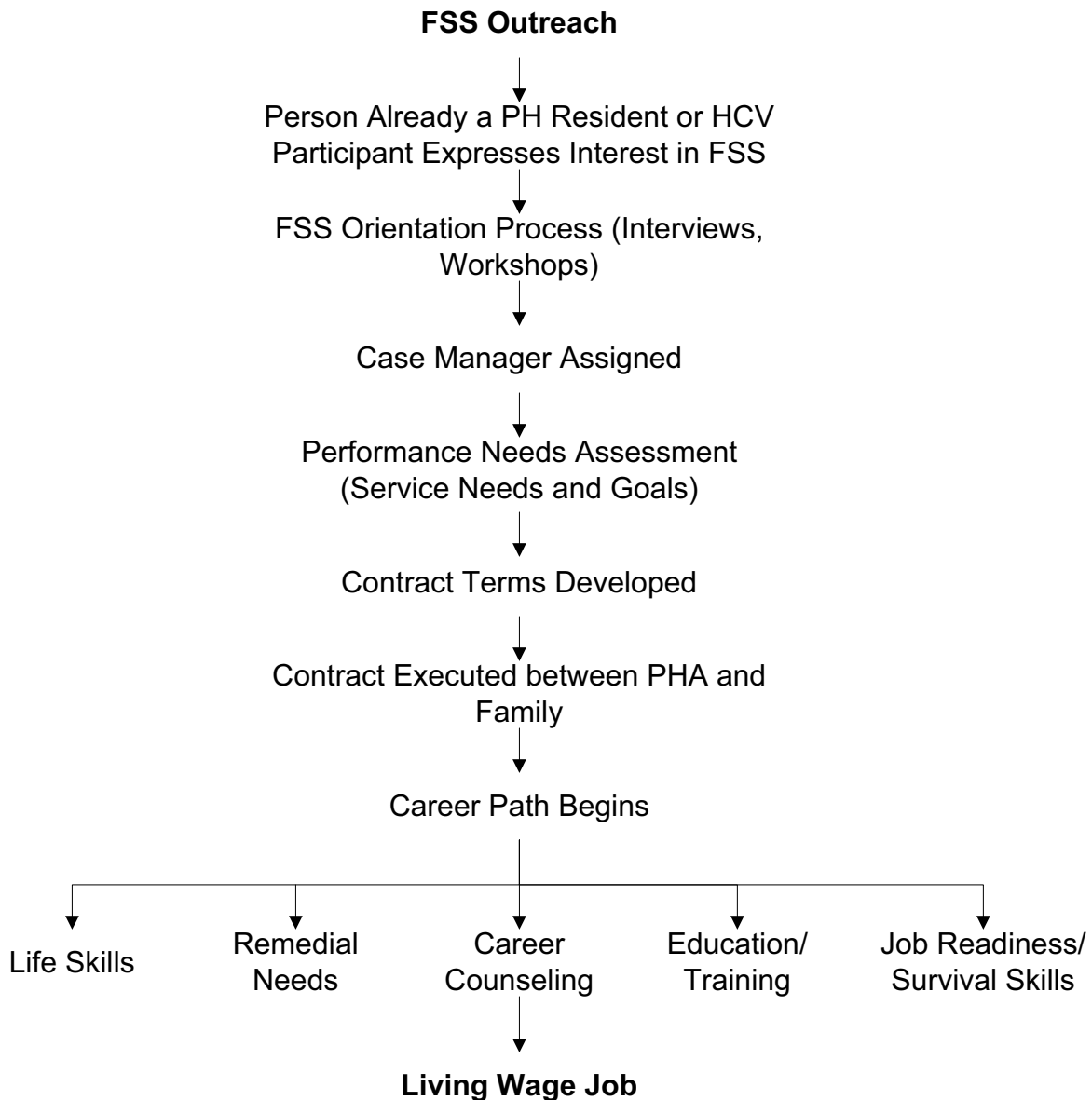
- The PHA must recruit or appoint a program coordinating committee (PCC). The role of the committee is to assist the PHA in development of the FSS Action Plan and to identify the needs of the population to be served and the availability of service and resource providers in the community.
- The PHA submits policies for FSS in an FSS Action Plan to HUD for approval. These policies, when implemented, ensure that the decisions made in the FSS operations are neither discriminatory nor arbitrary.
- The PHA creates operating systems for the FSS program, assigns staff to perform FSS activities, and provides an administrative structure within which to implement the FSS program.
- The PHA and coordinators market the FSS program to public housing residents and HCV participants.

Section 2: Overview of Family Self-Sufficiency

- The PHA conducts FSS orientations or informational meetings with prospective FSS families.
- The PHA assigns an FSS service coordinator to families who volunteer.
- The service coordinator and the family conduct a comprehensive needs assessment the Individual Training and Services Plan (ITSP). The ITSP includes the employment goal, all related activities, and the services and resources needed by the family.
- Through the FSS service coordinator, the PHA provides ongoing coordination to monitor the services provided by partners.
- The PHA completes the FSS Addendum to the HUD-50058 in accordance with HUD requirements.
- The PHA establishes an escrow account for the FSS program and calculates escrow credits at appropriate times.
- The PHA facilitates portability moves for FSS clients.
- The PHA determines contract completion and escrow disbursements.

The Path to Self-Sufficiency

From the Family's Point of View



Section 3 Mandatory, Required, and Voluntary FSS Programs

REQUIRED FSS PROGRAMS

- There are differences in PHAs that *mandated* to operate an FSS program, those that are *required* to operate an FSS program, and the PHAs that offer a *voluntary* FSS program.
- PHAs that received new allocations of HCV and public housing funding between 1990 and 1998 were mandated to implement an FSS program. For these PHAs, the size of their current mandatory FSS programs is determined by the number of new units funded during those specific years minus the number of FSS graduates since October 1, 1998.
- PHAs with FSS coordinator grants are required to serve the number of FSS families indicated in their approved FSS grant application until that number has completed their FSS Contract of Participation. This required FSS program size exists whether or not the PHA is mandated to implement an FSS program
- In addition, PHAs with RAD conversions are required to serve the FSS families who were a part of the RAD conversion until those families have completed their FSS Contracts of Participation as described below.
- PHAs that are operating an FSS program and do not meet any of the criteria above have a voluntary FSS program.

MANDATORY FSS PROGRAM

Determination of Mandatory Minimum Program Size after May 24, 2022

24 CFR 984.105

- Since the final rule implementing the Economic Growth Act and resulting changes to the FSS program, the HUD Field Office has the precise number of each PHA's mandatory program size effective May 24, 2018.

Determination of Mandatory Minimum Program Size Prior to May 24, 2018

24 CFR 984.101

- The initial mandatory minimum program size for an FSS program for these PHAs was calculated as follows.
- The initial obligation to implement an FSS program was for PHAs that received "incentive award units" in FY 1991 and 1992 for both public housing and HCV:
 - The total number of public housing and HCV units reserved in FY 1993 through October 20, 1998
 - Plus the number of public housing and HCV units reserved in FY 1991 and FY 1992 under the FSS incentive award competitions
 - Minus the number of families that have successfully completed the FSS program, in any rental assistance program (public housing, HCV, Multifamily, etc.), on or after October 21, 1998, by fulfilling the FSS Contract of Participation obligations

Section 3: Mandatory, Required, and Voluntary FSS Programs

- Any new funding awarded on or after October 21, 1998 did not increase a PHA's mandatory program size.
- If an FSS slot is vacated by a family that has not completed its FSS Contract of Participation obligations, the slot must be filled by a replacement family.

Exceptions to Size Requirements

24 CFR 984.105 (c) and (d)

- HUD has the authority to grant PHAs an exemption from operating an FSS program, or authorize a PHA to operate a smaller FSS program, if a PHA certifies that FSS is not feasible because of local circumstances, which may include, but are not limited to:
 - Lack of accessible supportive services
 - Lack of cooperation by other units of state or local government
 - Lack of funding for reasonable administrative costs
 - Lack of interest by program participants/residents

Expiration of HUD-Approved Exceptions to Size Requirement

- Full and partial exceptions to the minimum size of an FSS program will expire five years from the date of HUD's approval of the exceptions.
 - If circumstances change and a HUD-approved exception is no longer needed, the PHA is not required to continue using the exception for its full term.
 - If a PHA seeks to renew an exception beyond the five-year limit, it must submit a new request and a new certification to HUD.
 - If HUD does not approve the exception, the PHA must go back to the minimum program size based on the original formula.

REQUIRED FSS PROGRAMS: FSS COORDINATOR GRANT

FSS Contract of Participation

- PHAs with an FSS coordinator grant are *required* to serve the number of FSS families indicated in their approved grant application until that number has completed their FSS Contract of Participation.
- This means PHAs that have families enrolled in a voluntary FSS program and receive funds under the FSS coordinator grant must serve enrolled families until those families successfully complete their FSS Contract of Participation.

Section 3: Mandatory, Required, and Voluntary FSS Programs

- All PHAs with FSS coordinator grants funds are subject to the requirements of the grant, which are found in the Notice of Funding Opportunity (NOFO) for the year in which funds were granted.
- Since the FSS grant is the source of funding for FSS, program compliance is monitored by the Office of Public and Indian Housing.

REQUIRED FSS PROGRAMS: RAD

*RAD Quick Reference Guide;
Notice PIH 2021-23*

- PHAs that converted public housing units to project-based vouchers (PBV) or project-based rental assistance (PBRA) are required to provide the FSS program to those families who were already enrolled in FSS at the time of the conversion.
 - If these PHAs do not have an FSS program in their PBRA, they must establish such an FSS program and serve the PH FSS program participants at the RAD-covered projects.
 - These PHAs are not required to offer enrollment in FSS to other PBV or PBRA participants.
 - All PHAs are required to provide both service coordinators and payments to escrow until the end of the family's former public housing resident's Contract of Participation.

VOLUNTARY FSS PROGRAMS

24 CFR 984.201

- PHAs that have neither a mandatory nor a required FSS program may implement a voluntary FSS program. The size of a voluntary FSS program is the decision of the PHA—they are not obligated to have a minimum program size. However, a voluntary program size must be addressed in the FSS Action Plan. Voluntary programs must follow all FSS regulations.

24 CFR 984.201(a)

- The PHA must submit its Action Plan and obtain HUD approval of the plan before it implements a voluntary FSS program.

24 CFR 984.201(a)

- There is no deadline for implementing a voluntary program, but a voluntary program may only be implemented after the required FSS program obligations are met.

INELIGIBLE PHAS

2022 Family Self-Sufficiency NOFO

- The PHA is not eligible to operate an FSS program if there are pending civil rights suits, outstanding findings of noncompliance with civil rights statutes, or a deferral of processing of applications imposed by HUD under Title VI, The Attorney General's Guidelines, or Section 504.

Section 4 Cooperative Agreements

24 CFR 887.108;

24 CFR 984.106

- A PHA may enter into a Cooperative Agreement with the owner of a PBRA program to voluntarily make an FSS program available to the owner's multifamily assisted housing tenants. PHAs and owners that enter into a Cooperative Agreement must:
 - Open the FSS waiting lists to all eligible families residing in the properties covered by the Cooperative Agreement.
 - Specify the terms and conditions of such agreement and include a process for PHAs, owners, and other entities to communicate with each other about changes in their Action Plans.
 - Provide that each PHA or owner is responsible for managing the escrow accounts of their participating families, including calculating and tracking of escrow in accordance with 24 CFR 984.305 and set forth the procedures for the sharing of escrow information between the PHA and the owner.
- PBRA housing families enrolled in this way will count as part of the calculation of the FSS grant award and grant funds may be used to serve these families.

Section 4: Cooperative Agreements

Notes

Section 5 Funding the FSS Program

FUNDING OF FSS SERVICE COORDINATORS

24 CFR 984.302;

MF FSS Resources, “Funding a Program Fact Sheet”

- Many PHA FSS programs are funding FSS service coordinators through grants HUD made available through Notices of Funding Opportunity (NOFOs). Funding of Multifamily service coordinators for the FSS program is also possible through those FSS coordinator grants.

HUD FSS Coordinator Grant

- HUD publishes notices of funding opportunity (NOFOs) in the *Federal Register* each year in the spring.
 - Funds available can be researched through HUD’s website at <https://www.hud.gov/program/offices/spm/gmomgmt/grantsinfo/fundingopps>.
 - The FSS award funds formula, which includes information on how coordinators are funded, can be found at 24 CFR 984.107. Funding is awarded through a grant agreement and disbursed through HUD’s Line of Credit Control System (LOCCS).

FSS FAQs, Imp46

- No approved Action Plan is needed to apply for the FSS coordinator grant. Time is given to do so if the grant is funded.
- Funds awarded for a particular fiscal year are subject to the regulations outlined in that year’s NOFO. Those restrictions will apply until those funds are completely expended.

Section 5: Funding the FSS Program

*FSS FAQs, Gen9;
2016 FSS Coordinator NOFO*

- FSS coordinator funds may not be used to perform routine public housing or Housing Choice Voucher program functions, such as:
 - Intake
 - Leasing
 - Rent
 - Move-ins and move-outs
 - Inspections
 - Reception desk covering
- The PHA may request approval from the HUD field office to have an FSS coordinator funded by the HUD coordinator grant conduct the above non-FSS job responsibilities so long as performing these other functions:
 - Do not interfere with the coordinators ability of fulfill the role of FSS coordinators primary work; and
 - Enhance the effectiveness of the housing authority's FSS program.

HUD FSS Coordinator Grant Under RAD

Notice PIH 2019-23;

Notice PIH 2023-19;

FR Notice 5/17/22

- FSS public housing residents in units that convert to PBV or PBRA must be allowed to participate in those owners' FSS programs after conversion due to a waiver in the RAD notice. These PBV and PBRA owners are required to administer the FSS program for such participants or partner with another agency to do so.
- PHAs and owners are allowed to use any remaining PH FSS coordinator funds to serve FSS participants who live in PBV or PBRA converted units until such participants exit the FSS program.
- In 2022, Project-based rental assistance (PBRA) owners became eligible to for funding under the FSS NOFO. PHAs who converted to PBRA under previous years' NOFOs were not eligible to apply for this funding.

OTHER FSS COORDINATOR FUNDING

Notice PIH 2019-13

- PHAs may also fund FSS coordinators for their FSS programs as follows:
 - In the voucher program, PHAs may use their administrative fee to fund FSS coordinators.
 - In public housing, funding for FSS coordinator positions may come from the operating fund. These funds are not reimbursed through the public housing operating subsidy.
- PHAs may also apply for and use HUD-funded FSS coordinator grants to fund FSS coordinator positions.

Funding FSS Social Services

24 CFR 984.305(f)(2)

- While PHAs may fund FSS service coordinators through monies from HUD FSS service coordinator grants made available through NOFOs, these funds provide only small amounts, as administrative expenses, to fund support services like childcare, transportation, healthcare, or education and training.
- PHAs may fund supportive services in other ways, including specific HCV and public housing monies, the forfeited escrow accounts, available corporate resources, third-party grants, and philanthropy.

HCV Program Funding of Social Services

24 CFR 984.302(b)

- PHAs cannot fund supportive services from housing assistance payments or administrative fees.
- HCV FSS programs may also use public housing non-dwelling space, common areas, or vacant units for service delivery activities if HUD approves.

Public Housing Program Funding of Social Services

24 CFR 984.302(a);

Notice PIH 2022-20

- The performance funding system (PFS) provides for the inclusion of reasonable and eligible administrative costs incurred by PHAs in conducting the public housing FSS program, subject to appropriations by Congress.
- Supportive services can be an eligible expense in public housing if they are necessary and reasonable housing-related expenditures according to the annual contributions contract (ACC).
 - Supportive services are an eligible expense from the operating fund, not from subsidy.
 - The public housing operating subsidy will not be increased to cover additional supportive services costs.
- Other permissible sources of funding may include:
 - Community Development Block Grant (CDBG)
 - Any other grant or funding from private or public sources that support self-sufficiency activities

Forfeited Escrow

- Forfeited FSS escrow account funds must be used by PHAs for the benefit of FSS participants. Specifically, funds may be used to:
 - Support FSS participants in good standing, including transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the CoP
 - Train FSS coordinators
- These funds may not be used for FSS coordinator salaries or fringe benefits, general FSS program administrative costs, housing assistance payments (HAP) expenses, public housing operating funds, or other activities the Secretary determines ineligible.

Philanthropic Foundations

- FSS programs may receive other grants to cover the FSS coordinator or a portion of the costs associated with administering the program. In funding applications, PHAs could point out the advantages to foundations of collaborating with a PHA who provides stable, on-going housing assistance to families whose primary goal is economic self-sufficiency. In addition, the PHA may offer the HCV administrative fees or operating subsidy funding service coordinators or the HUD funding for the escrow account as leverage for foundation investments.

Agency Partnerships with Common Goals

- PHAs may serve more families if they partner with other organizations that have a similar goal of helping residents to achieve economic self-sufficiency. For example, coordination or support services may be available for participants who are enrolled in:
 - Adult basic education
 - Community college
 - Workforce or America's Job Centers
 - Vocational rehabilitation
 - Temporary assistance for needy families
 - Supplemental nutrition assistance programs
 - Community based organizations such as financial empowerment and support services
- These and other agencies with common goals and interests may be willing to dedicate staff time to provide service coordination or coaching services for FSS participants.

Corporate Resources

24 CFR 984.204;

MF FSS Resources "Funding a Program Fact Sheet"

- With HUD approval, the PHA may make available common areas or unoccupied dwelling units in public housing properties to provide or coordinate supportive services under any FSS program.

Section 5: Funding the FSS Program

Notes

Section 6 Action Plan

ACTION PLAN OVERVIEW AND REQUIREMENTS

24 CFR 984.201(a) and (b)

- PHAs must submit a HUD-approved Action Plan to implement an FSS program, regardless of whether the program is required or voluntary. The PHA develops the plan in consultation with the Program Coordinating Committee where available. The PHA must also include representatives of current and prospective FSS program participants and other service providers affected by the program.
- The PHA has the final decision-making authority regarding the Action Plan and the membership of the PCC.
- PHAs must obtain prior HUD approval of the Action Plan even for a voluntary FSS program.

REVISIONS TO THE FSS ACTION PLAN

24 CFR 984.201(c)(2)

- Following initial approval of an Action Plan by HUD, no further approval is needed unless the PHA proposes to make policy changes to the Action Plan, increase the size of a voluntary program, or HUD requires further changes.
- Revised FSS Action Plans must be submitted to the HUD Field Office.

MINIMUM CONTENT OF THE ACTION PLAN

*24 CFR 984.201(d);
FSS FAQs, Imp*

- For HCV and public housing FSS Programs, the Action Plan must describe the policies and procedures for the PHA. The regulation describes both required policies for inclusion and optional policies for inclusion in the Action Plan which include the following.

Family Demographics

- A description of the number, size, characteristics, and other demographics (including racial and ethnic data), and the supportive service needs of the families expected to participate in the FSS program.

Estimate of Participating Families

- A description of the number of eligible FSS families who can be expected to receive supportive services under the FSS program, based on available federal, tribal, state, local, and private resources.

Number of Eligible Families from Other Self Sufficiency Programs

- Number of families from other self-sufficiency programs who are expected to agree to execute an FSS Contract of Participation.

FSS Family Selection Procedures

- A statement of the procedures used to select families for FSS participation in accordance with HUD-required family selection procedures.
 - This statement must describe how the PHA's selection procedures ensure nondiscrimination regarding race, color, religion, sex (including actual or perceived gender identity and sexual orientation), disability, familial status, and national origin.
 - See Chapter 2 for a precise statement that HUD expects in the Action Plan to ensure nondiscrimination.

Incentives

- A description of the incentives the PHA offers eligible families to encourage their participation in the FSS program known as the incentives plan.
- The incentives plan provides for the establishment of the FSS account, as well as any other incentives offered by the PHA and will be part of the Action Plan.

Outreach Efforts

- A description of how the PHA notifies and recruits participants from eligible families.
- This includes how the PHA assures that both minority and nonminority groups are informed, and how this information is made available (e.g., flyers, posters, and advertisements in newspapers of both general circulation and those targeted to minorities).
- See Chapter 2 for a precise statement that HUD expects in the Action Plan to ensure nondiscrimination in its outreach efforts.

Activities and Supportive Services

- A description of activities and supportive services provided to families from public and private resources, and identification of the public and private resources that are expected to provide the supportive services.

Methods for Identification of Support Needs

- The methods used for identifying and coordinating support services and activities according to the needs of FSS families.

Program Termination, Withholding of Services, Grievance Procedures

- A description of the PHA's policies concerning termination of FSS participation and withholding of supportive services for families who fail to comply with the Contract of Participation.
- The grievance and hearing procedures that are available to the families.

Assurance of Noninterference

- The PHA must assure that a family's decision not to participate in the FSS program does not affect its admission or right to occupancy in accordance with its lease.

Timetable for Implementation

- Include a timetable for filling FSS slots in accordance with HUD requirements. This is particularly important for PHAs implementing new FSS programs.

Certification of Coordination

- A certification that the development of services and activities has been coordinated with programs under title I of the Workforce Innovation and Opportunity Act, and any other relevant employment, childcare, transportation, training, and education programs in order to ensure that implementation will continue to be coordinated to avoid duplication of services and activities.

Policies for HCV, Public Housing, RAD, PBV, FUP, and FYI

- The FSS Action Plan includes PHA policies regarding the FSS program only.
- Policies regarding waiting list management, housing eligibility, housing selection, lease up, effects of housing program violations, portability, moves and transfers, terminations of assistance, a fair hearing, or housing program grievances are contained in the administrative plan for all HCV programs, including project-based vouchers and the admissions and continued occupancy policy for public housing.
- Policies regarding the Rental Assistance Demonstration, Project-Based Rental Assistance, Family Unification Program (both Family and Youth), and Foster Youth Initiative are contained in each program's administrative documents.

Optional Information

- Any other information to help HUD determine the soundness of the PHA's proposed program. This may include, but is not limited to:
 - Policies regarding the modification of goals in the ITSP
 - Policies that describe the circumstances under which an extension of the Contract of Participation may be granted
 - Policies stating if and when interim disbursement of escrow will be made and limitations on the use of those funds, if any
 - Policies listing the family's eligible uses of forfeited escrow funds so long as they are in good standing
 - Policies about re-enrolling previous FSS participants, including graduates, withdrawals, terminations
 - Policies on requirements for documentation for goal completion
 - Policies on documentation of the household's designation of the "head of FSS family"
 - Policies describing any FSS selection preference for porting families

COMBINED PROGRAMS

24 CFR 984.201(e)

- PHAs may operate a joint FSS program with other PHAs to deliver supportive services under a joint Action Plan that will provide for the coordination of a combined FSS program.
- The differences between required and voluntary program sizes, as well as any differences in program activities for each PHA, still apply.

SINGLE ACTION PLAN

*24 CFR 984.201(f);
FSS FAQs, Imp29 and Imp42*

- The FSS regulation states that PHAs may submit one Action Plan that covers all applicable rental assistance programs served by that PHA's FSS program.
- The regulation also states that PHAs who want to operate a joint FSS program with another PHA may combine resources under a joint Action Plan so long as it meets the Action Plan regulations.
 - It is important to note that the FSS FAQs state that each separate FSS program must have separate Action Plans for each "program," as the demographics and program activities and services may be different.
 - If a PHA were to have separate Action Plans for each FSS program within a joint or combined FSS effort, that PHA, and its partners, would be in compliance with both the regulation at 24 CFR 984.201 (F) and the FSS FAQs, Imp42.

Family Self Sufficiency Action Plan Review Checklist

The Family Self Sufficiency (FSS) Action Plan shall describe the policies and procedures of the Public Housing Authority (PHA) or Multifamily Property Owner for operation of a local FSS program. FSS Action Plan requirements, including procedures concerning the development and approval of the plan, are described in the Code of Federal Regulations at [24 CFR 984.201](#). The [FSS Guidebook may also be used as a helpful resource in the development of FSS Action Plan policies](#) (Section 1.3, *FSS Action Plan and Core Documents for the FSS Program* outlines the basic requirements). The Action Plan shall be developed by the PHA or owner in consultation with the chief executive officer of the applicable unit of general local government and the Program Coordinating Committee. *Please also reference the FSS Final Rule FAQ that may be found on the [FSS Resources Page](#)*

The table below lists the required information of an FSS Action Plan. It follows the same order and categories listed in the regulation (24 CFR 984.201(d)). Other FSS regulatory references that provide additional information concerning a particular topic are included below for convenience.

HUD USE
Reviewer Name_____
Reviewer Email_____
Reviewer Office Location_____
<input type="checkbox"/> Approved <input type="checkbox"/> Denied
Decision Date_____

FOR PBRA PROPERTY OWNERS

PRBA Contract Number _____

Property Name _____

(Only list more than one Property if it is a joint FSS program or if there is a Cooperative Agreement between the entities. Otherwise, each Property requires a separate Action Plan. You may add more lines, if needed.)

IS THIS A REVISION? If yes, please provide a short description of the changes, including page numbers. Please feel free to provide a redlined/highlighted version of the Plan as well as a clean copy.

Primary Point of Contact for this FSS Action Plan

Name _____

Title _____

Email _____

Phone Number _____

HUD Account Executive _____

HUD Account Executive Email _____

HUD Account Executive Regional Center _____

Please submit your completed FSS Action Plan Checklist and FSS Action Plan to your HUD Account Executive via the Incoming email box for the appropriate Regional Center/Satellite Office.

FOR PUBLIC HOUSING AUTHORITIES

PHA Name

PHA Code (e.g. IL006)

Field Office Location

PHA Grant Manager Name

PHA Grant Manager Email

(Only list more than one PHA if it is a joint FSS program or if there is a Cooperative Agreement between the entities. Otherwise, each PHA requires a separate Action Plan. You may add more lines, if needed.)

IS THIS A REVISION? If yes, please provide a short description of the changes, including page numbers. Please feel free to provide a redlined/highlighted version of the Plan as well as a clean copy.

Primary Point of Contact for this FSS Action Plan

Name

Title

Email

Phone Number

Please submit your completed FSS Action Plan Checklist and FSS Action Plan to PHAFSSActionPlans@hud.gov.

Include PHA Name and PHA Code in email subject line and in the document name of any attachments.

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Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
Family Demographics	<p>A description of the characteristics of the families expected to be served by the FSS program (including ethnic and racial data, program size) and the supportive service needs of the expected population.</p> <p><i>Note:</i> New FSS programs may assume that FSS participants will be similar to the general population of the PHA or property.</p> <p>For PBRA owners: If your FSS program will serve multiple properties, you will either need to submit separate Action Plans or a joint Action Plan that includes separate demographic information for each property served.</p> <p><i>Note: This is not the demographics of your current FSS program – it is a demographic review of the population of potential participants in your program.</i></p> <p><i>(see FSS Guidebook Section 1.3 FSS Action Plan and Core Documents for the FSS Program, FSS Action Plan)</i></p>		

Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
Estimate of participating families (program size/number of FSS slots)	<p>An estimate of the number of eligible families who can reasonably be expected to be enrolled in your FSS program at any one time, based on available resources.</p> <ul style="list-style-type: none">• If families from another self-sufficiency program are expected to enroll in the FSS program, the number of those families must be also estimated.• Please note that this is different from the minimum number of families that a program is funded to serve.• PHAs ONLY - This number must be at least the minimum program size required for your agency (or agencies, if joint), if applicable. (If you don't know if you still have a Mandatory Minimum Program or don't know how many slots you have, please consult your field office or include the best numbers you have.) <p><i>(see 24 CFR 984.105 and FSS Guidebook Section 2.1 Overview of the FSS Program Coordinator Position, Caseload Size; Section and, Section 6.6 Minimum FSS Program Size)</i></p>		
Eligible families from other self-sufficiency programs	<p>If applicable, the number of families, by program type, who are participating in other self-sufficiency programs that are expected to enroll in FSS.</p>		

Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
FSS family selection procedures	<p>Policies and procedures for selecting FSS participants, including whether the PHA or owner will offer a preference to prospective participants who are already enrolled in, or on the waiting list for, FSS-related service programs and whether the FSS program plans to screen prospective participants for motivation to participate (the only allowable screening criteria to include).</p> <p>And, a description of how the PHA's selection procedures ensure selection without regard to race, color, religion, sex, handicap, familial status, or national origin.</p> <p><i>(see 24 CFR 984.203 and FSS Guidebook Section 2.2 Outreach and Enrollment)</i></p>		
Incentives to encourage participation	<p>A description of the incentives that the PHA or owner intends to offer eligible families to encourage participation in the FSS program, including FSS escrow accounts.</p> <p><i>(see 24 CFR 984.305 and FSS Guidebook Section 2.2 Outreach and Enrollment)</i></p>		
Outreach efforts	<p>A description of the planned notification and outreach efforts by the PHA or owner to recruit FSS participants from among eligible families and to provide FSS information to minority and non-minority families.</p> <p><i>(see FSS Guidebook Section 2.2 Outreach and Enrollment)</i></p>		
FSS activities and supportive services	<p>A description of the activities and supportive services to be provided to FSS families by both public and private providers and identification of the public and private resources which are expected to provide the supportive services.</p> <p><i>(see FSS Guidebook Section 3.3 Referrals to Service Providers)</i></p>		

Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
Method for identification of family support needs	A description of how the FSS program will identify the needs of participating families and deliver the appropriate support services. <i>(see FSS Guidebook Section 2.4 Participant Assessments)</i>		
Program termination; withholding of services; and available grievance procedures	Policies for terminating or withholding supportive services or FSS participation for failure to comply with the Contract of Participation. And, the grievance and hearing procedures available to FSS families. <i>(see FSS Guidebook Section 2.3 Contract of Participation and Individual Training and Services Plan)</i>		
Assurances of non-interference with the rights of non-participating families	A statement that provides an assurance that a family's election not to participate in the FSS program will not affect the family's participation in the rental assistance program. <i>(see FSS Guidebook Section 1.2 What is FSS and Why is it Important?)</i>		
Timetable for program implementation	A schedule for program implementation and for filling all FSS slots with eligible FSS families. <i>Note: This question is geared to new programs. If you have already been running a program, you may state that you have an existing program and will continue implementing it. Or, you may describe the timetable to implement any policy changes.</i> <i>(see FSS Guidebook Section 2.2 Outreach and Enrollment)</i>		

Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
Certification of coordination	<p>PHAs only - A certification by the PHA that the development of the services and activities scheduled to be provided under the FSS program has been coordinated with public and private providers, including self-sufficiency programs of the Departments of Labor and Health and Human Services, and other employment, childcare, transportation, training, and education programs. And, that implementation will continue to be coordinated with these local public and private providers to avoid duplication of services. (This provision does not apply to multifamily owners.)</p> <p><i>(see FSS Guidebook Section 3.3 Referrals to Service Providers, and Section 6.1 Building Partnerships)</i></p>		

Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
Availability of a Program Coordinating Committee (PCC)	<p>PBRA owners only:</p> <p>A statement indicating whether there is an existing PCC that serves the area where the property is located.</p> <p>If there is an existing PCC where the property is located, a statement indicating whether it is available for the owner to work with.</p> <ul style="list-style-type: none"> Note: If the owner has made good-faith attempts to reach out to the existing PCC about joining and has received an unfavorable response/no response, then the existing PCC is not considered available. <p>If there is a PCC that is available for the owner to work with, a statement indicating whether the owner will work with the existing PCC or start their own.</p> <p>If there is NO existing PCC that is available for the owner to join, a statement indicating whether the owner plans to start their own.</p> <ul style="list-style-type: none"> If there is no available PCC, the owner is not required to start their own, but is encouraged to do so. If the owner chooses not to start a PCC, HUD encourages them to develop an alternative approach allowing them to get regular feedback from service providers and FSS participants. 		
Other Required Policies (codified either in the Action Plan or separately)	<p>Any other information that would help HUD determine the soundness of the PHA or owner's FSS program.</p> <p>Examples of policies in list below. <i>(see FSS Guidebook Section 1.3 FSS Action Plan and Core Documents for the FSS Program)</i></p>		
	Policies related to the modification of goals in the ITSP, including limits on modifications as participants approach graduation;		

Required Information	Description	Page Number(s)	Notes (for PHA/owner and/or HUD)
	The circumstances in which an extension of the Contract of Participation may be granted		
	Policies on the interim disbursement of escrow, including limitations on the use of the funds (if any);		
	Policies regarding eligible uses of forfeited escrow funds by families in good standing;		
	Policies regarding the re-enrollment of previous FSS participants, including graduates and those who exited the program without graduating;		
	Policies on requirements for documentation of goal completion;		
	Policies on documentation, designation, and change of the household's designation of the "Head of FSS family;"		
	PHAs only - Policies for providing an FSS selection preference for porting families (if the PHA elects to offer such a preference)-		
	Other policies FSS program related policies over which PHA or owner has discretion (if applicable). Please add rows and list.		

Notes

Section 7 Program Coordinating Committee (PCC)

24 CFR 984.202(a)

- The PHA must establish a Program Coordinating Committee (PCC). The PCC's function is to assist in developing the Action Plan, assist in securing commitments of public and private resources for the operation of the program, and to provide an overall advisory role to the program.

MEMBERSHIP OF THE COMMITTEE

24 FR 984.202(b)(1)

- Required membership in the committee must include:
 - PHA representatives;
 - One or more FSS program and service coordinators; and
 - One or more participants from each of the HUD rental assistance by the PHA's FSS program
- Examples of the PHA representative committee members might be:
 - HCV program director
 - Public housing director
 - Family Self-Sufficiency coordinator (may be a staff member rather than a member of the committee)
 - Representative from the resident council, resident management cooperative, or resident advisory board
 - Participants from the HCV public housing program participants

Section 7: Program Coordinating Committee (PCC)

- The PHA may seek assistance from the following groups in identifying potential PCC members:
 - An area-wide or city-wide resident council if one exists
 - If the PHA operates in a specific public housing development, the resident council or resident management corporation of the development where the public housing FSS program is to be carried out, if one exists
 - Any other resident group, which the PHA believes is interested in the FSS program and would contribute to the development and coordination of the FSS program (e.g., the Resident Advisory Board or tenant association)
- Before beginning contact, identify the types of resources the PHA will need for an effective and successful FSS program such as:
 - Job placement resources
 - Childcare
 - Transportation
 - Entrepreneur programs
 - Health and counseling services
 - Educational and training agencies
 - Educational resources
 - Financial management resources
 - Other support services

Section 7: Program Coordinating Committee (PCC)

24 FR 984.202(b)(2)

- Other recommended members of the committee might be:
 - Representatives from the unit of general local government served by the PHA
 - Any local agencies responsible for carrying out programs under Title I of the Workforce Innovation and Opportunity Act
 - State, local, or tribal welfare agencies
 - Employment agencies (government or private)
 - Public and private educational training institutions
 - Childcare providers, particularly Title II providers
 - Nonprofit service providers
 - Private businesses
 - Any other public or private service providers with resources to assist the FSS program
 - City or county representatives from the Chief Executive's Office
 - Community Development Block Grant (CDBG) Agency
 - Department of Social Services
 - Employment Development Department
 - College or University System
 - High School or GED Program System
 - Community College
 - Universities
 - Private Training Institute

Section 7: Program Coordinating Committee (PCC)

- Employment specialists
 - Workforce
 - America's Job Centers
 - Community College
- Professional or social organizations, such as:
 - Kiwanis
 - Optimist
 - Rotary
 - Lions Club
 - Business and Professional Women
 - American Association of University Women (AAUW)
- Also consider representatives from:
 - Unions and apprenticeship programs
 - Transportation agencies, including the transit system and social service agencies that provide transportation
 - Banks or credit unions
 - Church groups
 - Other volunteer or community-based organizations
 - Medical clinics
 - Financial empowerment

RESPONSIBILITIES AND ROLE OF THE COMMITTEE

- The Program Coordinating Committee (PCC) has an advisory role. They are also the key to tapping into community resources. The community resources will enable the PHA to provide the necessary services without being the provider of these services.
- The PCC obtains commitments from their agencies and other social service providers who will perform the hands-on service provision. The PHA's staff are the coordinators of the services that will lead the participant family to self-sufficiency.
- The committee members should be willing to assist in coordinating agreements between the PHA and potential service providers. The committee, on an ongoing basis, will monitor the agreements between the PHA and social service providers to ensure the linkage of social services to program participants.
- The PCC assists with the development of the FSS Action Plan and is the key in identifying the Action Plan policies due to its expertise. The PHA has the final decision regarding FSS policies.
- The committee will meet regularly to accomplish these goals.
- Members of the committee should include both direct service staff and management/leadership.
- Line staff in an organization offer access to resources while management staff provide key access to decision making and policy change that is essential to collaborative efforts.

Section 7: Program Coordinating Committee (PCC)

- Leadership from these services have the insight and ability to amend their policies, procedures, and practices. These changes make the relationship of the PCC truly collaborative, thus providing a broader range of support services to FSS families.
- Creating a cooperative and collaborative PCC can take three years of organizing in 40 to 60% of the FSS service coordinator's time.

STRUCTURE OF THE COMMITTEE

One PHA with One Program Coordinating Committee

- If the PHA determines that it will organize its own Program Coordinating Committee (PCC), networking with potential resource-providers should begin immediately.
- While there is no minimum number of members, the committee must include:
 - PHA representatives
 - One or more FSS program coordinators
 - One or more participants from each HUD rental assistance program served by the PHA's FSS program

Two PHAs with One Program Coordinating Committee

- In certain locations, it may be more practical for two or more FSS programs to share the same Program Coordinating Committee.
- If the majority of the social service programs for these PHAs are administered by the same agencies, it is beneficial to have one PCC and tailor certain parts of the Action Plan for each PHA as necessary.

- The PHAs share responsibility for many of the tasks listed for a program coordinator. This would include:
 - Initially, brainstorming with the other PHAs to determine the common program service requirements
 - Researching appropriate public and private agencies, social service organizations, resident groups, and private businesses to provide services to families participating in the Family Self-Sufficiency Program
 - Coordinating the selection of community members from resource and service providers that most accurately reflect the diversity of the community.

Advantages and Disadvantages in Sharing a PCC

Advantages

- Reduces overlap of several entities asking one agency to meet about the same issues.
- Provides a broader view of the community's resources and challenges. This allows for not only information sharing but true collaboration so services may be integrated to increase quality and ensure economies of scale.
- Since these FSS programs face similar issues, it allows for group problem solving.

Disadvantages

- The PHA's program goals may become secondary to the larger group's goals.
- When needs are similar, dissimilarities may be so great that friction is created by trying to accommodate one agency over another.
- The PHA may lose individuality in program design.

ALTERNATIVE COMMITTEE

24 CFR 984.202(c)

- The PHA could also adopt an existing entity as the PCC. The PHA should consider their role in the committees and their impact on the FSS program.
 - The PHA may use an existing entity as the Program Coordinating Committee after consultation with the chief executive officer of the local and one or more residents of each HUD-assisted program served by the FSS program.
 - All PHA metropolitan service areas have a Workforce Investment Board which oversees the Workforce Innovation and Opportunity Act's job training programs. Given the focus of Family Self-Sufficiency and other agency and community structures, this might be a viable alternative.

Advantages and Disadvantages an Alternative Committee

Advantages

- The committee could direct the PHA toward appropriate agencies immediately.
- No time spent searching and researching for resources with no results.
- Experience of the existing committee with local resources and familiarity with challenges and opportunities.

Disadvantages

- The existing committee may see themselves as experts and may be reluctant to permit the PHA to interact and plan in a manner consistent with HUD guidelines.
- The members may already be overextended and cannot give more to the PHA.
- It is not possible to influence the number of service providers on the existing board and effective decision making on behalf of the PHA's FSS program is reduced.

Notes

Section 8 Starting an FSS Program

- Some of the reasons a PHA may begin and encourage an economic self-sufficiency program in the subsidized housing community may include:
 - FSS program is consistent with the PHA's vision and mission, and corporate goals. Participation in FSS programs supports the achievement of key values for the PHA.
 - FSS programs coordinate efforts to help residents achieve economic security.
 - FSS helps families to increase their earnings and transition to unassisted housing. This frees up space within the development for other needy households.
 - FSS program builds loyalty and economic capacity among residents.
 - FSS has the potential to decrease the incidence of nonpayment of rent, short tenant stays, and resident damage to units.
 - The escrow account provides the financial resources for services and supports that aide participants in increasing their earnings and building savings.
 - FSS program strengthens the PHA's reputation in the leadership community, in faith-based organizations, and among education, labor, and health service providers.

Section 8: Starting an FSS Program

- HUD provides an excellent, and inspirational, introduction to FSS program basics in their FSS Guidebook that can be found on the HUD Exchange at FSS. Topics range from “Why Establish an FSS Programs” through:
 - Learning about FSS
 - Identifying funding
 - Developing a program services design
 - Determining structure and relationship to other FSS programs
 - Developing an FSS Action Plan
 - Developing partnerships
 - Marketing the FSS program
 - Collaborating with Residents
 - Monitoring the FSS program

Section 9 Staffing

STRUCTURE OF THE PROGRAM WITHIN THE AGENCY

MF FSS Resources, "Staffing a Program Fact Sheet"

- PHAs have authority to determine their FSS program's staffing pattern within the requirements of the FSS coordinator grant.
- FSS programs usually have at least one staff member whose responsibility is to provide the coordination of services to families enrolled in the FSS program. This position is known as an FSS service coordinator.
- This position provides service coordination or coaching services to program participants. These services include intake, assessments, goal setting and development of the Individual Training and Service Plan, referral to services, and on-going support and reassessment to and for the family.
- PHAs may hire a new staff person to provide FSS service coordination on a full-or part-time basis.
- PHAs may use existing staff, such as Resident service coordinators.
- PHAs may choose to contract with a local entity, such community-based organizations or mainstream organizations that share the same vision and goals as the PHA and the FSS program.

ROLE OF THE FSS SERVICE COORDINATOR

- HUD uses the terms “FSS program coordinator” and “FSS coordinator” interchangeably with each other. In order to fully understand the duties and roles accomplished in FSS, it is important to make a distinction between the two terms. HUD does this in the FSS regulation at 24 CFR 984.301(b) stating:
 - “A PHA may employ appropriate staff, including a service coordinator or FSS program coordinator to administer its FSS program, and may contract with an appropriate organization to establish and administer all or part of the FSS program, including the FSS escrow account, as provided by 24 CFR 984.305.”
- PHAs may, and do, “name” staff positions whatever is in their personnel policy. These job titles are not regulated by HUD. It is important for understanding to describe the difference in responsibilities between an FSS program coordinator and an FSS coordinator as HUD has done in the regulation.
 - The *FSS program coordinator* is the person who administers and manages the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; establishing and maintaining escrow accounts; collaborating with the community and service partners; and tracking program performance.
 - The *FSS service coordinator* is the person who works with FSS families. This may include assessment, goal setting, referrals, advocacy, case management/coaching of FSS participants, and conferring with the community and service partners for consultation regarding an FSS participant.

Section 9: Staffing

- In smaller FSS programs one person may provide all of the tasks of the FSS program coordinator and FSS service coordinator.
- Whether the FSS program functions are accomplished by the FSS program coordinator, the FSS service coordinator, the PHA, the property management, or another qualified entity, the role of the FSS Program Coordination is the same: to make certain that initial design and start up as well as ongoing services are in place and successful. These responsibilities may include:
 - Conducting program outreach, relationship management with other FSS program staff, developing and managing the PCC, designing, and implementing the escrow process, determining and maintaining the service coordination procedures, and submitting performance reports to HUD.
 - Securing partnerships with service providers in the community and linking program participants to the specific supportive services they need to achieve self-sufficiency.
 - Monitoring the progress of participants and evaluate the overall success of the program.
 - Ensuring that FSS escrow accounts are established and properly maintained.
 - Conducting file audits and issuing escrow funds to participants as needed.

