



Chapter 1 FSS Basics

Page 1-5

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FSS HOTMA

- **HOTMA prompts changes to housing programs**
 - **HOTMA does not change FSS regulations**
 - **HOTMA regulations effect FSS**
 - **Fewer rent calculations in housing will change if new earnings go to family or go to escrow**
 - **“Over Income” FSS families in PH may not receive federal funding for self-sufficiency programs after two years**



1-5

FSS HOTMA

- HOTMA regulations effect FSS
 - PH over income families +2 years
 - Must be denied FSS
 - Terminated from FSS
 - May not receive federal funding for self-sufficiency programs



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FSS HOTMA

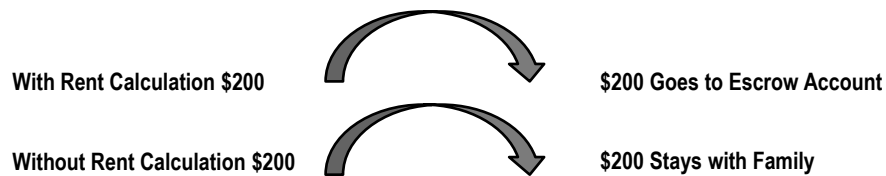
- HOTMA regulations effect FSS
 - Fewer rent calculations in housing will change if new earnings go to family or go to escrow



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FSS HOTMA

- Fewer rent calculations in housing changes where escrow money goes
 - FSS family gets new Job
 - Increases earnings by \$10k
 - At rent calculation - would increase rent by \$200



Financial Literacy Training Extremely Important

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Funding of FSS Services HCV Program

- PHAs may use...
 - Forfeited escrow funds
 - Grants
 - PH vacant space to support HCV FSS activities
 - Pre FY 2004 Unrestricted net position
 - PIH Notice 2015-17 Paragraph 5
 - Formerly known as UNA or admin fee reserves
- PHAs cannot use...
 - Housing Assistance Payments or administrative fees

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Funding of FSS Coordinators HCV

- HCV Section 8 may use
 - FSS coordinator grant
 - NOFO each year
 - Administrative fee
 - Forfeited escrow monies for TRAINING only - not salaries or benefits
 - Pre-FY 2004 Unrestricted Net Position

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2016 NOFA
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Funding Restrictions

- FSS Coordinator funds may not be used to perform routine PH or HCV program functions such as...
 - Intake/leasing, rent calculation, inspections, moves, ports
 - 2016 – 2023 NOFO
- Unless...

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2016 NOFA
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Funding Restrictions

- HUD Field Office approves
 - May not interfere with ability to fulfill role of FSS Program Coordinator as primary work and...
 - It enhances effectiveness of FSS program
- PHA must have written approval from FO

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Chapter 2
Selection and Contract of Participation
Page 2-11

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2-11

Screening and Denial of Participation Motivational Screening

- Limited motivational screening permitted
 - Tied to performance of a specific, readily accomplishable task
 - Must measure interest only

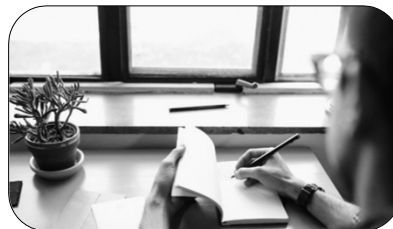


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2-12

Motivational Screening

- Examples
 - Attendance at orientation meeting or interviews
 - Completion of certain tasks that indicate willingness
 - Contacting jobs provider
 - Contacting education programs



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2-12

Motivational Screening

- PHAs may NOT deny based on...
 - Education level
 - Test results
 - Job history
 - Credit rating
 - Marital status
 - Manual skills
 - Other discriminatory factors



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2-12

Motivational Screening

- PHA cannot deny because head is unlikely to become self-sufficient
 - May not deny interested family based on this assessment

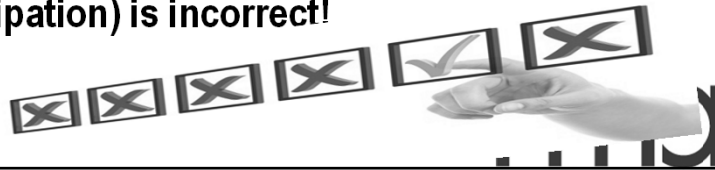


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2-11

Other Screening and Denial

- PHA policy must state in FSS Action policy any “acceptance or denial” criteria beyond what regulation specifically allows or prohibits...
 - So long as they are not discriminatory
 - Statement on page 2-11 (There are only four ways PHAs may deny FSS participation) is incorrect!