- Whether the FSS coordinator functions are accomplished by the FSS service coordinator, the FSS program coordinator, the PHA, the property management, or another qualified entity, the role of the FSS Service Coordination is the same: to make certain that the participating FSS family receives consistent, high quality support in their efforts toward economic self-sufficiency. These responsibilities may include:
 - Conducting informal assessments of a participant's strengths and challenges.
 - Preparing an Individual Training and Services Plan (ITSP) for the head of the FSS family and each adult member of the family who elects to participate in the FSS program.
 - Ensuring that the services included in the participating family's CoP are provided on a regular, ongoing, and satisfactory basis.
 - Working with participants to help them achieve their goals in their ITSPs.
 - Providing ongoing support, resources, and service coordination as needed.

FSS PROGRAM COORDINATOR AND OTHER PHA DEPARTMENTS

- FSS programs may also have an FSS program coordinator whose role is to function as liaison between the PHA management, HCV and PH management, finance, and accounting in administering the FSS program.
- Effective communication and coordination within and between departments is critical to the success of the FSS program. PHA management ensures that non-FSS staff are also committed to the success of the FSS program.

Coordinator with Housing Functions

- A major decision is whether FSS service coordinators also provide housing services or whether housing specialists should be FSS service coordinators. Many PHAs want to fold the FSS duties into the normal duties of the housing specialist in HCV or housing manager in public housing.
- Neither of the above options is a “best practice” approach for many concrete reasons.
 - FSS service coordination is a relationship built on trust, confidentiality, and the FSS families’ right to make their own decisions. This is not the same foundation as the relationship property management.
 - Ensuring this relationship while also making certain there are comprehensive support services available to FSS families takes time and a specific skill set.
 - Providing service coordination to 25 families is a full-time job if the coordinator is responsible for coordinating the PCC and other program aspects as well.

- Establishing a PCC is mandatory for FSS programs—it is key to the success of the FSS program. Most FSS families require multiple services to achieve economic self-sufficiency.
- These services are not provided by the PHA or the service coordinator—only the PCC and their agencies can provide these in a cost-effective manner.
- In a public housing FSS program, the regulations require HUD approval for the FSS coordinator to be assigned property management tasks. Approval is provided if and only if the PHA can prove that the assignment will enhance the performance of the FSS program.
- The most common structure for the FSS program is that “typical housing functions” are performed by the housing specialists and the “FSS functions” are performed by service coordinators.

STAFF POSITIONS NEEDED

- FSS program coordinator may or may not be the same person as the FSS service coordinator, depending on the size of the FSS program.
- The size of the program and the stage of the PHA in developing the FSS program dictates the staffing needs.
- For a larger program, these positions, or a percentage thereof, may be needed if the coordination and service coordination services are provided in-house:
 - FSS administrative support (5-10%)
 - FSS program coordinator (5 to 25%)
 - FSS service coordinator (50 to 100%)

- For a smaller program, one staff person may provide all the FSS program functions.
- The perception of what is a large vs. small FSS program is quite different from other housing programs.
 - A small housing program might be defined as under 500 units.
 - A small FSS program might be defined as under 25 families.

STAFF RATIOS

FSS FAQs, Par10

- One of the biggest differences between housing and FSS programs is the staff ratio.
- In the property management department, housing specialists can manage 250-300 cases, from briefing through reexamination.
- In the FSS program, service coordinators can manage 25-50 families depending on the structure and duties of the position and the level of challenges facing the FSS participants. For FSS coordinators, 20-50 families is the staff ratio that HUD funds.
- The number of families may seem low, however, if the level of socioeconomic support is not anticipated, the program's chance of success will be far lower.
- If the housing specialist duties are combined with the coordinator's duties, the ratio will be much closer to 25 families per coordinator.

- It is important to remember that the FSS coordinator grant funds FSS activities only. Assigning housing duties to an FSS program coordinator or FSS service coordinator requires either:
 - Written permission from the HUD Field Office; or
 - Paying the FSS staff person a portion of their salary (equal to the portion of time spent on housing activities) from either the HCV or public housing programs.
- Staff training must also be a consideration. Combining functions means a person has extensive knowledge in two areas, one of which, FSS service coordination, is not normally found in PHAs. These functions include property management and HUD regulations on the one hand, and social services coordination and person-centered decision making on the other.

CONTRACTING FOR FSS COORDINATION

- If the PHA decides to utilize another agency's personnel as its FSS management or service coordination resource, there must be a clear commitment from the other agency that:
 - Resources and staff will be available
 - Staff time will be available
- The PHA must also be sure that there is a method to achieve compliance if the agency or staff person is not performing. The mechanism for this compliance might be a contractual agreement with a concrete scope of services to clearly delineate tasks/outputs and goals/outcomes to be completed and achieved.
 - Compliance should be confirmed on quarterly basis. The contract should include a nonperformance clause.

- Another important decision is the level of control the PHA wants to retain. The more commitment the PHA has made to develop their FSS program as a successful program, the more control a PHA would want to retain.
- The PHA must be sure that the FSS responsibilities will be a priority for the contracting organization.

STAFF TURNOVER

- There may be a higher level of “burn-out” for staff in these positions than in other typical housing positions.
- FSS coordinators work closely with families experiencing multiple challenges in their lives. Families in FSS may face hunger, illness, violence, trauma, fear, and anger. Resources are scarce and progress toward goals can be difficult.
- FSS service coordinators can experience secondary effects of this trauma. In this situation, a clear structure in program policies, procedures, rules, practices, support, examples of work-life balance, and support from management can help to reduce these effects.
- Coordinators can deal with negativism and insecurity, and clients sometimes give up after the hours of work have been invested.
- One of the indicators of program success is the relationship between the families and staff. When there is staff turnover due to high job stress, the trust level with families is hard to rebuild.

Notes

Section 10 Design and Implementation of Services

- The FSS social service design, as well as the focus and methods in FSS, can be some of the most challenging yet rewarding issues to stabilize and perfect.

DEVELOP A SOCIAL SERVICE DESIGN

- PHAs have tremendous flexibility to design programs that meet the needs of their residents. This flexibility can pose a challenge for new FSS programs as they determine how much emphasis to place on certain activities, methods, goals, and indicators of success.
- Self-sufficiency programs are designed differently than program management programs. In the housing industry, social service program designs, focus, and methods are unfamiliar to the majority of housing personnel.
- Taking the time and using expert collaboration to determine the design, focus, and methods of the FSS program will help PHAs and their teams to develop a successful program.

Section 10: Design and Implementation of Services

- PHAs would do well to approach these decisions in the same way strategic planning accomplished:
 - First, determine or envision the long-term goal or what positive changes will happen to families and the PHA's properties as a result of participating in FSS
 - Second, consider what strengths, weaknesses, opportunities, and threats the PHA and a new FSS program face
 - Third, describe how FSS will help the PHA achieve the long-term goal
 - Fourth, identify what resources, tasks, and activities will allow the strengths to overcome weaknesses and avoid threats
- Once this corporate strategic planning is done (by the PHA, staff from each level of the organization, key community partners, and experts in support services) the service delivery design can be completed to meet the needs of the families, the organization, and the community.

Section 10: Design and Implementation of Services

- The service delivery design includes two to four paragraph descriptions of the “Why, How, Where, Who, And When” of each of the following:
 - Outreach
 - Orientation
 - Assessment
 - Goal setting
 - Contractor participation contracting
 - Referrals
 - Ongoing service delivery including:
 - Individual meetings with FSS families to assess the quality of services provided and any additional referrals needed;
 - Group services provided by partners or the PHA; and
 - Collaborative programs provided by coalitions of PCC members
 - Monitoring graduation or exits and transition

FOCUS OF THE FSS PROGRAM

- A key question in the strategic plan and design of FSS is what the overall intent of the program is and what are the primary methods of service delivery. For example:
 - Will the overall intent of the program be obtaining and maintaining employment through employment assessment and counseling?
 - Will the intent of the program be increasing earned income and assets through financial coaching?
 - Will the intent of the program be obtaining training, education, employment, and long-term sustainable skills through assessment of the participant's knowledge, skills, abilities, and educational and employment counseling?
 - Will the intent be a holistic approach combining all of the above based on the circumstances, desires, and needs of each family?

METHODS OF THE FSS PROGRAM

- An overarching question in the FSS program is: Where is the center of control?
- Who will make the majority of the decisions in the program?
 - The Department of Housing and Urban Development?
 - The PHA?
 - The FSS coordinator?
 - The family?

Section 10: Design and Implementation of Services

- This is not an easy question to answer. The question is answered in many different ways by many different professionals in human services. Points to consider include:
 - Will the methods of the FSS program be “person-centered and strengths-based?” This approach assumes that the family has strengths which they will use to stabilize their challenges and achieve their goals. This method allows the family to make the decisions.
 - Using these methods, the service coordinator approaches the family as the decision makers and assists with weighing the alternatives in all situations and the advantages and disadvantages of each of these options.
 - Unless someone is at risk, the family makes their own decisions and builds decision making skills in multiple parts of their lives.
 - Will the methods of the FSS program be “directive” or based on a single set of strategies? In this method the PHAs, FSS program coordinator, FSS service coordinators, or contractors make the essential decisions, helping to train and shape the participants skill sets toward specific goals.
 - Using this method, the agency and staff approach the family as experts in a directive manner—gathering information on the family’s circumstances in specific areas and providing predetermined steps to meet the challenges of those situations and areas.

Section 10: Design and Implementation of Services

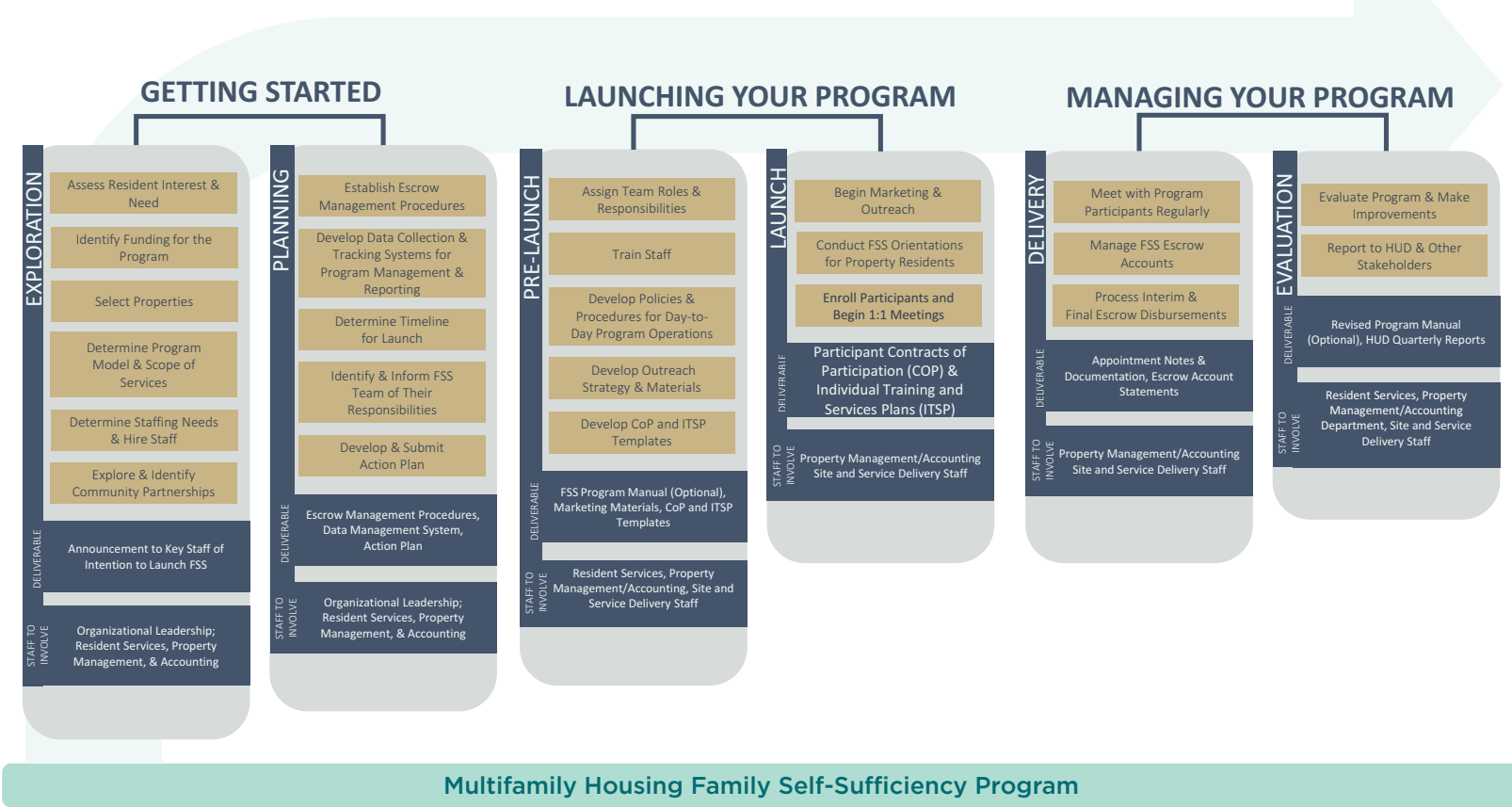
- High performing FSS programs use a mixture of the methods in the “person centered” approach in combination with staff that have expertise in a broad range of topics including educational and employment counseling, health assessments, trauma informed care, and financial coaching.
- High performing FSS programs embrace the diversity of the families served, their values and challenges, the vast range of alternative paths open to them, and the strengths with which those families approach the multiple goals and dreams in their lives.

Section 11 Tools to Improve Start Up of an FSS Program

- HUD provides multiple tools to strengthen the PHA's startup of FSS. Included here are two essential tools: The FSS Launch Roadmap and the "Is Your Property Ready to Launch FSS?" Checklist. These tools can be found on the pages that follow.
- A list of FSS Resources is also included at the end of this section.



FSS Launch Roadmap





Launching a Multifamily FSS Program Self-Assessment Tool

Use this self-assessment tool to assess and track your progress in developing your FSS program design and structure. This tool will help you determine the necessary steps to create an FSS Action Plan, progress through the launch process, and enroll FSS participants. Reconsider beginning FSS marketing and outreach if you have a score below 4 on any item in this tool.

For each question, provide a short description of your current status and a point-in-time self-assessment score. Rate your comfort with each item on a scale of 1-5. We have suggested some benchmarks below based on your progress with each item and on your level of knowledge.

- 1 - Not Started or Need More Information.** If you have not started this step or need more information, select (1).
- 2 - Just Started.** If you are at the beginning stages of the step, select (2).
- 3 - Partially Complete.** If you have made some progress on this step, select (3).
- 4 - Almost Complete.** If you are near completion of the step and have a clear near-term deadline, select (4).
- 5 - Complete or Do Not Need Information.** If you have completed this step and can effectively answer the associated questions, select (5).

Multifamily Housing Family Self-Sufficiency Program

Step Towards Launch		Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
A.1	What funding have you identified for your FSS program? Owners can financially support an FSS program in a few ways: Using available residual receipts, corporate resources, third-party grants, or philanthropy. The primary expense for any program is personnel, specifically the FSS Coordinator. For information on funding options for the FSS program, see this page: https://www.hudexchange.info/programs/multifamily-fss/resources/funding-a-program/		
A.2	Do you anticipate being able to sustain this funding for the near future? If not, where do you plan to find additional funding to cover the costs of your program?		

Step Towards Launch		Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
B.1	Have you selected the property where you plan to launch FSS? If so, explain why you chose this property(ies). For more information on selecting FSS properties, visit this page: https://www.hudexchange.info/programs/multifamily-fss/resources/launching-a-fss-program/		
B.2	What is the number of project-based Section 8 units at the selected property where the head of household is neither elderly nor disabled? What is your target enrollment? Past experience suggests that, when marketed effectively, enrollment in FSS at a multifamily property can reach a number at or above 30% of the number of project-based Section 8 households that are neither elderly nor disabled in a development. (Note that all household with a project-based Section 8 subsidy are eligible to participate in FSS, including household headed by people who are elderly or who have a disability.)		
B.3	Are there any new projects in the near future (e.g. a property rehabilitation or software migration) that would direct time or resources away from your FSS launch? Past experience suggests that launching an FSS program at or around the same time as another large initiative makes it difficult to give FSS the attention it needs, and if not avoidable, will require additional coordination and support to successfully execute.		
B.4	Have all staff at the property been notified about the FSS program launch? What are their feelings about the program? Past experience suggests that building buy in with property staff from the start leads to stronger program results.		

Step Towards Launch	Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
C.1	What needs assessment data have you collected about residents, if any, about their interests and needs? Topics may include homeownership, childcare, transportation, credit building, job training, etc. This information will help you to design your services to meet the needs of program participants.	
C.2	Have you considered the types of services that your FSS program will offer? If so, please describe. You may choose to focus your services on a specific expertise such as financial coaching or career development. Alternatively, you may choose to serve as a general resource coordinator that primarily makes referrals to other organizations. For more information on types of services, review Chapter 3 in HUD's online FSS training: https://www.hudexchange.info/trainings/fss-program-online-training/	
C.3	How do you anticipate staffing your FSS program? Will you train existing staff or hire new staff? How much of your staff time will be dedicated exclusively to FSS? For information on staffing models for FSS, visit this page: https://www.hudexchange.info/programs/multifamily-fss/resources/staffing-a-program/	
C.4	Are FSS program staff hired and ready to be trained? Do you have questions about hiring or training FSS program staff?	
C.5	Do you have a network of community partners to whom you can refer participants for specific needs such as job training, financial education, utilities assistance, etc.? Are there any gaps in your current community partnerships?	

Step Towards Launch	Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
D.1	Have you reviewed HUD's resources on escrow account administration? Are you familiar with the basics of escrow account management? For more information, visit the link below. https://www.hudexchange.info/programs/multifamily-fss/resources/escrow-account-management-faqs/	
D.2	Have you engaged the appropriate staff from your property management/accounting teams to discuss these systems? Typically, these early conversations will include senior staff from your property management and accounting teams at the corporate level. This is because you will need to make some organizational decisions about how you will manage the escrow accounts.	
D.3	What systems will your organization use to manage participant enrollment and escrow? If your organization uses Yardi as its property management software, you can contact them about obtaining their FSS module. If you use another system, you can use the sample spreadsheets provided by HUD or create something on your own.	
D.4	Which staff members will calculate and manage escrow for your program? Who on your team will be the primary point of contact for escrow issues and auditing the accounts?	

Step Towards Launch		Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
E.1	Have you reviewed both the reporting requirements in HUD’s program notice and HUD’s FSS Quarterly Reporting Tool for multifamily owners? This tool is Attachment D of HUD Notice H-2016-08. For more information on FSS reporting, visit this page: https://www.hudexchange.info/programs/multifamily-fss/resources/monitoring-and-reporting/		
E.2	Have you considered what other metrics, beyond HUD’s requirements, you may want to collect on your program to understand program impact? You may consider tracking other metrics your program has been designed to support, including graduation rate, changing in earning and employment, changes in credit score, or reductions in debt.		
E.3	Do you have a system in place to track the data your FSS Coordinator collects during appointments with participants, including the participant information you need to report to HUD? This may include appointment notes and dates, resource referrals, requests for escrow disbursements, etc. Many organizations choose to use or adapt an existing system such as ETO or Salesforce, but you can also choose to build something new or begin by tracking information manually in Excel or Word.		

Step Towards Launch		Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
F.1	Have you reviewed the FSS Action Plan requirements in HUD Notice H-2016-08? This resource can be found here: https://www.hudexchange.info/programs/multifamily-fss/resources/mfh-fss-resources/		
F.2	Have you drafted your FSS Action Plan, which includes your high-level FSS program design and policies? For more information, review HUD Notice H-2016-08: https://www.hudexchange.info/programs/multifamily-fss/resources/mfh-fss-resources/		
F.3	3. Have you convened your FSS team to review your draft Action Plan before submission? Because Action Plan submission is a major program milestone, it is a best practice to convene your FSS stakeholders to ensure everyone is aligned.		

Step Towards Launch		Description (Please respond in a few sentences)	Self-Assessment Score (Rate your readiness)
G.1	What training have you provided the team members who will be managing the day-to-day operations of your FSS program? This may include training on FSS rules and regulations, guidance on how to complete FSS contracts, support on escrow management, etc. To access HUD's training resources, visit this page: https://www.hudexchange.info/programs/multifamily-fss/resources/mfh-fss-resources/		
G.2	Have you developed an FSS Program Manual? The FSS Program Manual is not a HUD requirement, but we strongly recommend developing one before beginning program enrollment. It is your reference guide for all program policies and procedures and will also include appendices with the forms you'll use with FSS participants.		
G.3	What are your thoughts and ideas for FSS marketing and outreach? Past experience suggests that a "surround sound" approach that utilizes a variety of techniques (e.g. postcards, inserts in recertification letters, newsletter announcements, word of mouth, etc.) is most effective.		
G.4	Have you considered how you will structure a typical FSS appointment or how often you'll meet with FSS participants? If so, please describe. For more information on appointments, review Chapter 3 in HUD's online FSS training: https://www.hudexchange.info/trainings/fss-program-online-training/		

FSS PROGRAM RESOURCES

HUD Resources on the FSS Program

Name	Website
HUD PIH Notice 2016-08: Family Self Sufficiency Program in Multifamily	https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fss
24 CFR Part 984: Section 8 and Public Housing Family Self- Sufficiency Program Statute	https://www.gpo.gov/fdsys/granule/CFR-2012-title24-vol4/CFR-2012-title24-vol4-part984
Office of Public and Indian Housing FSS Website	http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/fss
FSS Online Training (from Office of Public and Indian Housing)	https://www.hudexchange.info/trainings/courses/family-self-sufficiency-training/
Administering an Effective Family Self-Sufficiency Program: A Guidebook Based on Evidence and Promising Practices (from Office of Public and Indian Housing)	https://www.hudexchange.info/resources/documents/FSS-Program-Guidebook.pdf
Housing Choice Voucher Guidebook: FSS Chapter (from Office of Public and Indian Housing)	http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_11767.pdf
HUD Handbook 4350.1: Multifamily Asset Management and Project Servicing	http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hshg/4350.1
FSS Account Credit Worksheet	https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fss

Resources for Identifying Service Providers

Name

211 Directory - United Way Directory for Social Services

Aunt Bertha - Social service directory searchable by zip code

Website

<http://www.211.org/>

<https://www.auntbertha.com/>

HUD-Sponsored Research on the FSS Program

Name

“Evaluation of the Family Self-Sufficiency Program: Prospective Study” (2011), Lalith de Silva et al, prepared for the US Department of Housing and Urban Development, Office of Policy Development and Research.

“Evaluation of the Family Self-Sufficiency Program: Retrospective Analysis, 1996 to 2000” (2004), Robert C. Fiske and Andrea Piesse, prepared for the US Department of Housing and Urban Development, Office of Policy Development and Research.

Website

<https://www.huduser.gov/Publications/pdf/FamilySelfSufficiency.pdf>

<https://www.huduser.gov/portal/publications/selfsufficiency.pdf>

Resources on Working with Low-Income Families

Name

US Department of Health and Human Services Self-Sufficiency Research Clearinghouse

Center for Policy and Budget Priorities Directory of Executive Function resources

“Using Brain Science to Design New Pathways out of Poverty” (2014), Elisabeth D. Babcock, Crittenton Women's Union.

“Effective Case Management Key Elements and Practices from the Field” (2011), Elizabeth Laird and Pamela Holcomb, Mathematica Policy Issue Brief.

“Strengthening Economic Self-Sufficiency Programs: How Housing Authorities Can Use Behavioral and Cognitive Science to Improve Programs” (2014), Maya Brennan, Center for Housing Policy.

“More Than a Roof: Case Studies of Public Housing Agency Initiatives to Increase Residents' Economic Security” (2012), Maya Brennan and Jeffrey Lubell, Center for Housing Policy.

“Reflections of the Experience of Launching an Asset Building Model for the Family Self-Sufficiency (FSS) Program” (2015), Compass Working Capital.

“The Family Self-Sufficiency Program: HUD's Best Kept Secret For Promoting Employment And Asset Growth” (2001), Barbara Sard, Center on Budget and Policy Priorities.

Website

<https://www.opressrc.org/>

<http://www.buildingbetterprograms.org/category/executive-function/>

http://www.liveworkthrive.org/research_and_tools/reports_and_publications/EF_Report

<http://www.mathematica-mpr.com/our-publications-and-findings/publications/effective-case-management-key-elements-and-practices-from-the-field>

http://media.wix.com/ugd/19cfbe_4fec5da477fa44e2a87cdaec937804e6.pdf

<http://www.aarp.org/content/dam/aarp/livable-communities/learn/housing/more-than-a-roof-case-studies-of-public-housing-agency-initiatives-to-increase-residents-economic-security-2012-aarp.pdf>

<http://static1.squarespace.com/static/54749c39e4b0712a5b6a8d96/t/5644ef39e4b0197f17bb8949/1447358265437/Compass+Working+Capital.Reflections+on+the+Experience+of+Launching+an+Asset+Building+and+Financial+Capability+Model+for+the+Family+Self-Sufficiency+Program.November+2015.pdf>

<http://www.cbpp.org/archiveSite/4-12-01hou.pdf>

Section 11: Tools to Improve Start Up of an FSS Program

Notes

CHAPTER 2 SELECTION AND CONTRACT OF PARTICIPATION

Section 1 Definitions

24 CFR 984.103

- *Contract of Participation (CoP)* means a contract, in the form and content prescribed by HUD, entered into between an FSS family and a PHA or PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The CoP includes all Individual Training and Services Plans (ITSPs).
- *Eligible families* means current residents of public housing and current Section 8 program participants, including those participating in other local self-sufficiency programs.

Notice PIH 2019-23;

Notice PIH 2023-19

- *Eligible families under RAD conversion* means public housing FSS participants whose housing is converted to either project-based vouchers (PBV) or project-based rental assistance (PBRA) under RAD. PHAs and owners are required to continue participation in FSS for these families if the families choose to do so.
- *Enrollment* means the date that the FSS family entered into the CoP with the PHA or PHA.
- *Family Self-Sufficiency (FSS) program* means the program established by a PHA to promote self-sufficiency among participating families, including the coordination of supportive services to these families, as authorized by section 23 of the 1937 Act.

Section 1: Definitions

- *FSS family* means a family that resides in public housing or receives Section 8 assistance and that elects to participate in the FSS program, and whose designated adult member (head of FSS family) has signed the CoP.
- *FSS family in good standing* means an FSS family that is in compliance with their FSS CoP; has either satisfied or are current on any debts owed the PHA or PHAs; and is in compliance with the regulations in 24 CFR Part 5 and regulations regarding participation in the relevant rental assistance program.
- *FSS program coordinator* means the person who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; establishing and maintaining escrow accounts; collaborating with the community and service partners; and tracking program performance. In smaller FSS programs, one person may provide all of the tasks of the FSS program coordinator and FSS service coordinator.
- *FSS service coordinator* means the person who works with FSS families. This may include assessment; goal setting; referrals; advocacy and case management or coaching of FSS participants; and collaborating with the community and service partners. In smaller FSS programs one person may provide all of the tasks of the FSS program coordinator and FSS service coordinator.
- *FY* means federal fiscal year (starting October 1 and ending September 30, and year designated by the calendar year in which it ends).

Section 1: Definitions

- *Head of FSS family* means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.
- *Individual Training and Services Plan (ITSP)* means a written plan that is prepared by the PHA in consultation with a participating FSS family member (the person with for and whom the ITSP is being developed), and which sets forth the final and interim goals, supportive services to be provided, the activities to be completed by that family member, the agreed upon completion dates for the goals, and activities.

Section 1: Definitions

Notes

Section 2 Selection of FSS Families

PHA PREFERENCE FOR THE HOUSING WAITING LIST

24 CFR 5.655(c)

- While PHAs are not permitted to select FSS families from the housing waiting list, they may establish local selection preferences for families who have applied for, or are participating in, an economic self-sufficiency program or an FSS-related service program so long as doing so is not discriminatory.

24 CFR 5.655(c)(1)–(c)(5)

- Using “PHA-adopted” preferences, PHAs may establish their own preferences if the preferences do not supersede any program-specific preferences and comply with applicable fair housing and civil rights laws. If the PHA adopts any preferences other than those detailed in 24 CFR 5.655(c)(1)–(c)(5), the local HUD Field Office must approve the preference.
 - Preferences, in general, allow eligible applicants on the waiting list to be selected for housing assistance ahead of those on the waiting list who do not qualify for a preference. Preferences only affect the order of the waiting list; they do not affect an applicant’s eligibility for the housing or FSS program. PHAs are not required to adopt other preferences and may rely solely on the date and time of application alone when HUD does not require a project-specific preference.
 - The PHA must specify the type of preference with a full description of the preference and how it will be implemented. If the PHA adopts preferences, they must inform all applicants about the availability of preferences and give them the opportunity to claim them. When adopting a new preference, the PHA must notify all applicants on the waiting list to determine if they are eligible under the new preference.

- If the PHA chooses to adopt preferences, a rating, ranking, or a combination system must be outlined in the policy and used consistently. All PHA-adopted preferences are subordinate to income targeting requirements as well as statutory and regulatory preferences.
- PHAs may remove adopted preferences at any time without HUD approval. Changes to preferences must be detailed in the PHA's policy, and if the PHA adopts a residency preference, in the Affirmative Furthering Fair Housing Marketing Plan as well.
- PHA-adopted FSS-related preferences apply to applicants and are used to determine placement on the waiting list for housing assistance.
 - These FSS-related preferences would move families to the top of the waiting list faster so they could be in the selection pool of participants.
- Families who qualify for such FSS preferences are not obligated to participate in FSS once they are an assisted family. The qualification for the FSS-related preference would only affect the placement of the family on the PHA's housing waiting list. Families are not required to join FSS once they are a tenant in assisted housing.
- The PHA may negotiate with the Workforce Innovation and Opportunity Act administrator or other program coordinating committee (PCC) members to trade assisted housing waiting list preferences for a specific number of their participants, who may or may not end up in the FSS program, in exchange for a specified number of Department of Labor funded Workforce or other program slots for FSS participants.

FSS FAMILY SELECTION

- Selection of participants is a key part of the PHA's FSS program. PHAs may provide preferences on the housing waiting list as well as the FSS waiting list at their discretion so long as those preferences do not discriminate or further an existing pattern of discrimination.

24 CFR 984.101(b)

- For this reason, HUD requires the Action Plan to describe specifically the selection preferences and how these and other selection procedures will not discriminate.

24 CFR 984.101(b)

- Applicants for the PHA's FSS program must be from the Housing Choice Voucher or public housing assistance programs under Section 8 of the U.S. Housing Act of 1937.
- PHAs are not permitted to select FSS families from the housing waiting list. PHAs must fill their FSS openings from current housing assisted families.

LEASING ACTIVITIES

- The FSS program does not affect the PHA's leasing activities. PHAs will continue to assist families from the waiting list in accordance with funding availability in the HCV program and unit availability in the public housing program.
- When a public housing applicant leases a unit, their status changes from an applicant to a resident. When a voucher holder initially leases a unit on the program and the PHA enters into a HAP contract with an owner, their status changes from an applicant to a participant. Once admitted to the program, families are eligible to apply for the FSS program.

NONDISCRIMINATION

Elderly Persons and Persons with Disabilities

24 CFR 984.201(d)(4)

- PHAs must not exclude elderly people from an FSS program.
- PHAs must not exclude persons with disabilities from participating in FSS and are prohibited from discriminating against otherwise qualified persons because of their disabilities.
- PHAs must consider, and when requested and if reasonable, make accommodations to ensure the FSS program is accessible to persons with disabilities.
- PHAs may deny a reasonable accommodation if it causes an undue financial and administrative burden or fundamentally alters the nature of the PHA's operations.

Non-Citizens Eligible or Ineligible to Participate in FSS

- The law, regulation, and FSS FAQs governing the FSS program determine the eligibility or ineligibility of non-citizens to participate in FSS program.

Economic Growth and Regulatory Relief Act, Section 306(c)(1), Eligibility

- Section 23(c)(1) of the 1937 Act, as amended by Section 306(c)(1) of the Economic Growth and Regulatory Relief Act, states a family is eligible to participate in a local Family Self-Sufficiency program if:
 - At least one household member seeks to become and remain employed in suitable employment or to increase earnings; and
 - The household member receives direct assistance under Section 8 or resides in a unit assisted under Section 8 or 9.

24 CFR 984.103

- The FSS Final Rule indicates that an eligible family means tenant families in HCV or public housing.

FSS FAQs, HOH13

- The FSS Final Rule FAQ states:
 - For FSS, the head of the FSS family (the signer of the Contract of Participation (CoP)) must be an eligible recipient of public housing or Housing Choice Voucher (HCV) assistance. As explained below, that doesn't mean the head of the FSS family necessarily has to be a citizen, but they must be an immigrant eligible for public housing or HCV assistance to enroll in FSS.
 - Section 214 of the Housing and Community Development Act of 1980, implemented by HUD at 24 CFR 5.500–5.528, applies to the public housing and HCV programs. Immigrants are eligible for public housing and HCV if they are residents of the U.S. and fall within one of the categories set out in 24 CFR 5.506. In general, the following persons are eligible immigrants:
 - Persons lawfully admitted for permanent residence
 - Persons who have acquired permanent residence because of the discretion by the Attorney General
 - Persons granted refugee or asylum status because of persecution, or fear of persecution on account of race, nationality, religion, political opinion, or membership in a particular social group
 - Persons granted “parole status” by the U.S. Attorney General for emergent or public interest reasons; (Parole is a procedure which allows noncitizens to come to the U.S. without being granted an official admission status)

- Persons granted withholding of deportation or removal; (These persons are lawfully present because the Attorney General has withheld deportation/removal because of a threat to life or freedom in their country of origin)
- Persons granted temporary or permanent residence under the general amnesty provisions of the Immigration Reform and Control Act of 1986 based on having resided in the U.S. since before January 1, 1982
- Person who is a lawful resident in the United States, but a citizen of a United States territory
- Persons qualifying as victims of trafficking because they have been subject to a severe form of trafficking in persons such as sex trafficking, involuntary servitude, debt bondage, peonage, or slavery
- The fact that an immigrant lives in public housing or an HCV-assisted unit does not mean that they are eligible for the public housing or HCV programs. HUD's current regulations state that "mixed" households (i.e., households with at least one eligible member and other ineligible members) are permitted to live in housing covered by Section 214 restrictions as long as the amount of assistance they receive is prorated based on the number of eligible household members. Furthermore, under HUD's current regulations, the eligible household members do not need to be the head of household (HoH) and can be minor children. In other words, it is possible for there to be an HoH in a public housing or an HCV-assisted unit that is not themselves eligible for assistance.
- The July 2022 FSS FAQs apply to both HCV and public housing, as well as Section 8 multifamily assisted housing.

FSS Action Plan Non-Discrimination

24 CFR 984.105(b)(2) and 984.203

- FSS programs must define family selection criteria in their Action Plans. The plan must include a description of how the PHA's selection procedures ensure that families will be selected without regard to race, color, religion, sex, disability, familial status, age, or national origin.

FSS Sample Action Plan, Section IV.D.

- Each FSS Action Plan is required to include a statement, similar to the one below, that documents the FSS program's intent to comply with non-discrimination provisions. It states:
 - "It is the policy of the PHA to comply with all federal, state, and local nondiscrimination laws and regulations, including but not limited to the Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973.
 - No person shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the FSS program on the grounds of race, color, sex, religion, national or ethnic origin, family status, source of income, disability or perceived gender identity and sexual orientation.
 - In addition, the PHA's FSS staff will, upon request, provide reasonable accommodation for persons with disabilities to ensure they are able to take advantage of the services provided by the FSS program (see Requests for Reasonable Accommodations).
 - The FSS program staff has the primary responsibility to make sure that participants are not discriminated against in the selection process. For families or individuals whose potential enrollment is in question, the FSS coordinators will review the file in the staff review meeting to ensure that non-selection is not based on discriminatory factors before the final decision is made. Applicants will be notified in writing of the reason(s) they were not selected for participation and will have the opportunity to appeal the decision (see Hearing Procedures). At all times, the PHA will select families for participation in the FSS program in accordance with FSS Regulations and HUD guidelines."

Notes

Section 3 Preferences in the FSS Selection Process

SELECTION WITHOUT FSS-RELATED PREFERENCES

- Once families are leased as tenants in HCV or public housing, they are eligible for FSS. The PHA describes the policy and procedure for placing families on the FSS waiting list in the Action Plan. The PHA must have procedures for ordering their Family Self-Sufficiency waiting list so that it is neither discriminatory nor arbitrary. HUD has provided the structure for this ordering through the FSS regulation.

24 CFR 984.203(b)

- The PHA must fill FSS slots using an objective selection system. Acceptable objective systems could include:
 - Lottery
 - Length of time the family has lived in subsidized housing

Industry Practice

- Date the family expressed an interest in participating in FSS (most common)
- The PHA must describe its selection methodology in the Action Plan.
- If a family qualifies for the FSS-related preference on the housing waiting list and decides to volunteer for FSS, the PHA may select them using a priority on the FSS waiting list.

Selection With FSS Related Preference

24 CFR 984.203(a)

- The PHA may target up to 50 percent of its FSS slots to families who have one or more family members currently enrolled in or on the waiting list for an FSS-related service program. This is known as “targeted selection preference.”

24 CFR 984.103

- An *FSS-related service program or supportive service* means any program, publicly or privately sponsored, that offers the following types of supportive services:
 - Drug and alcohol prevention and treatment
 - Child development and childcare
 - Transportation
 - Education
 - Employment
 - Personal welfare
 - Drug use treatment and counseling, health, dental, mental health, and health insurance services
 - Household skills and management
 - Counseling
 - Other services and resources, such as service coordination and reasonable accommodation for individuals with disabilities
- An example of a preference would include giving a preference to families who are enrolled in (or on the waiting list for) for Workforce Investment Opportunity Act (WIOA) programs, Adult Education, or Community College.

Section 3: Preferences in the FSS Selection Process

- Any PHA that chooses to utilize such a preference must include the following information in its action plan:
 - The percentage of FSS slots, not to exceed 50% of the total number of FSS slots, for which it will give a selection preference.
 - The FSS related service programs to which it will give a selection preference to the programs' participants and applicants.
 - The method of outreach to, and selection of, families with one or more members participating in the identified programs.
 - The use of this selection preference is optional for a PHA.

Other Preferences

FSS FAQs, Impl

- The PHA may elect to provide a selection preference to porting families.
- The PHA may have other preferences regarding previous participants, previous graduates, and families free of debt to PHAs, which are included in their FSS Action Plan policies.

Section 3: Preferences in the FSS Selection Process

Notes

Section 4 Motivation as a Screening Factor

PROCESS FOR FAMILY SELECTION

24 CFR 984.201(d)(4)

- The PHA must design its own outreach process, procedures, and forms to notify and select families, according to the Action Plan.
- The PHA may survey each family to determine the level of interest in FSS program participation at least once:
 - New families can be asked when they are admitted to the housing program.
 - Current families can be asked at their reexamination or by conducting a survey.
- Families may be encouraged to contact the PHA if they change their minds about FSS participation.
- If a PHA is having difficulty finding enough families to participate in FSS due to lack of family interest, families could be surveyed more than once using different marketing techniques.

PERMISSIBLE MOTIVATION AS A SELECTION FACTOR

24 CFR 984.203(d)

- The PHA may screen FSS applicant families for their motivation to participate. The factors used for motivational screening must be restricted to measures of the applicant's interest and motivation to participate such as assigning a task.

Permissible Motivation Selection Factors

24FR 984.203(d)

- Acceptable motivational screening factors include requiring attendance at an activity or completion of a task. Examples of limited motivational screening tasks that may be required include:
 - Attendance at an FSS orientation session or preselection interviews
 - Completion of certain tasks that indicate the family's willingness to undertake the FSS contract obligations, such as:
 - Contacting a job training program
 - Contacting an educational program
- Motivational screening tasks must be readily accomplishable by the family.
- Reasonable accommodations must be made for individuals with mobility, manual, sensory, mental, or developmental disabilities, and speech impairments.

Prohibited Motivation Selection Factors

- PHAs must not use the following criteria for screening:
 - Educational level
 - Educational or standardized motivational test results
 - Previous job history or job performance
 - Credit rating
 - Marital status
 - Number of children
 - Sensory or manual skills
 - Any other factors that may result in the exclusion, application of different eligibility requirements, or other discriminatory treatment or effect based on any protected class

Other Screening Factors

FSS FAQs, Par6

- PHAs may set other screening criteria so long as those criteria so long as these:
 - Are not discriminatory;
 - Adhere to the FSS regulations regarding motivational screening; and
 - Are consistent with the policies in the FSS Action Plan.

Section 4: Motivation as a Screening Factor

24 CFR 984.103

- PHAs may select families for FSS if:
 - They were in the program in the past and did not complete the program;
 - They were in FSS in the past and graduated with escrow; or
 - They owe money to the PHA—whether or not they are currently in a repayment agreement.

Section 5 The FSS Contract of Participation

CONTRACT REQUIREMENTS

24 CFR 984.103 and 984.303

- Each family participating in FSS must execute a Contract of Participation (CoP) with the PHA. Form HUD-52650 (Contract of Participation) must be used. A *Contract of Participation (CoP)* means a contract, in a form with contents prescribed by HUD, between the FSS head of family and a PHA operating an FSS program.
- The CoP states the principal terms and conditions governing participation in the FSS program. These include:
 - The rights and responsibilities of the FSS family and of the PHA
 - The services to be provided to, and the activities to be completed by, each adult member of the FSS family who elects to participate in the program
- There will never be more than one CoP in each family.
- The CoP includes all Individual Training and Services Plans (ITSPs) between the PHA and all adult members of the family who chose to participate in the FSS program. These plans are attached to the CoP as exhibits.

FSS FINAL RULE REQUIRES NEW CONTRACT

FSS FAQs, Imp13

- The Economic Growth Act and its subsequent regulation required a change in the FSS Contract of Participation (CoP).
 - The new CoP is also the designated form HUD-52650.
 - PHAs may use a different format for the contract which must contain all the same information that HUDs form contains.
- Families entering the FSS program after June 16, 2022, are required to agree to a new FSS contract.
- Families already enrolled in FSS on June 15, 2022, must be given the opportunity to choose between the old or new contract until June 15, 2027.
- Effective June 16, 2022, PHA's FSS programs might have FSS families who signed the contract June 15, 2022, or before and families who signed the new contract on or after June 16, 2022.
 - Where this is the case, the PHA must apply the older regulations and escrow requirements to the families signing before June 16, 2022, and the newer regulations and escrow requirements to the families signing on June 16, 2022, and after.
 - This means that a PHA may manage two different sets of policies for FSS and two different escrow calculation formats.

Section 5: The FSS Contract of Participation

FSS FAQs, CoP1-CoP5

- The PHA may not use a hybrid of the pre-June 16, 2022, and the post June 15, 2022, FSS CoP. An FSS participant has either signed the old contract and remains under the old regulations or they have accepted the new CoP and are participating under the new regulations.

FSS Family Choice for New Contract

- Families in FSS prior to June 16, 2022 may at any time choose to enter into the June 16, 2022, FSS contract.
- There are reasons an FSS family would want the newer contract:
 - The head of the FSS family does not have to be the HoH for rental assistance purposes.
 - The base CoP is now longer—the initial end date is five years from the first recertification after the effective date.
 - Monthly escrow credits continue to grow if a family is between 50% and 80% AMI (under the old rules, they were capped at whatever the amount was when they hit 50% AMI)
 - The definition of *good cause* for an extension is broader.
 - The requirement to be “welfare-free” is at the time of graduation, not for 12 months as it is under the old FSS Rule.
 - The possibility of “termination with escrow disbursement” which means the CoP is terminated and the family receives the amounts in escrow under certain circumstances without completing the contract.

Section 5: The FSS Contract of Participation

FSS FAQs, Imp8 and Imp 31

- If an FSS family was in the program prior to June 16, 2022, and wants to accept the new contract, the family must sign a new Contract of Participation (CoP) to indicate they understand, and agree with, the new rules.
- There is no deadline within the effect date of their CoP by which a pre-June 16, 2022, FSS family must except a post-Jun 15, 2022, contract.
- PHAs are strongly encouraged, and not required, to offer the post June 15, 2022, CoP to families participating in the program.
- PHAs may not require pre-June 16, 2022, FSS families to accept the post June 15, 2022, CoP.

24 CFR 984.103 and 984.303

- The contract is signed by the head of the FSS family, which may be, but is not required to be, the head of household for purposes of determining income eligibility. Even if other family members choose to participate, only the head of the FSS family signs the contract.

FSS FAQs, HoH6

- *Head of the FSS family* means the person designated by the family to be the head, seek employment, and receive any escrow payments.
- The PHA must have a policy to document that the family agrees on the person to sign the CoP.

CONTRACT EFFECTIVE DATES

Form HUD-52650 Instructions

- The effective date of the FSS contract is the first day of the month following the date the contract was signed or executed by the family and the PHA's representatives.

24 CFR 984.303(c)

- The expiration date of the FSS contract is five years after the effective of the first reexamination of income following the execution date of the CoP. For this reason, there will be no expiration date on the initial CoP. For example:

FSS FAQs, Date3–Date6

- This first reexamination of income must be either an interim or annual that includes a calculation of income. Administrative changes to the 50058 do not set the end date of the contract.
- This first reexamination of income does not have to result in an increase in annual income or rent. However, this first reexamination must have income calculated.
- This first reexamination of income does not have to be an annual reexam. It can be an interim, bi-annual, or tri-annual reexamination—it is still used to set the expiration or end date of the CoP.

FSS FAQs, Imp10, Imp15, and 24 CFR 984.303(c)

- The expiration date of the FSS contract may change when a family participating in FSS prior to June 16, 2022, signs a new contract on June 16, 2022, or after. In the new contract, each FSS family is required to fulfill CoP obligations no later than five years after the effective date of the first reexamination of income after the execution date of the CoP.

Example

- Initial CoP executed (signed) 6/12/2018
- Initial CoP effective Date 7/1/2018
- Recertification 12/1/2018
- Initial end date under the old contract is 6/30/2023 (5 years after effective date)
- New Cop executed 8/20/2022
- Amended CoP effective date 7/1/2018
 - Effective date remains the same as initial effective date due to requirement to check tenant records. First recertification after 6/12/2018 is 12/1/2018.
 - CoP ends 5 years from first recertification of income after execution date
- New CoP with amended end date 11/31/2023

FSS Contracts After June 15, 2022

FSS FAQs, Imp8 and Imp 31

- If an FSS family was in the program prior to June 16, 2022, and wants to accept the new contract, the family must sign a new Contract of Participation (CoP) to indicate they understand, and agree with, the new rules.
 - Remember, there is no deadline within the effective date of their CoP by which a pre-June 16, 2022, FSS family must except a new contract.
 - PHAs are strongly encouraged but not required to offer the post June 15, 2022, CoP to families participating in the program on or before that date.

CONTRACT BASELINE FIGURES

Form HUD-52650

- The baseline annual income, baseline annual earned income, and baseline monthly rent entered on the FSS contract are taken from the reexamination or interim in effect on the effective date of the CoP.
 - These “baseline figures” never change.
 - The baseline annual earned income, and baseline monthly rent taken on the contract effective date will be the same every time an escrow is calculated throughout the contract, even if a family moves.

TYPE OF PROGRAM

FSS FAQs, CoP6

- Enter the type of FSS program on the contract that is the same as the type of housing assistance received as indicated on the participant’s Form HUD-50058.

Family Self-Sufficiency (FSS) Program Contract of Participation

U.S. Department of Housing
and Urban Development

OMB Approval No. 2577-0178
(exp. 04/30/2025)

This Contract of Participation for the Family Self-Sufficiency (FSS) Program is between _____, Public Housing Agency (PHA) or PBRA owner, and _____ head of FSS family.

The FSS family includes everyone in the household, and is referred to in this contract as "family."

Type of FSS Program.

The family is housed in: (Check only one)

☐ Housing Choice Voucher (HCV)/Project Based

Voucher (PBV)

☐ Public Housing

☐ Project-Based Rental Assistance (PBRA)/Multifamily

Purpose of Contract

The purpose of this contract is to state the rights and responsibilities of the participating family and the PHA/owner, the resources and supportive services to be provided to the family, and the activities to be completed by the family.

Term of Contract

This contract will be effective on _____.

This contract will expire on [5 years after the first recertification of income after execution]

_____.

The PHA/owner may extend the term of the contract up to 2 years if the PHA/owner finds that *good cause* exists for the extension.

Resources and Supportive Services

During the term of the contract, the PHA/owner will try to coordinate the resources and services listed in the Individual Training and Services Plans (ITSP). However, the PHA/owner has no liability to the family if the resources and services are not provided.

Individual Training and Services Plan (ITSP)

An Individual Training and Services Plan (ITSP) must be developed for each participating family member. All ITSPs for the family are hereby incorporated into and made part of this contract.

FSS Escrow Account

The PHA/owner will establish an FSS escrow account for the family. The increases in the family's rent due to increases in earned income will be credited to the FSS escrow account in accordance with 24 CFR parts 887 and 984 (as applicable) and any other HUD requirements.

Listed below are the family's baseline annual income, baseline annual earned income, and baseline monthly rent when the family begins the FSS program. These amounts will be used to determine the amount credited to the family's FSS escrow account due to future increases in earned income.

Baseline Annual Income \$ _____

Baseline Annual Earned Income \$ _____

Baseline Monthly Rent \$ _____

Interim Withdrawal of Escrow Funds

The PHA/owner does __ does not __ allow for the interim withdrawal of escrow funds. If yes, the participating family must be provided with the pertinent policies. The PHA/owner may disburse an amount in the family's FSS escrow account to the head of the FSS family in compliance with its interim withdrawal policies and 24 CFR 984.305).

Graduation from the FSS Program and Disbursement of Escrow

The PHA/owner will disburse to the head of FSS family the amount in the family's FSS escrow account, less any amount owed to the PHA/owner (for unpaid rent or other outstanding debts), when the family is compliant with its lease, and:

- (1) the PHA/owner determines that the family has completed the terms of this contract, including the terms of all ITSPs; and
- (2) The head of FSS family certifies that no member of the FSS family is a recipient of welfare assistance;

Disbursement of Escrow in Cases of Contract Termination

The PHA/owner must disburse to the FSS family the amount in the family's FSS escrow account, less any amount owed to the PHA/owner (for unpaid rent or other outstanding debts), when the family is compliant with its lease and:

- (1) The PHA/owner, with HUD approval, determines there is good cause to disburse FSS escrow funds; or
- (2) When the Contract has been terminated for the following reasons:
 - a. Services that the PHA/owner and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable;
 - b. The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, and the PHA/owner and FSS family determine it is not possible to modify the Contract or designated a new head of the FSS family; or
 - c. A voucher FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with regulatory portability requirements) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

Head of FSS Family Leaves Assisted Unit

If the head of the FSS family leaves the assisted unit, the remaining family members may, after consulting the HA/owner, name another family member to take over the Contract or receive the FSS escrow account funds in accordance with the terms of this agreement.

Loss of FSS Escrow Account

The family will not receive the funds in its FSS escrow except as provided above. The FSS escrow will be forfeited and the family has no right to receive funds from the FSS escrow if the contract is terminated, except as provided above.

Family Responsibilities Head of FSS Family must:

- Seek and maintain suitable employment. **The head of FSS family and those family members who have decided, with PHA/owner agreement, to execute an ITSP, must:**
- Complete the interim goals, final goals, and any other activities by the completion dates contained in each ITSP.

All family members must:

- Comply with the terms of the lease.
- If receiving welfare assistance, become independent of welfare assistance by the end of this Contract term.
- If participating in the HCV program, the family must comply with the family obligations under the HCV program and live in the jurisdiction of the PHA that enrolled the family in the FSS program at least 12 months from the effective date of this contract, unless the initial PHA has approved the family's request to move outside its jurisdiction under portability.

Termination of the Contract of Participation

The PHA/owner may terminate this contract if:

- (1) the family and the PHA/owner agree to terminate the contract;
- (2) the PHA/owner determines that the family has not fulfilled its responsibilities under this contract;
- (3) the family withdraws from the FSS program; or
- (4) the PHA/owner is permitted to terminate the contract in accordance with HUD regulations and requirements.

Signatures:

Family

(Signature of Head of FSS Family)

(Date Signed)

Housing Agency/Owner

(Name of PHA/Owner)

(Official Title)

(Signature of PHA/Owner Official)

(Date Signed)

The PHA/owner will terminate this contract and distribute escrow according to 24 CFR 984 and 887 when:

- (1) Services that the PHA/owner and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable
- (2) The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, and the PHA/owner and FSS family determine it is not possible to modify the Contract or designated a new head of the FSS family; or
- (3) A voucher FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements 24 CFR 982.353) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

The PHA/owner must give a notice of termination to the head of FSS family. The notice must state the reasons for the PHA/owner decision to terminate the contract.

This contract is automatically terminated if the family's rental assistance is terminated in accordance with HUD requirements.

Modification

The PHA/owner and the family may mutually agree to modify this contract or any incorporated ITSP in accordance with 24 CFR parts 887 and 984, as applicable.

Compliance with HUD Regulations and Requirements

The PHA/owner and the FSS family agree to comply with HUD regulations and requirements, including 24 CFR parts 887 and 984. To the extent that anything in this contract conflicts with HUD regulations or requirements, including parts 887 and 984, HUD regulations and requirements will prevail. Terms and figures, such as the income and rent amount on page 1, are subject to correction by the PHA/owner for compliance with HUD regulations and requirements. The PHA/owner must notify the family in writing of any adjustments made to the contract.

Conflict with the Lease

If any term of this contract conflicts with the lease, the lease will prevail.

Each Housing Agency (PHA/owner) must implement the FSS Program in compliance with 24 CFR 984 and 24 CFR 877.

Public reporting burden for this collection of information is estimated to average 1.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Response to this collection of information is mandatory by law (Section 23 (c) & (g) of the U.S. Housing Act of 1937, as added by Section 554 of the Cranston-Gonzalez National Affordable Housing Act (PL 101-625) and Section 306 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (P.L. 115-174) for participation in the FSS program.

The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained.

HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Instructions for Executing the FSS Contract of Participation

Head of FSS Family

The family must designate an adult family member to be the Head of FSS Family who will sign this contract. The head of FSS Family may, but is not required to be, the head of the household for rental purposes. Under certain circumstances, consistent with 24 CFR part 887 and 984, as applicable, and this contract, the family may designate a new Head of FSS Family during the term of the contract.

Term of Contract

- (1) The effective date is the first day of the month following the date the contract was signed by the family and the PHA/owner's representative.
- (2) The expiration date is five years from the effective date of the first re-exam after the effective date of the contract. The expiration date may be left blank until the first rental re-exam.
- (3) If the PHA/owner decides to extend the term of the contract, the original expiration date listed on page one of the contract must be crossed out and the new expiration date added.
- (4) If a family moves under HCV portability procedures and is going to participate in the receiving PHA's FSS program, the effective date of the contract between the family and the receiving PHA is the first day of the month following the date the contract was signed by the family and the PHA's representative. The expiration date of the contract between the receiving PHA and the family must be the same as the expiration date of the contract between the initial PHA and the family.

FSS Escrow Account

- (1) The income and rent numbers to be inserted in this Contract must be taken from the amounts on the last reexamination or interim determination before the family's initial participation in the FSS program.
- (2) If a family moves under HCV portability procedures and is going to participate in the receiving PHA's FSS program, the receiving PHA must use the amounts listed for annual income, earned income, and family rent in this contract between the initial PHA and the FSS family.

Changes to the Contract

- (1) This contract of participation can only be changed to modify the contract term, the Head of FSS family, or the ITSPs.

- (2) Any change of the head of the family under the contract must be included as an attachment to the contract. The attachment must contain the name of the new designated head of FSS family, the signatures of the new head of FSS family and a PHA/owner representative, and the date signed.

- (3) Any change(s) to an ITSP must be included as a revision to the original ITSP (attachment) to which the change applies. The revision must include the item changed, signatures of the participant and a PHA/owner representative, and the date signed.

Individual Training and Services Plans (ITSPs)

- (1) The contract must include an individual training and services plan for the head of the family. Other family members aged eighteen and older may choose to execute an individual training and services plan if agreed to by the PHA/owner.
- (2) The resources and supportive services to be provided to each family member must be listed in the ITSPs which are attachments to the contract of participation.
- (3) Each ITSP must be signed by the participant and an PHA representative.
- (4) Interim goals must be specified along with the activities and services needed to achieve them. For example, a single mother with two children who has an interim goal of completing her secondary education might require several different activities and services to achieve that goal. These might include transportation, tutoring, and child care.
- (5) All completion dates included in the ITSPs must be on or before the contract of participation expires.
- (6) One of the final goals for families receiving welfare assistance is to become independent of welfare assistance by the end of the contract. Any family that is receiving welfare assistance **must** have this included as a final goal in the head of FSS family's ITSP.
- (7) The other final goal listed on the ITSP of the head of FSS family **must** include seeking and maintaining suitable employment specific to that individual's skills, education, job training, and the available job opportunities in the area.

Incentives

If the PHA/owner has chosen to offer other incentives in connection with the FSS program, these incentives may be included in the individual training and services plans or as an attachment to this contract.

Family Self-Sufficiency Program
Individual Training and Services Plan

Attachment _____

Name of Participant _____

Final Goal _____

Interim Goal Number _____

Date Accomplished _____

Activities/Services	Responsible Parties	Date/s
---------------------	---------------------	--------

Comments _____

Signatures:

Family	Housing Agency
_____	_____
(Participant)	(Signature of PHA/Owner Representative)
_____	_____
(Date Signed)	(Date Signed Title)

Family Self-Sufficiency Program Individual Training and Services Plan

Attachment _____

Name of Participant _____

Final Goal

Interim Goal Number _____

Date Accomplished _____

Activities/Services

Responsible Parties

Date/s

Comments

INDIVIDUAL TRAINING AND SERVICES PLAN

24 CFR 984.103

- The ITSP is a written plan prepared by the PHA, FSS program coordinator, or other qualified entity in consultation with a participating FSS family member with whom and for whom the ITSP is being developed.

Form HUD-52650 Instructions

- The ITSP is mandatory for the FSS head and optional for other adult family members.
- An Individual Training and Services Plan (ITSP) must be completed for the head of the FSS family.
- There may be an additional ITSP for each member of the FSS family that wishes to have one.
- The ITSP must be included as part of the FSS Contract of Participation.
- The ITSP sets forth:
 - The final and interim goals for the participating FSS family member
 - The resources and supportive services to be provided to the family member
 - The goals and activities to be completed by that family member including:
 - Suitable employment for the head of the FSS family
 - Independence from welfare for all family members
 - Any and all realistic and individualized goals established by the PHA and family member working together

Section 5: The FSS Contract of Participation

- The agreed upon completion dates for these goals and activities to measure the progress toward the employment goal
- The agreed upon completion dates to obtain the services and complete interim activities
- The PHA may not include additional mandatory goals.
- ITSPs for additional (non-FSS head) family members may, but are not required to, include suitable employment as a goal.

24 CFR 984.303(b)(2)

- Each ITSP must be signed by the PHA and the family member and is attached to and incorporated as part of the FSS contract.
- Any changes to the ITSP thereafter are included as a written revision. The revision must include the item changed, the signatures of the participant and a PHA representative, and the date of the change.
 - The two mandatory goals on the contract for the head of the FSS family may not be waived except as provided in the regulations or with a waiver from HUD.
 - All other ITSP goals may be changed or removed, in accordance with the regulations and policies in the PHA's Action Plan.

FSS FAQs, ITSP7

- The Head of FSS family must always be working on one or more goals. The family **may not** remain on FSS solely to accumulate escrow.

SEEK AND MAINTAIN EMPLOYMENT

24 CFR 984.303(b)(2);

FR Notice 5/17/22

- The contract specifies the responsibilities with which the family must comply. Among these is the requirement for the head of the FSS family to seek and maintain suitable employment during the term of the contract. HUD does not define *seek* or *maintain suitable employment*. The PHA must define these in their FSS Action Plan.
 - To *seek* means that the head of the FSS family must apply for employment, attend job interviews, and otherwise follow through on employment opportunities in accordance with the regulations and the PHA's definition and requirements for seeking employment.
 - To *maintain suitable employment* means maintaining employment that is based on the skills, education, job training, available job opportunities, and receipt of other benefits of that family member.
 - These decisions must be made by the PHA with the agreement of the affected family member and based on the above.

24 CFR 984.303(b)(4)

- Only the FSS head is required to obtain employment as a mandatory contract goal.

2022 FSS NOFO

- There is no minimum period of time that the head of the FSS family must be employed to meet the CoP requirements.

COMPLIANCE WITH THE LEASE

24 CFR 984.303(b)(3)

- The contract also provides that the family must comply with the assisted lease. Therefore, noncompliance with the assisted housing lease may be grounds for termination of the FSS Contract of Participation.
 - This only refers to FSS termination. The PHA may not terminate tenancy in assisted housing due to the family's noncompliance with the CoP.
 - In HCV, the rental assistance may only be terminated for violations of the family obligations contract. In public housing, the rental assistance may only be terminated for violations of the lease.
- PHAs may not hold FSS participants to a higher standard than non-FSS participants and must give all considerations allowed for other assisted residents for repayment agreements, grievances, and other PHA requirements.

MODIFICATIONS TO THE CONTRACT OF PARTICIPATION

24 CFR 984.303(f)

- The contract may be modified in the following areas if the PHA and family mutually agree:
 - Individual training and services plans
 - The contract term (portability and extension)
 - Designation of the FSS head of the family

Section 5: The FSS Contract of Participation

Form HUD-52650 Instructions

- A change in the designated FSS head or in the ITSP must be included as an attachment to the contract. It must contain the following:
 - Name of new designated FSS head or new goals and activities
 - The signatures of the new FSS head and an PHA representative
 - The date signed

CHANGE IN FAMILY COMPOSITION

- Participation in the FSS program is a resource for the assisted family. If the assisted family splits and each party continues to live in a separate assisted unit, the PHA's policies and procedures specify how the lease will be legally apportioned. Typically, this is done in the best interest of the elderly, people with disabilities, and minors.

FSS Contract of Participation, Form HUD-52650

- If the FSS family head leaves the household during the term of the contract, and the remaining family members want to continue participation in the FSS program:
 - The family will designate the new FSS head of the FSS household.
 - The contract must be revised to reflect the new head of the FSS family.
 - The execution date of the FSS contract, the effective date, and the end date remains the same.
 - The ITSP must be revised and signed to reflect the mandatory goals for the new head of the FSS family.

Section 5: The FSS Contract of Participation

- If the head of the FSS family leaves the family after the expiration of the Contract of Participation, the contract provides for the remaining family members to designate a family member to receive the escrow.
- If any family member with an Individual Training and Services Plan (ITSP) leaves the assisted family during the term of the FSS contract, the PHA would delete the ITSP for that family member.

Extensions of the FSS Contract

24 CFR 984.303(d)

- The PHA must extend the contract, in writing, up to two years provided that the family requests an extension in writing describing the reasons for the extension and the PHA determines there is “good cause” for the extension.
- *Good cause* means circumstances beyond the control of the FSS family as determined by the PHA, that impede the family’s ability to complete the CoP obligations. These are:
 - Serious illness
 - Involuntary loss of employment
 - Active pursuit of a current or additional goal that will further progress toward of self-sufficiency including but not limited to:
 - Completion of efforts to stabilize the family to participate in economic self-sufficiency programs
 - Completion of a training program
 - Completion of a college degree
 - Credit repair towards homeownership readiness

Section 5: The FSS Contract of Participation

- Any other circumstance that the PHA determines warrants an extension as determined and stated in the FSS Action Plan. The PHA must be consistent in applying the circumstances that warrant an extension.

24 CFR 984.303(d)

- During an extension to the contract, the family continues to have FSS amounts credited to the escrow account.
- If the family requests an extension, and the PHA finds that there is good cause for the extension, then the original expiration date listed on page one of the contract must be crossed out and the new expiration date added with the date and signature of both parties—the PHA and the head of the FSS family.

FUP and FYI Extensions of Voucher Rental Assistance

- A person with a FUP-Y or FYI voucher who enrolls in FSS may extend their voucher from 36 months up to 60 months. The Final Rule does not change that.
 - Participants in the FUP-FSS Demonstration are not subject to the time limit under the Fostering Stable Housing Opportunities (FSHO) amendments and may extend their voucher for as long as they are in the FSS program.
 - The final rule's changes on the base timeline of the CoP as well as the expanded definition of *good cause* for extensions may allow a FUP-FSS Demonstration participant to extend the life of their voucher for longer.

UNAVAILABLE SERVICES

24 CFR 984.303(e)

- The PHA is responsible for ensuring that the services provided to the family are adequate. If a social service agency fails to deliver the supportive services identified in the ITSP, the PHA will make a good faith effort to obtain the services from another agency.

24 CFR 984.303(e)(2)

- If the service is unattainable, the PHA must reassess the family member's need and determine if other services would achieve the same purpose.
- If the service would not meet the need or is unavailable, the PHA and family will decide whether the needed service is integral to the family's advancement toward self-sufficiency.
 - If the service is not integral, the PHA must delete the service and modify the Individual Training and Services Plan (ITSP) to remove the family's obligation to obtain the service.
 - If the service is integral, the PHA must terminate the FSS contract and disburse the escrow following the requirements regarding FSS escrow disbursement.
- This FSS termination of the CoP is not grounds for termination of assistance in the voucher program.

COMPLETION OF CONTRACT

24 CFR 984.303(g)

- The family's contract will be considered completed when the FSS family has fulfilled all obligations under the contract, including all family members' ITSP goals, on or before the expiration of the contract term, including any extension.
- The family's obligations under the CoP are:
 - The head of the FSS Family must seek and maintain suitable employment by the end of the contract term.
 - All family members must become independent of welfare assistance by the end of the contract term.
 - All family members must complete all goals in their ITSPs.
 - All family members must comply with the terms of the lease and family obligations contract or the PHA may terminate the CoP at or before completion.
- Family members with ITSPs other than the FSS head of household are not required to complete their employment goal for the family to complete the Contract of Participation. These goals must be removed from the ITSP for the family to complete the CoP and FSS program.
- Family members and the PHA may mutually agree to modify the Contract of Participation including the ITSP to modify or remove goals.

Section 5: The FSS Contract of Participation

*24 CFR 984.303(b)(2);
Form HUD-52650 Instructions*

- The PHA and head of household may set goals for employment and other activities leading to CoP completion early in the contract term in accordance with the family's abilities.

24 CFR 984.303(g)

- The family's obligations may end before the end of the five-year contract term, and the family's participation in FSS and entitlement to the escrow may be less than five years.
- The family does not have to be free of housing assistance to have completed the contract.

CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT

24 CFR 984.303(5)(i)

- If the family does not comply with the contract without "good cause," the PHA may withhold FSS supportive services or terminate the family's participation in the FSS program in accordance with the PHA's Action Plan and hearing procedures.
- If the family fails to meet contract obligations without "good cause," the PHA may terminate the family's participation in the FSS program in accordance with the Action Plan and hearing procedures.

Section 5: The FSS Contract of Participation

24 CFR 984.303(h)

- In addition, the contract may be terminated by:
 - Mutual consent
 - Family withdrawal from the FSS program
 - Other acts deemed inconsistent with the purpose of the FSS program
 - Operation of law
- The FSS contract is automatically terminated if rental assistance is terminated.

TERMINATION OF THE FSS CONTRACT WITH DISBURSEMENT

24 CFR 984.303(k);

Notice H 2016-8

- The CoP will be terminated with FSS disbursement when:
 - Services that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable; or
 - The head of the FSS family becomes permanently disabled and unable to work during the period of the contract (unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family); or
 - An FSS family in "good standing" moves to another PHA outside the jurisdiction of the current or initial PHA for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

Section 5: The FSS Contract of Participation

- In these cases, if the head of the FSS household has maintained suitable employment and all family members are independent from welfare assistance, the PHA must modify the goals under the CoP, report that the family has successfully completed the CoP, and distribute the current balance in the escrow account to the FSS family.
- For reasons beyond these three specified in the regulations, the PHA may seek a waiver from the HUD field office to disburse escrow without contract completion for good cause. Instructions for seeking a waiver are detailed in Notice PIH 2016-08.

FR Notice 12/29/14

- The FSS family may not be terminated from assisted housing because the participant has not completed the obligations of the Contract of Participation.
- Instead, the family may continue to receive assistance after termination of the FSS Contract of Participation.
- There is no provision to evict residents if they do not meet their FSS obligations.

TRANSITIONAL SERVICES

24 CFR 984.303(j)

- A PHA may continue to offer FSS supportive services to a former FSS family that has completed its CoP to become self-sufficient or maintain self-sufficiency. Families receiving transitional services must reside in either HCV, public housing, PBV, or PBRA.
- If the family no longer resides in assisted housing, a PHA may continue to coordinate supportive services for a former FSS family that completed its CoP using funding sources that are not HUD funds or HUD-restricted funds.
- The PHA may allow a former FSS family to rejoin the FSS program whether they completed, completed with escrow distribution, withdrew, or were terminated from the FSS program as an alternative to transitional services, if stated in the Action Plan.

FSS PROGRAM TERMINATION DUE TO REDUCED FUNDING

2023 FSS Program Coordinator NOFO

- There are no regulatory provisions that allow for the wholesale termination of an existing FSS program. Loss of funding for the FSS coordinator position does not relieve the PHA of its contractual obligation to families already under an FSS contract.

Notes

Section 6 Grievances and Informal Hearings

- If the PHA decides to withhold escrow, withhold or terminate FSS supportive services, or terminate the FSS contract because the family failed to comply with the Contract of Participation, the PHA must offer the family the opportunity for a grievance hearing in public housing or an informal hearing in the voucher program.

Notes

Section 7 FSS Decision Chart

- The May 2018 Economic Growth Act and subsequent FSS Final Rule published May 22, 2022, made the FSS family and its members a party to key decisions along with HUD and the PHA.
- The following chart clarifies which party makes the final decision in certain key areas of FSS. Note that certain decisions require mutual agreement of the family and the PHA.

FSS Key Regulatory Decision Chart

Topic	Reference	HUD	PHA	Participant
Designation of Head of FSS Family	§ 984.303 Contract of Participation (CoP) The CoP shall be signed by a representative of the PHA or the owner and the head of FSS family, as designated by the family. This head of FSS family does not have to be the same as the official head of household for rental assistance purposes.		X	X
Good Cause	§ 984.303 (b)(5)(d) Contract of Participation Good Cause Means As used in this paragraph (d), <i>good cause</i> means: (1) Circumstances beyond the control of the FSS family that impede the family's ability to complete the CoP obligations, as determined by the PHA or owner, such as a serious illness or involuntary loss of employment; (2) Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of the extension (e.g., completion of a college degree during which the participant is unemployed or under-employed, credit repair towards being homeownership ready, etc.) as determined by the PHA or owner; or (3) Any other circumstance that the PHA or owner determines warrants an extension, as long as the PHA or owner is consistent in its determination as to which circumstances warrant an extension.	X	X	
Good Standing	§ 984.103 Definitions FSS Family in Good Standing <i>FSS family in good standing</i> means, for purposes of this part, an FSS family that is in compliance with their FSS CoP; has either satisfied or are current on any debts owed the PHA or owner; and is in compliance with the regulations in part 5 and chapters VIII and IX of this title regarding participation in the relevant rental assistance program.	X		
Changes to CoP	§ 984.303 (f) Contract of Participation (CoP) Modification The PHA or owner and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term in accordance with paragraph (d) of this section, and/or designation of the head of FSS family. Modifications must be in writing.		X	X

FSS Key Regulatory Decision Chart

Changes to ITSP	§ 984.303 (f) Contract of Participation (CoP) Modification The PHA or owner and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term in accordance with paragraph (d) of this section, and/or designation of the head of FSS family. Modifications must be in writing.		X	X
Changes to Head of FSS family	§ 984.303 (f) Contract of Participation (CoP) Modification The PHA or owner and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term in accordance with paragraph (d) of this section, and/or designation of the head of FSS family. Modifications must be in writing.		X	X After consultation with PHA
Extensions	§ 984.303 (d) Contract of Participation (CoP) Extension The PHA or owner shall, in writing, extend the term of the CoP for a period not to exceed two (2) years for any FSS family that requests, in writing, an extension of the contract, provided that the PHA or owner finds that good cause exists for granting the extension. The family's written request for an extension must include a description of the need for the extension. Extension of the CoP will entitle the FSS family to continue to have amounts credited to the family's FSS escrow account in accordance with § 984.304.		X	X
Termination for Violations of the Lease	§ 984.303 (i) Contract of Participation (CoP) Option to terminate FSS participation or withhold the coordination of supportive service assistance. The PHA or owner may withhold the coordination of supportive services or terminate the FSS family's participation in the FSS program, if the PHA or owner determines, in accordance with the FSS Action Plan hearing procedures, that the FSS family has failed to comply without good cause with the requirements of the CoP in accordance with this section. Family Self-Sufficiency (FSS) Program Contract of Participation HUD form -52650 Family Responsibilities All family members must: o Comply with the terms of the lease.		May terminate CoP PHA must define in FSS Action Plan	Must meet terms of lease

Notes

Section 8 Summary of Changes to FSS in the 2022 Final Rule

OVERVIEW OF CHANGES

FSS FAQs, CoP1–CoP5 and Esc5

- The May 2018 Economic Growth Act made more changes to the FSS program than were made in total since its inception in 1990. The new law, and by extension, the Final Rule issued in May 2022, provided additional financial support to FSS participants and made the FSS family and its members a party to key decisions along with the PHA.

FSS FAQs

- HUD provides a “high level overview” of the changes in the FSS program in the October 2022 version of the FSS FAQs stating that the Final Rule modified funding, enrollment, escrow, extensions, and graduation in the following ways:
 - Funding
 - Expands eligibility for program funding from only voucher programs and public housing to now include Multifamily (project-based rental assistance) owners as well.
 - PBRA owners have been eligible to run their own programs without HUD funding since the FY15 appropriations.
 - Codifies funding formula: 1:25 ratio for first coordinator and 1:50 ratio for each additional coordinator.
 - Requires HUD to fund renewals before new/expansion.

Section 8: Summary of Changes to FSS in the 2022 Final Rule

- Enrollment

- Expands eligibility for program enrollment from only the head of household to any adult member of the household (head of FSS family) as designated by the family.
 - One Contract of Participation (CoP) per family.
 - Escrow goes to the adult family member who signed the CoP.
- Allows Section 8(y) - HCV Homeownership to be in the FSS program.
- Base Contract of Participation (CoP) is now five years “from the next rent certification after enrollment” (as opposed to five years from the effective date).
- The “120-day rule” is permanently gone. At enrollment, the most recent effective rent certification must be used to establish the baseline.

- Escrow

- Adds definitions for *baseline annual earned income*, *baseline monthly rent*, *current annual earned income*, and *current monthly rent*.
- Removes cap on increases in escrow monthly savings for families making between 50% and 80% of area median income (AMI).
- Forfeited Escrow is no longer returned to the PHA, thus eliminating an incentive the PHA may have to not graduate families. Forfeited escrow now goes to a pot “to be used for the benefit of FSS families,” so may help with barrier reduction.

Section 8: Summary of Changes to FSS in the 2022 Final Rule

- Extensions
 - Expands “good cause” for extensions to include participants who are actively engaging in pursuing self-sufficiency goals (not only those who have had an impact that was out of their control).
- Graduation
 - The “30% rule” as an option for graduation has been removed.
 - The “welfare-free” requirement is now at graduation and no longer 12 months.
 - Adds a disposition of the CoP: “Termination with FSS Escrow Disbursement” for families that become disabled or that port in situations where they cannot continue to FSS program but have not yet met all required goals.
 - Provides a list of policies that need to be made at the local level in the FSS Action Plan section.

TWO FSS POLICIES AND TWO ESCROW CALCULATIONS

FSS FAQs, Imp13

- Effective June 16, 2022, PHAs’ FSS programs might have FSS families who signed the contract June 15, 2022, or before and families who signed the new contract on or after June 16, 2022.
- Where this is the case, the PHA must apply the older regulations and escrow requirements to the families signing before June 16, 2022, and the newer regulations and escrow requirements signing June 16, 2022, and after.
- This means that a PHA may manage two different sets of policies for FSS and two different escrow calculation formats.

Section 8: Summary of Changes to FSS in the 2022 Final Rule

FSS FINAL RULE REQUIRES NEW CONTRACT

- The new law and regulation did require a change in the FSS Contract of Participation (CoP). The new CoP is also the designated Form HUD-52650.
 - PHAs may use a different format for the contract, which must contain all the same information that HUD's form contains.
 - The PHA may not use a hybrid of the old and new CoPs. An FSS participant has either signed the old contract and remains under the old regulations or they have accepted the new CoP and are participating under those regulations.
 - The new HUD-52650 will be available online in multiple languages
 - E-signatures are allowed using the same regulations found in the COVID FAQs OC15, OC7, and OC58.
- Families entering the program after June 16, 2022, are required to agree to this new contract.
- Families already enrolled in FSS on that date may be given the opportunity to choose between the old or new contract by June 15, 2027.

FSS Family May Choose New June 16, 2022, CoP

- There are reasons an FSS family would want the newer contract:
 - The head of the FSS family does not have to be the HoH for rental assistance purposes.
 - The base CoP is now longer: the initial end date is five years from the first recertification after the effective date.
 - Monthly escrow credits continue to grow if a family is between 50% and 80% AMI. Under the old rules, they were capped at whatever the amount was when they hit 50% AMI.
 - The definition of *good cause* for an extension is broader.
 - The requirement to be “welfare-free” is at the time of graduation, not for 12 months as it is under the old rule.
 - The possibility of “termination with escrow disbursement” in certain circumstances.

FSS FAQs, Imp8 and Imp 31

- If an FSS family was in the program prior to June 16, 2022, and wants to accept the new contract, the family must sign a new Contract of Participation (CoP) to indicate they understand and agree with the new rules.
- There is no deadline within the effective date of their CoP by which a pre-June 16, 2022 FSS family must accept a post-June 15, 2022 contract.
- PHAs are strongly encouraged—and not required—to offer the post June 15, 2022, CoP to families participating in the program on or before that date.
- PHAs may not require pre-June 16, 2022, FSS families to accept the post June 15, 2023, CoP.

Section 8: Summary of Changes to FSS in the 2022 Final Rule

Notes

CHAPTER 3 ESCROW ACCOUNTS

Section 1 Definitions

24CFR 984.103(b);

24CFR 5.609(c);

24CFR 5.609(a)(b)

- *Baseline annual income* means income from all amounts, monetary or not, which go to the family or are anticipated to be received from a source outside of the family during the next 12 months, and which are not excluded under 24 CFR 5.609(c) and are included under 24 CFR 5.609(a) and (b).
- *Baseline annual earned income* means the full amount of earned income, before payroll deductions, of wages and salaries, overtime pay, commissions, tips, bonuses, fees, and other compensation for personal services, net income from the operation of a business or profession, and military pay that is included in the annual income definition.
- *Baseline monthly rent* means the FSS family's total tenant payment (TTP) as of the effective date of the FSS contract.
- *Most recent rent reexamination* means the rent reexamination in effect on the effective date of the contract. In the regulations, this is synonymous with the phrases "most recent reexamination," "last reexamination," and "last recertification."

Section 1: Definitions

- *Earned income* means income from wages, tips, salaries, other employee compensation, and any earnings from self-employment.
 - Earned income does not include unemployment insurance, severance pay, pensions, annuity payments, transfer payments, cash or in-kind benefits, or funds deposited in or accrued interest on the escrow account.
- *FSS account* means the balance in the FSS escrow account.
- *FSS credit* means the amounts credited each month by the PHA to the family's escrow FSS account.

Section 2 Rent Paid by FSS Families

- FSS families continue to pay rent in accordance with increases in their incomes the same as non-FSS families. FSS does not reduce the amount that families pay for rent.
- In the HCV and public housing programs, the regulations for calculating rent as well as total tenant payment (TTP) are found at 24CFR Part 5 F.

24 CFR 984.304(b)

- As a general rule, the amount of the increase between baseline monthly rent and current monthly rent, resulting from an increase in earned income is escrowed. Because there are other factors that affect the rent calculation, it will not necessarily be dollar for dollar because the other factors such as changes in allowances affect the family rent or TTP.
- An increase in the earned income of an FSS family during its participation in an FSS program may not be considered as income or a resource for purposes of eligibility of the FSS family for other benefits, or the amount of benefits payable to the FSS family, under any other program administered by HUD.

Section 2: Rent Paid by FSS Families

Notes

Section 3 Establishing Escrow Account

- While FSS Coordinator funding may be used to serve all FSS program participants, the escrow account must be funded from the rental assistance program in which the family participates.

*Form HUD-52652;
Accounting Brief #26*

- The PHA establishes an interest-bearing escrow account for all FSS families, with separate accounting for each participating FSS family.

HCV ESCROW ACCOUNT

- In the HCV program, the family pays the tenant rent directly to the landlord. When an FSS family has an increase in qualifying earned income, their rent will increase.
- When the family pays the new (higher) rent to the landlord, the portion of the rent resulting from the increase in earned income will be deposited into the escrow account.
- The FSS escrow account is not funded by the PHA. Money that goes into escrow comes from the Housing Assistance Payments.

Section 3: Establishing Escrow Account

PUBLIC HOUSING ESCROW ACCOUNT

- In the public housing program, the family pays the tenant rent directly to the PHA, which is the landlord and owner. When an FSS family has an increase in qualifying earned income, their rent will increase.
- When the family pays the new (higher) rent to the PHA, the portion of the rent resulting from the increase in earned income will be posted first in “rent revenues” and then moved into the public housing escrow account.
- The FSS escrow account is not funded by the PHA. At the end of each fiscal year, the money that goes into the escrow account is offset by an operating subsidy paid by HUD to the PHA.

RENTAL ASSISTANCE DEMONSTRATION (RAD) TO PBRA PROGRAM

Notice PIH 2019-23;

Notice PIH 2023-19

- For PHAs or owners where public housing was converted to project-based vouchers (PBV) or project-based rental assistance (PBRA) under the Rental Assistance Demonstration (RAD), the escrow credit comes from the housing assistance payments (HAP) account. If the PHA closed out its public housing program in accordance with Notices PIH 2019-13 and PIH 2023-19, upon conversion, funds escrowed under the public housing program for FSS participants were permanently transferred into the PBV or PBRA escrow account.
- At initial conversion, already escrowed funds in the public housing escrow account are transferred into the PBRA escrow account.

Section 4 FSS Credit Calculation

HCV and Public Housing FSS Escrow Accounting and Reporting Basics

- Participation in FSS does not change the amount of rent a household pays. As a rule, the amount of the increase between baseline monthly rent and current monthly rent (which is the same as the total tenant payment) resulting from an increase in earned income is escrowed.

*24 CFR 984.305(b);
FSS FAQs, Date10*

- As part of the FSS contracting process, the PHA records the household's baseline annual income, baseline annual earned income, and the baseline monthly rent (TTP) in effect as of the effective date of FSS enrollment.
 - This information is based on the annual or interim reexamination of income in effect on the contract effective start date.
 - This information is stored electronically in the PHA's computer system as well as in writing on the FSS Contract of Participation (CoP).
 - There is no need to conduct a new certification at the time of FSS enrollment. Effective June 16, 2022, the PHA is prohibited from conducting a new certification of income at the time of FSS enrollment.

Section 4: FSS Credit Calculation

- Every time an FSS participant has a reexamination of income, the PHA checks whether the household participates in FSS. If so, the PHA conducts an FSS escrow calculation directly following the reexamination to determine the proper amount of monthly escrow.
 - This may be done using HUD's HCV and public housing escrow calculation sheet through the PHA's tenant software system if it provides that functionality.
- The monthly escrow amount, if any, and effective date of the change, is entered into the tenant software system and/or a separate escrow tracking spreadsheet.

Notice PIH 2016-8

- If the PHA has both an escrow software system and an escrow spreadsheet, the entries and balances must agree.
- Both of the above data collection systems must agree with the PHA's financial records of individual families' escrow deposits and balances.
- The effective date of the escrow is the date that the new rent amount goes into effect for the tenant.
- The tenant must be notified of the change in escrow together with notification of the change in TTP.
- If a family is enrolled in FSS and has a monthly escrow amount, the PHA posts the escrow credit amount each month in the general ledger FSS line item in the tenant's name as a subsidiary line item.

DETERMINING BASELINE FIGURES

*Form HUD-52650;
24 CFR 984.103(b)*

- The family's baseline annual income, baseline annual earned income, and baseline monthly rent are entered into the Contract of Participation at execution. These become the baseline figures for future escrow calculations.
- These numbers will never change unless an incorrect amount has been entered due to PHA error or participant error in reporting.
- The income and rent amounts to be inserted in the CoP must be taken from the amounts on the most recent reexamination or interim in effect on the family's CoP effective date.
 - If a rent reexamination is conducted between the execution of the FSS contract and the effective date of the CoP, and that new reexamination will be effective the same day the contract goes into effect, the FSS contract must be updated with the new TTP as the "baseline monthly rent."
 - If the reexamination is effective after the effective date of the FSS contract, the "baseline monthly rent" will not be updated.
- Escrow credits are based on increases in earned income that, if included in calculating the rent, result in an increase in rent.
- Escrow credits can be seen as the difference between the baseline monthly rent on the CoP and the current monthly rent or the difference between the TTP on the effective date of the CoP and the current TTP.

Section 4: FSS Credit Calculation

24 CFR 5.628

- The formula to calculate total tenant payment is the greater of:
 - 30% of the adjusted monthly income
 - 10% of the monthly income
 - Welfare rent (in as-paid states)
 - PHA minimum rent
- The total tenant payment (TTP) is used in the calculation of rent in rental assistance and in the calculation of the total HAP.
- TTP is also used in the calculation of the escrow credit in the HCV and public housing programs.
- On FSS program documents TTP is referred to as either:
 - Baseline monthly rent (on the FSS contract); or
 - Current monthly rent (on the escrow calculation worksheet, form HUD-52652).
- The earned income of all family members approved to reside in the unit is counted when calculating the escrow regardless of whether they have an Individual Training and Services Plan (ITSP).
- Increases in unearned income do not contribute to the escrow credit.

24 CFR 984.103

- Baseline annual income is all income in 7i of the 50058 on the effective date of the CoP.

Section 4: FSS Credit Calculation

- Baseline annual earned income is the FSS family's total annual income earned from wages and business income on the effective date of the FSS contract.
 - This includes any income from wages, owning a business, military pay excluding hazardous duty pay, federal wages, or public housing authority wages.
 - Earned income does not include unemployment, certain types of workers' compensation, or severance pay.
 - This also includes any disregarded earned income or other adjustments associated with self-sufficiency incentives.

Example: Inclusion of EID in AEI

- At the time of the execution of the CoP, Manny is already receiving the earned income disallowance (EID). The family income on the 50058 is as follows.
- On the FSS Contract of Participation, the following is included:

Baseline Annual Income = \$15,000

Baseline Annual Earned Income = \$18,000
(even though \$9,000 is excluded due to EID)

Baseline Monthly Rent = The Total Tenant Payment (not shown or shown) will be found on box 108 of the 50058 for HCV and public housing tenants.

Section 4: FSS Credit Calculation

- In August 2022, this inclusion of EID amounts in baseline annual earned income only applies to any remaining earned income disallowance (EID) or Jobs Plus earned income disallowance in effect when the family's unit was no longer funded through public housing.
- Baseline monthly rent is the total tenant payment (TTP) in effect on the effective date of the CoP. The TTP is the gross monthly rent minus deductions times 30%.

Section 5 Accounting for the Escrow Account

ESTABLISHING THE ESCROW ACCOUNT

Crediting the Escrow Account

24 CFR 984.305(a)(1)

- The PHA is required to deposit all escrowed credits into a single, interest-bearing depository account.

24 CFR 984.305(a)(2)(i)

- The total of the combined FSS account funds for families must be supported in the PHA's accounting records by a subsidiary ledger showing the balance applicable to each FSS family.

FSS FAQs, Esc22;

24 CFR 984.305(b)(3) and (b)(4)

- The PHA must credit the amount of the FSS credit due to the family each month whether the family pays rent or pays it on time.