2-11

Other Screening and Denial

- PHA may enroll families who
 - Owe money to PHA(s)
 - Participated before and were terminated
 - Were in before and graduated
 - Have violated their lease or family obligations
- Safe Harbor – PHA policy



2-11

Other Acceptance and Denial

- PHA may deny families who
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2-37/38

Employment Requirement Maintain Suitable Employment

- “Suitable” determination must be based on
 - “Receipt of other benefits of household member”
 - To ensure that new employment will not cause loss of necessary supports

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Chapter 3 Escrow Accounts

Page 3-18

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3-18

Impact of Earned Income Disallowance

- HOTMA removed the statutory authority for the EID
- Families continue to qualify through 12/31/23
 - These families continue to receive the EID under current regulations
 - Full 24 months of exclusion

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3-18

Impact of Earned Income Disallowance

- As of 1/2/24 no new families qualify
- EID fully sunsets January 1, 2026



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3-21

Crediting Escrow Account

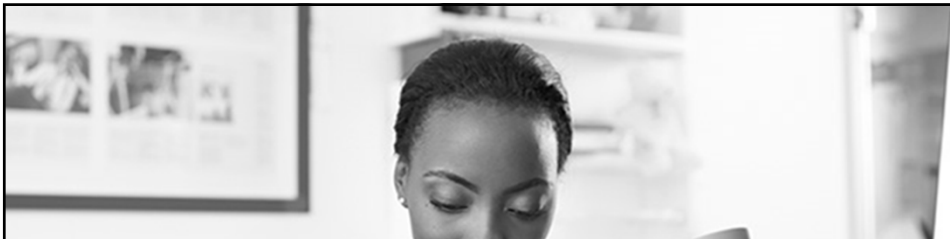
- **Must credit escrow monthly**
 - Escrow credits are based on rent owed - NOT actual rent paid. FAQ Esc22 states
“Escrow is deposited each month regardless of whether family pays rent or pays it on time”
- **Remember**
 - No retro credits for non-report and repayment
- **Remember**
 - Fraud is grounds for FSS termination

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3-29

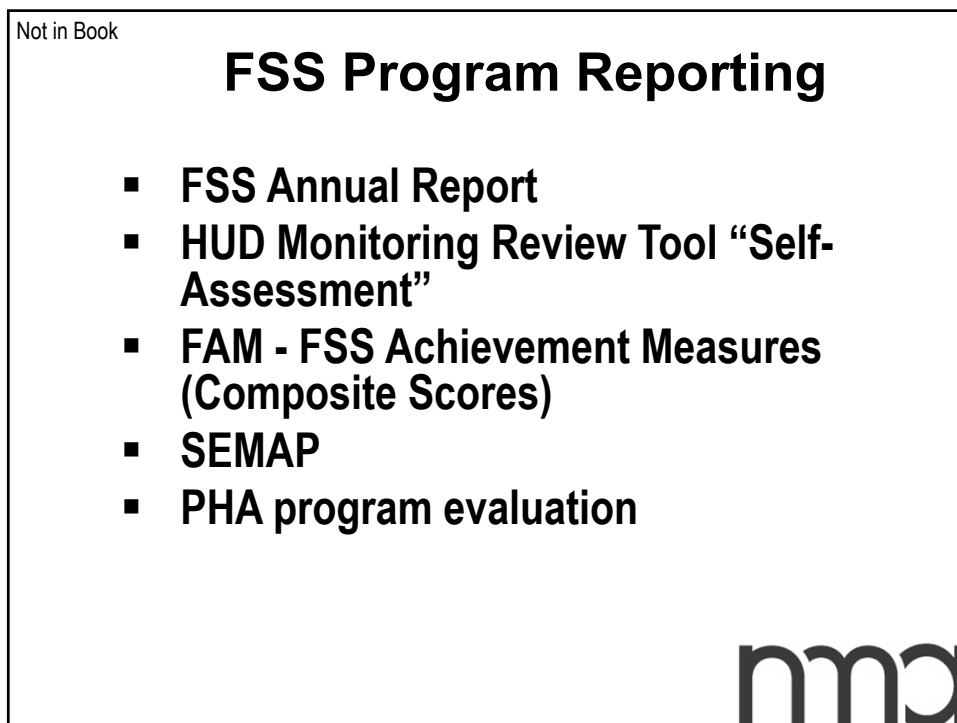
Forfeiting Escrow Account

- If family does not pay rent during CoP before completion
 - PHA policy may state...
 - Family may have a repayment agreement
 - OR
 - Amount owed may be deducted as interim withdrawal from escrow
 - OR
 - CoP is terminated for non-compliance with lease
 - FAQ End15