FSS FAQs, End4

- If a participant completes the CoP in the middle of the month, credits to the escrow account end effective the first day of the next month.

Section 5: Accounting for the Escrow Account

Investing the FSS Account

24 CFR 984.305(a)(1)

- Funds held by the PHA in the FSS account must be invested in HUD-approved investments specified in the HUD Financial Handbook 7475.1.

HUD Accounting Brief #26

- All FSS escrow funds must be deposited into accounts that are subject to a properly executed General Depository Agreement – Form HUD-51999.

24 CFR 984.305(a)(2)(ii)

- The investment income for funds in the FSS account is prorated and credited to each family's FSS account. The credit is based on the balance in each family's FSS account at the end of the investment income credit period.

FR Notice 5/17/22

- The PHA does not have to submit IRS form 1099 to FSS families with escrow account balances or who receive final disbursements.
- The IRS does not count the funds or interest on the funds in the escrow account as income for purposes of income taxes, either before or when the family actually receives the escrow, as long as the master account is maintained in the PHA's name.

REPORTING ON THE FSS ACCOUNT

24 CFR 984.305(a)(3)

- The PHA is required to make a report, at least once annually, to each FSS family on the status of the family's FSS account.
- At a minimum, the report must include:
 - The balance at the beginning of the reporting period
 - The amount of the family's rent payment that was credited to the FSS account during the reporting period
 - Any deductions made from the account for amounts due to the PHA before interest is distributed
 - The amount of interest earned on the account during the year
 - The total in the account at the end of the reporting period

Section 5: Accounting for the Escrow Account

PHA USE OF FORFEITED FSS ESCROW ACCOUNTS

- Effective June 16, 2022, FSS escrow account funds forfeited by the FSS family must be used by the PHA for the benefit of any of the FSS participants.

Eligible Uses of Forfeited Escrow Accounts

24 CFR 984.305(f)(2)

- Specifically, such funds may be used for the following eligible activities:
 - Support for FSS participants in good standing, including, but not limited to:
 - Transportation
 - Childcare
 - Training
 - Testing fees
 - Employment preparation costs, and other costs related to achieving obligations outlined in the CoP
 - Training for FSS program coordinators
 - Other eligible activities as determined by the Secretary

FSS FAQs, For7 and For13

- In addition, HUD suggests that any activity, support, or resource, that benefits FSS participants would be eligible, including anything that would help the families to pursue any goal in their CoP and ITSP. It would not have to be an employment or earnings goal, specifically. It could be any education or training goal, or a financial empowerment goal.
- The use could benefit several participants at the same time (e.g., a class) or could benefit one participant at a time, based on their individual needs.

Section 5: Accounting for the Escrow Account

- The local policy needs to establish:
 - What types of activities, supports, and resources might be available;
 - The process by which a participant could access the funds; and
 - The process by which the PHA would review and approve or deny the request.
- The policy is required to ensure that access to funds is transparent and equitable.

Prohibited Uses of Forfeited Escrow Accounts

- Forfeited escrow funds may not be used for:
 - Salary and fringe benefits of FSS Program Coordinators
 - General administrative costs of the FSS program, including program coordinating committee (PCC) meeting expenses or food for FSS participant trainings
 - Housing assistance payments (HAP) expenses
 - Public housing operating funds
 - Any other activity determined ineligible by the Secretary of HUD

Notice PIH 2022-20

- As of June 16, 2022, the effective date of the FSS Final Rule, if an HCV or public housing FSS participant's escrow account was funded with HAP funds (in HCV) or with rent revenues in the operating fund (in public housing), and the family forfeits its escrow, the forfeited funds must be posted to the FSS Forfeited Funds line item in the PHA financial general ledger used for the benefit of any FSS participant in good standing. These funds are NOT returned to the HAP account or operating fund account.

Section 5: Accounting for the Escrow Account

- Prior to the effective date of June 16, 2022, any FSS forfeiture that occurred were treated as under the previous rule (returned to the HAP or operating funds where they originated).
- If an FSS participant forfeited their escrow any time after the effective date of June 16, 2022, the entire accumulated FSS escrow balance as of the forfeiture date is considered forfeited and must be posted to the FSS Forfeited Escrow account and used by the PHA to benefit any FSS participant in good standing.

Section 6 Disbursing the FSS Account

DISBURSEMENT BEFORE EXPIRATION OF CONTRACT – INTERIM DISBURSEMENTS

24CFR 984.305(c)(2)(ii)

- The PHA may, at the PHA's sole discretion, disburse a portion of the funds from the family's escrow account during the contract period for contract related expenses if the family:
 - Has fulfilled certain interim contract goals; and
 - Needs a portion of the FSS escrow account funds for purposes consistent with the contract, such as but not limited to:
 - School tuition or other school costs
 - Job training expenses
 - Business start-up expenses
 - Car expenses, when public transportation is unavailable or inaccessible to the family
- The PHA has discretion to determine the definition of *purposes consistent with the contract*. This means the ITSP must depict a goal that matches the approved interim disbursement.
 - For example, if Juan receives \$3,700 in an interim disbursement to pay for a gaming computer for his design business, this must appear on the ITSP as a task or goal regarding his business.

Section 6: Disbursing the FSS Account

24 CFR 984.305(c)(2)(ii)

- If a family receives an interim disbursement from their FSS escrow account prior to completing the contract, the PHA may not require the family to repay to the amount disbursed if they drop out of the FSS program. If the disbursement was based on fraud or misinformation by the family, then the PHA may require a repayment.

DISBURSEMENT AT COMPLETION OF THE CONTRACT

24 CFR 984.303 (k)

- If the PHA determines that the FSS family has fulfilled its obligations under the CoP before the expiration of the contract term, the PHA must complete the CoP and disburse the escrow funds to the family. Those obligations include the head of the FSS family employed on the last day of the contract, all family members free of welfare on the last day of the contract, and the obligations FSS family members in all ITSPs are complete.
- When the Contract of Participation has been completed (even if the contract term has not expired), the amount in an FSS account, in excess of any amount owed to the landlord or under the lease by the FSS family, is paid to the head of the FSS family.
- The head of the FSS family must be working on at least one goal for the duration of the contract. An FSS family may not remain in FSS for the sole purpose of collecting escrow credits.

Section 6: Disbursing the FSS Account

HUD Form-52650 CoP

- It is important to remember that the PHA must determine that the family has completed the terms of CoP including the obligation to comply with the terms of the lease.
- A family must be “current” with their rent or, if rent is owed, the family must be “current” with a repayment agreement in order to graduate from FSS and receive disbursed escrow funds.
- Even if the family is welfare-free at the time of the contract expiration date, if the head of the FSS family has not met their other FSS obligations, the family is not eligible for the escrow.

24 CFR 984.305(c)(1);

24 CFR 984.305(c)(4)

- Before disbursement of the escrow account funds, the PHA may verify, if reflected in the Action Plan, that no family member is a recipient of welfare assistance.

24 CFR 984.103

- **Welfare assistance** means, for purposes of the FSS program only, income assistance from federal or state programs, and includes only cash maintenance payments designed to meet a family’s ongoing basic needs. See Chapter 2 for further definition.
- The head of the FSS family must submit a certification (defined in 24 CFR 984.103(b)) that, to the best of their knowledge, no member of the FSS family is a recipient of welfare assistance.
- An intergenerational family whose head becomes independent of welfare assistance but whose adult daughter with a child continues to receive TANF is not eligible for the escrow because all family members must be free of federal and state welfare assistance.

DISBURSEMENT BEFORE COMPLETION OF CONTRACT – TERMINATION WITH DISBURSEMENT

- The CoP may be terminated and the family still able receive the escrow disbursement for good cause. The PHA must disburse to the family its FSS escrow account funds at termination of the CoP when the:
 - Services that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable;
 - Head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family; or
 - FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.
- For reasons beyond these three good causes specified in the regulations, the PHA may seek a waiver from the HUD field office to disburse escrow without contract completion for other good cause. Instructions for seeking these waivers are detailed in Notice PIH 2016-08.
- PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

REDUCING THE FSS ACCOUNT BALANCE

24 CFR 984.305 (a)(1) and (a)(2)(iii)

- If the FSS family has not paid the family contribution towards rent or other amounts, due under the lease and within the terms of the lease, the balance in the family's FSS account is reduced by that amount at the time of final disbursement of FSS escrow funds. The PHA determines these amounts.
 - If the family has not paid rent or other charges but is still within the terms of the lease, then those dollars would reduce the escrow disbursement.
 - If the family has not paid its rent and this has violated the terms of the lease, this, if allowed in the PHAs Action Plan, may result in the termination of the FSS contract.
 - If the PHA finds that a family did not report income that required reporting in the reexamination used to set the baseline, the escrow for the entire period of the CoP will be recalculated using the correct income to set the baseline and then calculate subsequent escrow amounts.
 - If the FSS family has been found to have under-reported income after the baseline annual earned income was set (i.e., during the term of the contract), the amount credited to the FSS escrow account will be based on the income amounts originally reported by the FSS family.

Section 6: Disbursing the FSS Account

- In addition to the above, if the family committed program fraud, it is grounds for termination from the rental housing program, in addition to the FSS program.
- Further, all of the above are violations of the lease and, as determined by the PH's Action Plan, may result in termination from the FSS program and/or the HCV and public housing programs.

USE OF FSS FUNDS

24 CFR 984.305(d)

- If the head of the FSS family no longer resides with other family members in the assisted unit, the remaining members of the family will have the right to designate another family member as head of household to receive the funds. The PHA and PHA policies must be consulted. The PHA must be consulted in this decision to ensure the PHA policies for the HCV or public housing program are met.
- If a family with only two adults splits up and the family has completed the CoP and met the requirements to receive the escrow, it will be paid to the family member retaining the housing assistance who:
 - Is the head of the FSS family; or
 - Was not designated as head of the FSS family but now designates themselves as the head of the FSS family (meaning that they assume the FSS contract) to receive the escrow.

Section 6: Disbursing the FSS Account

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- The family may use the final disbursement of escrow account funds without restriction.
- That is, the PHA cannot restrict a family's use of FSS escrow account funds unless the funds are withdrawn to aid in the completion of an interim goal.

24 CFR 984.305(e)

- An FSS family may use its FSS account funds for the purchase of a home:
 - Under one of HUD's homeownership programs;
or
 - Under other federal, state, or local homeownership programs (unless such use is prohibited by the statute or regulations governing the homeownership program)

Section 6: Disbursing the FSS Account

Notes

Section 7 Forfeiting the FSS Escrow Account

24 CFR 984.305(f)

- Amounts in the participant's FSS escrow account will be forfeited if any of the following occur:
 - The Contract of Participation is terminated and there is not good cause for escrow disbursement without completion.
 - Any family member is still on welfare when the contract expires, even if all other ITSP goals have been met.
 - The head of the family dies, the remaining members of the family choose not to continue participating in the program, or the contract obligations have not been met.
 - The family does not pay rent.

24 CFR 984.303(h)(2)

- If families do not pay their rents to the landlord or owner, the FSS escrow funds may be forfeited because:
 - Compliance with the applicable lease is a family obligation under the Contract of Participation.
 - Nonpayment of rent is grounds for terminating a family's FSS participation.

FSS FAQs, For1

- The PHA may not take any amount owed to the landlord, owner, or PHA by the family from forfeited funds.
- Forfeited escrow cannot be used to settle debts owed by tenant.

Section 7: Forfeiting the FSS Escrow Account

Notes

Section 8 The FSS Family's Escrow Account

ESCROW CALCULATION FORMULA

24 CFR 984.305(b)(2);

HUD FSS Website

- The FSS Escrow Spreadsheet for PHAs, provided by HUD, adheres precisely to the formula found below. While the PHA may use another form, they may not use another formula. The calculation of the FSS credit must follow the formula found in 24 CFR 984.305(b)(2), which is:
- The FSS credit is the lower of #1 and #2 below.
 1. Thirty percent of 1/12 of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income
 - Which is the same as the current annual earned income minus the baseline annual earned income times 2.5%
 - Which is the same as:
$$\text{Current annual earned income} - \text{Baseline annual earned income} = \text{Difference} \times 2.5\%$$
or
 2. The increase in the family's monthly rent, which is the lower of:
 - The amount the family's current monthly rent exceeds the family's baseline monthly rent, which is the same as the current monthly rent minus baseline monthly rent
or
 - The difference between the baseline monthly rent and the current gross rent

TIMING OF THE ESCROW CREDIT CALCULATION

- There will not be an escrow calculation until the family has an increase in earned income that is included in the calculation of rent after the execution date of the contract.
- Thereafter, whenever the PHA conducts an annual or interim reexamination during the contract, the PHA must also calculate the monthly escrow credit.
- If the family has one or more interims during the year, the monthly escrow amount may change during the year. Otherwise, the monthly escrow credit will be the same for the entire period between annual reexaminations.
- The PHA must follow its established local policies and procedures to determine whether an interim should be conducted, and when increases will go into effect.

Section 8: The FSS Family's Escrow Account

- The Housing Opportunity Through Modernization Act (HOTMA) made significant changes to the regulations for interim reexaminations to increase or decrease rent due to changes in income. FSS families' rent calculations follow the same interim rules under HOTMA. These rules do not allow the PHA to conduct an interim reexam.
 - When enrolling the family in the FSS program, unless the family has a 10% change in adjusted income
 - When an interim shows less than a 10% increase in adjusted income
 - When a family has an interim since the last reexam and it resulted in an increase in rent
 - When an interim results from increases in earned income
 - When an interim results in a decrease in adjusted income:
 - The PHA may have a policy to conduct another interim and apply the increase if over 10%.
 - If the PHA does not have a policy, then there can be no increase in rent.
- Since the FSS CoP expires five years from the effective date of the first reexam after the effective date of the CoP, families that do not have interims (where the first reexam occurs at annual reexam) will have no escrow until the effective date of reexam. Therefore:
 - A family may have fewer escrow increases over the five-year term of the contract; and
 - Their CoP may be longer.

Section 8: The FSS Family's Escrow Account

- FSS Coordinators whose FSS families have fewer escrow increases under HOTMA may assist them with creating personal savings accounts or provide other financial literacy supports and coaching to provide savings for childcare, emergency medical expenses, out of pocket educational costs, and other expenses.

FSS ESCROW CREDITS STOP

24 CFR 984.305(b)(3)

- The family's escrow credit stops when any of the following occur (HCV and public housing).
 - The family is terminated or withdraws from the FSS program.
 - The FSS family has completed the CoP.
 - The family is in the process of moving to a new unit and is not under a lease.
 - The family's current monthly rent becomes less than the baseline monthly rent on the effective date of the contract.
 - If the family's adjusted annual income exceeds the low-income (80%) limit, there will be no FSS credits.
- HUD determines income limits for all regions as follows:
 - The term *low-income* means that the family's annual income does not exceed 80% of the area median.
 - Income limits are normally used to determine eligibility for HCV and public housing programs.

Section 8: The FSS Family's Escrow Account

- For eligibility to the HCV and public housing program, the PHA must compare the family's annual income to the 80% of area median income limit to determine eligibility.
- Income limits are used in FSS to determine if the family qualifies for an escrow credit.
- For calculating the escrow credit, the PHA must compare the family's adjusted annual income to the 80% of area median income limit to determine the amount of escrow credit.

IMPACT OF THE EARNED INCOME DISALLOWANCE

24 CFR 5.617;
24 CFR 960.255;
24 CFR 984.103(b)

- Because escrow credits are triggered by increases in earned income that result in an increase in the family's annual income and rent payment, what are the effects of the earned income disallowance on the actual escrow credit?
 - If a person qualifies for the EID, certain increases in earned income are excluded from the calculation of annual income, and do not affect the family's rent payment.
 - If the increase in earned income for an EID-qualified person is not included in the family's annual income at reexamination or interim after the CoP is effective, then it will have no impact on the escrow credit.
 - While the EID has no impact on the FSS escrow account after the CoP is effective, the two are closely related in the tenant's experience. Understanding the regulations regarding the EID is important.

IMPACT OF THE EARNED INCOME DISALLOWANCE (EID) FOR RAD CONVERSIONS

- Because escrow credits are triggered by increases in earned income that result in an increase in the family's annual income and rent payment, what are the effects of the earned income disallowance on the actual escrow credit?
 - If a RAD person qualifies for the EID, certain increases in earned income are excluded from the calculation of annual income, and do not affect the family's rent payment.
 - If the increase in earned income for an EID-qualified person is not included in the family's annual income at reexamination or interim after the CoP is effective, then it will have no impact on the escrow credit.
- While the EID has no impact on the FSS escrow account after the CoP is effective, the two are closely related in the tenant's experience. Understanding the regulations regarding the EID is important.
- While the Earned Income Disallowance does not apply in PBRA, it does apply to RAD-converted units and families.
- Residents of public housing who are working and receiving the EID continue to receive the exclusion after the RAD conversion.

Section 8: The FSS Family's Escrow Account

PIH Notice 2019-23

- When PHAs convert public housing to PBRA, residents who are employed and are currently receiving the EID exclusion at the time of conversion continue to receive the EID after conversion until there is a break in employment. At the break in employment, the EID eligibility ends for the resident.
- When EID expires for these families, the rent adjustment is not subject to the rent phase-in requirements under RAD. The rent will, however, rise to the appropriate level based on resident income at that time.

FAMILY SELF-SUFFICIENCY PROGRAM - SAMPLE FSS ESCROW ACCOUNT CREDIT WORKSHEET FOR PH, HCV (ALL TYPES) AND SECTION 8 MOD REHAB FAMILIES

	Enter Values in Shaded Cells	
	↓	
1. FSS Head of Household Name		Enter the name of the Head of Household
2. Date		This form must be completed at the time of each reexamination of income. Enter the month and date of the re-examination here.
3. Baseline Monthly Rent (TTP or Flat Rent/Ceiling Rent/Other Rent) (from CoP)		<p>Guidance on Baseline Monthly Rent:</p> <p>A. For families paying an income-based rent as of the effective date of the FSS Contract of Participation, enter their TTP as of that date from form HUD 50058 line 9j.</p> <p>B. For families paying a flat rent, ceiling rent, or other non-income-based rent as of the effective date of the FSS Contract of Participation, enter the amount of the flat rent, ceiling rent or other non-income-based rent the family actually paid (which should reflect any hardship discounts) plus any applicable utility allowance. See form HUD 50058 line 10(b) for the flat rent and line 10(c) for the ceiling rent.</p>
4. Baseline Annual Earned Income (Total Employment Income) (from CoP)		<p>Guidance on Baseline Annual Earned Income:</p> <p>Baseline annual earned income is the participating family's total annual income from wages and business income (if any) as of the effective date of the family's Contract of Participation. Baseline annual earned income should be calculated based on the data collected in the most recent determination of income conducted prior to, or at the same time as, the effective date of the family's Contract of Participation. (Note that PHAs are no longer required to conduct an income recertification on the effective date of the FSS contract if more than 120 days have passed between the last recertification and the effective date of the FSS contract.)</p> <p>In calculating baseline annual earned income, apply all applicable exclusions of income, EXCEPT FOR earned income disallowances associated with self-sufficiency incentives, such as the disallowances for the Jobs Plus program. This will help ensure the FSS program works smoothly with Jobs Plus and other self-sufficiency initiatives. To do this, start with the total of all income items on form HUD 50058 column line 7f identified with one of the income codes for wage or business income: B, F, HA, M or W. Then manually add back in any earned income excluded based on an earned income disallowance associated with a self-sufficiency incentive.</p>
5. Current Monthly Rent (TTP or Flat Rent/Ceiling Rent/Other Rent)		<p>Guidance on Current Monthly Rent:</p> <p>A. For families paying an income-based rent as of the month for which the FSS escrow credit is being determined, enter their TTP for that month from form HUD 50058 line 9j.</p> <p>B. For families paying a flat rent, ceiling rent, or other non-income-based rent as of the month for which the FSS escrow credit is being determined, enter the amount of the flat rent, ceiling rent or other non-income-based rent the family actually paid (which should reflect any hardship discounts) plus any applicable utility allowance. See form HUD 50058 line 10(b) for the flat rent and line 10(c) for the ceiling rent.</p>
6. Current Annual Earned Income (Wages + Business Income)		<p>Guidance on Current Annual Earned Income:</p> <p>Current annual earned income is the participating family's total annual income from wages and business income (if any) as of the month for which the escrow credit is being determined. It should be calculated based on the data collected in the most recent determination of income.</p> <p>In calculating current earned income, apply all applicable exclusions of income applicable to the determination of annual income, INCLUDING earned income disallowances associated with self-sufficiency incentives, such as the disallowance in the Jobs Plus program. To do this, calculate the total of all income items on form HUD 50058 line 7f identified with one of the income codes for wage or business income: B, F, HA, M or W.</p>
7. Adjusted Annual Income		<p>Guidance on Adjusted Annual Income:</p> <p>This can be found on form HUD 50058 line 8y.</p>
8. Low-Income Limit		<p>Guidance on Low-Income Limit:</p> <p>This is 80% of the Area Median Income for the metropolitan area or non-metropolitan county. This number may be obtained by querying the income limits data tool on HUDUSER; a link is provided below. Be sure to use the income limit applicable to the family's household size.</p>
9. Which Program is the family in?	HCV -- tenant-based	Select the program the family is in from the following list: HCV -- Tenant-based, Public Housing, Project-Based Vouchers (PBVs), or Section 8 Mod Rehab.
10. Current Gross Rent (rent to owner plus utility allowance) for HCV, PBV and Mod Rehab families		<p>If the family is an HCV participant (whether tenant-based or project-based) or a participant in the Section 8 Mod Rehab program (including Mod Rehab SROs), enter the monthly gross rent of the unit. This can be found on line 12p (for tenant-based HCV, line 11n (for PBVs), or line 13p (for Mod Rehab) of form HUD 50058.</p> <p>If the family is living in public housing, leave this cell blank.</p>
11. Applicable Payment Standard (for HCV families)		<p>If the family is a tenant-based HCV participant, enter the applicable voucher payment standard. This can be found on form HUD 50058 line 12j.</p> <p>Leave this cell blank for public housing and PBV families.</p>

Calculation of FSS Escrow		
A. Growth in Monthly Rent	\$0.00	This is the amount by which the current monthly rent exceeds the baseline monthly rent, as these terms are defined above.
B. Growth in Annual Earned Income	\$0.00	This is the amount by which the current annual earned income exceeds the baseline annual earned income.
C. 30% of Monthly Earnings Growth	\$0.00	This is 30 percent of the growth in monthly earned income (line B divided by 12). 30 percent is used because that's the percentage of adjusted income generally used to determine the TTP.
D. Preliminary FSS Escrow Credit	\$0.00	The preliminary escrow credit is the lower of: (a) the growth in monthly rent and (c) 30 percent of the growth in monthly earned income. This ensures the FSS escrow credit is limited to increases in the amount of rent paid by the family that is attributable to increases in earned income. The preliminary escrow credit cannot be less than \$0.
E. Max Escrow Amount	\$0.00	<p>For tenant-based HCV participants, the FSS credit cannot exceed: (the lower of the gross rent (line 10) or the payment standard (line 11)) minus the baseline rent (line 3).</p> <p>For PBV families and families in the Section 8 Mod Rehab program, the escrow credit cannot exceed the (gross rent (line 10) minus the baseline monthly rent (line 3))</p> <p>These caps do not apply to families in public housing</p>
F. Eligible for Credit (Yes/No)	Yes	NOTE: Families are not eligible for the FSS credit if their adjusted annual income exceeds 80% of AMI
G. Final FSS Escrow Credit	\$0.00	<p>For HCV holders (whether tenant-based or project-based), and families in the Section 8 Mod Rehab program, who are eligible for the credit (Line F), the Final FSS Escrow Credit is the lower of the Preliminary FSS Escrow Credit (Line D) and the Max Escrow Amount (Line E)</p> <p>For public housing residents who are eligible for the credit the Final FSS Escrow Credit is the Preliminary FSS Escrow Credit (Line D)</p>

ESCROW CALCULATION

Sample FSS Escrow Account Credit Worksheet		
	Enter Item	
1. Head of FSS Household Name		
2. Date		
3. Baseline Monthly Rent (TTP or Flat/Ceiling Rent)		<p>A. For families paying an income-based rent as of the effective date of the FSS Contract of Participation, enter their TTP as of that date from form HUD 50058 line 9j.</p> <p>B. For Public Housing families paying a flat rent, ceiling rent, or other non-income-based rent as of the effective date of the FSS Contract of Participation, enter that amount.</p>
4. Baseline Annual Earned Income		<p>Guidance on Baseline Annual Earned Income: Enter all amounts from incomes coded as B, F, HA, M, or W on the 50058. Also include earned income excluded based on an earned income disallowance associated with a self-sufficiency incentive.</p>
5. Current Monthly Rent		See instructions for Row 3 (but apply current monthly rent instead of baseline).
6. Current Annual Earned Income		See instructions for Row 4 (but apply current annual earned income instead of baseline).
7. Adjusted Annual Income		Copy from 50058 line 8y.
8. Low-Income Limit		80% Area Median Income
9. Which program is the family in?		
10. Current Gross Rent (if Public Housing, skip)		Copy from 12p (HCV), 11n (PBV), or 13p (Mod Rehab) If PH, skip this line.
11. Applicable Payment Standard (HCV families ONLY)		Copy from 12j HCV ONLY. If any other program, skip this line.

Calculation of Escrow		
A. Growth in Monthly Rent		Current Monthly Rent minus Baseline Monthly Rent (Box 5 minus Box 3)
B. Growth in Annual Earned Income		Current Annual Earned Income minus Baseline Annual Earned Income (Box 6 minus Box 4)
C. 30% of Monthly Earnings Growth		30% of growth in <i>monthly</i> earned income (Box B x .3, then divided by 12)
D. Preliminary FSS Escrow Credit		Lower of growth in monthly rent or 30% of monthly earnings growth (Lower of Box A or Box C)
E. Max Escrow Amount		<p>The maximum escrow the family can qualify for: HCV: (Lower of Box 10 or Box 11. Then subtract Box 3) PBV: (Box 10 minus Box 3) PH: Skip this line.</p>
F. Eligible for Credit?		<p>If Box 7 is less than Box 8, the family qualifies for FSS escrow credit. If Box 7 is greater than or equal to Box 8, they do not.</p>
G. Final FSS Escrow Credit		<p>HCV/PBV/Mod Rehab: (Lower of Box D or Box E) PH: (Copy from Box D)</p>

Sample FSS Escrow Account Credit Worksheet		
	Enter Item	Instructions
1. Head of FSS Household Name	Roberta Riley	
2. Date		
3. Baseline Monthly Rent (TTP or Flat/Ceiling Rent)	At CoP Line 9j	A. For families paying an income-based rent as of the effective date of the FSS Contract of Participation, enter their TTP as of that date from form HUD 50058 line 9j. B. For Public Housing families paying a flat rent, ceiling rent, or other non-income-based rent as of the effective date of the FSS Contract of Participation, enter that amount.
4. Baseline Annual Earned Income	At CoP 7.a. Items B, F, HA, M, or W	Guidance on Baseline Annual Earned Income: Enter all amounts from incomes coded as B, F, HA, M, or W on the 50058. Also include earned income excluded based on an earned income disallowance associated with a self-sufficiency incentive.
5. Current Monthly Rent	Current Line 9j	See instructions for Row 3 (but apply current monthly rent instead of baseline).
6. Current Annual Earned Income	Current 7.a. Items B, F, HA, M, or W	See instructions for Row 4 (but apply current annual earned income instead of baseline).
7. Current Adjusted Annual Income	Current Line 8y	Copy from 50058 line 8y.
8. Low-Income Limit	Current 80% AMI	80% Area Median Income
9. Which program is the family in?	HCV or PH	
10. Current Gross Rent (if Public Housing, skip)	Copy Current Lines HCV 12p PBV 11n Mod Rehab 13p PH Skip	Copy from 12p (HCV), 11n (PBV), or 13p (Mod Rehab) If PH, skip this line.
11. Applicable Payment Standard (HCV families ONLY)	HCV Only Current Copy 12j	Copy from 12j HCV ONLY. If any other program, skip this line.

Calculation of Escrow See Boxes Above – Follow Instructions Below		
A. Growth in Monthly Rent		Current Monthly Rent minus Baseline Monthly Rent (Box 5 minus Box 3)
B. Growth in Annual Earned Income		Current Annual Earned Income minus Baseline Annual Earned Income (Box 6 minus Box 4)
C. 30% of Monthly Earnings Growth		30% of growth in <i>monthly</i> earned income (Box B x .3, then divided by 12)
D. Preliminary FSS Escrow Credit		Lower of growth in monthly rent or 30% of monthly earnings growth (Lower of Box A or Box C)
E. Max Escrow Amount		The maximum escrow the family can qualify for: HCV: (Lower of Box 10 or Box 11. Then subtract Box 3) PBV: (Box 10 minus Box 3) PH: Skip this line.
F. Eligible for Credit?		If Box 7 is less than Box 8, the family qualifies for FSS escrow credit. If Box 7 is greater than or equal to Box 8, they do not.
G. Final FSS Escrow Credit		HCV/PBV/Mod Rehab: (Lower of Box D or Box E) PH: (Copy from Box D)

Developed from HUD Form 52652

NMA 9/2022

Family Self-Sufficiency Program

Escrow Calculations

Step 1. Calculate annual income

Identify Name and Income Type	Annualize Income (show calculation)	At Contract Total	First Current Total	Second Current Total
	X	= \$	\$	\$
	X	= \$	\$	\$
	X	= \$	\$	\$
	X	= \$	\$	\$
	X	= \$	\$	\$
	X	= \$	\$	\$
A. Total Annual Income		= \$	\$	\$

Step 2. Calculate adjusted annual income

	dependents	x 480	=total dependent allowance	\$	\$	\$
Childcare expense	\$	x	= childcare allowance	\$	\$	\$
Allowable medical expenses (if applicable)				\$	\$	\$
Elderly/Disabled family allowance (if applicable)				\$	\$	\$
Allowable disability assistance expenses (if applicable)				\$	\$	\$
B. Total allowances				= \$	\$	\$
C. Adjusted Annual Income				= \$	\$	\$
(A-B=C)						

Step 3. Calculate total tenant payment (TTP)

10% of monthly income (Line A divided by 120)	\$	\$	\$
30% of adjusted monthly income (Line C divided by 40)	\$	\$	\$
PHA minimum rent	\$	\$	\$
D. TTP*	= \$	\$	\$

*30% MAI in HCV, TTP in Public Housing

Section 8: The FSS Family's Escrow Account

Notes

CHAPTER 4 FSS PORTABILITY

Section 1 Definitions

24 CFR 982.4(b)

- Terms are used in the FSS program that are not defined in 24 CFR 984, the regulations for FSS. These terms that relate to portability are defined here. The complete definitions of the following terms are found at 24 CFR 24 CFR 982.4(b).
- *Initial housing authority (IHA)* means both:
 - A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
 - A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
- *Receiving housing authority (RHA)* means a PHA that receives a family selected for participation in the HCV program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.
- *Absorb the voucher* means the point at which a receiving PHA starts making housing assistance payments with funding under its consolidated ACC rather than billing the initial PHA.
- *Administer the voucher (billing)* means the IHA reimburses the RHA each month for the total cost of the HAP to owner, plus the lower of 80 percent of the IHA's administrative fee, or 100 percent of the RHA's administrative fee.

Section 1: Definitions

Notes

Section 2 Housing Choice Voucher Portability

24 CFR 984.306(a)(1)

- A family participating in a Housing Choice Voucher (HCV) FSS program is not eligible to move to another PHA or “exercise portability” until at least 12 months after the effective date of the FSS contract.
- However, the PHA HCV program has the authority to approve a family’s request to move during this period if it is in accordance with 24 CFR 982.353, the HCV regulations regarding portability.

24 CFR 984.306(a)(2)

- After the first 12 months in the FSS program an HCV family may move outside the jurisdiction of the PHA under portability.

24 CFR 984.306(a)

- The PHA’s Action Plan may provide for an FSS participant selection preference for such portable FSS families.
- FSS families may not be penalized in exercising their right to portability. The family’s HCV assistance may not be terminated solely because they cannot participate in the FSS program in their new location.

FSS FAQs, Port1

- In some circumstances, families that move to another housing authority may not be able to continue their participation in the FSS program. The decision depends on:
 - If the voucher is administered or absorbed; and
 - If the initial or receiving PHA has an FSS program.

PORTABILITY: WHEN THE RECEIVING PHA HAS AN FSS PROGRAM

*24 CFR 984.306(b);
FSS FAQs, Port3*

- Whether the receiving PHA bills the initial PHA or absorbs the FSS family into its HCV program, the receiving PHA must enroll an FSS family in good standing in its FSS program.
 - If, however, the receiving PHA is already serving the number of FSS families identified in its FSS Action Plan and determines that it does not have the resources to manage the FSS contract, the receiving PHA and the initial PHA may agree to continued participation in the initial PHA's FSS program.
 - On the other hand, this regulatory requirement appears to be contradicted by the FSS FAQs, Port3.
- Prior to the PHA's agreement to continued participation, the initial PHA must determine that the family has demonstrated they can fulfill their FSS responsibilities under the initial or a modified contract at the new location.

24 CFR 984.306(b)(1)(ii)

- For example:
 - The FSS family may continue receiving their supportive services specified in the initial PHA's contract via commuting, internet, etc.
 - The family may move to obtain employment as specified in the contract.

PORTABILITY: WHEN THE RECEIVING PHA DOES NOT HAVE AN FSS PROGRAM

*24 CFR 984.306(c);
FSS FAQs, Port1*

- If the receiving housing authority does not have an FSS program and is administering the voucher, the receiving housing authority and the initial housing authority may agree to the FSS family's continued participation in the initial housing authority's FSS program.
- If the receiving PHA does not have an FSS program and is absorbing the voucher, the FSS family may not continue participation in the FSS program.

PORTABILITY: WHEN CONTINUED FSS PARTICIPATION IS NOT POSSIBLE

- Where continued FSS participation is not possible, the initial PHA must clearly discuss the options that may be available to the family, depending on the family's specific circumstances, which may include, but are not limited to:
 - Modification of the FSS contract
 - Locating a receiving PHA that has the capacity to enroll the family into its FSS program
 - Termination with FSS escrow disbursement
 - Termination of the FSS contract and forfeiture of escrow

**PORTABILITY: KEY IS...DOES THE PHA THAT
MANAGES THE ESCROW MANAGE THE FSS
PROGRAM?**

FSS FAQs, Portl

- If the PHA that administers the family's rental assistance has an FSS program, the family may enroll in the receiving PHAs FSS program or may continue in the initiating PHA's FSS program.
- If the receiving PHA absorbs the voucher and does not have an FSS program, the family cannot continue in the FSS program.

	RHA Administers/Bills	RHA Absorbs
RHA has FSS	Yes	Yes
RHA does not have FSS	Yes	No

PORTABILITY: SINGLE FSS ESCROW ACCOUNT

24 CFR 984.306(d)

- Regardless of whether the relocating FSS family is in the initial housing authority or receiving housing authority's FSS program, there will be a single FSS account. The PHA that is responsible to pay the housing assistance payment for the family will maintain the escrow account.

Notice PIH 2016-08

- This means that if the receiving housing authority administers the voucher and they are billing the initial housing authority for the housing assistance payment (HAP), the initial housing authority will maintain the escrow account even though the family is participating in the receiving housing authority's FSS program.
- If the receiving housing authority absorbs the voucher, and is paying the rent from their HAP, the initial housing authority will transfer the escrow balance to the receiving housing authority.
- When the voucher is absorbed by the receiving housing authority and the escrow account is later forfeited by the participant, the receiving housing authority will maintain the balance.

PORTABILITY: SINGLE FSS CONTRACT OF PARTICIPATION

24 CFR 984.306(f)(1) and (2)

- If the family enrolls in the receiving housing authority's FSS program, the receiving housing authority enters a new contract with the family for the term remaining on the initial housing authority's FSS contract. The initial housing authority will terminate its FSS contract with the family.
 - The execution date (the date signed) will change. The end date remains the same unless an FSS participant on the pre-June 16, 2022, contract chooses to switch to the post-June 15, 2022, contract.
 - In this case the end date would change to five years from the effective date of the first rent calculation after the participant signed their pre-June 16, 2022, FSS contract.
- If the FSS family remains in the FSS program of the initial PHA, the CoP executed by the initial PHA will remain as the contract in place.

Form HUD-52650

- The effective date of the contract between the family and the receiving housing authority is the first day of the month following the date the contract was signed by the family and the PHA's representative.
- The expiration date of the contract between the receiving housing authority and the family must be the same as the expiration date of the contract between the initial housing authority and the family unless the family is switching from the old to the new CoP.

Section 2: Housing Choice Voucher Portability

- The receiving housing authority must use the amounts listed for baseline annual income, baseline annual earned income, and baseline monthly rent (TTP) on the original Contract of Participation between the initial housing authority and the family.

Notice PIH 2016-08

- The PHA that is party to the FSS contract will be responsible for monitoring the family's FSS goal attainment, resource needs, and status.
 - This will be the initial housing authority if the family remains in the initial housing authority's FSS program.
 - It will be the receiving housing authority if the family becomes a participant in the receiving housing authority's FSS program.
- Whichever housing authority holds the FSS CoP and is handling the service coordination, their FSS Action Plan applies and they count this family in their enrollments in the PIC.
 - The PHA that is a party to the contract and is monitoring the FSS status is responsible for determining whether the family has violated the FSS contract and the appropriate remedies in accordance with its FSS Action Plan policies.
 - Where the family is not absorbed by the receiving housing authority but is participating in the receiving housing authority's FSS program, the initial housing authority must abide by the FSS termination decision of the receiving housing authority.

PORTABILITY: NON-FSS FAMILY PORTS

- If a non-FSS family ports and the receiving housing authority has an FSS program and is absorbing the voucher, the family will be able to enroll in the receiving housing authority's FSS program.
- If a non-FSS family ports, and the receiving housing authority has an FSS program but is administering the voucher, the family may enroll in the receiving housing authority's FSS program only if the initial housing authority also has an FSS program and agrees to the enrollment.

Section 3 Specific Portability Provisions

Notice PIH 2016-8

- In Notice PIH 2016-8, “Inventory Management System/PIH Information Center (IMS/PIC) Family Self-Sufficiency (FSS) Reporting and FSS Program Portability Provisions,” HUD provides major clarifications to the regulations for portability in FSS. This section clarifies HUD’s specific requirements regarding portability.

Portability Tables

- The Portability and FSS Impact tables on the following pages from PIH Notice 2016-8 provide multiple examples showing which entity- the IHA, RHA, or HUD-is responsible for the decision regarding continued participation and under what circumstances. Note that the tables are for both FSS families who port, and families who are not FSS families but port and want to be in FSS after the move.

FSS Portability

Section 3: Specific Portability Provisions

PORTABILITY FSS IMPACT ON FSS FAMILY

Family FSS Status		PHA FSS Status	Port Scenario	FSS Impact	PHA or HUD Decides
1.	FSS family ports	Receiving PHA has FSS program Initial PHA has FSS program	Billed	Family may continue participation in initial PHA's FSS program or Family may enroll in receiving PHA's FSS program	Determined by the initial PHA Determined by the receiving PHA
2.	FSS family ports	Receiving PHA has FSS program Initial PHA has FSS program	Absorbed	Family may enroll in receiving PHA's FSS program or Family may continue participation at initial PHA's FSS program.	Determined by the receiving PHA Determined by the receiving PHA *Agreement from the receiving PHA is needed because they would be responsible for most of the FSS tasks under this scenario.
3.	FSS family ports	Receiving PHA does not have FSS program Initial PHA administers FSS program	Billed	Family may continue participation in initial PHA's FSS program	First, determined by the initial PHA. Then, receiving PHA must agree *The receiving PHA would be responsible for submitting the FSS information for the family into IMS/PIC. Receiving PHA's determination must be based on an undue financial or administrative hardship such as the cost of adding an FSS module to their existing systems. If continued participation is agreed to by the PHAs, the initial PHA must provide the receiving PHA with timely and complete FSS addendum information and the receiving PHA is responsible for timely and accurate submission of the FSS information into IMS/PIC.
4.	FSS family ports	Receiving PHA does not have FSS program Initial PHA administers FSS program	Absorbed	Family may not continue participation in initial PHA's FSS program	HUD The receiving PHA would be responsible for managing escrow and the receiving PHA does not administer an FSS program.

FSS Portability

Section 3: Specific Portability Provisions

PORTABILITY FSS IMPACT ON NON-FSS FAMILY

Family FSS Status		PHA FSS Status	Port Scenario	FSS Impact	PHA or HUD Decides
1.	Non-FSS family ports	Initial PHA has FSS program Receiving PHA has FSS program	Billed	Family may enroll in receiving PHA's FSS program	Initial PHA * Initial PHA agreement is needed because they would be responsible for managing the FSS escrow account
2.	Non-FSS family ports	Initial PHA has FSS program Receiving PHA has FSS program	Absorbed	Family may enroll in receiving PHA's FSS program	Receiving PHA
3.	Non-FSS family ports	Initial PHA has FSS program Receiving PHA has FSS program	Billed	Family may not enroll in receiving PHA's FSS program	HUD *The initial PHA would be responsible for managing the FSS escrow account and the initial PHA does not administer an FSS program
4.	Non-FSS family ports	Initial PHA has FSS program Receiving PHA has FSS program	Absorbed	Family may enroll in receiving PHA's FSS program	Receiving PHA

FSS Portability

Section 3: Specific Portability Provisions

- The following tables further clarify the reporting requirements when FSS families port.

PHA RESPONSIBILITIES UNDER AN FSS PORT-BILLING

<i>FSS Responsibility:</i>	<i>PHA:</i>
Maintain the escrow account	Initial PHA
Voucher Management System (VMS) reporting	Initial PHA
Financial Data Schedule (FDS)/financial records	Initial PHA: Escrow reporting Whichever PHA manages the FSS Contract: Grant reporting
IMS/PIC reporting	Receiving PHA
Maintain the FSS contract	Whichever PHA manages the FSS contract

PHA RESPONSIBILITIES UNDER AN FSS PORT-ABSORPTION

<i>FSS Responsibility:</i>	<i>PHA:</i>
Maintain the escrow account	Receiving PHA
Voucher Management System (VMS) reporting	Receiving PHA
Financial Data Schedule (FDS)/financial records	Receiving PHA: Escrow reporting Whichever PHA manages the FSS Contract: Grant reporting
IMS/PIC reporting	Receiving PHA
Maintain the FSS contract	Whichever PHA manages the FSS contract

Section 4 Portability Resulting in FSS Program Termination

24CFR 984.306 (e)

- If an FSS family relocates to another jurisdiction and is unable to fulfill its obligations under the CoP (or any modifications thereto), the PHA, which is a party to the CoP, must terminate the FSS family from the FSS program, and the family's FSS escrow account will be forfeited.
- Termination of FSS program participation and forfeiture of FSS escrow must be used only as a last resort, after the PHA determines, in consultation with the family, that the family:
 - Would be unable to fulfill its obligations under the CoP after the move;
 - That the current CoP cannot be modified to allow for graduation prior to porting; and
 - That the current CoP cannot be terminated with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii).

Section 4: Portability Resulting in FSS Program Termination

- Termination with escrow disbursement occurs when:
 - Services that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable.
 - The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family.
 - An FSS family in good standing moves outside the jurisdiction of the PHA and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.
 - PHAs must be consistent in the determination of whether the family has good cause for the relocation and termination of the FSS CoP with escrow disbursement.
 - Policies clearly defining good cause in the FSS Action Plan ensure consistency.

Section 4: Portability Resulting in FSS Program Termination

- When termination without escrow distribution is the only option, the PHA must clearly notify the family that the move will result in the loss of escrow funds.
- When situations not explicitly covered in the regulations may result in termination of the CoP without distribution of the escrow, the PHA may request a waiver from HUD to disburse the escrow without CoP completion. See Notice PIH 2013-20 and PIH 2016-08 for instructions on submitting the waiver.

24 CFR 984.101(d)

- PHAs may not terminate housing assistance for failure to comply with the obligations of the contract.