Chapter 5 Program Evaluation

Page 5-7



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FSS Achievement Metrics Background

- **FAM new version of Composite Scores**
- **PIC FSS addendum data used by HUD to**
 - **Make funding decisions and**
 - **Monitor outcomes of FSS program**
 - **Provide technical assistance**
- **FAM scores available**
 - **Not being used by HUD now**
 - **Available for PHAs to improve**



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FSS Achievement Metrics What is FAM?

- **FAM is designed to measure FSS grantee programs' progress in...**
 - **Participation – Serving FSS participants**
 - **Earnings – Helping FSS participants to increase earned income**
 - **Graduation – Helping FSS participants to graduate from FSS program and receive accrued escrow.**



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FAM Features to Keep in Mind



- **FAM uses three years of data calculations to measure and score**
 - **2020 FAM uses Earnings Measures with Dec 31, 2020**
 - **Averages these with same measures for Dec 2019 and for Dec 2018 from PIC data**

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What is FAM?

- **FAM is scored for...**
 - **PHAs receiving FSS Coordinator funds**
 - **At any point in past three years**
 - **MTW Expansion agencies are included**
- **FAM timing**
 - **Calculated/released once a year**

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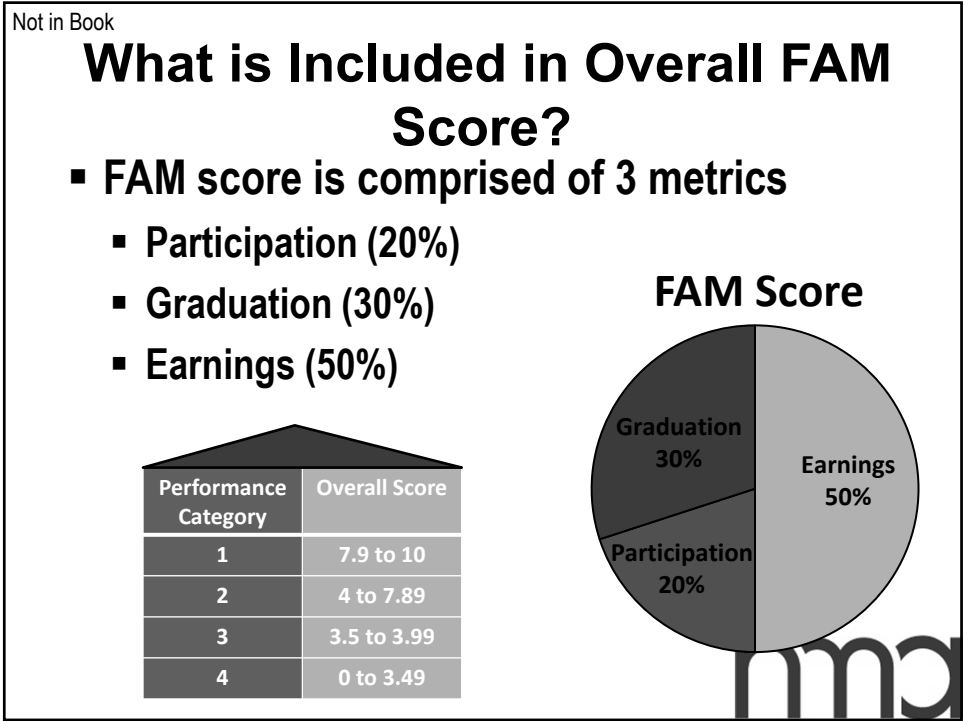
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FAM was Previously Known as “FSS Composite Score”

- FAM changed to...
 - Averaging three years of scores
 - 2020 FAM reflects average of FAM for 2020, 2019, and 2018
 - Adjusting earnings to account for differences in local economies
 - Adjusting earnings thresholds for annual wage growth