24 CFR 984.305 (f)(2) and 6(e)(2)

- If the family's FSS account is forfeited, the funds in the account will revert to the PHA maintaining the FSS account for the family. The PHA must use FSS escrow account funds forfeited by the FSS family for the benefit of the FSS participants. See Chapter 3, "Forfeited FSS Escrow Accounts."

Section 4: Portability Resulting in FSS Program Termination

ULTIMATELY THE FAMILY'S DECISION

- PHAs must clearly explain to FSS families how a move may impact the family's participation in FSS. If continued participation in FSS is not possible and modification of the FSS contract does not allow the family to graduate prior to the move, the PHA must clearly explain to the family what their options are. These options may include:
 - Modification of the FSS contract to allow completion and disbursement of escrow
 - Locating a receiving PHA that administers an FSS program
 - Termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii)
 - Termination of the FSS contract and forfeiture of escrow
- Clear and detailed explanations of this complicated issue allow the family to make this difficult decision.

CHAPTER 5 FSS PROGRAM EVALUATION

Section 1 Program Evaluation Essentials

- HUD’s goal for the FSS program is to promote the development of local strategies to coordinate the use of HUD assistance with public and private resources to enable eligible families to achieve economic independence and self-sufficiency.
- HUD evaluates the performance of a PHA's FSS program by using a system that measures, among other elements, families’ graduation from the FSS program, participants’ increased earned income, and families’ enrollment in FSS program.
- HUD uses the following methods and devices to collect and evaluate each PHA's program:
 - FSS Annual Report
 - FSS Monitoring Review Tool Self-Assessment
 - FSS Achievement Measures
 - Section 8 Management Assessment System (SEMAP)
 - HUD’s Historical Evaluations of FSS
- The following sections describe each of these measures.

Notes

Section 2 Comprehensive PHA FSS Program Evaluation

- Generally speaking, a program evaluation measures whether certain activities in a service program actually achieve their intended goal as well as whether the entire program achieved its overall goal.
- These activities may be individual events like an orientation or a workshop to teach a skill, or they may be the entire set of activities and services used to achieve the overall success of the FSS program.

MEASURING SUCCESS

- In addition to the measurements in HUD's performance evaluation methodology described below, the success of the FSS program could be determined in various other ways. Some additional examples of how success might be measured are:
 - The number of families who obtain employment who were not previously employed
 - The number of families who obtain better paying jobs
 - The number of families who acquire high school equivalency diplomas, vocational certifications, associate's or bachelor's degrees, or other forms of higher education or vocational achievement
 - The number of families who increase their income levels enough to exceed the need for housing subsidies

Section 2: Comprehensive PHA FSS Program Evaluation

- A PHA could design and implement its own FSS program evaluation as a compliment to HUD's measures. Some resources that might be used to accomplish this include:
 - Using the Standards for Success evaluation criteria or some rendition of these, accessible at <https://www.hudexchange.info/programs/standards-for-success/>
 - Partnering with local community colleges, colleges, or universities for interns in related fields of study to design and implement an evaluation
 - Contacting local United Ways to see if their Community-Based Agency Capacity Building efforts include training or design of social service programs
 - Taking a college or university extended education course in social service or other program evaluation design

Section 3 FSS Annual Report

24 CFR 984.401

- Each PHA with an FSS program must submit an annual report to the HUD field office.
- The PHA will receive an FSS Annual Report survey at the end of their performance period. This report, while required, is an information and best practices tool for HUD.
- Key questions covered in this report include:
 - Which of the following services does your agency coordinate for FSS participants?
 - What are your participants' top three most needed services?
 - Do you allow for interim escrow withdrawals?
 - Do you track participants' uses of escrow after graduation?
 - Are you/Is your agency trained in Trauma-Informed Care?
 - Is your agency a HUD-Certified Housing Counseling Agency?
 - Does your FSS program include participants with a FUP-youth and/or FYI voucher?
 - Did your PHA include a training allowance/stipend in your Coordinator(s) fringe benefits in 2022?
 - Does your PHA use a triage system to determine the regularity of meetings that the Coordinator should have with the participant?
 - Do you have any recommendations for legislative or administrative action that would improve the FSS program and ensure the effectiveness of the program?

NOTE – POSTED FOR INFORMATIONAL PURPOSES ONLY. DO NOT COMPLETE THIS FORM OR RETURN TO HUD. THE ACTUAL SURVEY WILL BE SENT TO ALL GRANTEES AT THE END OF THE PERIOD OF PERFORMANCE OF YOUR CURRENT GRANT.

FSS Annual Report

(to be sent and collected electronically via Google Forms or Survey Monkey or similar)

PHA Name/Name of Multifamily Property

PHA Number

Name of Primary Point of Contact

Email of Primary Point of Contact

Phone Number of Primary Point of Contact

The following data points will be pulled from PIC (for PIH programs) or from Multifamily FSS Program Reporting (for PBRA owners)

1. Number of families enrolled
2. Number of families graduated
3. Number of participants with escrow accounts
4. Number of participants with positive escrow balances

Please answer the following:

1. Which of the following services does your agency coordinate for FSS participants?

Check all that apply

(1) *Child care*—child care (on an as-needed or ongoing basis) of a type that provides sufficient hours of operation and serves an appropriate range of ages;

(2) *Transportation*—transportation necessary to enable a participating FSS family member to receive available services, or to commute to their places of employment;

(3) *Education*—remedial education; education for completion of high school or attainment of a high school equivalency certificate; education in pursuit of a post-secondary degree or certification;

(4) *Employment Supports*—job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the CoP;

(5) *Personal welfare*—substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services;

(6) *Household management*—training in household management;

(7) *Homeownership and housing counseling*— homeownership education and assistance and housing counseling;

(8) *Financial Empowerment*—training in financial literacy, such as financial coaching, training in financial management, asset building, and money management, including engaging in mainstream banking, reviewing and improving credit scores, etc.;

(9) *Other services*—any other services and resources, including case management, reasonable accommodations for individuals with disabilities, that are determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

2. What are your participants' top three most needed services? (choose three)

(1) *Child care*—child care (on an as-needed or ongoing basis) of a type that provides sufficient hours of operation and serves an appropriate range of ages;

(2) *Transportation*—transportation necessary to enable a participating FSS family member to receive available services, or to commute to their places of employment;

(3) *Education*—remedial education; education for completion of high school or attainment of a high school equivalency certificate; education in pursuit of a post-secondary degree or certification;

(4) *Employment Supports*—job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the CoP;

(5) *Personal welfare*—substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services;

(6) *Household management*—training in household management;

(7) *Homeownership and housing counseling*— homeownership education and assistance and housing counseling;

(8) *Financial Empowerment*—training in financial literacy, such as financial coaching, training in financial management, asset building, and money management, including engaging in mainstream banking, reviewing and improving credit scores, etc.;

(9) *Other services*—any other services and resources, including case management, reasonable accommodations for individuals with disabilities, that are determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

3. Do you allow for interim escrow withdrawals? Yes/No

a. If yes, what are your top three uses of Escrow while a family is still in the program (i.e. interim withdrawals)? (choose up to 3)

(1) Transportation – car purchase, car repair, drivers license test/fees, fees associated with the restoration of a license, funds for transportation to training, interviews, and/or employment etc.

(2) Credit Repair/Debt Reduction

(3) Educational Expenses including tuition, books, fees, etc. for FSS participant

(4) Educational Expenses including tuition, books, fees, etc. for child

(5) Employment Start-Up Costs including uniforms, tools, shoes, business attire, etc.

(6) Start-up Entrepreneurial Business Expenses

(7) Other (please name)

4. Do you track participants' uses of escrow after graduation? Yes/No

a. If yes, what are your top three uses of Escrow after FSS graduation? (choose up to 3)

HUD form 52651-C
05/2022

- (1) Homeownership
- (2) Move-in/moving costs (e.g. first/last month's rent, security deposit, movers etc.) for affordable or market rate rental (not with a voucher)
- (3) Transportation – car purchase, car repair, drivers license test/fees, fees associated with the restoration of a license, funds for transportation to training, interviews, and/or employment etc.
- (4) Credit Repair/Debt Reduction
- (5) Educational Expenses including tuition, books, fees, etc. for HoH
- (6) Educational Expenses including tuition, books, fees, etc. for child
- (7) Employment Start-Up Costs including uniforms, tools, shoes, business attire, etc.
- (8) Start-up Entrepreneurial Business Expenses
- (9) Vacation or other entertainment
- (10) Keep in savings
- (11) Other (please name)

5. Are you/Is your agency trained in Trauma-Informed Care? Yes/No

6. Is your agency a HUD-Certified Housing Counseling Agency? Yes/No

a. If Yes, is one or more of your FSS Coordinators also a HUD-certified Housing Counselor? Yes/No

7. Does your FSS program include participants with a FUP-youth and/or FYI voucher? Yes/No

8. The FY21 NOFO allowed for training to be part of the calculation of fringe benefits. Did your PHA include a training allowance/stipend in your Coordinator(s) fringe benefits in 2022? Yes/No

a. If Yes, how much?

b. What training did your Coordinator(s) receive?

9. Does your PHA use a triage system to determine the regularity of meetings that the Coordinator should have with the participant? (Yes/No)

10. How often do most participants meet with their FSS Coordinator/Case Manager/Coach? (choose one)

- a. Weekly
- b. Monthly
- c. Quarterly
- d. Every 6 months
- e. Once per year
- f. Less often than once per year

11. Do you have any recommendations for legislative or administrative action that would improve the FSS program and ensure the effectiveness of the program? (open answer)

- 12. Reserved for annual-specific question**
- 13. Reserved for annual-specific question**
- 14. Reserved for annual-specific question**
- 15. Reserved for annual-specific question**

Notes

Section 4 FSS Monitoring Review Tool Self-Assessment

- Each year, at the direction of the Office of Inspector General (OIG), the HUD Field Office will select 20% of PHA FSS programs to complete the FSS Monitoring Review Tool Self-Assessment. HUD will then send these the FSS Grant Program Review PHA Self-Assessment Checklist. Each FSS program will be reviewed every five years.
- In order to complete the assessment, the PHA will need the following:
 - Corresponding Fiscal Year FSS NOFO
 - 24 CFR 984 (be sure you have the 2022 version)
 - Grant Agreement
 - Job Description(s)
 - FSS Action Plan (2022 updated version)
 - SEMAP report
 - Participant files
 - Escrow Account information
 - Any recent IG Audits, PHA reviews, IPA Audits, etc.
- There are 44 questions that the PHA must answer and be prepared to discuss with the HUD field office.
- The assessment includes a checklist of things that must be in all FSS participants' files.

MONITORING REVIEW TOOL SELF-ASSESSMENT

Family Self-Sufficiency Program
Program Review Self-Assessment

US Department of Housing
Office of Public & Indian Housing

OMB Approval No. 2577-0178
(exp. 04/30/2025)

Family Self-Sufficiency (FSS) Grant Program Review PHA Self-Assessment Checklist

Field Office Name & Code		PHA Name & PHA number	
Respondent name, title, phone, email			
Grant Year(s) Reviewed & Grant Numbers		Date of review	

General Information:

Your FSS program has been chosen to be monitored by your local Field Office. Please complete this self-assessment and return to your local field office by the date requested.

Please use the comment box to describe the reason for your response. Be prepared to discuss your findings with the Field Office, if needed.

To complete this review, you may need to refer to the following:

FSS webpage https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fss

- ☐ Corresponding Fiscal Year FSS NOFO
- ☐ 24 CFR §984
- ☐ Grant Agreement
- ☐ Job Description(s)
- ☐ FSS Action Plan
- ☐ SEMAP report
- ☐ Participant files
- ☐ Escrow Account information
- ☐ Any recent IG Audits, PHA reviews, IPA Audits, etc.

[Type here]

A. General Program Implementation and Outcomes

1. Do you have a current FSS Action Plan on file at the HUD field office?

☐ Yes ☐ No

Does it meet the regulatory requirements under 24 CFR §984.201? (you may wish to refer to the FSS Action Plan Checklist available on the FSS webpage)

☐ Yes ☐ No

Date last version/edit was approved by HUD? _____
(Should be June 2022 or later. All approved Action Plans meet regulatory requirements.)

Comments:

2. What is the PHA's most recent FSS Composite Score (full score on column V and three metric scores in Column G, J and T)? (See scores issued 11/15/18 posted on the HUD FSS webpage under FSS Performance Measurement System) [this will be updated as new scores become available]

	C	D	E	F	G	H	I	J	O	P	Q	R	S	T	U	V
1	Baseline Scores Using Final Methodology									Updated Scores Using More Recent Participation Data (FY 2015-2017)						
2	Final Methodology Earnings Measure					Final Methodology Grad Measure				Updated Participation Score				Updated Composite Score		
3	FSS Analyzed for Earnings	Avg Diff Higher of RAW	Adjusted Earnings Measure	p-value flag (adjusted <median, p<.1)	EARNINGS SCORE	# eligible for grad rate	% Grad	GRAD SCORE		FY2017 # of Partic	FY2017 Ratio	2015-2017 3-yr ratio	Best of FY17 or 3-yr	Updated PARTICIPATION SCORE	COMPOSITE SCORE NEW	COMPOSITE SCORE CATEGORY
4	37	\$20,445	\$22,120	0	10	22	68.2%	10		105	4.20	2.85	4.20	10	10	1

Comments:

3. Indicate the last three fiscal years in which the PHA was funded for FSS.

Comments:

[Type here]

4. If the PHA was not funded under one or more of the last three NOFOs, why not? (E.G., did not qualify because you were not serving enough participants? Forgot to apply? Application was late?)

Comments:

5. If the grant amount was reduced in any of the last three years, indicate why. (e.g. you dropped below the number of participants required to maintain level funding or you requested less funding.)

Comments:

6. Does the PHA have slots left on a mandatory FSS program? If so, how many are remaining?
(Review Mandatory Program Re-Baselining that will be available on the HUD FSS webpage. The mandatory slot number grew for every new unit/voucher added to the PHA between 1990-1998 then should have been being reduced for each graduation since then. The number of mandatory slots was built and is reduced according to the FSS Statute, Section 23 in the 1937 Housing Act.) [when new re-baselining report is available, link will be added]

- You may request information from HQ. FSS@hud.gov can provide a report that looks like this

PHA Code	PHA Name	Program Type	HCV Slot with Exclusions	PH Slots	Total FSS Slots with Exclusions	Total FSS Graduates	Remaining Mandatory Slots with Exclusions
CTXXX	XXXXXXXXX Housing Authority	Combined	356	214	570	32	538

- The HCV and PH slots come from HQ historical records – we are doing our best to ground-truth these. If you disagree, you should present documentation with this self-assessment.
- Graduations come from PHA reporting in PIC. If you believe they are wrong, you may indicate that you will fix PIC or provide documentation for the correct number of graduations.

☐ Yes ☐ No

Comments:

[Type here]

7. What is the Program Size indicated in the FSS Action Plan? (See *regulatory requirement under 24 CFR §984.105*). The “Program Size” must be AT LEAST EITHER (whichever is higher)
- The number of currently required mandatory slots OR
 - The number of mandatory slots indicated on an FO-approved exception request OR
 - The number of participants the PHA is funded to serve per the latest NOFO competition.

If not mandatory and not funded, the PHA may set any program size they wish.

That number is a MINIMUM. The PHA may set the Program Size at ANY number they feel they can effectively serve. The PHA then must aspire to maintain that program size.

Program Size (please list Mandatory (from Q.6) + Voluntary = TOTAL)

Comments:

8. a. How many participants were enrolled in the program according to the PIC Report in Appendix C of the most recent NOFO?

Most recent Appendix C -

<https://www.hud.gov/sites/dfiles/SPM/documents/FY22AppendixC2022Aug3.pdf>

8b. How many PH/HCV/PBV participants (DO NOT include PBRA in this question) are currently enrolled based on your PHA’s internal records?

Do these two numbers (8a & 8b) match (or are very close?)

☐ Yes ☐ No

(if not, the final report will indicate that the you must update your process for entering FSS data into PIC and rectify the PIC numbers to your records. Refer to PIH Notice 2016-8 and Get Ready Notices which can be found on the HUD FSS web page)

Comments:

[Type here]

9. Are you serving any PBRA residents?

☐ Yes ☐ No

Please indicate if those participants are residents of PHA-owned PBRA properties (such as a result of a RAD conversion) or if the PHA has a partnership with another local PBRA owner to serve their PBRA residents.

- If a PHA is serving PBRA residents, the PBRA owner must have an approved PBRA FSS Action Plan and the PHA and PBRA owner must have a Cooperative Agreement. Please indicated in the comments if a Cooperative Agreement is needed and/or in place.

Comments:

How many PBRA participants are currently enrolled based on your PHA’s internal records?

10. Including PH/HCV/PBV AND PBRA residents, how many total residents are being served by the PHA’s FSS program (8b + 9 above)?

Is this close to the Program Size indicated in the FSS Action Plan (#7 above)?

☐ Yes ☐ No

Comments:

11. How many FSS graduates did you have last calendar year?

11b. What was your graduation percentage from the latest Composite Score?

	GRAD SCORE
% Grad	

12. According to your PHA’s internal records, how many FSS enrollments were there last calendar year?

[Type here]

13. According to your internal records, how many FSS participants were terminated from the FSS program last calendar year?

For what reason(s)?

Comments:

14. How much escrow (number of participants and amount of escrow funds) was forfeited by terminated participants last calendar year?

Number of participants

Amount of escrow funds

\$

Comments:

15. Do you have an active and functional Program Coordinating Committee as required by regulation (*see 24 CFR §984.202*)?

☐ Yes ☐ No

Indicate how often the PCC meets and if it includes the required partners. (*The makeup of the PCC is required to be in the FSS Action Plan.*)

Comments:

- 15a. Do you have MOUs with your PCC partners?

☐ Yes ☐ No

How often do you review and update the MOUs?

Comments:

[Type here]

15b. Do you regularly track in-kind service contributions?

☐ Yes ☐ No

Comments:

16. Is the PHA keeping Escrow funds in an interest-bearing account per requirements at 24 CFR §984.305(a)?

[Accounting Brief #26 - Financial Reporting for the Family Self-Sufficiency \(FSS\) Program](#)
[PIH Notice 2022-20 on Establishment of the Escrow Accounting Line and Use of Forfeited FSS Escrow](#)

☐ Yes ☐ No

Comments:

17. Are the escrow bank account statements being reconciled to FSS Contracts of Participation?

☐ Yes ☐ No

How often?

- Escrow must be credited each month (new regulation)
- Interest must be allocated on a pro-rated basis at least once a year

Comments:

18. Are participants receiving proper notification of escrow accounts on at least an annual basis as required by 24 CFR §984.305(a)(3)?

☐ Yes ☐ No

Comments:

[Type here]

B. Staffing

19. How many FSS Program Coordinators were funded by the grant? How many FSS Program Coordinators does the PHA employ? (*this may be more than the number funded by the grant but should not be less.*)

Number of FSS Program Coordinators Funded

19b. Have all positions authorized in the budget been filled?

☐ Yes ☐ No

19c. Number of FSS Program Coordinators Employed – if more than funded, indicate source of funds in comments. If less than funded, indicate why in the comments.

- https://www.hud.gov/sites/dfiles/PA/documents/FSS_Renewal_State_Report.pdf for number of coordinators funded by the FY22 grant

Comments:

20. What is the Participant-to-Coordinator Ratio?

Use PHA's # of Participants (#10) : # FSS Program Coordinators Employed (19c)

This should be AT LEAST

- 25:1 if you have 1 full-time FSS Program Coordinator
- 15:1 if you have only one part-time FSS Program Coordinator
- 50:1 for every full-time FSS Program Coordinator more than 1

20b. What is the Participation Ratio from the latest Composite Score? (*a ratio of less than 1 may indicate a reporting problem*)

FY2017 # of Participants	FY2017 Ratio	2015-2017 3-yr ratio	Best of FY17 or 3-yr

[Type here]

21. Do all positions have job descriptions?

☐ Yes ☐ No

Comments:

22. Do job descriptions correspond to the NOFO requirements (*refer to the Eligible Activities section in the most recent NOFO*) and the actual tasks performed?

☐ Yes ☐ No

Comments:

23. Are FSS Program Coordinators required to perform any standard housing functions for NON-FSS residents?

☐ Yes ☐ No

(Unless the FSS Program Coordinator is paid with non-FSS funds in addition to FSS grant funds, this is against program rules. Refer to most recent NOFO or Grant Agreement for language. If this is the case, you must cease. If the FSS Program Coordinator is paid with non-FSS funds, the percent of time on non-FSS activities may not exceed the percent of salary)

Comments:

[Type here]

24. Are FSS Program Coordinators required to perform any standard housing functions for FSS participants? *(If so, per the NOFO, the PHA must have sought approval from the field office by showing that these activities are adding benefit to the FSS program. For instance, many FSS Program Coordinators prefer to do their own rent re-certifications for FSS participants because they feel it keeps them abreast of the current situation of their families and makes the process smoother within the PHA.)*

☐ Yes ☐ No

If the answer is YES, please indicate what has been approved, when, and by whom (you may attach the correspondence).

If the answer is NO, does the FSS Program Coordinator coordinate regularly with the Housing Specialists or Property Managers that do the standard housing work to stay abreast of income and employment changes of FSS participants?

Comments:

25. Does the FSS Program Coordinator have a copy of the FSS regulations, the NOFO, the Grant Agreement, the PHA's FSS Action Plan?

☐ Yes ☐ No

(If NO, the final report will indicate that the FSS Program Coordinators must have access to all of these essential documents.)

Comments:

26. Have all FSS Program Coordinators completed the HUD-issued Promising Practices online training? <https://www.hudexchange.info/trainings/courses/family-self-sufficiency-training/> (The NOFO requires that at least one person at each PHA must have completed the training.) The updated FSS Training has not been posted (as of 3/31/23). Once it's posted, PHAs will be given 60-90 days to complete.

☐ Yes ☐ No

Comments:

[Type here]

27. Have the FSS Program Coordinators received any training on the FSS program regulations other than the HUD-issued Promising Practices guide and on-line training? Which training(s)?

Every PHA has the opportunity to include a training stipend (any amount) in their calculation of fringe benefits when they make their NOFO request for salary+fringe. Did you include this in your FY21 and/or FY22 funding request?

☐ Yes ☐ No

Comments:

28. Have the FSS Program Coordinators received any training on services coordination/case management/coaching other than the HUD-issued Promising Practices guide and on-line training? Which training(s)

☐ Yes ☐ No

Comments:

29. How many years of experience in administering the FSS program does each FSS Program Coordinator have?

Comments:

30. Is there someone in a supervisory role that has more experience with FSS or other Service Coordination programs?

☐ Yes ☐ No

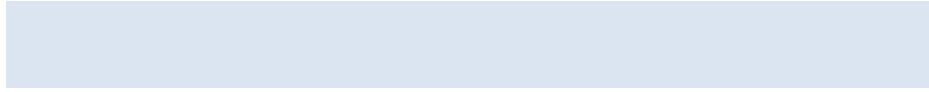
Comments:

31. Do you participate in a peer-to-peer exchange (e.g. Regional Round-Table) with other FSS grantees?

☐ Yes ☐ No

Comments:

[Type here]



[Type here]

C. Grant and Financial Management (to be verified by the Field Office)

32. Do you (the FSS Program Coordinator or another department such as Finance) have a satisfactory knowledge of how to access and draw funds from LOCCS?

☐ Yes ☐ No

Comments:

33. Does your PHA draw funds from LOCCS at least once every 90 days (i.e. quarterly)? *(Monthly is preferred. Often, we are seeing that PHAs will pay the FSS Program Coordinator out of other funds and then "pay themselves back" when they get around to drawing FSS funds. This is not allowed. Please see Grant Agreement for draw and expenditure requirements.)*

☐ Yes ☐ No

Comments:

34. Are the funds drawn from LOCCS disbursed within three calendar days of request as required by the Grant Agreement?

☐ Yes ☐ No

Comments:

36. Are you on track to expend the full grant amount by the expiration of the grant term?

☐ Yes ☐ No

Comments:

[Type here]

37. Has HUD recaptured any FSS funds from your PHA within the past 3 years? If so, why?

☐ Yes ☐ No

Comments:

38. Is your PHA currently undergoing or planning any RAD conversion activity?

☐ Yes ☐ No

If so, do you understand the implications for your FSS program and participants. (See the latest RAD notice language on FSS for both PBV and PBRA conversions https://www.hud.gov/sites/dfiles/Housing/documents/H-2019-09-PIH-2019-23_RAD_Notice%20Rev4_20190905.pdf) – specifically do you understand that if you convert all of your PH stock and do not have a HCV/PBV program, you will no longer be eligible to apply for FSS funding?)

☐ Yes ☐ No ☐ N/A

Date of anticipated RAD conversion (if applicable)

If you have converted to PBRA under RAD, are you in compliance with the Multi-Family FSS Requirements (for reference, <https://www.hudexchange.info/programs/multifamily-fss/>)?

- [CSS Repositioning matrix](#)
- two options: (1) If PHA continues to serve other HCV and/or PH FSS participants, the new owner may execute a cooperative agreement with PHA to serve FSS participants affected by the RAD conversion to PBRA; or (2) The owner can establish an independent FSS program.
- For PBRA FSS, to ensure HAP payments are processed correctly, and until TRACS is modified, the Project Owner must notify MF_FSS@hud.gov there are current FSS participants residing in the Covered Project and adhere to the escrow and reporting requirements. The Project Owner may enter into a Cooperative Agreement with the PHA (the grantee), allowing the PHA to continue to provide service coordination to RAD-affected PBRA participants until all have completed their Contracts. The Project Owner must assume responsibility for the administrative duties associated with FSS such as calculating and crediting escrow and reporting. Ultimately, the new Project Owner is responsible for serving the RAD-affected FSS participants until the end of their CoPs.

☐ Yes ☐ No ☐ N/A

Comments:

[Type here]

39. Has your FSS program been audited by HUD's IG in the past five years? If so, what were the findings?

☐ Yes ☐ No

Comments:

If there were findings, have they been resolved satisfactorily?

☐ Yes ☐ No

Comments:

40. Did you have any major unresolved program management findings from an Inspector General audit, HUD management review, or Independent Public Accountant (IPA) audit for your HCV or PH programs, or other program compliance problems?

☐ Yes ☐ No

If yes, did any of the findings have any bearing on the FSS program, and have they been resolved?

☐ Yes ☐ No ☐ N/A

Comments:

[Type here]

D. Grantee Reporting and Closeout

41. Did you submit the annual report (SF 425 Financial Report and certifications of completion and compliance) in a timely manner (within 120 days of the end of the grant term)?

☐ Yes ☐ No

Comments:

42. Is the FSS program regularly included in the PHA's Independent Audit

☐ Yes ☐ No ☐ N/A

Are the results of an audit of the FSS program provided to the Field Office?

☐ Yes ☐ No

Date Independent Audit was submitted to local HUD Office?

Comments:

43. Are you subject to the Housing Counseling Certification rule?
(<https://www.hudexchange.info/resource/5191/housing-counseling-new-certification-requirements-final-rule/>)

☐ Yes ☐ No

If YES, are you in compliance?

☐ Yes ☐ No ☐ N/A

Comments:

[Type here]

FSS File Review

Do your client files (paper or electronic) include:

- ☐ Completed FSS Application (in whatever format is used at the PHA)
- ☐ Contract of Participation (HUD-50650 or similar) with correct dates i.e. 5/1/2016 to 4/30/2021 (for old CoPs) or to 5 years from the first re-certification of income after the execution date of the CoP (for new CoPs)
- ☐ If the FSS participant is extended an additional year or two, is the original end date crossed off of the contract and a new date written in? Is the ITSP amended as well and has the FSS participant signed off on it?
- ☐ Corresponding documentation should be with ITSP e.g. if goal is to obtain GED, a copy of GED certificate should be with ISTP. The PHA must follow its own policies on documentation of goal attainment, as defined in the FSS Action Plan.
- ☐ 50058's should be in chronological order with corresponding Escrow Calculation sheets
- ☐ Annual Escrow statements should be in file, with beginning balance, deposits, interest
- ☐ Case notes should be in file in chronological order - they should reflect meetings that conform with the PHA's policies on number of contacts (some may do once a month, some once a year, some may have a triage system where more meetings are required until the person is in training/employed, etc..... the point is that the files should show that the PHA is following their own policies.)
- ☐ "releases of Information" in file, new ones should be signed annually (no reg on this, required if the FSS Program Coordinator will be sharing client information with partners.)
- ☐ Exit documents should be: proof that no \$ is owed to PHA, documents that family is free of Welfare Assistance (if applicable), employment verification and proof that they have completed all goals in ITSP.
- ☐ If the family was terminated, is there evidence, conforming with the PHA's policies, of attempts to contact and notify that termination was imminent?

Please note: links and requirements on this document will be updated if/when they change. This document is current as of 3/23/23.

Each Housing Agency (PHA/owner) must implement the FSS Program in compliance with 24 CFR 984 and 24 CFR 877.

Public reporting burden for this collection of information is estimated to average 1.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Response to this collection of information is mandatory by law (Section 23 (c) & (g) of the U.S. Housing Act of 1937, as added by Section 554 of the Cranston-Gonzalez National Affordable Housing Act (PL 101-625) and Section 306 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (P.L. 115-174) for participation in the FSS program.

The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained.

HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Section 5 Family Self-Sufficiency Achievement Metrics (FAM) Scoring

24 CFR 984.102

- HUD evaluates the performance of a PHA's FSS program using a scoring system that measures graduation from the program, increased earned income, and program participation.
 - HUD developed the Family Self-Sufficiency Achievement Metrics (FAM) Score to provide HUD, Congress, PHAs, and other entities with information on the performance of individual FSS programs.
 - The information will help grantees determine how their programs compare to others across the country in their ability to help participants to successfully graduate from the program and make progress toward economic security.
 - The information will also help HUD understand the extent to which FSS program performance-individually and collectively-improves or declines over time.
- The FAM Score updates HUD's Composite Score that tracks the program performance of Public Housing Agencies (PHAs) that receive HUD Family Self-Sufficiency (FSS) program coordinator grants.
 - HUD adjusted the Composite Score to strengthen its ability to effectively track the performance of PHA FSS programs.
 - HUD has also recalibrated the baseline for determining FAM Scores using the PIH Information Center (PIC) data through 2019.

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- The FAM Score does not apply to:
 - The initial MTW PHAs, which are PHAs that received MTW Demonstration designation prior to December 15, 2015
 - PHA-based FSS programs that do not receive coordinator funding
 - FSS programs administered by Multifamily Owners of Project-Based Rental Assistance (PBRA) housing
- The FAM Score consists of three components:
 - Earnings Performance
 - Graduation Rate
 - Participation Rate
- To calculate FAM Scores, HUD uses data PHAs submitted through PIC or any successor data system such as the Housing Information Portal (HIP).
 - New FSS programs will not initially have a FAM Score because the methodology relies on an analysis of historical performance data.
 - New FSS program's FAM Scores will be based solely on Participation Rate for the first three years.
 - After four years there is enough data to produce an Earnings Performance Score or a Graduation Rate score.
- For a description of the methodology for computing FAM Scores, HUD's website at: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fss.

SUMMARY OF THE FAM SCORE THRESHOLDS

- HUD FAM Score calculations provide an accurate assessment of a PHA's performance and reduce the possibility for erratic scores from one year to the next for reasons unrelated to a PHA's performance. The changes in FAM Score compared to the Composite Score are:
 - The three-year average provides a more comprehensive measure of performance and helps correct for any significant impact in one year (e.g., the closing of a nearby factory or the impact of a natural disaster).
 - For example, if the PIC data used in the calculation is through December 31, 2020, HUD will determine the Earnings Performance Measure for each PHA through the end of three annual periods: 2018, 2019, and 2020, then compute the average of these three measures to determine the three-year average Earnings Performance Measure.
 - For both the Earnings Performance Measure and the Graduation Rate, HUD uses a new rolling three-year average rather than a one-year measure as the basis for computing a PHA's component score.

- HUD modified the number of comparison households used to determine the Earnings Performance Measure in the event that more than three households are equally similar to the FSS program participant in terms of considered metrics.
 - In the past, HUD used three households randomly selected from among these similar households as the comparison households for calculating the Earnings Performance Measure in a given year.
 - In the future, Going forward, HUD will use all households that are equally similar to the FSS household in the calculation. This will help reduce the possibility of volatility in scores from one year to the next.
- HUD made changes to the adjustment it makes for local economic conditions to improve year-to-year stability of earnings performance scores.
 - To adjust for local economic conditions, HUD uses a formula that examines the relationship between the earnings performance measures of each PHA and the median incomes of the counties in which the PHA serves residents.
 - Unadjusted earnings performance measures tend to be higher in counties with high median incomes, and lower in counties with low median incomes.

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- HUD then applies this adjustment factor to the earnings performance measure for each PHA, resulting in the adjusted earnings performance measure used for the earnings component of the FAM Score.
- To improve year-to-year stability of scores, HUD uses this adjustment to ensure the average of the adjusted earnings measure is the same as the average of the unadjusted measure.
- HUD adjusted and clarified how joint FSS grantees are counted across years.
 - For each of the three years included in the measures, calculations are made at the joint applicant level so that each PHA in a joint funding group has the same measure for the year.
 - Because the component calculations are made during each of the three years, joint funding recipients are only included in a group for the time period associated with the measure in the years when they are part of the joint funding group.
 - As a result, PHAs in joint FSS programs without stable agency membership will have members with different measures and scores when averaging across all three years of calculation to produce composite measures, scores, and components.
- Using these changes (and the average of scores for 2019, 2018, and 2017), HUD recalibrated the thresholds for converting the earnings and graduation measures into scores and specified the updated thresholds below.

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- In the future, these thresholds will be fixed to allow HUD and PHAs to gauge the extent to which individual PHAs and the entire FSS program as a whole are making progress toward higher performance levels.
 - The only exceptions are the thresholds for determining earnings performance scores, which will be adjusted annually.
 - This annual adjustment will account for changes in the average earnings using a custom inflation index based on the weighted hourly series for the first (lowest) quartile of wage earners within the wage growth data from the Federal Reserve Bank of Atlanta.
 - This will help ensure that the thresholds for determining earnings performance scores keep pace with wage inflation over time.

THRESHOLDS

- The following are the updated thresholds HUD will use to compute a FAM Score for each PHA.

Assigning Scores to Each of the Three Measures

- In Step One, HUD will assign a score of 0 to 10 to each PHA's FSS program for each of the three measures. Scores will be assigned using the thresholds and procedures described below.
 - The ranges for awarding points between two values include those values as well as all intermediary values.

- **Earnings Performance Measure (50% of final score):**
 - 10 points: three-year average earnings performance measure of \$6,315 or higher.
 - 7.5 points: three-year average earnings performance measure between \$4,795 and \$6,314.99.
 - 0 points: three-year average earnings performance measure below \$2,283 adjusted for variances in local economic conditions (see December 12, 2017 Federal Register notice at page 82 FR 58437 for an explanation of this statistical test).
 - 5 points: All PHAs that do not qualify for a 10, 7.5, or a 0.
 - These thresholds apply to earnings performance measures beginning in the 2019 audit year. These reflect an average of earnings performance measures for the 2017, 2018 and 2019 calendar years.
- **FSS Graduation Rate (30% of final score):**
 - 10 points: three-year average FSS Graduation Rate of 42% or higher.
 - 7.5 points: three-year average FSS Graduation Rate between 32% and 41.99%.
 - 0 points: FSS Graduation Rate below 15%.
 - 5 points: All PHAs that do not qualify for a 10, 7.5, or a 0.

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- **Participation Rate (20% of final score):**
 - 10 points: participation rate of 2.20 or higher.
 - 9 points: participation rate between 1.95 and 2.19.
 - 8 points: participation rate between 1.70 and 1.94.
 - 7 points: participation rate between 1.45 and 1.69.
 - 6 points: participation rate between 1.2 and 1.44.
 - 5 points: participation rate between 0.95 and 1.19.
 - 0 points: participation rate of lower than 0.95.

Developing the Final FAM Score and Ranking

- After computing individual scores for each of the three measures, HUD aggregates each PHA's scores using the weights noted above to develop a final FAM Score from 0 to 10. Based on this score, HUD assigns the following ranking to the PHA's FAM Score:
 - Category 1: FAM Score of 7.9 or higher.
 - Category 2: FAM Score between 4.0 and 7.89.
 - Category 3: FAM Score between 3.5 and 3.99.
 - Category 4: FAM Score of less than 3.5.

FSS FAMILY ACHIEVEMENT METRICS

What are the FSS Achievement Metrics?

The FSS Achievement Metrics (FAM) are scoring measures designed to help **PHAs receiving FSS coordinator grants** assess and track FSS program performance.

HUD produces updated FAM annually for each PHA receiving HUD FSS coordinator funding.

The overall FAM score is a number from 0 to 10 (10=Best). Based on their overall FAM score, FSS programs are assigned a Performance Category from 1 to 4 (1=Best).

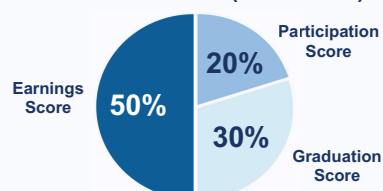
See Federal Register Notice [FR-6046-N-02, 83 FR 57493](#) and [Methodology for Computing FSS Performance Scores \(2018\)](#) for additional details.

Performance Category	Overall Score
1	7.9 to 10
2	4 to 7.89
3	3.5 to 3.99
4	0 to 3.49

What are the components of the overall FAM score?

The overall FAM score is produced by combining **three** component scores—Participation, Graduation, and Earnings. Each ranges from 0 to 10, with 10 being the best. The components are weighted as follows to form the overall score:

Overall FAM Score (total:100%)



The Participation Score assesses the number of FSS participants a PHA serves. PHAs that serve the minimum number expected under the FSS Coordinator grant are assigned 5 points.

PHAs that exceed this minimum can earn additional points up to a maximum of 10.



The Graduation Score

measures the share of FSS participants who graduate from the program within 8 years of enrollment. PHAs receive a score from 0 to 10, with higher scores awarded for higher graduation rates.

The Earnings Score measures the extent to which households enrolled in FSS see earnings growth while participating in the program. The score is computed by comparing the earnings growth of households participating in FSS to the earnings growth of other similar households served by the PHA. The score is also adjusted for local economic conditions.



For Example:

If an FSS program has a Participation Score of 6:

Participation
6

a Graduation Score of 5:

Graduation
5

and an Earnings Score of 7.5:

Earnings
7.5

its overall FAM score will be:

Participation: $6 \times 20\%$ +

Graduation: $5 \times 30\%$ +

Earnings: $7.5 \times 50\%$ =

Overall
6.45

An overall score of 6.45 corresponds to Performance Category 2:

Category
2



To protect against random variation not attributable to the FSS program, the Graduation and Earnings scores are based on an average of scores computed for each of the three most recent years. The Participation score is based on the average rate over the three most recent years or the rate in the most recent year—whichever is higher.

How do I find my program's FAM Score?

The "2020 FAM" tab of this Excel workbook provides the overall and component FSS FAM scores for each PHA for 2020. In this workbook, **each FSS program has its own row**. Scroll up or down to find your program or click on the arrow tab in **Row 5** to 'sort' or 'filter' the list.

Key information about each column is provided in **Row 4** throughout the spreadsheet.

PHA IDs and PHA names are in **Columns D & E** in each spreadsheet.

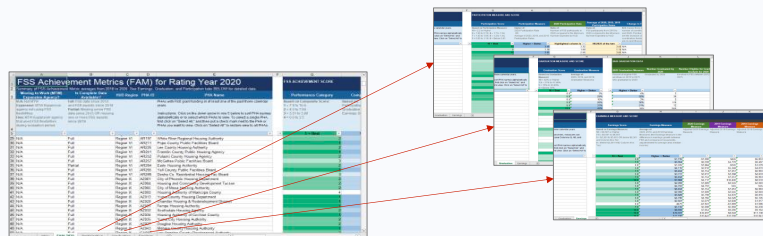
The 2020 FAM tab includes a summary of the information for each of the three components of the Composite Score: Participation, Graduation and Earnings. The component scores range from 0 to 10 (10=best). The scores and the measures from which they are derived are color-coded, with darker shaded colors for the best scores.

Agency	Region	PHA ID	PHA Name	Performance Category	Score
ALA	Region IV	AL011	Housing Authority of the Birmingham District	1: 0 to 10.0	2
ALA	Region IV	AL012	MOBILE HOUSING AUTHORITY	2: 6.0 to 7.00	2
ALA	Region IV	AL013	Housing Authority of the City of Montgomery	3: 1.0 to 3.00	2
ALA	Region IV	AL014	The Housing Authority of the City of Huntsville	4: 0.0 to 1.00	2
ALA	Region IV	AL015	FLORISSANCE HUA		2
ALA	Region IV	AL016	Sheffield Housing Authority		2
ALA	Region IV	AL017	HA THUNDERBOLT		4
ALA	Region IV	AL018	Jefferson County Housing Authority		4

Note: "N/A" indicates missing or blank data. Data may be missing or blank for several reasons, including: (1) the category does not apply (e.g. the MTW expansion indicator does not apply to non-MTW agencies), (2) the PHA did not receive grant funding for one or more of the past three years, (3) the program is too new to calculate earnings or graduation metrics, or (4) the program had insufficient eligible participants to calculate one or more measures.

What information is included in the other Tabs?

The Excel workbook has a main, summary tab (titled "FAM 2020"), and a tab with details for each of the three components. Click on the **Participation**, **Graduation**, and **Earnings** Tabs to learn more about how each of these component scores was calculated, including data for each year the calculations include.



How can I improve my program's score?

- ✓ Make sure your data are current and accurate
- ✓ Talk to your Field Office
- ✓ Make your own assessment of what's driving program scores and performance
- ✓ Re-examine your FSS Action Plan—make sure you're implementing it as planned, and that it still fits your goals for FSS
- ✓ Ask your PCC and participating families for ideas on how to strengthen your program.
- ✓ Explore and implement best practices and promising practices—see HUD-produced products and resources in the wider community of FSS providers! (HUD's [FSS Guidebook](#) and [Online Training](#) are good places to start)



Section 5: Family Self-Sufficiency Achievement Metrics (FAM) Scoring

Notes

Section 6 The 50058 Family Self-Sufficiency (FSS) Addendum

- HUD monitors FSS program participation via form HUD-50058 (Family Report). FSS information is reported on the Family Self-Sufficiency (FSS) Welfare-to-Work (WTW) Voucher Addendum of the HUD-50058 form.
- The HUD 50058 FSS Addendum is used to calculate the FSS Family Achievement Measures) formerly the Composite Scores.)
- The data from the HUD 50058 form is held and summarized in HUD's current housing participant system Inventory Management System/Public and Indian Housing Information Center (PIC).
- As of October 2024, PIC is transitioning to the Housing Information Portal. An effective date is not known for the launch of this software.
- The current edition of Form HUD-50058, including instructions and a summary of important changes, can be accessed from the HUD forms page of HUD's website.
- Moving to Work (MTW) PHAs complete an MTW 50058 (HUD-50058-MTW). See the respective 50058 instruction booklets.
- HUD monitors the timeliness of this reporting and may sanction a PHA for late reporting.

17. Supportive Services Programs (SSP)

17a. Participate in special programs?	17a.	
17b. SSP report category: (check no more than one) <input type="checkbox"/> Enrollment <input type="checkbox"/> Progress <input type="checkbox"/> Exit		
17c. Effective date (mm/dd/yyyy) of SSP action		
17d. PHA code of PHA administering FSS contract (FSS only)		
17e. PHA code of PHA that is managing the rental assistance for this FSS participant (May be different from 17d) (FSS only)		
17h. General information (HoH = FSS HoH for FSS participants)		
(1) Current employment status of head of household. Check the box to indicate the head of household's employment status at the time addendum completed.	17h(1).	
(2) Date (mm/dd/yyyy) current employment began		
(3) Benefits in current employment: (check all that apply)	17h(3).	
(4) Years of school completed by the head of household. Enter the highest grade of education or years of formal schooling the head of household completed at the time Addendum is submitted. (0-25)		
(5) Assistance currently received by the family: (check all that apply)	17h(5).	
(6) Number of children receiving childcare services		
17i. Family services table		
	(1) Need (Y or N)	(2) Need Met Through Participation in Program (Y or N)
Education/Training		
GED/high school		
Post secondary		
ESL		
Employment Supports		
Job search/job placement		
Job retention		
Vocational/Job training		
Job Readiness		
Transportation		
Child care		
Personal Welfare		
Health services		
Alcohol and substance use prevention and treatment services		
Mental health		
Dental		
Health insurance		
Financial Empowerment		
Homeownership and Housing counseling		
Connected to Banking Services at a Mainstream Financial Institution (Checking or Savings)		
Financial Empowerment/coaching		
Digital Inclusion Activities		
Elderly/Persons with Disabilities		
Other		
17j. FSS Contract Information (FSS Only)		
(1) Start date (mm/yyyy) of contract of participation (FSS enrollment report only)	17j(1).	
(2) Initial end date (mm/yyyy) of contract of participation (to be entered on the first Progress report after the effective date of the CoP)	17j(2).	
(3) Contract date extended to (mm/yyyy) (if applicable)	17j(3).	
(4) Number of family members with Individual Training and Services Plan	17j(4).	
17k. FSS escrow account information (FSS Only)		
(1) Current FSS account monthly credit	\$	17k(1).
(2) Current FSS escrow account balance	\$	17k(2).
(3) FSS account amount disbursed to the family (cumulative as of end of reporting period)	\$	17k(3).
17m. FSS exit information (FSS Exit Report only)		
(1) Did family complete contract of participation? (Y or N)		
(2) If (1) is Yes, did family move to homeownership? (Y or N)		
(3) If (1) is No, primary reason for exit (choose one):	17m(3).	

REPORTING CATEGORIES

- The addendum requires PHAs to select a reporting category:
 - FSS Program Enrollment Report
 - FSS Program Progress Report
 - FSS Voucher Program Exit Report
- The enrollment report is for PHAs completing a 50058 for a new program participant, while the progress report is for PHAs completing an annual or interim recertification.

GENERAL INFORMATION REQUIREMENTS

- All PHAs will need to complete some basic information regardless of the reporting category specified. PHAs must track and maintain economic and demographic data on program participants in order to complete the addendum, including:
 - Employment status of head of household
 - Date that current employment began
 - Current employment benefits received (e.g., health, retirement)
 - Years of school completed by the head of household
 - Assistance received by the family (e.g., TANF, general assistance, food stamps, Medicaid/CHIP, EITC)
 - Date of initial lease or HAP contract under the FSS program
 - Agency responsible for assisting the family with the housing search (e.g., PHA, TANF agency)
 - Number of children receiving child care services
 - Date of initial lease or HAP contract under the Welfare-to-Work (WTW) voucher program

FAMILY SERVICES TABLE

- The addendum includes a table intended to track the social service needs of program participants.
- The family services table collects information on a family's need for specific services, whether the needs have been met, and if so, what agency provided the services. Services that PHAs should track on each program participant include:
 - Education and training
 - Job search/job placement
 - Job retention
 - Transportation
 - Health services
 - Drug abuse prevention services
 - Mentoring
 - Homeownership
 - IDAs
 - Child care

ESCROW ACCOUNT

- The FSS addendum includes the following information on the escrow account:
 - Current FSS account monthly credit
 - Current FSS account balance
 - FSS account amount distributed to the family as a cumulative amount

EXIT REPORT

- PHAs must complete an exit report for those participants leaving the program. This report includes:
 - Whether the family completed the Contract of Participation
 - Whether the family moved to homeownership
 - The reason for the exit if the family did not complete the program
- FSS 50058 addendums must be electronically submitted at every rent calculation.

ERROR REPORTS

- HUD will issue “error reports” if the information is not completed correctly.
 - FSS coordinators can help other PHA staff by understanding the error reports, making certain that FSS information is readily available, and by making sure that all staff know how to complete the form or screen.
 - Excerpts from the Form HUD-50058 instruction booklet for the addendum and FSS error report explanations are included in the HUD Memos chapter of this book.

ACCURATE FSS ADDENDUM DATA FOR TRACKING, PROGRAM EVALUATION, AND FUNDING

Notice PIH 2010-25

- Notice PIH 2010-25, issued July 7, 2010, states that all HUD-50058 reports must be submitted no later than 60 calendar days from the effective date of any action. FSS reports of all types must also be submitted within 60 days of the effective date of the FSS action reported.

Notice PIH 2016-8

- HUD published Notice PIH 2016-8 after discrepancies were reported between the counts of FSS participants submitted by PHAs into IMS/PIC and separate counts submitted by PHAs based on their own internal records.
- The notice provides information to PHAs on how to improve the accuracy of the FSS information submitted into IMS/PIC, including guidance on:
 - When an FSS addendum must be completed and submitted into IMS/PIC
 - How to overcome challenges in submitting FSS addendums to IMS/PIC
 - How to complete the FSS reporting in IMS/PIC for portability, changes to head of household, and families in the FSS program that are converting to project-based vouchers due to a Rental Assistance Demonstration (RAD) program

- Clarity on portability regulations in the FSS program, including IMS/PIC reporting requirements for FSS families that move under portability
- Examples of best practices used by PHAs to improve the accuracy of FSS information reported to HUD

WHEN AN FSS ADDENDUM MUST BE COMPLETED

- Notice PIH 2016-8 states that PHAs are required to update and include an FSS addendum whenever they submit a 50058 form in connection. In other words, whenever any of the following are completed:
 - New Admission when a family is participating in FSS from another of the PHA's rental assistance programs
 - Annual Reexamination (50058 Action Code 2)
 - Interim Reexamination (50058 Action Code 3)
 - Flat Rent Update (50058 Action Code 12) of a family enrolled in FSS
 - Portability Move-in
 - Portability Move-out
 - End of Participation
- The following table provides a complete list of the 50058 actions that would trigger the requirement for an updated FSS addendum.

ACTIONS REQUIRING SUBMISSION OF FSS ADDENDUM INTO IMS/PIC

#	50058 Action Code
1	Code 1: New Admissions. Ordinarily, a new admission will not already be enrolled in FSS so no FSS Addendum will be required. However, an FSS Addendum will be required when the family is already participating in the FSS program through another of the PHA's programs (e.g., the FSS family moved from the public housing program to the Housing Choice Voucher program). (See Sections 7, 8, and 9 of Notice PIH 2016-8.)
2	Code 2: Annual Reexamination. A FSS progress report is required, regardless of whether the annual reexamination changes the family's monthly FSS credit. (See Section 4.b and 4.c of Notice PIH 2016-8.)
3	Code 3: Interim Reexamination. An FSS progress report is required, regardless of whether the interim examination changes the family's monthly FSS credit. (See Section 4.b and 4.c of Notice PIH 2016-8.)
4	Code 4: Portability Move-In. If the receiving PHA will administer the FSS program, the receiving PHA must submit an FSS Enrollment record that should match the information on the initial PHA's exit record, with the exception of the enrollment date. The effective date of the addendum and the enrollment (initial start) date must be the same. If needed, the receiving PHA will then submit an FSS progress report immediately following the FSS enrollment to reflect further changes (i.e., change in participant goals) as a result of the FSS contract now being administered by the receiving PHA. Using two addendum reports helps clearly identify changes/action taken by the receiving PHA. If the initial PHA will continue to administer the FSS program for the participant, the receiving PHA must submit an FSS progress report. (See Section 6 of Notice PIH 2016-8 for more information.)
5	Code 5: Portability Move-out. If the family will leave the FSS program or the receiving PHA will administer the FSS program, the initial PHA must submit an FSS exit report. If the initial PHA will continue to administer the FSS contract, the initial PHA must submit an FSS progress report. The FSS submission must be made before a portability move-out or portability move-in submission is made. (See Section 6 of Notice PIH 2016-8 for more information.)
6	Code 6: End of Participation. If the family will be exiting the public housing or HCV program and no longer participating in FSS, submit an FSS exit report. An FSS exit report is also needed if the family's continued participation in FSS will be through a multifamily FSS program (e.g., RAD conversion). When a family will continue to participate in a PHA FSS program (e.g., after moving from public housing to an HCV program), submit an FSS progress report instead. The FSS submission must be made prior to the End of Participation submission. (See Sections 7, 8, and 9 of Notice PIH 2016-8.)
7	Code 12: Flat Rent Annual Update. An FSS report is required, regardless of whether the annual reexamination changes the family's monthly FSS credit. (See Section 4.b and 4.c of Notice PIH 2016-8.)

- At submission, all FSS addendum report fields that are applicable to that report type (i.e., enrollment, progress, or exit) must be updated and completed.
- Finally, HUD clarified that PHAs are required to submit an FSS addendum at least annually for every FSS family regardless of whether the annual examination or other 50058 action that requires submission of an FSS addendum has been completed.

HOW TO OVERCOME CHALLENGES IN SUBMITTING FSS ADDENDUMS TO IMS/PIC

FSS Addendum and IMS/PIC Business Rules

- In general, each time a PHA uploads 50058 data into IMS/PIC, the system validates that 50058 record to make certain the record meets basic validity tests or business rules. When this is done, the PHA receives an error report from IMS/PIC. The error report identifies the records containing any:
 - Fatal errors that caused the record to be rejected by IMS/PIC; or
 - Warnings, which means the record was accepted by IMS/PIC.
- However, a warning message indicates that there might be an error in the 50058 that needs to be corrected. A description of the error associated with each record is included with the report.

- In particular, to overcome the challenges in submitting correct FSS data in the FSS addendum, it is important to understand the business rules associated with that FSS Addendum. There are three major IMS/PIC system business rules related to the FSS addendum. These are:
 - Fatal Errors
 - Edit Checks
 - Sequencing
- Notice PIH 2016-8 details each of these business rules and provides instructions on how to correct any PHA errors associated with them. The business rules are given below. The corrections may be found in the HUD Memos portion of this Master Book under Notice PIH 2016-8.

FSS Business Rule: Fatal Errors

- The IMS/PIC system requires that any FSS addendum record contain a valid date in the FSS effective date field (17c) and that the FSS report category field (17b) contain an “E” for enrollment; “P” for progress; or “X” for exit. If these two conditions are not met, the record is marked as a fatal error and is not accepted into IMS/PIC. To correct this error, PHAs simply need to enter a valid and correct date and report type and then re-upload the file into IMS/PIC.

FSS Business Rule: Edit Checks

- To improve FSS reporting in IMS/PIC, the system now includes five new edit checks on FSS addendum information. Four of the five edit checks are warnings, meaning the data is accepted into IMS/PIC. These edits were coded as warnings, however, in the majority of cases, when PHAs receive the warning message, there is in fact an error in that family's 50058 data that needs to be corrected. The following table provides the actual error message shown in IMS/PIC and an explanation of the error message. (For further information see Notice PIH 2016-8 in the HUD Memos chapter of this Master Book.)

ID	IMS/PIC Action	Edit Check
1	Warning	<i>There is no FSS exit report but the enrollment date for the participant was more than seven years ago.</i>
	Explanation: The IMS/PIC system shows an FSS enrollment record for the participant that is over seven years old, which is normally the maximum length the participant can be in the FSS program. (For further information see Notice PIH 2016-8.)	
2	Warning	<i>More than 12 months have passed since the last FSS enrollment or progress report.</i>
	Explanation: As noted above, PHAs need to submit at least one FSS addendum record for each participant at least annually. PHAs who comply with the reporting requirements listed in Section 4 of Notice PIH 2016-8 will normally meet this requirement and avoid this warning message. (For further information see Notice PIH 2016-8.)	
3	Warning	<i>The 50058 record is an end of participation record but there is no FSS exit record.</i>
	Explanation: A 50058 action code 6 “End of Participation” was submitted and accepted into IMS/PIC for an FSS participant but there is no corresponding FSS exit record. While this error is coded as a warning message, the error should be considered a fatal error. The only exception would be an end of participation record for an FSS participant where (1) the family is moving from one assistance program to another program, (2) continuing in the FSS program, and (3) FSS addendums still must be reported in IMS/PIC (such as moving from the public housing program to the Housing Choice Voucher program). (For further information see Notice PIH 2016-8.)	
4	Warning	<i>The 50058 record is a port-out record but there is no FSS exit record.</i>
	Explanation: This warning message will only be received by the initial PHA. When an FSS participant moves to another PHA’s jurisdiction using portability, the participant may leave the FSS program, remain in the initial PHA’s FSS program, or enroll in the receiving PHA’s FSS program. (For further information see Notice PIH 2016-8.)	
5	Fatal Error	<i>There is no FSS enrollment record in IMS/PIC but the PHA is trying to submit a progress or an exit record.</i>
	Explanation: The PHA is trying to upload FSS progress or exit reports into IMS/PIC but the IMS/PIC data does not show that the family was ever enrolled into the FSS program. (For further information see Notice PIH 2016-8.)	

FSS Business Rule: Sequencing of Effective Dates

- The 50058 form for an FSS participant contains two effective dates: 1) the 50058 effective date; and 2) the FSS effective date.

50058 Effective Date

- The overall 50058 effective date (field 2b) is the date that the reported 50058 action becomes effective, not the date that the record was entered into the system. For example, for a new admissions record, the effective date would be the start date of the lease. For an annual reexamination record, the effective date would be the date the new total tenant payment takes effect. This date must be completed for all 50058 submissions, including action code 8 (FSS addendum only).

FSS Addendum Effective Date

- For the FSS addendum, the effective date (field 17c) refers to the date that enrollment started or the date that the participant exited from the program. Effective dates of an FSS progress report are:
 - For FSS progress reports submitted in connection with 50058 action codes 2 (annual reexamination), 3 (interim reexamination), 4 (portability move-in), 5 (portability move-out), and 12 (flat rent annual update), the FSS addendum effective date must be the same as the 50058 effective date.
 - For FSS progress reports submitted to correct incorrect information in a previously submitted FSS addendum, the FSS addendum effective date should reflect the effective date of the corrected progress report, resubmitting using a 50058 action code of 8 (FSS addendum only). A PHA does not need to void the erroneous addendum.

- For any other FSS progress reports, the FSS effective date should reflect the date of the meeting with the FSS participant that generated the updated information included in the progress report.

Sequencing of Effective Dates

- IMS/PIC will only accept a new 50058 record if the new effective date is a later date than the effective date of the 50058 already in IMS/PIC. In other words, a 50058 record that is being submitted must have an effective date that is later than the current 50058 record in IMS/PIC.
- However, the FSS Addendum effective date does not always need to be the same as the 50058 effective date. The IMS/PIC system only compares the order or sequence of the 50058 effective date (field 2b) and does not take into consideration the effective date of the FSS addendum (field 17c).

Limitation for Correcting Certain Errors

- PHAs have an obligation to correct any previously submitted information that is not correct. Incorrect information may result in lower SEMAP scores, improper results in HUD FSS program evaluations, and reductions in funding. Additionally, PHAs must maintain documentation demonstrating compliance with the requirements of IMS/PIC submissions notices and regulations. HUD may request documentation at any time.

- If a PHA needs to correct an enrollment or exit record (for example the initial start date of the contract is incorrect) or if the PHA needs to remove the enrollment or exit record altogether, the PHA generally must void all 50058 submissions for that family starting with the most recently submitted 50058 records and voiding each previous record up to and including the erroneous enrollment or exit record. Once all needed records have been voided, the PHA should then correct and resubmit all the previously voided 50058 records.
- **Note:** The PHA should contact their PIC coaches in their local HUD Field Office before taking action to correct an FSS addendum error using the void and resubmit 50058 records process. Depending on the circumstances, HUD may be able to offer a PHA a less time-consuming means of correcting the errors.

CHANGES TO HEAD OF HOUSEHOLD AND PIC PROCESSING OF FSS ADDENDUM RECORDS

- To change the head of household, PHAs must submit:
 - An exit report for the previous head of household;
 - The 50058 with the new head of household; and
 - An FSS enrollment report for that new head of household if they remain an FSS participant.

ACCURATE REPORTING OF FSS ESCROW BALANCES

Reporting of FSS Escrow Information in Enrollments and Progress Addendums

- For all enrollment and progress FSS addendums, the FSS monthly credit and balance should represent the monthly credit and balance as of the FSS effective date associated with the addendum report.
- When the FSS effective date has been forward dated to coincide with the 50058 effective date (for example, for progress reports submitted in connection with annual and interim reexaminations) the PHA will need to estimate the FSS escrow balance to take into consideration:
 - The current monthly escrow credit;
 - The expected interest accrual; and
 - Any known withdrawals that are not reflected in the current escrow balance.
- The other addendum information that will be submitted, such as the family services table, can reflect the participant's status at the time the addendum is completed.

Reporting of FSS Escrow Information for Participants that Graduate or Exit the FSS Program

- When reporting an exit addendum for a participant that has either graduated from the program or has left the FSS program, the PHA should report:
 - **Current FSS account monthly credit** at zero
 - **Current FSS account balance** at zero (regardless of whether the PHA has disbursed all the escrow the participant has earned at that time)
 - **FSS account amount disbursed to the family (Cumulative as of the end of the reporting period)** at the total amount disbursed under the contract, including any amount yet to be disbursed due to needed processing time needed for contract close-out and accounting
- These reporting requirements will ensure the exit report reflects the final status of the escrow balances and disbursements, notwithstanding any final processing time, and ensure consistency in reporting across PHAs.

Reporting of FSS Escrow for Participants that Port Out or Convert Programs

- When reporting an exit addendum for a participant that will continue the FSS contract under a different PHA (portability) or program (public housing to HCV or vice versa), the PHA should report:
 - **Current FSS account monthly credit** in the amount of the FSS monthly credit as of the effective date of the exit addendum
 - **Current FSS account balance** in the amount of the actual FSS escrow balance as of the effective date of the exit addendum
 - **FSS account amount disbursed to the family (Cumulative as of end of reporting period)** in the amount of the cumulative actual FSS escrow disbursed under the contract as of the effective date of the exit addendum

Effect of PHA's Admissions and Continued Occupancy Policy (ACOP) and HCV Administrative Plan on FSS Escrow

- There are discrepancies in escrow accounts that result from the PHA not adjusting the FSS participant's monthly credit in accordance with the PHA's policies in the ACOP and administrative plan. PHAs must make escrow credits effective the effective date of the rent calculation as detailed in the PHA's ACOP and administrative plan.
- By contrast, if the administrative plan or ACOP requires this income information to be reported as part of an interim reexamination, the family rent and FSS monthly accrual must be recalculated based on the new income information and go into effect as of the effective date of the interim reexamination.

FSS ADDENDUM AND 50058 PROCESSING FOR PORTABILITY

- When an HCV family moves to another PHA's jurisdiction, two 50058 submissions are required:
 - One 50058 submission is from the initial PHA using 50058 action codes 5 Portability–Move-Out
 - One 50058 submission is from the receiving PHA using 50058 action codes 4 Portability–Move-In
- PHAs should not use action code 1 (New Admissions) or 6 (End of Participation), even if the family is absorbed.
- For families participating in FSS, an FSS addendum must be processed by both the initial and the receiving PHA. The initial and receiving PHAs should work closely together to make certain the FSS submissions surrounding the portability action are completed in the required sequence and accurately reflect the contract.
 - The initial PHA must submit an FSS addendum prior to the submission of the portability move-out 50058.
 - The receiving PHA must submit the portability move-in 50058 submission prior to the receiving PHAs FSS addendum.
 - Once the move-out 50058 is processed, the initial PHA will no longer be able to make any updates to the FSS information.
- The following table details (by type of FSS impact) the reporting requirements for an FSS family that moves under portability for which the receiving PHA is managing the FSS contract.

FSS ADDENDUM REQUIREMENTS: RECEIVING PHA MANAGING FSS CONTRACT

Step	Responsible	Event	Type of 50058 / FSS
1	Initial PHA	Family leaves the initial PHA's FSS program via portability	Submission 1– FSS Exit (action code 8)
2	Initial PHA	Family ports out from the initial PHA	Submission 2 – Move-out (action code 5)
3	Receiving PHA	Family ports in to the receiving PHA	Submission 3 – Move-in (action code 4)
4	Receiving PHA	Receiving PHA will administer the family's FSS contract.	Submission 4 – FSS Enrollment (action code 8)
5	Receiving PHA	Immediately following the FSS enrollment update the FSS information, if needed.	Submission 5 – FSS Progress (action code 8) (if needed)

- The following table details (by type of FSS impact) the reporting requirements for an FSS family that moves under portability for which the initial PHA is managing the FSS contract.

**FSS PROCESSING REQUIREMENTS: INITIAL PHA CONTINUES
TO MANAGE FSS CONTRACT**

Step	Responsible	Event	Type of 50058 Submission
1	Initial PHA	Family remains in initial PHA's FSS program via portability	Submission 1 – FSS Exit (action code 8)
2	Initial PHA	Family ports out from the initial PHA	Submission 2 – Move-out (action code 5)
3	Receiving PHA	Family ports in to the receiving PHA	Submission 3 – Move-in (action code 4)
4	Receiving PHA	Initial PHA will continue to administer the family's FSS contract	Submission 4 – FSS Enrollment (action code 8)

- **Note:** The 50058/FSS submissions shown in the table above need to be submitted in the order shown on the table. The one exception is that IMS/PIC will allow the receiving PHA to submit the FSS progress addendum as part of the move-in action (submission 3 in the table above).

Remember:

- If the initial PHA continues to manage the FSS contract, the enrollment (initial start date) and expiration (end date) date will remain the same. All other baseline information included in the FSS contract also remains the same.
- If the receiving PHA will manage the FSS contract, the participant will have entered into a new FSS contract with the receiving PHA, with a new enrollment (initial start date) date. However, the expiration date of the new contract will reflect the same expiration (end date) date as in the initial PHA's contract. All other baseline information included in the FSS contract will remain the same.

ADMISSIONS TO ANOTHER PHA FEDERALLY ASSISTED HOUSING PROGRAM

- When a family converts from one housing subsidy type to another housing subsidy type that is administered by the same PHA and remains in the PHA's FSS program, the 50058 and addendum reporting requirements are the same as outlined in Section 7b (Conversion to HCV Project-Based Program) of Notice PIH 2016-8.

RAD CONVERSION AND IMCS/PIC PROCESSING OF FSS ADDENDUM RECORDS

- At the time of a Rental Assistance Demonstration (RAD) project conversion to a new form of housing assistance (placed under a housing assistance payment contract), there are additional 50058/FSS Addendum reporting requirements. Once the project has left the public housing program and entered the project-based voucher (PBV) or project-based rental assistance (PBRA) program (but before the units have been moved from the public housing stock to PBV or PBRA) the PHA needs to submit (even if the family plans to continue in the FSS program under the new form of assistance):
 - An FSS exit report; and
 - An end of participation record for Public Housing for PBRA; or
 - An FSS progress report for PBV.
- PHAs should ensure that the proper FSS addendum information is present in IMS/PIC prior to the removal transactions being submitted and approved in the Inventory Removals submodule since this will remove the units from the PHA's inventory.

Conversion to the PBV Program

- If the family entered the PBV program under a RAD conversion, the PHA must submit an FSS progress report reflecting the family's progress as of the conversion date and then an end of participation record under public housing.
- Next, the PHA must create a new admission record, followed by an FSS progress record under the HCV program.
- The participant will continue under the same FSS contract and is held harmless due to the conversion. The table below shows the record 50058 submissions and sequencing.

FSS PROCESSING REQUIREMENTS: RAD CONVERSION TO HCV PROJECT-BASED

Sequence	Event	Type of 50058 Submission
1	Family continues in FSS program	Submission 1 – FSS Exit (action code 8)
2	Family converts from public housing to the HCV program	Submission 2 – End of Participation (PH) (action code 6)
3	Family converts from public housing to the HCV program	Submission 3 – New Admissions (HCV) (action code 1)
4	Family continues in FSS program	Submission 4 – FSS Progress (action code 8)

Notes

Section 7 Section 8 Management Assessment Program (SEMAP)

- HUD has several methods of measuring a housing agency's performance in the voucher program.
- The most comprehensive method is the Section 8 Management Assessment Program (SEMAP).

Purpose of SEMAP

24 CFR 985.1(a)

- SEMAP was created to:
 - Objectively measure key areas
 - Identify management's capabilities
 - Improve HUD's risk assessment for each problem area
 - Provide a self-assessment tool for housing agencies

SEMAP Certification, PHA Profile and Score

- Housing authorities must complete a SEMAP self-certification annually for certain SEMAP performance indicators.
- A PHA's initial SEMAP rating is based upon their certification and MTCS data.

24 CFR 985.103

- PHAs are rated as high performers, standard performers, or troubled performers based upon the percentage of points received as a percentage of the total eligible points as follows:
 - 90% to 100% High Performer
 - 60% to 89% Standard
 - 0% to 59% Troubled

FSS and SEMAP

- Examples of these key indicators include:
 - Waiting List Management 15 Points
 - Reasonable Rent 20 Points
 - Housing Quality Control 5 Points
 - Annual Reexaminations 10 Points
 - Family Self-Sufficiency 10 Points

The FSS Key Indicator

24 CFR 985.3(o)

- The FSS Indicator 14 could potentially make the difference between a high performing PHA and a standard or troubled PHA. There are two components of the FSS Indicator:
 - The number of families under an FSS contract. This is determined by the number of FSS families currently under contract as a percentage of the mandatory program size. (Note: this includes “port-outs” that are being administered by a receiving PHA)
 - The number of FSS families with escrow balances. This is determined by taking the number of families with escrow balances (or who have withdrawn money from the escrow account) as a percentage of the number of families enrolled.

24 CFR 985.3(o)(3)

- FSS indicator scoring:
 - 10 Points: 80% or more mandatory slots filled and 30% or more escrowing
 - 8 Points: 60% - 79% mandatory slots filled and 30% escrowing
 - 5 Points: 80% or more slots filled, but less than 30% escrowing
 - 5 Points: Less than 60% slots filled and 30% escrowing
 - 3 Points: 60% to 79% slots filled, but less than 30% escrowing
 - 0 Points: Less than 60% slots filled and less than 30% of the FSS families are escrowing

HCV Guidebook, 23-2

- Keep in mind that if a PHA that is mandated to administer an FSS program elects to operate a larger program, the SEMAP measure of families with escrow accounts will be based on the total number of families participating.

Notes

Section 8 Public Housing Assessment Program

- HUD measures a housing agency's performance in public housing through the comprehensive Public Housing Assessment System (PHAS) created by the 1990 Affordable Housing Act.

PURPOSE OF PHAS

24 CFR 902.1(a)

- The purpose of PHAS is to:
 - Restore the public's trust in public housing
 - Provide objective, standardized measurements of performance
 - Provide a self-assessment tool for housing agencies
 - Determine the condition of public housing stock nationwide
- When met, these standards ensure that housing authorities are providing safe, decent, and sanitary housing that is in good repair, and that residents are afforded economic development and self-sufficiency opportunities.

PHAS CERTIFICATION AND SCORE

FR Notice 2/23/11

- The PHAS Interim Rule, effective March 25, 2011, has modified its scoring system and removed the Resident Service and Satisfaction indicator, of which evaluation of economic self-sufficiency was a part. According to the interim rule, this component should be restored with the issuance of the PHAS final rule.

Notes

Section 9 HUD's Historical Evaluations of the Family Self-Sufficiency Program

- The family self-sufficiency (FSS) program was enacted in 1990 with the goal of helping families in the Housing Choice Voucher (HCV) and public housing programs reduce their reliance on public assistance and gain economic independence. In an effort to see if that goal was, in fact, realistic, HUD commissioned two studies: one in 2000 looking at participation and outcomes from 1996 to 2000 and the other in 2011 covering FSS participation from 2005 to 2009. The results of these studies can serve to both inform and shape PHAs' design of the FSS program and their services to families in the FSS program now and in the future.

1996 to 2000 Evaluation of the Family Self-Sufficiency Program: Retrospective Analysis

- The 1996 to 2000 study looked at the levels of education, employment, earnings, and assets among FSS participants, as well as the change in their level of economic self-sufficiency. The study looked at 1,400 PHAs that managed FSS programs for 52,350 actively enrolled families.
- The retrospective FSS study was designed to:
 - Provide a description of "usual" FSS program participants, including their demographic characteristics, education level, employment, and service needs
 - Give a picture of the program size and scope nationwide, including operations, partnerships, services provided, and innovative practices
 - Detail FSS program outcomes, including changes in education, employment, and sources and amounts of income

Section 9: HUD's Historical Evaluations of the Family Self-Sufficiency Program

- Compare FSS participant families with similar HCV families not enrolled in FSS programs
- The findings from the study paint the profile of FSS participants as:
 - Single mothers between the ages of 25 and 44.
 - Mostly white and African-American.
 - Having an annual median income from all sources of \$12,000.
 - Two-thirds had income from wages, however only half were employed.
 - Most had graduated from high school, yet education and training constituted the greatest service need.
- Findings from both the MTCS data and site visits also indicated that FSS program size and scope varied, depending on the creativity and enabling environments of the PHAs operating the local programs. Specifically:
 - The number of FSS programs and tenants was driven by the mandatory enrollment requirements that accompanied any additional HCV and public housing units that PHAs received between 1993 and 1998.
 - However, by the time of the study only about half of HCV programs, and very few public housing programs, had a mandatory requirement, and many of those were small.
 - Extensive use of PHA partnerships with other community agencies provided most of the services FSS participants received.
 - Many PHAs developed beyond the minimum requirements; some PHAs secured additional funds from state and local sources for service coordinators and job developers.

Section 9: HUD's Historical Evaluations of the Family Self-Sufficiency Program

- Several PHAs created separate social service units within the housing authority, combining multiple supportive services and funds (FSS, welfare-to-work, and service coordinators for the elderly and people with disabilities, and other service programs).
- Findings from the study also show that FSS participants experienced increased levels of financial success. The results of this controlled study confirmed higher income increases for FSS participants than those experienced by HCV-only families:
 - FSS participants had a 72 percent median income increase from \$6,936 to \$11,960.
 - FSS participants employment earnings increased from 51 percent to 74 percent.
 - FSS participants who were receiving TANF/AFDC benefits at the time of enrollment had an extremely large increase in median income: more than double.
 - FSS participants completing their contracts had a median escrow account disbursement of \$3,351.
 - FSS participants used their escrow account funds for many self-sufficiency purposes, including college tuition and down payments on a home.

- As a result of this early study, HUD concluded that through efforts like SEMAP assessments, HUD could raise both FSS participation levels and compliance with the FSS mandates. The voluntary enrollments showed that FSS participation wasn't happening simply because it was required. FSS was vastly underutilized and if it were at full capacity, many more PHAs and participants would realize the financial benefits of coordinated community services, support from service coordinators, and increases in economic self-sufficiency.

2011 Evaluation of the Family Self-Sufficiency Program: Prospective Study

- The second evaluation of the FSS program—The Evaluation of the Family Self-Sufficiency Program: Prospective Study—presented the results of a study of the FSS program for families that use HCVs. The study looked at which program features and family characteristics lead to a family's successful completion of the FSS program. This report also included a description of FSS policies and practices in a select group of 100 PHAs.
- The evaluation in the Prospective Study focused on the characteristics of participants, the nature of the FSS programs that PHAs operated, participant outcomes four years on, and the program features associated with successful outcomes.
- Service coordinators provided information about a family's employment status, household income, progress in achieving FSS goals, escrow account, and services received through FSS annually. Administrative data from HUD's Public and Indian Housing Information Center (PIC) system were also collected annually to monitor changes over time.

- This second prospective evaluation of the FSS program offered confirmation of many of the insights found in the first retrospective study regarding the characteristics of the FSS participants and the nature of FSS programs, in addition to describing the conditions most likely to lead to success for both the participant and the program.
- In terms of participants, after four years in the FSS program, 24 percent completed program requirements and graduated from FSS, 37 percent had left the program without graduating, and 39 percent were still enrolled in FSS.
 - The average participant was 34 years old and female, with an annual income of \$16,030 at enrollment.
 - Most participants, 71 percent, were working when they joined the FSS program.
 - Most participants completed less than a high school education at enrollment, but a large portion had completed some college or had graduated from college.
- Graduates of the program were more likely to be employed than those participants who were still enrolled. They also had higher incomes than participants, both when they enrolled in FSS and when they completed the program.

Section 9: HUD's Historical Evaluations of the Family Self-Sufficiency Program

- In terms of the nature of FSS programs, FSS service coordinators play a significant role as PHA staff. They conducted needs assessments, developed the Individual Training and Services Plan (ITSP), and referred participants to other providers to receive education, employment assistance, counseling, childcare, and other supportive services. In many FSS programs, PHA staff also provide homeownership counseling and financial literacy training. In most programs, PHA staff provide training and information about the escrow account.
- Other useful information on program design was revealed in this second study:
 - Programs had a median of 153 participants in the FSS program.
 - More than 60 percent of the programs had been operated for at least 10 years.
 - One half of the coordinators expected their programs to grow during the coming year.
 - One half of the coordinators said their programs were operating at full capacity.
- At the end of the study period, approximately four years after enrolling in FSS, 24 percent of FSS participants had graduated from the program and received their escrow, 39 percent were still enrolled in the FSS program, and 37 percent of participants left the program before graduating, forfeiting their escrow.

Program Features Associated with Successful Outcomes for FSS Participants and Programs

- This second study points to both the indicators and predictors of FSS success as education, employment, and effective services. While these data may appear obvious, planning and designing partnerships and services to provide these essential supports should improve a family self-sufficiency program's success as well. These are the specific data:
 - Being employed and having a high school diploma at enrollment help to predict successful completion of the FSS program.
 - Participants still enrolled in the FSS program had larger households, more dependents, fewer years of education, and fewer years of employment than those who had graduated.
 - Staying employed and increasing incomes helped graduates accumulate escrow balances in excess of \$5,000 by the time they graduated.

2012 The Family Self-Sufficiency Program Demonstration

- In March 2012, HUD commissioned MDRC (formerly Manpower Demonstration Research Corporation) to conduct a national evaluation of FSS, building on MDRC's New York City Work Rewards project, the first random assignment test of an FSS program. The national evaluation, completed in 2017, will provide additional evidence on the effectiveness of a variety of FSS programs across a diverse set of cities and local contexts.

2017 Family Self Sufficiency Program Evaluation

- Manpower Demonstration Research Corporation (MDRC) is conducting a long-term study on the effectiveness of the FSS program. HUD engaged MDRC to conduct the research due to the absence of rigorous evidence available about the FSS program's effectiveness in improving the economic well-being of its participants. The study began in 2012 with 18 PHAs in seven states. Research will continue and is expected to provide evidence-based analysis of the FSS program's outcomes.
- Using a randomized controlled trial, the national FSS evaluation examines whether the FSS program increases participants' education or training, employment, earnings, receipt of housing assistance, and financial well-being and compares the outcomes of individuals who are randomly assigned to two groups—an FSS group and a control group from HCV program. Differences between the two groups' outcomes represent the program's impacts.
- The following facts have emerged from the first portion of the study:
 - 95 percent of the FSS participants enrolled in the FSS program due to an interest in financial counseling and service coordination.
 - 70 percent enrolled for job-related services.
 - 11 percent cited their reason for enrollment as education or vocational training
 - 91 percent were female with an average age of 39 years
 - 76 percent of households have a minor child present, 12 or younger.
 - 70 percent received Supplemental Nutrition Assistance Program (SNAP), or food stamps

Section 9: HUD's Historical Evaluations of the Family Self-Sufficiency Program

- 70 percent with income equal to 130 percent of the federal poverty level or less
- 54 percent had received housing assistance for 6 years or less
- 33 percent reported receiving housing vouchers for 10 years or more
- 14 percent lacked a high school diploma or equivalency certificate at the time of enrollment
- 56 percent were working at study enrollment

Access to Services

- The study shows that the FSS program led to a moderate overall increase in access to services above the control group level of 13 percentage points.
- The program had much larger effects on the use of particular services, with differences between the research groups exceeding 20 percentage points in the domains of a job search or post-employment services, financial counseling, and homeownership preparation.

Escrow Accrual

- By month 18, about 38 percent of the FSS group had accrued some escrow. Participants with an escrow balance had an average of \$1,500 accrued in their accounts.
- Most FSS sample members with an escrow balance in month 18 started accruing escrow toward the end of Year 1 after they enrolled in the program and continued accruing credits during five to six additional months (so far).
- Those participants who were working part-time or who had low annual earnings at study entry were more likely to accrue escrow credits.

Overall Output and Outcome Data

- It is unclear whether the program has any positive effects on work outcomes in the first two years of program engagement.
- In the first two years of follow-up, the FSS program did not increase overall employment or average earnings.
- Participation in the program, however, led to a small shift from part-time to full-time employment.
- During two years of follow-up, both FSS and control group members averaged around \$26,000 in earnings, or around \$13,000 per year.
- No statistically significant differences occurred in average quarterly employment or average total earnings between the FSS and control groups.

Analysis of the 18-Month Survey

- Responses provide no evidence that FSS participants were more likely than the control group to have been employed at any point in the first 18 months following random assignment.
 - Survey responses suggest that the program may have led to a shift from part-time to full-time employment. FSS group members were four percentage points more likely to report that they were currently employed full-time.
 - FSS program may help the most-disadvantaged participants (on SSI or SSDI) to improve their employment and earnings outcomes compared with the control group.
 - No statistically significant effects on housing subsidy receipt or amount were observed in the 18-month follow-up period.

Section 9: HUD's Historical Evaluations of the Family Self-Sufficiency Program

- 90 percent of each research group continued to receive HCV assistance in month 18 of follow-up, and both groups averaged about \$720 in housing subsidies for rent and utilities.
- In general, whether FSS succeeds in promoting work and financial security will depend on:
 - How participants continue to engage with the program
 - The extent to which they receive steady services to support long-term self-sufficiency goals
 - The extent to which escrow serves as enough of a financial incentive to encourage participants to find, sustain, or increase employment, earnings, or both
- Future analyses will consider whether PHA strategies for keeping participants engaged in FSS and focused on their long-term goals, is associated with differences in the magnitude of program effects on service use, employment and earnings, and housing assistance.

HUD's BEST KEPT SECRET – FSS

- In May 2001, the Center on Budget and Policy Priorities issued a report about the FSS program, entitled “HUD’s Best-Kept Secret for Promoting Employment and Asset Growth.” This report emphasized that the FSS program helped build assets and self-sufficiency among housing-assisted families.
- In 2004 and 2011, HUD posted additional evaluations of the Family Self Sufficiency program.
 - Copies of the report and executive summaries of these documents can be found on the HUD Memos site referenced in Chapter 8.

Notes

CHAPTER 6 SERVICE COORDINATION

Section 1 Definitions

- As human services and service coordination have matured, the terms *service coordination*, *motivational interviewing*, *coaching*, and *clinical social work* in social services work, have become more elusive. The following definitions help to sort through some of the confusion.

MIT Human Resources Leading Articles

- *Coaching* is a form of skill building in which an experienced person, called a coach, supports a participant in achieving a specific personal or professional goal by providing training and guidance.

National Association of Social Workers

- *Clinical social work* means a specialty practice area of social work which focuses on the assessment, diagnosis, treatment, and prevention, usually, of mental illness.

Miller and Rollnick (2013). Motivational Interviewing: Helping People Change.

- *Motivational interviewing* means a person-centered decision making style that assists participants with ambivalence about change. Reflective listening—engaging, focusing, evoking, and planning—is a core strategy that is designed to help participants strengthen their motivation and commit to change.
 - Motivational interviewing was developed to assist individuals with substance abuse and other health issues to change their risk behaviors.

Section 1: Definitions

Tonelli and Sullivan (2019). Person-Centered Shared Decision Making.

- *Person-centered decision making* is focused on the participant's choices based on their values, beliefs, and preferences. The service provider is responsible for helping the participant to clarify all decision options. Person-centered decision making is a collaboration that allows the participant to answer the question "What should I do?" by assisting the participant in comparing their values to the available alternatives. The participant then "tests" an alternative in the supportive environment of the service coordination relationship.

*Administering an Effective Family Self-Sufficiency Program:
A Guidebook Based on Evidence and Promising Practices*

- *Service coordination* means managing and providing access to necessary supportive services in the community while providing assessment, goal setting, resource development and referral, monitoring progress and ensuring quality services, and completing individual participation in services. Person-centered decision making is a primary communication technique in service coordination.
 - Differences amongst service coordinators, social workers, and clinical social workers' roles involve licensure and the services each can legally provide.
 - Service coordinators can conduct informal assessments and connect participants with community services and resources.
 - Social workers, by virtue of their specialized education, can counsel clients and connect them with community and resources.
 - Clinical social workers must hold state licensure, and can diagnose patients, provide psychotherapy and treatment, and may connect participants with community and resources.

Section 2 Duties and Tasks of the Service Coordinator

THE ROLE OF THE FSS SERVICE COORDINATOR

- HUD uses the terms *FSS program coordinator* and *FSS coordinator* interchangeably. In order to fully understand the duties and roles accomplished in FSS, it is important to make a distinction between the two terms. HUD does this in the FSS regulation at 24 CFR 984.301(b) stating:
 - “A PHA may employ appropriate staff, including a service coordinator or FSS program coordinator to administer its FSS program, and may contract with an appropriate organization to establish and administer all or part of the FSS program, including the FSS escrow account, as provided by 24 CFR 984.305.”
- PHAs may, and do, “name” staff positions whatever is in their personnel policy. These job titles are not regulated by HUD. It is important for understanding to describe the difference in responsibilities between an FSS Program Coordinator and an FSS Coordinator as HUD has done in the regulation.
 - The *FSS program coordinator* is the person who administers and manages the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; establishing and maintaining escrow accounts; collaborating with the community and service partners; and tracking program performance.
 - The *FSS service coordinator* is the person who works with FSS families. This may include assessment; goal setting; referrals; advocacy, case management and coaching of FSS participants; and conferring with the community and service partners for consultation regarding an FSS participant.

Section 2: Duties and Tasks of the Service Coordinator

- In smaller FSS programs one person may provide all of the tasks of the FSS program coordinator and FSS service coordinator.
- Whether the FSS program functions are accomplished by the FSS program coordinator, the FSS service coordinator, the PHA, property management, or another qualified entity, the role of the FSS program coordination is the same: to make certain that initial design and start up as well as ongoing services are in place and successful. These responsibilities may include:
 - Conducting program outreach, relationship management with other FSS program staff, developing and managing the PCC, designing, and implementing the escrow process, determining and maintaining the service coordination procedures, and submitting performance reports to HUD.
 - Securing partnerships with service providers in the community and linking program participants to the specific supportive services they need to achieve self-sufficiency.
 - Monitoring the progress of participants and evaluating the overall success of the program.
 - Ensuring that FSS escrow accounts are established and properly maintained.
 - Conducting file audits and issuing escrow funds to participants as needed.

Section 2: Duties and Tasks of the Service Coordinator

- Whether the FSS coordinator functions are accomplished by the FSS service coordinator, the FSS program coordinator, the PHA, the property management, or another qualified entity, the role of the FSS service coordination is the same: to make certain that the participating FSS family receives consistent, high quality support in their efforts toward economic self-sufficiency. These responsibilities may include:
 - Conducting informal assessments of a participant's strengths and challenges.
 - Preparing an Individual Training and Services Plan (ITSP) for the head of the FSS family and each adult member of the family who elects to participate in the FSS program.
 - Ensuring that the services included in the participating family's CoP are provided on a regular, ongoing, and satisfactory basis.
 - Working with participants to help them achieve their goals in their ITSPs.
 - Providing ongoing support, resources, and service coordination as needed.

Section 2: Duties and Tasks of the Service Coordinator

Notes

Section 3 Characteristics of Effective Service Coordinators

- Service coordinators assist the participant in accessing needed services and resources to overcome challenges to achieve agreed-upon goals. Effective service coordination is key to the overall success of the FSS program.
- There is no fail-safe formula for the perfect service coordinator, and there are differences in service coordination across disciplines. There are certain generic characteristics that highly effective service coordinators have in common. They are knowledge, skill, willingness, and a helping personality.