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FSS Achievement Metrics	Composite Scores
FAM score is comprised of 3 metrics 20% Participation 30% Graduation 50% Earnings	Composite Score comprised of 3 metrics 20% Participation 30% Graduation 50% Earnings
Data based on PIC/HIP and Federal Reserve Bank of Atlanta	Based on PIC Data alone
Averaging three years of scores for each reporting year [2020 Fam is avg 2018, 2019, 2020] Corrects for local/national events, change in FSS coordinator, change in program design	No average
Adjusting earnings measure to account for differences in local economies based on median area income	Data 3-7 years old – no averages
Adjusting earnings thresholds for annual wage growth and differences in program design	No correction for differences in local economy No correction for low-wage earners
Method of Scoring Metrics – Participation Number served/number expected to serve then Higher of recent year or average last 3 years	Method of Scoring Metrics – Participation # served/number expected to serve then Higher of recent year or average last 3 years
Method of Scoring Metrics – Graduation Percent of FSS families enrolled 5-8 years ago that graduated in reporting year minus Families leaving housing HoH 62+/disability (Counted in enrollments not graduations)	Method of Scoring Metrics – Graduation Percent of FSS participants graduated scoring year
Method of Scoring – Earnings Earnings growth to earnings growth for 3+ families in this PHA HCV Adjusted for AMI (wage) differences by community Higher of Annual earned income current PIC info Average annual earnings since enrollment Corrected for Emp loss, illness, slow start, education first, less than 3.5 years in FSS, >7.5 years in FSS	Method of Scoring – Earnings Escrow balance Adjusted for AMI (wage) differences by community
More enrollments increases participant score More enrollments may decrease graduation and earnings score	More enrollments increases participant score More enrollments may decrease earnings and graduation score



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What is Included in Overall FAM Score?

- FAM score is comprised of 3 metrics
 - Participation (20%)
 - Number of families enrolled compared to numbers expected
 - Graduation (30%)
 - Percent of graduates who graduated
 - Taken from enrollees 5-8 years ago
 - Earnings (50%)
 - Earnings growth over time

Calculating Overall FAM Score

If FSS program has

Participation Score of 6

Graduation Score of 5

Earnings Score of 7.5,

Overall FAM Score will be...

Participation = 6 x 20% = 1.20 +

Graduation = 5 x 30% = 1.50 +

Earnings = 7.5 x 50% = 3.75 =

Overall 6.45

What is performance category?




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


FAM Scores Spreadsheet										
G	H	J	K	L	M	P	Q	S	T	U,V,W
Performance Category	Composite Score	Participation Score	Participation Measure	Participation Rate	Participation Rate	Graduation Score	Graduation Measure	Earnings Score	Earnings Measure	Annual Earnings
G = H X Percent of each Measure set equal to chart	H=C+F+G	J=K set equal to chart	K=higher of L or M	L=current comparison of actual enrollment to expected enrollment	M=3 year average of comparison of actual enrollment to expected enrollment	P=Q set equal to chart	Q=average of graduations in last 3 years of those enrolled 5-8 years before graduation	S=T set equal to chart	T=difference in earnings between FSS and PHA comparison group	U,V,W= each of three years adjusted for market
Based on Composite Score:	Based on:	Based on Participation Measure:	Higher of:	Ratio of:	Ratio of:	Based on Graduation Measure:	Average of:	Based Earnings Measure:	Average of:	Adjusted
1 = 7.9 to 10.0 2 = 4.0 to 7.89 3 = 3.51 to 3.99 4 = 0.0 to 3.5	Participation Score (20%) Graduation Score (30%) Earnings Score (50%)	10 = 2.2 + 9 = 1.95-2.19 8 = 1.7-1.94 7 = 1.45-1.69 6 = 1.2-1.44 5 = 0.95-1.19 0 = Below .95	2022 Participation Rate OR Average of 2022, 2021, and 2020 Participation Rates	Number of FSS participants in 2022 compared to Minimum Number Expected by HUD	FSS participants from 2020 to 2022 compared to Minimum Number Expected by HUD	10=42%+ 7.5=31-42% 5=15-31% 0 = -15%	2022, 2021, and 2020 Graduation Measures	10= \$7,257+ 7.5 = \$5,510 to \$7,257 5 = \$2,623 to \$5,510 OR <\$2,623 and Column Y is 'No' 0 = <\$2,623 AND Column Y is 'Yes'	2022, 2021, and 2020 Earnings Measures (the Earnings Measure is the difference in earnings growth between FSS and comparison households, adjusted for average area median income)	2020,2021 and 2022 Earnings Measure

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FAM Features to Keep in Mind