KNOWLEDGE (GENERAL AND PROGRAM-SPECIFIC)

- Knowledge of self
- Knowledge of personal and professional boundaries
- Knowledge of people, relationships, and family systems
- Knowledge of service coordination methods and protocols
- Knowledge of FSS regulations and PHA policy
- Knowledge of community systems, resources, and how they interrelate
- Knowledge of viable career paths, their skill or educational prerequisites, and their income potential
- Knowledge of the local job market and area employers

Section 3: Characteristics of Effective Service Coordinators

SKILLS

- The primary skill in service coordination is communication—in all of its forms.
- Non-verbal skills
 - Body language skills
 - Listening skills
 - Writing skills
- Verbal skills
 - Interviewing skills
 - Negotiation skills
 - Collaboration skills
- Organizational and planning skills
- Analytical skills

WILLINGNESS

- Service coordinators, to be effective, must consistently and genuinely demonstrate a willingness to be of help. This includes:
 - To serve others
 - To be an advocate
 - To strive for objectivity

A HELPING PERSONALITY

- The typical characteristics of the helping personality are:
 - Self-Concept
 - Belief in people
 - Self-Awareness
 - Concreteness
 - Respect and positive regard
 - Congruence
 - Empathy
- We will discuss these characteristics further in the section that follows.

Section 3: Characteristics of Effective Service Coordinators

Notes

Section 4 The Helping Personality and Helping Interview

THE HELPING PERSONALITY

- The helping personality is the helper's beliefs and attitudes that they bring to the relationship in helping. A certain set of beliefs prepare someone to excel at any one of the helping professions. The general characteristics of the helping personality are:
 - **Self-concept.** Effective helpers feel personally adequate rather than inadequate, and identify with others, rather than feel isolated.
 - **Belief in people.** Effective helpers view people as being able rather than unable, and worthy rather than unworthy.
 - **Self-awareness.** Helpers are aware of their own values and feelings; of the use (and power) of their ability to function as models for participants.
 - **Concreteness.** Helpers respond accurately, clearly, specifically, and immediately to participants.
 - **Respect and positive regard.** Helpers communicate acceptance of participants as worthwhile people, regardless of who they are.
 - **Congruence.** Effective helpers practice what they preach.
 - **Empathy.** Effective helpers communicate understanding of the participant's frames of reference. They try to feel and understand the participant's concerns from the participant's point of view.

Section 4: The Helping Personality and Helping Interview

THE HELPING INTERVIEW

- There are stark differences between an interview with a housing participant to determine eligibility, portion of rent, or violations of the lease on the one hand, and an interview with a housing participant in FSS to determine their goals toward self-sufficiency on the other. The main differences between the housing interview versus the helping interview follow.

Housing Interview

- The interviewer seeks information; it is a research interview.
 - Information and eligibility criteria are the focus.
 - The goal is to get complete and accurate information to determine eligibility and the level of benefits.

Helping Interview

- The interviewer seeks information and gives clarity, alternatives, and resources.
 - The interviewee is the focus.
 - The interviewer gives feedback, clarification of participant's feelings, situation, strengths, challenges, values, and goals.
 - This enables the interviewee to recognize, feel, decide, choose, plan, and change.
 - The goal is to determine strengths, needs, obstacles, and goals to link the family with appropriate services and resources.

THE HELPING-INTERVIEW APPROACH

- The helping-interview approach is the underlying way of looking at the relationship in the helping. The relationship that is the most likely to be successful is one that establishes trust, is equal, and is dignified. These attributes are the core of the connection between participant and service coordinator. The basic approach in the helping interview is:
 - Put the person at ease.
 - Make the interview environment “safe.”
 - Focus on feelings in their situation, what is important to them, what they need from the situation, and what their goals are, during the conversation.
 - Summarize reasonable points and reflect to the participant what you have heard.
 - Involve the participant in determining what is important to them in the situation and what challenges must be overcome to accomplish goals and objectives.
 - Clarify their point of view and values.
 - Note things that the participant may have already accomplished and build on them.
 - Enlist the participant’s help in formulating the plan.
 - Ensure every alternative is considered.
 - Talk about what you will do, as well as what the participant will do.
 - Establish clear agreement on how you and the participant will communicate during the contract, including methods and intervals.

Section 4: The Helping Personality and Helping Interview

Steps in the Helping-Interview

- The attributes of helping personality, the helping interview, and the helping interview approach all set the stage for an interview, and a style of communication that places the participant at the center of the conversation while allowing them to make the decisions about key areas of their lives. To vitalize this decision making, put all of the above attributes into play while moving through the following phases in decision making.
- Exploration. Explore the entire situation by:
 - Maintaining open body language.
 - Having an even, calm voice tone.
 - Repeating back to them what they say they are feeling in their situation.
 - Expressing empathy.
- Definition. Clarify the central concern by:
 - Continuing all of the above.
 - Repeating back to them any strengths, challenges, values, or goals they are expressing until they become clearer.
 - Summarizing all of the above.
- Action. Consider all alternatives by:
 - Asking them what they have thought about doing in the situation.
 - Considering all of the possible alternatives.
 - Clarifying the pros and cons of each alternative.
 - Choosing one to try.
 - Developing a plan.
 - Agreeing on follow-up.

Section 4: The Helping Personality and Helping Interview

Six Crucial Needs of the Participant

- To be treated as an individual.
- To be able to express feelings and opinions.
- To get an empathic response to challenges.
- To be recognized as a person of worth.
- To be accepted as-is and not be judged.
- To be a partner in choices and decisions.

THINGS TO AVOID IN THE HELPING INTERVIEW

- Making statements such as, “Pull yourself together,” “Cheer up,” or “You shouldn’t feel that way.” (If the participant could always solve the problem independently, and feel better in the process, then they would not need your help.)
- Using sarcasm or criticism to motivate the participant.
- Giving commands instead of alternatives.
- Making judgments. “You never...” “You always...”
Do not use absolutes.
- Saying, “I know how you feel.” Better to tell them what you hear, “Sounds like you are concerned about doing something different.”

Section 4: The Helping Personality and Helping Interview

- Pretending to understand. Say “I understand” only when you do. If you do not, then ask for clarification.
- Enforcing your timetable. Progress seldom follows a straight line and on your timetable. Do not project your abilities or skills to the participant.
- Allowing excessive dependency. It is one thing to allow a participant to benefit from your empathy, clarification, knowledge, and experiences, and another to make decisions for the participant.

Section 5 Communication and Relationships in Service Coordination

A Comprehensive Insight Into Case Management Models, February 2021

- There are different models of service coordination. The four described here are the four most critical. Each can be adapted and adjusted to fit the diverse situations and achieve effective results in a variety of settings. The PHA needs to identify the model that best suits the focus of their program. The key issues in the decision are the depth of service the PHA wants and needs to provide to meet the goals of the FSS program, whether to have the participant or the PHA lead the decision making, and the education and licensure status of the individuals providing the service coordination. Consider the following models.

SERVICE COORDINATION AS COACHING

Passmore (2016). Excellence in Coaching: The Industry Guide.

- *Coaching* means development of a skill in which an experienced person, called a coach, supports a learner or participant in achieving a specific personal or professional goal.

SERVICE COORDINATION AS REFERRALS

- *Referral service coordination* is the most straightforward and stresses evaluating needs, referring to services, and coordinating and supervising an ongoing plan.
 - In referral service coordination, the services are often office-based with the actual services offered by a number of agencies and services.
 - The participants are given responsibility for their approach and time of using the resources once they have been informed about the services.

Section 5: Communication and Relationships in Service Coordination

- Service coordinators in referral service coordination do not get as involved with the participant as they would in other services. Most of their time is spent organizing a smooth flow of services.
- The referral service coordination has the advantage of giving the participants higher levels of freedom and permits the service coordinator to assist more participants.
- Referral service coordination services are not considered ideal for some complex situations where the service coordinator and participant need more time to create a trusting relationship, self-awareness for the participant, and to stabilize the circumstances.
- This service places little emphasis on monitoring and evaluation of results. Many participants choose and benefit from other types of service coordination.

SERVICE COORDINATION AS PERSON-CENTERED DECISION MAKING

- In *person-centered decision making* service coordination, the focus is built on the strengths of a participant. The service coordinator shares responsibility with the participant to identify and analyze their particular strengths. These strengths are then emphasized in crafting a plan with the participant.
- Person-centered decision making services have a very good success rate because they are built on the participant's personal needs, goals, and values—what is important to them. These needs, goals, and values form the core of every step of the plan. This is not a “one-size-fits-all” plan. Instead, it is created fit the individual perfectly.

Section 5: Communication and Relationships in Service Coordination

- Person-centered decision making service coordination goes beyond accessing and referring to services; it focuses on demonstrating to the participant that much of what they believe and do has been positive; it allows them to believe that what they do makes a difference in their lives and the lives of their families.
 - These services provide opportunities for growth, education, skill development, and individual decision making.
 - Since the person-centered decision making services focus on a participant's strengths, care must be taken not to ignore a participant's challenges, thus missing an opportunity to provide a safety net for when these present themselves.

SERVICE COORDINATION AS MOTIVATIONAL INTERVIEWING

Motivational Interviewing

Department of Psychology, University of New Mexico

- Motivational interviewing (MI) is a participant-centered, directive style of communication that helps participants explore and resolve the uncertainty they have about changing the circumstances in their life. An outgrowth of the person-centered approach, MI highlights the participant's own motivations for change.
 - MI developed as a way to help people work through uncertainty and commit to change. MI combines a supportive and empathic communication style with a directive method for resolving indecision in the direction of change.
 - MI explores the participant's own arguments for change, identifies "change talk" (language describing the participant's desire, ability, reasons, and need for change), and responds with reflective listening.
 - Participants hear themselves explaining their own motivations for change and hear them reflected again by the service coordinator. The service coordinator occasionally summarizes the change talk of the participant and strengthens the participant's commitment to change.
- MI is normally brief, provided in one to two meetings as the sole topic, or provided as an introduction to other person-centered decision making conversations.
- Service coordinators occasionally expect to learn MI tools for pointing participants to the decision the coordinator or program wants them to make.

Section 5: Communication and Relationships in Service Coordination

- MI differs from person-centered decision making in its emphasis on changing behavior and an underlying assumption that not changing is not good.
 - This works if there is a strong desire to change, which may be the participant's own desires, the coordinator's perspective or goals, or from the goals of the program in which the service coordination occurs.
 - Ethical dilemmas can arise when service coordinators and participants disagree on what the problem is and what needs to change.

SERVICE COORDINATION AS COACHING

MIT Human Resources Leading Articles

- Coaching is a form of skill building in which an experienced person, called a coach, supports a participant in achieving a specific personal or professional goal by providing training and guidance.
- Coaching assumes that:
 - Participants want to succeed.
 - Participants can contribute ideas on how and what should be done to proceed.
 - Participants will work hard to achieve goals that they have played a role in developing.
 - Participants are open to learning if they recognize the value to them of improving, success in caring for themselves and their family, and their work in their future.
- These assumptions are the basis for the trust in the coaching relationships. Research demonstrates that when a service coordinator uses these assumptions, participants respond positively, and identify or learn skills and resources to accomplish their goals.

Section 5: Communication and Relationships in Service Coordination

- The coaching role involves:
 - Providing direction by clarifying the goals of the program and where those goals coincide with the participant's goals, then emphasizing priorities, providing technical direction, and establishing commitments from the participant;
 - Improving performance by assessing the participant's current capabilities, providing feedback, helping the participants to identify what is needed to succeed, and creating opportunities to fill those gaps;
 - Opening up possibilities by asking the right questions, challenging the participant's thinking, offering new options, supplying additional information that expands the participant's understanding, and providing interpretation of a situation; and
 - Removing obstacles by providing additional resources as well as describing and clarifying barriers.

CLINICAL SERVICES IN SERVICE COORDINATION

*A Comprehensive Insight Into Case Management Models,
February 2021*

- The clinical coordination service came from a need for service coordinators to provide additional services, such as therapies, from many professional backgrounds: educational, vocational, rehabilitation, crisis intervention, and mental health.
- A service coordinator with this extent of training and experience is well aware of the participant's range of needs, has an increased level of understanding that improves their capacity to identify required services, and links the participant with formal resources in the form of community service providers.
- The “clinical” service coordinators are more involved with the participants; they are able to assess the gaps and identify areas of improvement in their plans. Often, participants feel more motivated and supported, which makes the plan more successful.
- While this type of service coordination has benefits, it is almost never employed in the “housing” FSS program.
- Clinical work is not the focus of housing or FSS. The program is intended to use community or mainstream services as referrals to clinicians when beneficial.
- In addition, these services are expensive and often require professional licensure and/or professional supervision.

Section 5: Communication and Relationships in Service Coordination

Notes

Section 6 ITSP Planning in Service Coordination

- Planning in an individual's life or in the life span of an organization is an often overlooked essential.
 - Having a written plan is the single greatest indication that someone or some program will achieve the goal. While there is no assurance that with a written plan the goal will be reached, there is a far greater chance of this with a plan.
 - Planning provides a guide and reminder of the next steps when circumstances change or become confusing. A plan will be a reminder of what has already been accomplished and what additional steps are needed. A plan also allows for the involvement of others with easy explanations of the steps in achieving the goal.
- In self-sufficiency programming, the written plan for economic self-sufficiency holds this same essential position: the written road map for successful completion of the program and achieving one's goals. This plan allows the participant and the service coordinator to monitor progress and to make any necessary changes. In the FSS program, the Individual Training and Service Plan is a HUD-required document.

**Family Self-Sufficiency Program
Individual Training and Services Plan**

Attachment _____

Name of Participant _____

Final Goal

Interim Goal Number _____

Date Accomplished _____

Activities/Services

Responsible Parties

Date/s

Comments

Signatures:

Family

(Participant)

(Date Signed)

Housing Agency

(Signature of PHA/Owner Representative)

(Date Signed Title)

**Family Self-Sufficiency Program
Individual Training and Services Plan**

Attachment _____

Name of Participant _____

Final Goal

Interim Goal Number _____

Date Accomplished _____

Activities/Services

Responsible Parties

Date/s

Comments

Section 6: ITSP Planning in Service Coordination

SERVICE COORDINATION PROCESS

- To effectively develop and manage Individual Training and Service Plans, self-sufficiency service coordinators/case managers:
 - **Intake** - Conduct intake interviews.
 - **Assessment** - Assess the skills, abilities, needs, and resources of families.
 - **Goal Setting** - Identify realistic goals and develop the tasks and milestones to accomplish goals.
 - **Resources and Referrals** - Identify and coordinate resources and services needed by the family.
 - **Monitoring** - Monitor and document the family's progress to goals in the ITSPs.
 - **Completion** - Complete and transition the relationships of the FSS participants.
- These steps become an ongoing process that guide and define the relationship between the participant and the service coordinator/case manager while the Contract of Participation is effective.

INTAKE: TAKING HISTORY AND CURRENT CIRCUMSTANCES

- Conducting an intake interview is the first formal exchange between a participant and service coordinator or case manager.
- The intake interview includes gathering and documenting information about the participants':
 - Demographics, such as age, family composition, ethnicity, income, and source
 - History, such as education, employment, training, and wages
- Data from the intake interview becomes the baseline from which the participant, service coordinator or case manager, and program progress is monitored and evaluated.
- In addition to identifying data, it is also important to gather information about the participant's current life setting, family history, and personal history.
- Important information can include medical (only information the participant chooses to share and keeping in mind that HUD-funded programs may not have records of the nature or extent of the disability of a housing participant), educational, vocational, or military experience.

ASSESSMENT: ASSESSING STRENGTH AND NEEDS

- Comprehensive assessments with a participant completely and accurately describe the families' current and past:
 - Interests
 - Knowledge, skills, and abilities
 - Education and training
 - Employment
 - Earning ability
 - Childcare
 - Transportation
 - Medical, mental health, family planning
 - Substance abuse
 - Support systems
 - Social and recreational

Path to Self-Sufficiency →

Where the Family Is Now → How They Will Get There → Where Family Wants to Be

- Accurate, comprehensive needs assessments will fully describe:
 - Where the family is now in each of these areas
 - Where the family wants and needs to go in each of these areas
 - How the family will get there and what resources they will use in each of these areas

Using Existing Assessment Information

- There is no mandate for a service coordinator or case manager, or a program, to complete (or repeat) all of these assessments. To gather information, service coordinator/case managers can use:
 - The family's own description
 - Existing assessments or information (with the family's permission) from:
 - Educators
 - Employment services
 - Medical personnel
 - Social services
 - Emergency services
 - Support systems
 - Newly completed assessments:
 - Education plans
 - Vocational assessments
 - Medical or mental health assessments
- Using existing specific or general assessment information saves both the participant and the service coordinator or case manager time and energy.

Using Prepared Assessments

Informal Assessments

- Informal assessments give information about a participant through less structured activities than formal assessments and standardized tests.
- These assessments help the participant and the service coordinator or case manager to understand the participant's current and past situation, resources, and strategies for meeting goals.
 - They are beneficial because they directly involve the participant in a way that makes it easy for them to get insight into themselves.
 - Informal assessments are useful for service coordinators and case managers whether or not they have formal assessment training.
- Informal assessments can present concerns for service coordinators and case managers when:
 - They are very subjective.
 - They require time to develop and may be inaccurate.
 - They require explanation and attention to interpret.
 - They should be combined with standardized testing.

- Since assessment can have positive and negative effects on participants, it is important to use care and sensitivity during the assessment portion of the service coordination relationship. For example:
 - If assessments are not well done, participants can feel anxious, interrogated, and vulnerable.
 - If assessments are well done, participants will feel understood, relieved, hopeful, and motivated.

Family Matrix

- The Family Matrix was developed in California for use in a self-sufficiency program funded by the Department of Health and Human Services. The program's goal was to prepare homeless families for permanent housing and self-sufficiency.
- The matrix shows the characteristics of crisis, at risk, stable, self-sufficient, and thriving families in twelve different life areas ranging from housing and transportation to social and emotional health and competence.
- o The service coordinator or case manager gathers information from the participants about their current circumstances. Using this information, both the participant and the service coordinator or case manager are able to "plot" the participant's current status in each category.
 - For example, a participant with no health care who has an immediate need for care is in "crisis" in the health category. The "at risk" and "stable" status levels for health will note what actions or resources are needed for the participant to improve their status and therefore improve their life circumstances.

Section 6: ITSP Planning in Service Coordination

- The family matrix includes assessment and accomplishment status on employment, adult education, and development, as well as children's education. In this way, the matrix is both an assessment and a planning tool for family and employment needs and goals.

Strong Beginnings Program: Family Matrix Part 1

Status Level	Shelter	Food & Nutrition	Transportation & Mobility	Health & Safety	Social & Emotional Health & Competence
Benchmarks	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria
Thriving	<ul style="list-style-type: none"> ♦ Living in housing of choice ♦ Spends less than 40% of income on housing rent or mortgage ♦ Has adequate housing space and rooms for family size ♦ Feels safe and secure in home and neighborhood ♦ Takes measures to maintain household in a safe and livable condition ♦ Owns property or has maintained tenancy for more than one year 	<ul style="list-style-type: none"> ♦ Can afford a variety of healthy and nutritious foods ♦ Has appliances and utensils to prepare food in a variety of methods ♦ Eats nutritious, well-balanced meals on a regularly scheduled basis ♦ All special dietary requirements are met ♦ Is ideal weight 	<ul style="list-style-type: none"> ♦ Has current and valid drivers license ♦ Has a vehicle that is safe and in adequate running condition ♦ Is fully insured and has comprehensive insurance coverage ♦ Can afford choice of transportation ♦ Is able to repair vehicle when needed 	<ul style="list-style-type: none"> ♦ Has established relationships with health care professionals ♦ Has comprehensive health insurance ♦ Practices preventive health habits ♦ Practices safe behaviors in all environments 	<ul style="list-style-type: none"> ♦ Working to change negative social and cultural conditions on a personal and community level ♦ Uses resources for personal development ♦ Is not using drugs or alcohol ♦ Is maintaining sobriety
Safe and/or Self-Sufficient	<ul style="list-style-type: none"> ♦ Lives in or has access to adequate housing ♦ Spends less than 50% of income on rent or mortgage ♦ Has some choice in housing options ♦ Feels safe and secure in home and neighborhood ♦ Has adequate space and rooms for family size ♦ Tenancy is secure for one year 	<ul style="list-style-type: none"> ♦ Has enough food to satisfy recommended daily allowances ♦ Has appliances and utensils to prepare most foods ♦ Eats well balanced meals on a regularly scheduled basis ♦ Special dietary needs are usually met ♦ Is ideal weight or less than 10 lbs. heavier or lighter than ideal weight 	<ul style="list-style-type: none"> ♦ Has current and valid drivers license ♦ Has and maintains own vehicle ♦ Has basic insurance coverage ♦ Has a good driving and accident record ♦ Has some choice of transportation 	<ul style="list-style-type: none"> ♦ Can access health care when needed ♦ Has insurance that covers at least 80 percent of costs of care ♦ Has adequate income to make payment arrangements ♦ Has sound health and hygiene practices ♦ Seeks timely assessment and treatment ♦ Practices safe behaviors in most environments 	<ul style="list-style-type: none"> ♦ Is able to cope with social, cultural and economic pressures ♦ Is not using drugs or alcohol ♦ Has used treatment to make progress toward sobriety and is maintaining sobriety ♦ Has well developed social support system – is able to receive as well as provide support ♦ Generally makes wise use of community resources to meet full range of family needs
Stable	<ul style="list-style-type: none"> ♦ Housing is not hazardous, unhealthy or overcrowded ♦ Spends less than 60% of income on rent or mortgage ♦ Housing options may be limited ♦ Feels safe and secure in home ♦ All housing and utility costs are paid and up to date ♦ Has telephone or access to a telephone ♦ Tenancy is secure for more than six months 	<ul style="list-style-type: none"> ♦ Has adequate nutritious food ♦ Has some appliances and utensils to prepare food ♦ Eats at least one nutritious meal daily ♦ Food is sufficient to prevent malnutrition or health problems ♦ Is ideal weight or less than 20 lbs. heavier or lighter than ideal weight 	<ul style="list-style-type: none"> ♦ Has current and valid drivers license ♦ Has a vehicle ♦ Can afford alternate transportation when needed ♦ Can generally repair vehicle when needed 	<ul style="list-style-type: none"> ♦ Can and does access health care but has significant difficulty and/or gaps in health coverage ♦ Has major and emergency insurance coverage ♦ Has adequate income to pay treatment of care balances over time ♦ Generally practices sound hygiene ♦ Seeks treatment for significant problems ♦ Practices safe behaviors in many environments 	<ul style="list-style-type: none"> ♦ Is usually able to handle social, cultural and economic pressures ♦ Acknowledges any drug or alcohol problems and is utilizing treatment ♦ Generally using community resources needed to meet family needs ♦ Generally able to control symptoms of mental illness or seeks treatment when needed

Status Level	Shelter	Food & Nutrition	Transportation & Mobility	Health & Safety	Social & Emotional Health & Competence
At Risk and/or Vulnerable	<ul style="list-style-type: none"> ♦ Lives in temporary or share housing ♦ Spends more than 60% of income for rent ♦ Housing options are severely limited or non-existent ♦ Living in unsafe and overcrowded conditions ♦ May have a recent eviction or utility shut off notice ♦ Feels unsafe in home and neighborhood ♦ May be dependent upon housing assistance ♦ Tenancy is secure for six months or less 	<ul style="list-style-type: none"> ♦ Family members are sometimes hungry and/or malnourished due to lack of food ♦ Does not have appliances and utensils to prepare food ♦ Nutritional requirements are not consistently met ♦ Eats when food is available ♦ Is obese or underweight 	<ul style="list-style-type: none"> ♦ Has a revoked, suspended or invalid drivers license ♦ May have insufficient funds to obtain transportation when needed ♦ Has unpaid traffic tickets ♦ Does not have safe or reliable transportation ♦ Does not have auto insurance ♦ Does not have income to obtain transportation 	<ul style="list-style-type: none"> ♦ Health care is sporadic ♦ Has difficulty accessing health care ♦ Is not covered by insurance ♦ Has inadequate income to access necessary health care ♦ Doesn't take care of self – ignores health problems ♦ Is unaware of and does not practice safe behaviors or hygiene practices 	<ul style="list-style-type: none"> ♦ Uses illegal drugs ♦ Abuses alcohol or prescription drugs ♦ Has inadequate social support systems but is beginning to develop appropriate connections ♦ Is often in denial of emotional, mental health, and/or substance abuse problems ♦ Is unable to control symptoms of mental illness or does not seek treatment when needed
In Crisis	<ul style="list-style-type: none"> ♦ Is homeless or on the verge of being homeless ♦ Has insufficient income for anything but standard or temporary housing ♦ Living in housing that is unsafe, deteriorating or seriously over-crowded ♦ Fears for safety in home and neighborhood ♦ Lacks income or resources to maintain permanent housing ♦ Lacks basic household necessities 	<ul style="list-style-type: none"> ♦ Hunger is common ♦ Has a serious lack of resources to obtain food ♦ Evidence of or diagnosis of malnutrition ♦ Has a severe eating disorder ♦ No one is preparing meals ♦ Is extremely obese or severely underweight 	<ul style="list-style-type: none"> ♦ Is driving without a license ♦ Is driving without insurance ♦ Does not have a drivers license ♦ Does not know how to drive ♦ Is not insurable ♦ Has no access to transportation for basic needs ♦ Has no income to obtain transportation ♦ Has been incarcerated for traffic violations 	<ul style="list-style-type: none"> ♦ Has no access to health care ♦ Needs immediate health care ♦ Displays dangerous and/or self-destructive behavior 	<ul style="list-style-type: none"> ♦ Is unable to take care of self or family ♦ Has severe and untreated drug or alcohol abuse ♦ Has severe and untreated mental illness ♦ Has no social support system ♦ Is isolated

Strong Beginnings Program: Family Matrix Part 2

Status Level	Income & Budget	Family Relations & Parenting	Employment	Adult Education & Development	Children/Youth Education & Development
Benchmarks	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria
Thriving	<ul style="list-style-type: none"> Sufficient earned income to allow family choices for non-essential purchases Able to save 10% of income Established relationship with insured financial institution Has a good credit rating Expects to increase income level within one year 	<ul style="list-style-type: none"> Has a strong supportive family with positive family identity Mutually agreed upon rules and expectations Conflicts are easily negotiated Is nurturing and consistently cares for family members Children are happy and socially well-adjusted Children enjoy parents 	<ul style="list-style-type: none"> Possesses marketable job skills and positive work experience Constant development of transferable job skills Permanent employment by secure business offering a comprehensive benefit package Has made steady advancement in career of choice Has solid job search and retention skills 	<ul style="list-style-type: none"> Has post secondary education or training Parents speak, read and write English Positive, supportive attitude toward education Set and pursue long range career and educational goals Highly value education for children 	<ul style="list-style-type: none"> Has little or no absenteeism Has high grades in most subjects and passing marks in every subject Has no discipline problems Is a leader among other students Has a positive attitude toward education
Safe and/or Self-Sufficient	<ul style="list-style-type: none"> Sufficient earned income to meet basic family needs Plans and sticks to a monthly budget Saves when possible Able to obtain a secured line of credit Pays bills on time, delays purchases to handle debt load Has a good credit rating Anticipates continuation of current income level for at least one year 	<ul style="list-style-type: none"> Supportive family with a generally positive identity Has realistic rules and manageable conflict Usually provides sound, nurturing care for family members Children unusually happy and outgoing; little violence or aggression Children are consistently able to relate to parents 	<ul style="list-style-type: none"> Has attained marketable job skills Is employed by a secure business offering some benefits Has employment with potential for advancement Has or can easily develop job retention skills. Has job search skills. Has sufficient wages to provide for family needs. 	<ul style="list-style-type: none"> Some family members speak, read and write English Have or are pursuing a high school diploma or equivalent education Enrolled in adult education, English as a Second Language, Vocational Education or College Values education for children 	<ul style="list-style-type: none"> Absenteeism is not high enough to be a concern Has passing marks in all subjects Has no discipline problems Has a good attitude toward education
Stable	<ul style="list-style-type: none"> Has an income barely adequate to meet basic needs Plans and sticks to a monthly budget Has no savings Able to obtain limited secured credit Generally pays bills on time No anticipated decrease in family income 	<ul style="list-style-type: none"> No abuse or neglect of any kind Learning positive family dynamics Care of family members is adequate Little violence or aggression Children are sometimes able to relate to parents Parents are involved in parenting, communication and/or family development training 	<ul style="list-style-type: none"> Considering or in the process of developing more marketable job skills Has seasonal, part time or temporary employment Has employment with inadequate hours, benefits and/or stability Has employment with limited advancement potential Has understanding of job search skills. Can search for a job with assistance. Wages are sufficient to meet most family needs 	<ul style="list-style-type: none"> Considers personal education needs and options Has or is pursuing a high school education Has limited English skills Can set and pursue some career and personal education goals with assistance Values some education for children 	<ul style="list-style-type: none"> Has some absenteeism but it is not impeding educational performance Is performing at a minimum educational level Has some discipline problems Gets along with most other students Making adequate progress in reading, writing and arithmetic skills Has an average attitude toward education

Status Level	Income & Budget	Family Relations & Parenting	Employment	Adult Education & Development	Children/Youth Education & Development
Benchmarks	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria	Benchmark Criteria
At Risk and/or Vulnerable	<ul style="list-style-type: none"> Has a limited income Is sometimes unable to meet basic needs Has spontaneous and inappropriate spending habits Has no savings Has limited ability to obtain credit Has unpaid bills Has an overwhelming debt load 	<ul style="list-style-type: none"> Outside placement of children is threatened Children have run away from home Unrealistic or non-existent rules Constant conflict Inadequate care Risk of abuse or neglect Children are unhappy, withdrawn, violent or aggressive 	<ul style="list-style-type: none"> Has limited job skills Has inadequate employment with no benefits Is not sure where or how to find the next job Has no advancement potential Has disciplinary or performance problems at work Has few job search or retention skills Wages are insufficient to meet family needs 	<ul style="list-style-type: none"> Has less than a ninth grade education Has severally limited English skills Does not consider education a priority Does not set or pursue educational or career goals 	<ul style="list-style-type: none"> Has a high absenteeism rate Is performing below educational level or is failing in one or more subjects Has continued discipline problems Exhibits gang related behavior Does not get along with other students Has serious difficulty with reading, writing and arithmetic skills Has a poor attitude toward education
In Crisis	<ul style="list-style-type: none"> Has very little money and can not meet basic needs Unable to obtain credit Has unpaid bills and collectors calling Is dependent upon public assistance 	<ul style="list-style-type: none"> Existence of child or spousal abuse, neglect or violence Foster care or other placement of child has occurred or is imminent Intervention of criminal justice system is required to deal with family violence or abuse 	<ul style="list-style-type: none"> Is unemployed or unemployable Has minimum or no job skills Has negative work history Has negative work ethics or attitude Has no job search or retention skills 	<ul style="list-style-type: none"> Is illiterate Has no English skills Has no interest in or access to educational remedies Does not stress or value education for children 	<ul style="list-style-type: none"> Having great difficulty in school Drops out of school Has a poor attitude toward education Has serious development deficiencies Has serious behavioral problems

Formal Assessments in Career Counseling

- Career assessment is a “connect the dots” activity where the participant begins to make the connection between “who they are” and the “world of work” accurately and thoughtfully. A good career assessment creates a full picture of future decisions, education, training, work, and self-sufficiency.
- Career assessment instruments are used in:
 - Vocational exploration
 - Vocational decision making
 - Educational planning
 - Training planning
 - Vocational adjustment
- Formal tests are not always accurate in describing or highlighting one’s interests, personality, and aptitudes. It is critical to use formal assessments in addition to other personal and background information.
- Formal career assessments have four major uses:
 - **Prediction:** To predict how successful a participant might be in a particular career.
 - **Discrimination:** To determine how well a person’s values and interests match those of a given career.
 - **Monitoring:** To determine how ready a person is to choose a career or begin work, education, or training in their field of choice or any field.
 - **Evaluation:** To identify how well the career program is working.

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- There are many methods of delivering formal instruments, ranging from observation or demonstration of skills to computerized methods to the more traditional methods. The key is that the administration and scoring of the assessments is standardized.

GOAL SETTING: SETTING GOALS FOR SELF-SUFFICIENCY

Reason for Goal Setting

- Goal setting leads to action planning and to action plans. Goal setting allows both service coordinator or case manager and participant to have a clear direction and enjoy the results when goals are reached.
- Goals motivate, educate, and evaluate the participant's actions—for themselves and the service coordinator or case manager. Goals provide direction and can help the service coordinator or case manager and participant judge success and celebrate accordingly.

Long-Term Goal Setting

- There are both long and short-term goals. Long-term goals are usually a change in status, for example:
 - From non-high school graduate to high school graduate
 - From unemployed to employed
 - From smoker to non-smoker
- Short-term goals are the changes in behaviors made to reach the long term goal, for example:
 - From not being a student in high school equivalency classes to being that student
 - From not being a job searcher to being one
 - From smoking in the car to not smoking in the car
- Service coordinators or case managers have already taken many steps to assist the participant in both long and short term goal setting, such as:
 - Offering participant self-awareness through the assessment process
 - Matching the participant's characteristics with labor market information
 - Matching labor market information with career interests
 - Helping to identify alternatives and deciding on an alternative to try

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Individual Training and Services Planning

- The Individual Training and Service Plan (ITSP), and all plans, are well-defined road maps to achieving the final goal of career and self-sufficiency.
- The ITSP case plan consists of:
 - Well-defined final goals
 - Well defined interim goals
 - Specific resources to accomplish the interim goals
 - Specific agencies or sources of these resources
 - Tasks or action steps needed to accomplish the interim goals
 - An accurate and effective timeline
 - Strategies to address anticipated barriers to goal attainment

Ways to Develop Goals

- It is possible to use assessment activities to help participants identify goals. Activities might include:
 - Extensive information gathering
 - Listing goals
 - Brainstorming all possibilities and prioritizing these by sorting into more exclusive groupings
 - Using guided imagery
- Any or all of these activities will assist in goal setting. Challenges to using these methods will be discussed in sections discussing decision making and motivation or empowerment.

Writing Effective Goals

- The goal statements in the ITSP serve as a constant inspiration and guide to the family or individual as they pursue what may be years of activities.
 - It is very important that the goal statements “speak” to the family based on what is important to them to motivate and drive them in both simple and complex tasks.
- Realistic goals are based on the participant’s dreams and desires, not those of the service coordinator or self-sufficiency program.
- To be useful and enduring, the goals should be stated in positive rather than negative terms. For example, a goal to be drug free and sober is more descriptive and motivating than a goal to stop taking drugs.
- Both the participant and the case worker should be able to tell immediately if a goal is completed because it is measurable. Goals should be written so that they are very specific and measurable within a known time frame.
- Each goal should make a difference in the life of the participant and each goal should be accomplishable.
 - Self-sufficiency participants are interested in a series of successes. It is not helpful to set goals in a way that the participant risks not accomplishing the goal.
 - Effective service coordinators and case managers have enough knowledge of the participant and the world of work to anticipate accurately the likelihood of success in each goal.

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- Effective goals are flexible enough to allow for change over time. As the participant moves through the plan, they will learn more about themselves and the world of work. This is good and expected.
 - Flexible goals allow for learning to benefit the participant rather than hinder their progress. For example, if time spent in a welding program helps the participant to learn that they develop a rash in response to the welding compounds, then it is important that flexible goals and program regulations allow for a change in career goals.
- Simply stated, effective goal statements are:
 - Realistic: The goal is moderately difficult, but attainable.
 - Understandable: The goal can be communicated to and understood by others.
 - Measurable: Change can be observed and/or measured.
 - Behavioral: The goal includes behavior (action) and the steps towards the goal are also behavioral.
 - Agreed-upon: The goal is acknowledged and accepted by others who may be involved or have power over the completion of the goal.
 - Specific: The goal is stated in concrete rather than vague terms.

RESOURCES AND REFERRALS: IDENTIFY AND COORDINATE RESOURCES AND REFERRALS

- Providing an effective resource or referral can be a demanding process in service coordination.
- United Way of America and the Alliance of Information and Referral Systems (AIRS) developed a set of standards for providing effective resources and referrals. These include definitions and standards for some of the activities and services included in service coordination:
 - **Information giving:** the process of providing basic or detailed information (without assessment) to the participant about a service. The participant is encouraged to call again if the service does not meet the need.
 - **Referral giving:** the process of assessing the needs of the participant, evaluating appropriate resources, indicating organizations that meet the need, and actively participating in linking the participant to the service. The service coordinator or case manager follows up with the participant, the service, or both to see if the need was met.
 - **Follow-up:** the process of contacting participants and services to determine if the need was met and to access alternative services if necessary.

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- **Resource file:** an organized, cross-indexed file or database with information on services and programs. The Alliance of Information and Referral Systems (AIRS) suggests that this information on services be categorized according to the nationally accepted classification system for health and human services.
- **Classification system:** the system to classify available human services in a standard manner to simplify retrieval of service information, to increase the reliability of planning data, to make evaluation processes consistent, and to facilitate national comparisons of data.

**MONITORING: MONITORING PROGRESS
TOWARD GOALS**

- Service coordination, by definition, is a long-term relationship, intended to assist participants in taking steps over time to achieve their final goals.
- These steps must be documented accurately so that participants and service coordinators or case managers can know what steps work and which need adjusting to achieve the goals of the participant and the program.
- Monitoring may be done in many ways:
 - Individual meetings, phone conversations, or email
 - Group meetings
 - Participant providing written reports and documentation of completion
 - Service coordinator or case managers and coordinators conducting periodic surveys

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- Monitoring progress is a continual review of the participant's self-report assessments, informal and formal assessments, developed action plan, and challenges to implementation. This review allows the action plan to be changed and the current situation and stress levels to be reviewed, and helps the participant to adjust their strategies to their current reality.

Section 6: ITSP Planning in Service Coordination

**TELEPHONE INTERVIEW QUESTIONNAIRE
FOR POTENTIAL SERVICE PROVIDERS**

Name of Agency _____ Telephone _____

Mailing Address _____

Contact Person's Name _____ Title _____

SAMPLE QUESTIONS:

Some questions may not be relevant to certain service providers; the objective is to get as much information as possible.

What type of services does the agency provide?

What are the eligibility requirements to qualify for these services?

What other agencies provide these services?

What is the location of the site where services are provided?

Describe the secondary types of support the agency provides, such as transportation, counseling, or childcare.

Does the agency network with other benefit agencies? How?

Can the agency provide you with literature that describes the scope of agency services?

Can the agency provide you with application forms?

What information or documentation should the family bring when they apply?

Does the agency have specific requirements that would preclude service to certain types of families? Some examples would be:

Income limits:

Family size:

Childcare: Age limits, number of children, children with special needs only, etc.

Others:

Boundaries for residency (e.g., services provided to families in a specific local community area):

INTAKE, ASSESSMENT, AND PLANNING FORMS

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Social Service Support

Intent: To clarify the participant's knowledge of available social services and use of those services when necessary.

Primary Question: What kind of help from programs or groups are you getting now, or have you gotten in the past?

Follow up Questions

Service Coordinator Notes

Knowledge of Social Services Available

1. What city services are you familiar with?

Appropriate Utilization of Social Services

2. What agencies are you/ have you worked with in social services?

For what purposes did you use these services?

PERSONAL NEEDS ASSESSMENT
Self-Sufficiency Index for Future/Motivation

Intent: To clarify what the participant would like to have happen in their situation.

Primary Question: **Imagine it's 10 years in the future. How do you see yourself and your family if everything were perfect?**
How would you like things to be? (In the future?)
What do you want most from life?

Follow up Questions

Service Coordinator Notes

Practicality of Goals

1. What plans do you have to make that happen?

Optimism of Goals

2. Do you feel that you can make this happen if you follow certain steps?

Articulation of Steps

3. What steps do you or will you need to take to make this happen?

Section 6: ITSP Planning in Service Coordination

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Support

Intent: To clarify if the participant has available, appropriate support when challenges occur with which they need help.

Primary Question: Who do you go to for help when you are having problems?

Follow up Questions

Service Coordinator Notes

Available Support

1. Do you have close friends, relatives, neighbors? (Receive help from social service agencies?)

Appropriate Use of Support

2. How often do you talk with others about your concerns or challenges?
3. For what kind of problems?

Quality of Support

4. Do you find those you talk with helpful? Does it make you feel better?

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Social Activity/Recreation

Intent: To clarify the degree to which the participant uses recreational or social activities and interaction with others.

Primary Question: What do you do when you are not in school or working?
(If not in school, training, or work.) What do you do all day?

Follow up Questions

Service Coordinator Notes

Social Involvement

1. How often do you meet with other people?
2. Do you prefer being alone to being with others?

Interest in Activities

1. Do you have hobbies or engage in sports or clubs?
2. Do you attend classes or job search activities?

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Employment, School, or Training

Intent: To clarify whether the participant is engaged in work, job search, school or training given his or her background and current situation.

Primary Question: What are you doing about employment? School or training?
How do you handle childcare (if relevant)?

Follow up Questions

Service Coordinator Notes

**If Unemployed: Job Search,
School, or Training Plan**

1. How often do you look for work?
2. What jobs can you do? Were you doing?
3. How will you get the job, school, or training that you want?

**If Employed:
Stability of Employment**

1. Will your job be continuing?
2. Do you have a good relationship with your boss?
3. How often do you miss work? Why?
4. Are there changes you would make in your employment situation?

**If in School:
Stability of School Situation**

1. Will you be continuing in school?
 2. How often do you miss school?
 3. How are your grades? (Passing or failing?)
 4. What do you plan to do after leaving school?
-

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Transportation

Intent: To clarify the degree of mobility a participant has based on transportation available and ability to use it.

		Observations:
Adequacy of Transportation	_____	Excellent: 4
Access to Transportation	_____	Good: 3
Affordability of Transportation	_____	Fair: 2
Total points:	_____	Poor: 1

Primary Question: How do you get where you need to go? How often do you get out? What do you want most from life?

Follow up Questions

Service Coordinator Notes

Adequacy of Transportation

1. What type of transportation do you use?

Access to Transportation

2. Where can you get public transportation from where you live?

Affordability of Transportation

3. Are you able to pay for the bus tickets, metro tickets, gasoline (whatever applies)?

Knowledge of Transportation Alternatives

4. How do you get assistance in using transportation?

Section 6: ITSP Planning in Service Coordination

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Financial Independence or Dependence

Intent: To clarify how well the participant appears to be managing financially, given amount of income received and expenses.

Primary Question: How are you doing with money and paying for all of your expenses?

Follow up Questions

Service Coordinator Notes

Adequacy of Personal Resources

1. Do you have enough money for necessities?

Access to Other Resources

2. Do you receive financial assistance from family, friends, the city, or federal government?

Judgment in Use of Resources

3. Does your budget allow money for entertainment, insurance, loans, and recreation?

Ability to Plan Wisely

4. Do you often run out of money?

PERSONAL NEEDS ASSESSMENT

Self-Sufficiency Index for Housing

Intent: To clarify if the participant's housing is adequate, affordable, and well-minded.

Life Safety/Cleanliness	_____	Observations:	_____
Access/Security	_____		
Maintenance	_____	Excellent:	4
Rent/Utilities	_____	Good:	3
Size/Overcrowding	_____	Fair:	2
Stability	_____	Poor:	1
Total points:	=====		

Primary Question: What kinds of things would you like to change about your housing situation?

Follow up Questions

Service Coordinator Notes

Life Safety/Cleanliness

1. Is your current housing situation adequately clean, rodent-free, and fireproof?

Access/Security

2. Is your current housing situation safe for you and your children?
If not, why not?

Maintenance

3. Do you need help with household repairs or chores?

Rent/Utilities

4. Are the rent and utilities affordable?

Size/Overcrowding

5. Is there enough space for everyone who lives in the home?

Stability

6. Do you need to move? Why?

Section 6: ITSP Planning in Service Coordination

**FAMILY SELF-SUFFICIENCY
PERSONAL NEEDS ASSESSMENT**

DATE: _____

NAME: _____

SPECIFIC CHALLENGES

CHILDCARE: _____

EMPLOYMENT: _____

TRANSPORTATION: _____

COUNSELING, HEALTH/MENTAL HEALTH: _____

OTHER: _____

PARTICIPANT SIGNATURE

SERVICE COORDINATOR

Section 7 Participant Contract, Records, and Confidentiality

CHARACTERISTICS OF THE CONTRACT OF PARTICIPATION

Explicitness

- The Contract of Participation must be specific and clear. It spells out the conditions, expectations, responsibilities, and deadlines for goals and tasks.

Mutual Agreement

- The service coordinator and the participant must agree on goals, and mutuality must be maintained throughout the contract.

Differential Participation

- The service coordinator and participant have equal but different roles.
- The participant assumes the responsibility for performance of specific tasks within specific time frames.
- The service coordinator is responsible for clarifying and delineating the types of services, resources, and support that will be made available to the participant.

Mutual Accountability

- Participant and service coordinator are accountable to each other in various ways.
- The participant communicates, responds to inquiries, and cooperates in problem solving efforts as obstacles are encountered.
- The service coordinator remains responsive to the participant as the participant progresses through various phases of the contract.

Flexibility

- Even though the contract is legal and appears rigid in terms of specificity, it must be viewed as fluid and flexible. To guard against rigidity, it is helpful to have steps for reevaluation or renegotiation by mutual consent as changes occur, or at periodic intervals.

Summary

- The contract should be viewed as an (active) instrument for the participant and the service coordinator to interact productively in the pursuit of specific goals.
 - It is derived from a mutual exploration of the participant's needs and interests.
 - It signifies the participant's and the service coordinator's mutual commitment and readiness to assume responsibility.
 - It provides a baseline for periodically reviewing accomplishments, assessing progress, and examining the conditions of the agreement.

PARTICIPANT FILES

- Documentation should be completed after each meeting or conversation and should include:
 - Statement of the participant's view of the issues
 - Statement of the service coordinator or case manager's assessment of the issues
 - Brief summary of the conversation
 - Statement of the next steps or actions to be taken by whom and when

Section 7: Participant Contract, Records, and Confidentiality

- Participant files should include:
 - Application
 - Contract of Participation
 - Individual Training and Services Plans (ITSPs)
 - Includes notations on tasks and goals that are due to be completed and those completed
 - Authorizations to release Information
 - Historical record
 - Includes a date-by-date entry of contacts and events with the participant
 - Reports of contact
 - Includes the details of contacts with the participant or others regarding the participant
 - Assessments conducted by the self-sufficiency program and assessments from other sources
 - Correspondence to or from the participant and other agencies
- These individual participant data on goals set and goals achieved can be combined with other participants' data to form reports on monitoring needed and progress within the self-sufficiency program.

PARTICIPANT CONFIDENTIALITY

- Record keeping is an essential part of service coordination. In addition to forms, contracts, and other programs' required paperwork, the transactions between service coordinator and participant also find their way into the file "case notes." This information given by the participant is given under the assumption of privacy.
- Record keeping is an essential part of accountability to the agency and to the family. Here are important points and suggestions about participant confidentiality.
 - Participant information must only be discussed for professional purposes, and with people authorized, concerned, and connected to the case. Written reports should only contain facts relevant to the issue at hand.
 - The participant must be informed of your limits of confidentiality. Unless you are an attorney, or in a state with laws that define specific information that is privileged between participants and people with specific types of licenses or certifications, the participant cannot safely tell you about an illegal activity. Be aware of local laws, which may impose specific requirements with regard to safeguarding participant records.
 - Confidentiality extends to keeping records and files in a safe locked place, which is required whenever federal funds support the program.
 - Coordinators and case managers are bound by professional ethics to hold participant information in a confidential manner; however, the participant is under no such constraints.

Section 8 Networking for Resources

NETWORKING: WHAT IS IT AND HOW DO YOU DO IT?

- Networking is building mutually beneficial connections with other professionals. Networking has many benefits, including improved confidence and creativity. The FSS service coordinator networks to build relationships with other service providers, educate them about assisted housing, and build a basis of trust that ensures a range of supportive services for FSS families.

Principles and Keys to Networking

- People are more inclined to deal with a person who is friendly, helpful, and professional.
 - Agencies do not cooperate with agencies; people cooperate with people.
 - To others, you are the PHA; speak well of your organization.
- Always honor your commitments. Return telephone calls, respond to emails, and answer letters.
 - Ask good questions, show interest; you can learn something.
 - Try to give people a positive reason to remember you.
 - Do not forget, words like “thank you” are magic; they can set you apart.
- Keep good records on the people you want to network with. Get complete names, positions, mailing addresses, and telephone numbers. Jot down items of special interest to them.

Section 8: Networking for Resources

Attending Meetings

- Introduce yourself to at least one person from an agency you are not familiar with.
 - Find out what type of services their agency provides.
 - Find out what area the agency serves (geographically).
 - Ask for brochures and literature.
 - Learn about their referral system.
 - Get the name of the director and other key people.
 - Tell them about your agency's services and what you do.
 - Give them your business card and get theirs.
 - Communicate accessibility; let them know the best time to reach you.
 - If applicable, give them an alternate person in case you are out.
 - Make notes on the back of their business card.
- Follow first meetings with a telephone call. Thank them for their contribution to the meeting and let them know that you enjoyed meeting them.

Things to Do

- Make a strong commitment to learn as much as you can about what is available in your community, and how service providers may interrelate.
 - Attending local civic meetings, volunteering to make a brief presentation about family self-sufficiency.
- Provide information and literature on your program or agency.
 - Remember, you are a public relations representative; it is very appropriate to show pride in what you do.
 - Be prepared in your networking activities. Make sure you carry business cards and program literature.
- If you are uncomfortable introducing yourself, ask someone you know to provide the introduction.
 - Introduce people who do not know each other; bringing people together can create strong alliances.
 - If others on your staff are available, share networking efforts.
- Build on networking relationships. The “introduction” is not your final objective, it is the beginning of a mutually beneficial professional relationship.
 - If possible, have your agency host a meeting of various service providers and community resource people. Why not take the initiative?
- Stay positive and do not get discouraged by minor setbacks. Persistence pays, and activity gets results.

Section 8: Networking for Resources

Things to Avoid

- Talking more than you listen.
- Not asking questions; the more you ask, the more you learn.
- Talking too much about yourself and what you do.
- Failing to honor your commitments, no matter how small. If you offer to check on something, call the person back as soon as possible to let them know what you found, even if you found nothing of value to them. Let them know that you tried.
- Assuming because someone does not work at a social service agency, they cannot be a resource. Find out who that person knows. Develop centers of influence.

NETWORKING PRACTICAL STEPS

- Networking for resources is a skill learned over time and made excellent by persistent practice. It can take 1-3 years to really know the network of resources in the community. It can take 2 additional years to have an actual "network" of trusting partners in the leadership from those resources; partners willing to change practices, procedures, and policies in order to reach the common goal of the community. The following is synopsis of how to make "networking" work for the FSS program.

Section 8: Networking for Resources

- Make a list of the types of services needed by the participants, such as:
 - Day care
 - Transportation
 - Medical
 - Remedial education
 - Job training and counseling
 - Job preparedness
 - Skill development programs
 - Mental health
 - Financial Coaching
 - Others
- List, for each resource, three to five “buzzwords” these resources may be listed under, for example:
 - Daycare
 - Latchkey programs
 - Infant care
 - Youth programs
 - Youth sports

Section 8: Networking for Resources

LOCAL, REGIONAL, AND NATIONAL DIRECTORIES

- There is a national directory of social service organizations and agencies that should be available on line.
- Not only does this directory contain a wide scope of community support services, but there is also information on clearing houses for a variety of areas.
- It also contains excellent descriptions of the agencies, their areas of expertise, where they get their money, and the name, address, and phone number of the person to contact.

COMMUNITY BASED ORGANIZATIONS

- In addition to the basic social service resources available in your community through traditional government agency service providers, try to identify other services and resources that may be available. These could include:

Youth

- YMCA/YWCA
- Boys and Girls Clubs
- Big Sisters/Big Brothers
- Sports Programs
- 4-H Clubs or Campfire Councils
- Boy Scouts, Girl Scouts, Campfire Girls
- Youth Employment Services

Section 8: Networking for Resources

Community Centers

- Community Centers (Religious/local government)
- Parenting Projects or Centers
- Career Development Centers
- Nontraditional Student Centers
- Religious Resource Centers

Education and Training

- Public Libraries
- Learning Development Centers
- Public Schools
- VoTech Centers
- Community Colleges
- State University Extension Centers
- Workforce Centers and America's Job Centers

Health

- American Red Cross
- Dental Aid Programs
- Alcohol Recovery Centers
- Local Support Services for Persons with Disabilities
- Community Safe Houses/Crisis Centers
- Emergency Family Assistance Programs

Section 8: Networking for Resources

Logistics

- Financial Counseling
- Utility Assistance Programs
- Legal Information Services
- Special Transit Systems
- Start making calls.

WHAT IF RESOURCES ARE LIMITED?

- What if the PHA is in a community so small there are few resources?

Possible Resources

- State parks and recreation resources
- Churches
- Synagogues
- Hospital
- Doctor or dentist
- Business and philanthropic organizations in neighboring communities, such as:
 - Masons
 - Elks
 - Lions
 - Rotary
 - Optimist
 - Business and Professional Women

Section 8: Networking for Resources

- Fraternal Organizations
- Universities or state colleges' fraternal organizations and alumni
- The Telephone Interview Form following can be used to investigate available services and obtain referrals to local service providers.

Section 8: Networking for Resources

Notes

CHAPTER 7 AVENUES TO ACHIEVING SELF-SUFFICIENCY

Section 1 Community Support

MARKETING FOCUS

- Resources made available to families need not be limited to public sector resources.
- The private sector contains multiple resources that could benefit the families served by your FSS program. An aggressive, proactive FSS marketing strategy benefits the PHA in several ways:
 - It will yield additional resources for the benefit of FSS families.
 - It will attract partners, collaborators, and other volunteers.
 - It can identify funding sources (and resources) that would not have ordinarily been known or available.
 - It will promote a positive (and possibly improved) image of the PHA in the community.
- The objective is to cultivate community-wide support for the FSS program, and to recruit commitments to become involved from community members.
- Because education is an important part of a marketing strategy, the PHA may want to consider a two-tiered approach.

General Media

Newspapers

- Contact human interest reporters from local newspapers. Be prepared to provide them with general program knowledge including **all of the benefits** to be derived for the families and for the community.
- Give them something positive to focus on. Invite them to events such as orientation sessions, meetings of the PCC, or a separate meeting with key FSS staff.
- Lay the groundwork for periodic newspaper articles that update program successes and developments.
- Advise them of the various needs for resources, mentors, volunteers, and other program needs for inclusion in news articles.

Television

- All communities have local television shows that focus on events of interest within the community. Many of these shows permit viewer call-ins. Try to arrange appearances on all such shows to publicize your FSS program, and to educate the community. Successful FSS families could also participate.
- Find out about public service announcements (PSAs) on local television shows.

Local Radio Shows

- Local radio community type shows, talk shows, and public service announcements also present excellent opportunities to market your FSS program.

Local Magazines/Publications

- Many communities have local community-interest magazines and publications that profile persons, issues, programs, and other items of interest in the area.

SPECIFIC TARGETING

- In your marketing strategy, be sure to reach out to specific groups in the various sectors of the community, as follows:

The Political Community

- State and local representatives, council persons, supervisors, mayors.
 - Appeal to the community involvement aspects of their activities.
 - Invite local public servants to attend and participate in FSS functions.

The Civic Community

- Civic and service-oriented groups and organizations have two things in common: they are interested in community events and projects, and they meet regularly.
- These groups are known to invite guest speakers who have a message of interest for their members. Here are some groups to consider:
 - Active and Retired Business Organizations
 - Professional Groups
 - Lions Club
 - Rotary Club
 - Local Women's Club
 - American Legion
 - Senior Citizen Clubs or Groups
 - Elks Club
 - Knights of Columbus
 - Masonic Organizations
 - Kiwanis
 - Jaycees
 - Optimists

The Educational Community

- Educational institutions at all levels can contribute to the FSS program. The educational needs of families will figure heavily in the planning of goals and objectives.
- The need for testing services for reading, mathematics, vocational aptitudes, and other areas is vital for high quality needs assessments.
- Prepare materials and arrange to provide a speaker when these groups meet. Include representation from the educational community on the Program Coordinating Committee.
 - Local School Districts
 - Community Colleges
 - Colleges and Universities and Extension Services
 - Business Schools
 - Vocational and Technical Schools
 - Local Council on Literacy

Other Groups to Target

- The religious community
- The financial community
- The business and retail community
- The helping community, including:
 - Hospitals
 - United Way
 - American Red Cross
 - YMCA
 - YWCA
- Wider Opportunities for Women is a nonprofit organization with a commitment to the women's movement and to the issues of nontraditional jobs for women, elder economic security, and economic security for survivors. In 1998, they published "Six Strategies for Self-Sufficiency: Great Ideas for Using State Policy to Get Families Out of Poverty." The book is a small and mighty "guidebook" for designing and implementing programs to help women out of poverty. Based on years of research in WOW's Women in Poverty Project, the "Six Strategies" include:
 - Using a self-sufficiency standard or "living wage"
 - Targeting high paying jobs
 - Integrating literacy training with employment training
 - Training in non-traditional occupations
 - Developing microbusinesses
 - Building individual development accounts

Section 1: Community Support

- While this booklet is currently out of print, many community colleges and community-based organizations across the country have developed and pursued programs in each of the above areas. PHAs and Family Self-Sufficiency programs would benefit from partnerships with organizations whose goals and activities integrate these “Six Strategies.”

MARKETING TO-DO LIST

- Make a master list with a heading for all of the types of marketing targets listed above, and any others you can think of.
- Utilize all available resources (telephone book, local directories, other publications) to list as many names as possible under each group heading.

For Companies and Agencies:

- Create an informational flyer or brochure to be mailed to targeted agencies and companies.
- Make a pre-mailing telephone call to identify the most appropriate person to receive the inquiry, and either:
 - Mail information with a cover letter advising that you will be back in touch to schedule an appointment; or
 - Mail information with a cover letter inviting them to a PHA-sponsored event, orientation, etc.
- Make a post-mailing telephone call. Confirm that information was received and either a) schedule an appointment, or b) confirm attendance at the PHA sponsored event.

For Civic Groups (Speaking Engagements):

- Develop an informational and promotional speech (presentation) on FSS in your community.
- Call each organization to identify and speak with the person responsible for meetings. Explain the purpose of the call, find out the meeting schedule, and get a tentative commitment.
- Follow up with a confirming letter.
- Make the presentation.

Section 2 Client and Community Factors Affecting FSS Success

CLIENT FACTORS AFFECTING SUCCESS

- Information about self.
- Interests and values.
- Information about the world of work.
- Understanding of available services, resources, and occupational fields.
- Exposure to positive role models.
- Necessary abilities:
 - Language and communication skills
 - Basic education: reading, writing, mathematics
 - Employability skills: lifestyle, habits, interviewing skills, ability to fill out applications and complete other types of paperwork
 - Knowledge of effective decision-making and problem-solving process
- Legal assistance (immigration, criminal record).
- Financial stability.
- Money for necessities.
- Crisis situations stabilized:
 - Illness, lack of health care
 - Financial need leading to eviction, loss of possessions
 - Acute stress in relationships
 - Criminal activities or involvement

Section 2: Client and Community Factors Affecting FSS Success

- Support of significant others:
 - Family members
 - Pressure from other family members to not jeopardize the status quo
- Psychological concerns identified:
 - Hopelessness, lack of motivation
 - Depression, other emotional problems
 - Fear, defensiveness
 - Poor self-concept
 - Substance abuse
 - Interpersonal conflict

COMMUNITY FACTORS AFFECTING SUCCESS

- Employment rate and trends in local and surrounding communities
- Employer attitudes
- Support for diversity
- Transportation
- Affordable child care
- Housing

Section 3 Agency Factors Affecting Success

INTRA-AGENCY COLLABORATION

- Intra-agency collaboration involves close collaboration between the executive level (involved in community planning) and the teamwork responsibilities of the front-line staff.
- It involves communication that translates the executive-level intention to cooperate into workable arrangements between staffs.

TEAMWORK – INTERACTION BETWEEN PROFESSIONALS, THE PHA, AND OTHER AGENCIES

- Teamwork should include knowledge of the function of other agencies and of the principles of community organizations.
- Service agency personnel know their colleagues (or equivalents in other service agencies).
- Service agencies incorporate networking into ongoing long-term activities.
- Understanding and respect between staffs of different agencies is occurring.
- Differences in agencies, such as agency service, training, and procedures are seen as strengths.
- Professionally trained personnel in one agency view less formally trained personnel (or volunteers) as a grassroots resource that “understands” clients.

Section 3: Agency Factors Affecting Success

- Experienced staff without formal training work well with professionals from other agencies.
- Positive attitudes at service agencies is also important:
 - Service agency personnel put community needs before agency needs.
 - A strong conviction exists regarding the need to cooperate and interact with other agencies.
 - The agency puts aside jurisdictional disputes, aggressive competition for funds and status, and the belief that one's own program of services is the most important and necessary for the community.

STRUCTURE AND PROCESS FOR COMMUNITY COORDINATION

- Cooperative relationships are rooted in the community.
- A centralized council has a “community” point of view, which is neutral.
- Agencies plan programs with a high regard for the activities of other organizations. This usually happens when the community itself is convinced of the need for sound social planning.

MEETINGS

- In communities that attempt social planning, meetings should be designed so that representatives of different agencies feel that their attendance at the meetings is meaningful, creative, or satisfying.
- The purpose of each meeting should be clear and specific, and every effort made to assure that representatives understand why their presence at the meeting is important and what their roles and functions are.
- The commitment to and understanding of the group and community organization process is high.

SUGGESTIONS FOR IMPROVING SUCCESS

- Encourage individual workers to become acquainted with other workers in other agencies within the community.
- Consult with other agencies on common problems.
- Develop a community relations policy. Both board and staff should be involved in preparing such a policy. Major elements in a community relations policy include:
 - Identification with the community and its agencies, expressing positive and purposeful attitudes.
 - Assignment of agency board and staff members to community groups where there is a need for participation.
 - Establishment of channels of communication between those who represent the agency and the staff, with reporting procedures carefully formulated.

Section 4 Homeownership Option

GENERAL

The PHA may provide two forms of homeownership assistance:

- Monthly homeownership assistance payments
- Down payment assistance grants
- The PHA may choose to offer either or both forms, or may choose not to offer homeownership assistance.
 - The PHA must offer either form of assistance if necessary as a reasonable accommodation.
 - The PHA may determine that homeownership is not a reasonable accommodation if the PHA has otherwise opted not to implement a homeownership program.
- A family may receive only one form of homeownership assistance.
 - A family that includes a person who was an adult member of a family that previously received either form of homeownership assistance may not receive the other form from any PHA.
- The family chooses whether to participate in homeownership if offered by the PHA.
 - If the PHA offers both forms of assistance, the family chooses which form to receive.
- Existing participants and new admissions may be assisted under the homeownership option.
- The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

- The PHA must have the capacity to operate a successful homeownership program. The PHA may demonstrate that it has the required capacity through any of the following options:
 - The PHA establishes a minimum down payment requirement of three percent of the purchase price, with at least one percent from the family's personal resources.
 - The PHA requires that financing for the home purchase is state or federally insured, in compliance with secondary mortgage market underwriting practices, or in compliance with generally accepted private sector underwriting standards.
 - The PHA demonstrates in its Annual Plan that it has the capacity, or will acquire the capacity, to successfully operate a homeownership program.

FAMILY ELIGIBILITY

- The family must be currently participating in, or eligible for admission to, the Housing Choice Voucher (HCV) program.

First-Time Homeowner Requirement

- The family must be any of the following:
 - A first-time homeowner
 - A family in which no member has had a present homeownership interest in a residence in the last three years
 - Exception: A single parent or displaced homemaker who, while married, owned a home with a spouse or resided in a home owned by the spouse
 - Cooperative member
 - A family that includes a person with disabilities

Minimum Income Requirement

- At the commencement of homeownership assistance, the family must demonstrate that the annual income of adult family members who will own the home is not less than:
 - For disabled families, the monthly SSI benefit for an individual living alone multiplied by 12; or
 - For other families, the federal minimum wage multiplied by 2000 hours.
- Except for elderly or disabled families, welfare assistance may not be counted in the minimum income determination.
 - For elderly or disabled families, only welfare assistance for adult family members who will own the home is included.
 - Welfare assistance is counted in determining income eligibility and the family's total tenant payment (TTP).
- The PHA may establish a higher minimum income standard for either or both types of families.

- A family that meets HUD's minimum income requirement, but not a higher standard set by the PHA, will be considered to qualify if:
 - The family has been prequalified or preapproved for financing
 - The financing meets PHA requirements
 - The financing amount is sufficient to purchase housing that meets Housing Quality Standards (HQS) in the PHA's jurisdiction.

Employment Requirement

- One or more adult family members who will own the home must be:
 - Currently employed on a full-time basis (not less than an average of 30 hours per week)
 - Continuously employed full-time for the past year
 - The PHA may determine to what extent interruptions are considered a break in continuity of employment.
- The employment requirement does not apply to elderly or disabled families.
- The PHA must grant an exemption to the employment requirement if needed as a reasonable accommodation for a family, other than an elderly or disabled family, which includes a person with disabilities.
- The PHA may not establish additional employment requirements.

Other Requirements

- The PHA shall not approve assistance if any family member was an adult family member of a family that previously defaulted on a mortgage under the homeownership option.
- The PHA may limit homeownership assistance to families or purposes defined by the PHA (example: FSS families).
- The PHA may establish additional eligibility requirements.
 - Additional requirements must be described in the administrative plan.

PRE-ASSISTANCE HOMEOWNERSHIP COUNSELING

- Eligible families must attend and satisfactorily complete a homeownership counseling program required by the PHA.
- The program may be conducted by PHA staff or by other entities.
- If the PHA does not use a HUD-approved counseling agency, the program should be consistent with HUD's Housing Counseling program.

Section 4: Homeownership Option

- Suggested topics include:
 - Home maintenance
 - Budgeting and money management
 - Credit counseling and credit repair
 - How to negotiate the purchase price of a home
 - Financing
 - Obtaining financing and loan preapprovals
 - Pros and cons of different types of financing
 - Finding a home, including homeownership opportunities
 - Schools and transportation in the PHA's jurisdiction
 - Advantages of purchasing a home in an area that does not have a high concentration of low-income families
 - Fair housing information
 - Information about RESPA, state and federal truth-in-lending laws, and how to avoid loans with oppressive terms and conditions.
- Pre-assistance counseling may be adapted to local circumstances and to the needs of individual families.
- The PHA may offer ongoing counseling during homeownership assistance.
 - The PHA has discretion to determine which families are required to participate in ongoing counseling.

Finding a Home

- The PHA may establish time limits for a family to locate and purchase a home.
- The PHA may require periodic reports on the family's progress.
- If the family is unable to purchase a home within the time limits, the PHA may issue a voucher to the family or may place the family on the HCV waiting list.

Eligible Units

- Eligible units include:
 - Units under construction or already existing at the time the PHA determines that the family is eligible for homeownership assistance.
 - One-unit properties or single dwelling units (including manufactured homes) in cooperatives or condominiums.
- Eligible units may include a home where the family will not own fee title to the real property (manufactured home), but only if:
 - The home has a permanent foundation.
 - The family has the right to occupy the site for at least 40 years.
- The PHA may disapprove a unit seller for any reason provided for disapproval of an owner under the HCV program.
- PHA-owned units may qualify.

Two Home Inspections

- Two home inspections are required, including:
 - A Housing Quality Standards (HQS) inspection
 - An independent professional inspection

HQS Inspection

- The HQS inspection is conducted by the PHA under the HCV program.
- The purpose is to determine that the current condition of the home is decent, safe, and sanitary.
- Annual HQS inspections are not required.

Independent Professional Inspection

- An independent professional inspection is conducted by an independent professional selected by and paid by the family.
- The PHA may not require the family to use an inspector selected by the PHA.
 - The independent inspector may not be a PHA employee, contractor, or other person under the control of the PHA.
 - The PHA may establish qualification standards for independent inspectors.
- The purpose of the independent inspection is to:
 - Assess the adequacy and life span of major systems, appliances, and other structural components
 - Identify potential problems (for example, the need to replace an aging heating system)
- The PHA has discretion to disapprove the unit based on information in the inspection report.

Contract of Sale

- The family must enter into a contract of sale for the unit and must provide a copy of the contract to the PHA.
- The contract of sale must:
 - Specify the price and terms of sale
 - Provide for the prepurchase inspection arranged by the purchaser
 - Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory
 - Provide that the purchaser is not obligated to pay for any necessary repairs
 - Certify that the seller is not debarred, suspended, or subject to a limited denial of participation

Financing

- The family is responsible for securing financing.
 - The PHA may develop partnerships with lenders to assist families in obtaining financing but may not require the use of a certain lender.

PHA Requirements for Financing

- The PHA may establish requirements for financing, including:
 - Requirements concerning qualifications of potential lenders (for example, a prohibition on seller financing)
 - Prohibitions on certain forms of financing (for example, balloon payment mortgages)
 - Requirements or restrictions on other debt secured by the home
 - Requirements concerning financing terms (for example, minimum down payments)
 - Affordability requirements
- The PHA may disapprove proposed financing, refinancing, or financing for repairs if the PHA determines that the debt is unaffordable or that the lender or loan terms do not meet PHA requirements.
- All PHA financing or affordability requirements must be described in the PHA's administrative plan.

FHA Underwriting Requirements

- If the purchase of the home is financed with FHA mortgage insurance, financing is subject to FHA mortgage insurance requirements.

DENIAL OR TERMINATION

- Grounds for denial or termination under the voucher program apply to homeownership families.
- The PHA may deny assistance for violation of family obligations.

MONTHLY HOMEOWNERSHIP ASSISTANCE PAYMENTS

- The PHA makes monthly payments either to the family or directly to the lender.
- Voucher program subsidy standards and payment standard amounts are used for homeownership.
- The family share affordability limit of 40 percent of adjusted monthly income does not apply to homeownership families.

FR Notice 9/12/00

- Monthly homeownership assistance may not be used to assist with financing costs such as down payments and closing costs.
- The monthly homeownership assistance payment (HAP) is the lesser of:
 - The payment standard minus the family's total tenant payment (TTP); or
 - The family's monthly homeownership expenses minus the family's TTP.
- The family's TTP is the greater of:
 - 30 percent of adjusted monthly income;
 - 10 percent of gross monthly income;
 - Welfare rent in "as-paid" states; or
 - The PHA's minimum rent.

Homeownership Expenses

- The PHA adopts policies for determining the amount of homeownership expenses in accordance with HUD requirements.
- Homeownership expenses may include:
 - Principal and interest on mortgage debt
 - Real estate taxes
 - Home insurance
 - PHA allowance for utilities
 - PHA allowance for routine maintenance
 - PHA allowance for major repairs
 - Principal and interest on mortgage debt for major repairs
 - Cooperative or condominium operating charges or maintenance fees
 - Land lease payments.

PHA Allowances

- Utility allowance: the PHA's HCV program utility allowance schedule is used for homeownership.
- Allowances can also be used for routine maintenance and major repairs.

- The PHA sets these allowances based on appropriate amounts for each category.
 - Allowances are set for the program as a whole, not based on actual costs or the condition of individual homes.
 - HUD recommends that the PHA contact counseling agencies, local realtors, and relevant national organizations for advice on setting the amounts for these allowances.
 - Families are not required to set aside or escrow funds for these allowances.
 - It is not expected that the monthly amounts for these allowances will cover all maintenance or capital expenditures.

MONTHLY HOMEOWNERSHIP ASSISTANCE - CONTINUED ASSISTANCE

Family Obligations

- The family must occupy the home.
 - The PHA may not continue homeownership assistance after the month when the family moves out.
 - The family or the lender is not required to refund to the PHA any homeownership assistance for the month when the family moves out.

Section 4: Homeownership Option

- The family must:
 - Comply with the terms of the mortgage
 - Use and occupy the home as the family's only residence
 - Report changes in family composition
 - Not sublet or lease the home
 - Comply with other family obligations of the HCV program
- The family must supply information as required by the PHA concerning:
 - Refinancing or payment of debt
 - Sale or transfer of any interest in the home
 - Homeownership expenses
- The family must notify the PHA before moving out of the home and notify the PHA of any mortgage default.
- The family must not acquire ownership interest in a second residence.
 - During the time the family receives homeownership assistance, no member may have any interest in any other residential property.
- The family must comply with any additional PHA requirements for continuation of homeownership assistance (for example, ongoing counseling).
- The family must execute a written statement in which the family agrees to comply with all family obligations for homeownership assistance.

Moves with Continued Assistance

- The family may move with continued assistance (homeownership or rental).
 - The PHA may not commence continued homeownership or rental assistance for occupancy of a new unit so long as any family member owns title or other interest in the prior home.
 - The PHA may prohibit more than one move during any one-year period.
- For continuation of homeownership assistance in a new unit, the family must meet all initial eligibility requirements, except:
 - First-time homeowner requirement
 - Requirement for pre-assistance counseling
 - However, the PHA may require additional counseling.

Portability

- A family determined eligible for homeownership assistance may purchase a home outside the initial PHA's jurisdiction, or may move outside the initial PHA's jurisdiction with continued homeownership assistance, if:
 - The receiving PHA is administering a voucher homeownership program.
 - The receiving PHA is accepting new homeownership families.
- Generally, the HCV program portability rules apply to homeownership assistance.

Time Limits

- The maximum term of homeownership assistance is:
 - 15 years, if the initial mortgage term is 20 years or longer
 - 10 years in all other cases
- Time limits do not apply to elderly or disabled families.
 - Elderly: The family must qualify as elderly at the start of homeownership assistance.
 - Disabled: The exception applies if the family qualifies as disabled at any time during homeownership assistance.
- If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced.
 - However, provided the family is otherwise eligible, the family must be provided at least six months of homeownership assistance after the time limits become applicable.
- Time limits are applied from the date of initial purchase, regardless of whether the family moves to a new unit or receives assistance from different PHAs.

MONTHLY HOMEOWNERSHIP ASSISTANCE - TERMINATION

- The PHA may terminate assistance for violation of family obligations.

Mortgage Defaults

- The PHA must terminate homeownership assistance in the case of mortgage default.
- The PHA may or may not allow the family to move with continued rental assistance.
- If the family defaulted on an FHA-insured mortgage, the family cannot receive continued rental assistance, unless:
 - The family has conveyed or will convey title to the home to HUD.
 - The family has moved or will move from the home within the period established or approved by HUD.

DOWN PAYMENT ASSISTANCE GRANTS

24 CFR 982.627

- Although the regulations authorize down payment assistance grants, PHAs may not offer this type of assistance until HUD publishes a notice in the *Federal Register*.
 - Funding has not been appropriated for this purpose and this regulatory provision has never been implemented.

Section 4: Homeownership Option

- Should the regulations under this section ever be implemented, the PHA would be able to provide a single down payment assistance grant to a current participating family.
 - The family may be a participant in the tenant-based or project-based HCV program.
 - There is no minimum time period.
- Assistance must be applied to the down payment for the purchase of a home, and/or reasonable and customary closing costs.
 - If the PHA allows closing costs, the PHA must define what fees and charges are “reasonable and customary.”
 - If the home is financed with FHA mortgage insurance, FHA requirements apply to closing costs.
- The maximum down payment assistance grant is the payment standard minus the family’s TTP, times 12.
- Down payment assistance is paid at closing of the purchase of the home.
- The PHA will receive a one-time administrative fee for each down payment assistance grant.
 - The fee will initially be set at six times the PHA’s ongoing administrative fee.

Section 4: Homeownership Option

- A family that has received down payment assistance may later return to tenant-based assistance.
 - In accordance with regulations and PHA policies.
 - PHA may not pay tenant-based rental assistance as long as any member of the family owns title or other interest in the home purchased with down payment assistance.
 - At least 18 months must have passed since the family received downpayment assistance.
- Families receiving down payment assistance are not subject to requirements for monthly homeownership assistance:
 - Continued assistance
 - Family obligations
 - Maximum term of assistance
 - Amount and distribution of payments
 - Moves with continued assistance

Notes

CHAPTER 8 HUD REFERENCES

Code of Federal Regulations (CFR) References

The most up-to-date version of Title 24 of the Code of Federal Regulations (24 CFR) is available at <https://www.ecfr.gov/>.

HUD Notices, Rules, and Memos

HUD Notices, Rules, Memos, and other resources pertaining to Family Self-Sufficiency can be found on NMA's references site at <https://nanmckay.com/references>.

Notes

Glossary

Section 1 Acronyms

AAF	Annual Adjustment Factor. A factor published by HUD in the <i>Federal Register</i> which is used to compute annual rent adjustment.
ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations. Commonly referred to as “the regulations.” The CFR is the compilation of federal rules which are first published in the <i>Federal Register</i> and define and implement a statute.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
CR	Contract Rent
EID	Earned Income Disallowance
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act — Social Security taxes
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accountability Office
GR	Gross Rent
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Amendments of 1981
HCV	Housing Choice Voucher
HQS	Housing Quality Standards

Glossary

HUD	Department of Housing and Urban Development
IGR	Independent Group Residence
IHA	Initial Housing Agency (applies to the housing choice voucher program under portability)
IPA	Independent Public Accountant
IPS	Initial Payment Standard (applies to the Housing Choice Voucher program under portability)
IRA	Individual Retirement Account
JTPA	Job Training Partnership Act
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
MTW	Moving to Work
NOFA	Notice of Funding Availability
NOFO	Notice of Funding Opportunity
PHA	Public Housing Agency
PIH	HUD's Office of Public and Indian Housing
OIG	Office of Inspector General
PS	Payment Standard
QC	Quality Control
RTA	Request for Tenancy Approval
RHA	Receiving Housing Agency (applies to the housing choice voucher program under portability)
SRO	Single Room Occupancy
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
UIV	Up-front Income Verification
URP	Utility Reimbursement Payment
WIA	Workforce Investment Act

Section 2 Terms

ADJUSTED INCOME. Annual income, less allowable HUD deductions and expenses.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written agreement between HUD and a PHA to provide annual contributions to cover housing assistance payments and other expenses.

ANNUAL INCOME. All amounts not specifically excluded in 24 CFR 5.609(b), received from all sources by each member of the family who is 18 years of age or older or is the head of household, spouse or cohead, plus unearned income by or on behalf of each dependent who is under 18 years of age.

AS-PAID STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See *net family assets*)

CERTIFICATE. A Certificate issued by the PHA under the pre-merger Section 8 Rental Assistance Program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation.

CHILDCARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or actively seek employment, or for an adult to further his/her education.

CONTRACT. (See *Housing Assistance Payments Contract*)

CONTRACT RENT. (See *rent to owner*)

COVERED FAMILIES. The statutory term for families that are required to participate in a welfare agency economic self-sufficiency program and that may be subject to a welfare benefit sanction for noncompliance with this obligation.

DEPENDENT. A member of the family household (excluding the family head, spouse, or foster children) who is under 18 years of age, is a person with disabilities, or is a full-time student 18 years of age or over.

DISABILITY ASSISTANCE EXPENSE. Reasonable expenses that, when combined with health and medical care expenses, exceed 10 percent of annual income and are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

DISABLED FAMILY. A family whose head (including cohead), spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

DISABLED PERSON. (See *person with disabilities*)

DISPLACED PERSON. A person displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

DRUG-RELATED CRIMINAL ACTIVITY. Drug trafficking or the illegal use or possession for personal use of a controlled substance as defined in Section 102 of the Controlled Substances Act.

DRUG TRAFFICKING. The illegal manufacture, sale, or distribution of a controlled substance or the possession of such a substance with intent to manufacture, sell, or distribute it.

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. These include job training, employment counseling, work placement, basic skills training, general education, English proficiency training, Workfare, financial or household management training, apprenticeships, and other programs (such as drug abuse or mental health treatment) necessary to prepare people to work.

ELDERLY FAMILY. A family whose head (including cohead), spouse, or sole member is at least 62 years of age; two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

ELDERLY PERSON. A person who is at least 62 years of age.

EXCESS MEDICAL EXPENSES. Any unreimbursable medical expenses incurred by an elderly or disabled family in excess of three percent of the family's annual income.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

FAIR MARKET RENT (FMR). The amount that must be paid in a given area to rent existing, privately owned housing of a modest nature, with suitable amenities, and in decent, safe, and sanitary condition. FMRs are established by HUD. They vary by unit size as well as by housing market area and include the cost of all utilities except phone.

FAMILY. *Family* includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy.

Family includes a single person, who may be:

- (1) An elderly person, displaced person, disabled person, near-elderly person, or any other single person;
- (2) An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or
- (3) Family also includes a group of persons residing together, and such group includes, but is not limited to:
 - (i) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - (ii) An elderly family;
 - (iii) A near-elderly family;
 - (iv) A disabled family;
 - (v) A displaced family; and
 - (vi) The remaining member of a tenant family.

Family can be further defined in PHA policy.

FOSTER CHILDCARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the state, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis as defined by the educational institution.

GROSS RENT. The sum of the rent to owner and the utility allowance. If there is no utility allowance, the rent to owner equals gross rent.

HEAD OF HOUSEHOLD. The person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING ASSISTANCE PAYMENT. The monthly assistance payment a PHA makes to the owner for the rent to owner under a family's lease.

HOUSING ASSISTANCE PAYMENTS (HAP) CONTRACT. A written agreement between a PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family. The HAP contract defines the responsibilities of both the PHA and the owner.

HOUSING CHOICE VOUCHER. A document issued by a PHA to a family selected for admission to the Section 8 Housing Choice Voucher program. The voucher describes the program and the procedures for PHA approval of a unit selected by the family.

HOUSING CHOICE VOUCHER PROGRAM. The Section 8 tenant-based rental assistance program in which a family selects a privately owned rental unit, and the family, the PHA, and the owner of the unit enter into legal agreements with one another.

HOUSING QUALITY STANDARDS. The HUD minimum quality standards for housing assisted under the Housing Choice Voucher program.

IMPUTED ASSET. An asset disposed of for less than fair market value during the two years preceding certification or recertification.

IMPUTED INCOME FROM ASSETS. PHA-established passbook rate times the total cash value of assets when assets exceed \$5,000.

IMPUTED WELFARE INCOME. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction but is included in the family's annual income and is therefore reflected in the family's rental contribution.

LANDLORD. Either the owner of the property or the owner's designated representative or managing agent.

LEASE. A written agreement between an owner and an eligible family for the leasing of a housing unit.

LEASE ADDENDUM. (See *tenancy addendum*)

LIVE-IN AIDE. A person who resides with an elderly or disabled person and who is determined by a PHA to be essential to the care and well-being of the person. They are not obligated for support of the person, and do not live in the unit except to provide necessary supportive services.

LOW-INCOME FAMILY. A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families.

MEDICAL EXPENSES. For elderly or disabled families, the total out-of-pocket medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed.

MINOR. A member of the family household who is under 18 years of age who is not the head, spouse, live-in aide, or foster child/adult.

MONTHLY ADJUSTED INCOME. 1/12 of the annual income after allowances (see *adjusted income*).

MONTHLY INCOME. 1/12 of the annual income before allowances.

NEAR-ELDERLY FAMILY. A family whose head (including cohead), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62, living with one or more live-in aides.

NET FAMILY ASSETS. The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment. In determining net family assets, PHAs or owners, as applicable, must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

OWNER. Any persons or entity having the legal right to lease or sublease a unit.

OWNER ORIENTATION. A meeting with a PHA representative for the purpose of learning the rules and procedures for participating as an owner in the Housing Choice Voucher program.

PARTICIPANT. A family that has been admitted to a PHA program and is currently being assisted in the program.

PAYMENT STANDARD. The maximum subsidy payment for a family under the Housing Choice Voucher program. The PHA sets a payment standard between 90 and 110 percent of the current HUD-published FMR.

PERSON WITH DISABILITIES. For the purposes of program eligibility, a person who has a disability as defined in federal law [42 U.S.C. 423 or 42 U.S.C. 6001] or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. For the purposes of reasonable accommodation, a person with disabilities is a person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

PORTABILITY. The ability of a family to move with its Housing Choice Voucher tenant-based assistance from the jurisdiction of one PHA to that of another.

PREMISES. The building or complex in which a dwelling unit is located, including common areas and grounds.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded separately or jointly by federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). Any state, county, municipality, or other governmental entity or public body that is authorized to engage in or assist in the development or operation of housing for low-income families.

REASONABLE ACCOMODATION/REASONABLE MODIFICATION: Under the federal Fair Housing Act, a reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice, or service, whereas a reasonable modification is a structural change made to the premises. A person with a disability may need either a reasonable accommodation or reasonable modification, or both, in order to have equal opportunity to use and enjoy a dwelling.

REASONABLE RENT. A rent to owner that is not more than either the rent charged for comparable units in the private unassisted market or the rent charged by the owner for a comparable unassisted unit in the building or on the premises.

RECERTIFICATION (sometimes called *reexamination*). The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if no interim changes are reported by the family.

REMAINING MEMBER OF TENANT FAMILY. A person left in assisted housing after other family members have left.

RENT TO OWNER. The monthly rent payable to the owner under the lease. Rent to owner includes payment for any services, maintenance, and utilities to be provided by the owner in accordance with the lease.

REQUEST FOR TENANCY APPROVAL (RTA). A form (Form HUD-52517) submitted by or on behalf of a family to a PHA once the family has identified a unit that it wishes to rent using tenant-based voucher assistance.

RESIDENT. The person who executes a lease as lessee of a dwelling unit.

SECURITY DEPOSIT. A dollar amount that can be collected from a family by an owner and used for amounts owed under a lease according to state or local law.

SINGLE PERSON. A person living alone or intending to live alone.

SPECIFIED WELFARE BENEFIT REDUCTION. A reduction of welfare benefits for a covered family that may not result in a reduction of a family's rental contribution. This includes a reduction of welfare benefits because of fraud in connection with the welfare program or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

SPOUSE. The marriage partner of a head of household.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

TENANCY ADDENDUM. A HUD-designed addition to an owner's lease that includes, word for word, all HUD-required language.

TENANT. (See *resident*)

TENANT RENT. The amount payable monthly by the family as rent to an owner in a Housing Choice Voucher program or to a PHA in a public housing program.

TERM OF LEASE. The amount of time a tenant agrees in writing to live in a dwelling unit.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT. Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit.

UTILITY ALLOWANCE. A PHA's estimate of the average monthly amount needed to pay for utilities by an energy-conscious household. If all utilities are included in the household's rent, there is no utility allowance. A utility allowance varies by unit size and type of utilities.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which a family's allowance for utilities or other housing services exceeds its total tenant payment.

VERY LOW-INCOME FAMILY. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

VOUCHER. (See *Housing Choice Voucher*)

VOUCHER PROGRAM. (See *Housing Choice Voucher program*)

WELFARE ASSISTANCE. Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, childcare or other services for working families. For the FSS program (24 CFR 984.103), welfare assistance includes only cash maintenance payments designed to meet a family's ongoing basic needs. Does not include nonrecurring short term benefits designed to address individual crisis situations, work subsidies, supportive services such as childcare and transportation provided to families who are employed, refundable earned income tax credits, contributions to and distributions from Individual Development Accounts under TANF, services such as counseling, case management, peer support, childcare information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support, amounts solely directed to meeting housing expenses, amounts for health care, Supplemental Nutrition Assistance Program (SNAP) and emergency rental and utilities assistance, SSI, SSDI, or social security, and child-only or non-needy TANF grants made to or on behalf of a dependent child solely on the basis of the child's need and not the need of the child's current non-parental caretaker.

WELFARE RENT. In “as-paid” localities only, the *welfare rent* is the amount of welfare assistance specifically designated for shelter and utilities, with the amount being adjusted based upon the actual amount the family pays for shelter and utilities. In general, the welfare rent is treated as a pass-through from the welfare agency to the PHA.

1. If the agency does **not** apply a ratable reduction, this is the maximum a public assistance agency **could** give a family for shelter and utilities, **not** the amount the family is receiving at the time the certification or recertification is being processed.
2. If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

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