- HUD posts FAM scores each year by PHA and FSS program
- Use data now as comparison and program improvement





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Calculating Participation Measure 20% of Score

- **Number of FSS participants PHA serves compared to minimum number expected to serve with coordinator grant funding**
 - **Participation measure and score are based on higher of...**
 - **Ratio in most recent year, and**
 - **Average ratio over past three years**

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Calculating Participation Measure

▪ **Example...**

If PHA receives funding for 2 fulltime coordinators it is expected to serve at least 75 families.
If program serves 100 families participation measure calculates...
 $100 \div 75 = 1.33.$



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Calculating Participation Measure

- **HUD minimum numbers PHA is expected to serve**
- 15 participants 1st PT Coord
 - 25 participants 1st Coord
 - 50 participants for each additional full-time Coord

Number of FSS Participants	Baseline FSS Program Positions
15-24 Families	1 Part-Time Coordinator
25-74 Families	1 Full-Time Coordinator
75-124 Families	2 Full-Time Coordinators
125-174 Families	3 Full-Time Coordinators



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Calculating Participation Measure

▪ Tips

▪ Serving more families increases score

▪ Keep in mind

▪ Greater number of families needing services may lower earnings and graduations

Score from Measure

10 = 2.2 or Higher

9 = 1.95 to 2.19

8 = 1.70 to 1.94

7 = 1.45 to 1.69

6 = 1.20 to 1.44

5 = 0.95 to 1.19

0 = Below 0.95

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A collage of various calendar pages, showing dates and days of the week like 'MARCH TUESDAY', 'APRIL MONDAY', 'JANUARY THURSDAY', 'SEPTEMBER FRIDAY', and 'AUGUST WEDNESDAY'. The pages are layered and overlapping. At the bottom, there is a large black banner with the text 'Graduation Measure' in white.

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Calculating Graduation Measure 30% of Score



- Graduation metric calculates
 - Percent of FSS participants enrolled 5-8 years ago that have graduated on data gathering date
 - Households enrolled Jan 1, 2013 and December 31, 2015 which is...
 - Five to eight years before Dec 31, 2020

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Calculating Graduation Measure

- Graduation measure is...
 - Number who graduated by Dec 31, 2020
 - Divided by (\div) total number of households that enrolled between Jan 1, 2013 and Dec 31, 2015 for example...

If 80 households enrolled and 40 graduated by 2020
Graduation measure is $40 \div 80 = 50\%$

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Calculating Graduation Measure

Score from Measure

10	= 42% of Higher
7.5	= 31% to 41.99%
5	= 15% to 30.99%
0	= Below 15%



Not Included in Graduation Measure

- Families enrolled in FSS <5 years ago or > 8 years ago
- FSS participants leaving FSS/housing during analysis period without graduation
 - HoH 62+ years at FSS enrollment are included in graduations not enrollments
 - Program gets credit for graduations but do not get penalized if families don't graduate





Calculating Earnings Measure 50% of FAM Score

- **Measures extent FSS households have earnings growth**



Calculating Earnings Measure 50% of FAM Score

- Measures escrow accounts against local and recent economic conditions ...
 - Score compares earnings growth to same for 3+ similar households with same rental program and same PHA
 - Scores are adjusted for differences in Area Median Income across PHAs



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Calculating Earnings Measure

- Earnings measure compares family's annual earned income at enrollment to higher of...
 - Annual earned income as of most recent PIC record or
 - Average annual earnings since enrollment
 - And...

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Calculating Earnings Measure

- Makes sure programs won't be penalized for...
 - Recent employment loss, injury, or illness if participants saw prior earnings growth, or
 - Slow initial growth but substantial long-term earnings
 - Growth stemming from focus on education first



Calculating Earnings Score

Score from Measure

10 = \$6,587 or Higher

9 = \$5,001 to \$6,587

8 = \$2,381 to \$5,001

0 = Below \$2,381



Not Included in Earnings Calculation

- Families with <3.5 years since FSS enrollment
- Families with >7.5 years since enrollment
 - Allows participants sufficient time to increase income
 - Allows FSS programs with focus on education to score equal to FSS programs that focus on employment



Not Included in Earnings Measure

- HoH 62+ at enrollment
- Person with disability
- Only uses annual re-examinations



Overall FSS Achievement Score



FAM Features to Keep in Mind



- Averaging three years reduces changes affecting FSS in just one year
 - Change in FSS coordinator
 - Change in program model or recruitment approach
 - Local events

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