

**MODEL FSS ACTION PLAN**  
**FOR THE**  
**FAMILY SELF-SUFFICIENCY PROGRAM**

Product # 308-017

July 1, 2022

Revision Date	Revision Date
September 1, 2022	
January 1, 2024	
January 1, 2025	



1810 Gillespie Way, Suite 202  
El Cajon, CA 92020  
800.783.3100  
[www.nanmckay.com](http://www.nanmckay.com)

Copyright 2025 by Nan McKay & Associates, Inc.

All rights reserved

Permission to reprint granted only to the Public Housing Authority or Housing Agency that has purchased this plan from Nan McKay & Associates, Inc. This document may not be reprinted or distributed to any other person or entity other than the purchasing agency without the express written permission of Nan McKay & Associates, Inc.

**FSS Action Plan**  
**TABLE OF CONTENTS**

**CHAPTER 1**

**THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN**

**PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN..... 1**

    1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM ..... 1

    1-I.B. APPLICABLE REGULATIONS ..... 2

    1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN ..... 2

**PART II: REQUIREMENTS OF THE FSS ACTION PLAN..... 3**

    1-II.A. OVERVIEW ..... 3

    1-II.B. HUD APPROACH TO POLICY DEVELOPMENT ..... 3

    1-II.C. FSS ACTION PLAN DEVELOPMENT AND REVISION..... 4

        Development of Action Plan [24 CFR 984.201(b) and (c)]..... 4

        Single Action Plan [24 CFR 984.201(f)] ..... 4

        Revision to the FSS Action Plan [24 CFR 984.201(c)(2)] ..... 4

    1-II.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]..... 5

        Optional Additional Information [24 CFR 984.201(d)(13)]..... 6

    1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]..... 7

**CHAPTER 2**  
**PURPOSE, SCOPE, AND APPLICABILITY OF THE**  
**FAMILY SELF-SUFFICIENCY PROGRAM**

PART I: PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM..... 3

    2-I.A. PURPOSE ..... 3

    2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]..... 3

    2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]..... 3

    2-I.D. BASIC REQUIREMENTS OF FAIR HOUSING ..... 4

    2-II.A. HOUSING-ASSISTED FAMILIES ELIGIBLE TO PARTICIPATE IN FSS ..... 7

    2-II.B. PHAs REQUIRED TO OPERATE AN FSS PROGRAM..... 8

        Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]..... 8

    2-II.C. COOPERATIVE AGREEMENTS [24 CFR 984.106]..... 10

    2-II.D. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]..... 11

    2-II.E. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS  
 [24 CFR 984.201(d)(3)]..... 12

    2-II.F. ELIGIBILITY OF A JOINT PROGRAM  
 [24 CFR 984.201(e); FAQ on FSS Final Rule Implementation 7/23/23, Imp42] ..... 12

PART III: PROGRAM OPERATION..... 13

    2-III.A. OVERVIEW ..... 13

    2-III.B. PROGRAM IMPLEMENTATION DEADLINE..... 13

        Voluntary Program [24 CFR 984.301(a)]..... 13

    2-III.C. TIMETABLE FOR PROGRAM IMPLEMENTATION  
 [24 CFR 984.201(d)(13)]..... 14

PART IV: DEFINITIONS ..... 15

    2-IV.A. DEFINITIONS [24 CFR 984.103]..... 15

**CHAPTER 3  
PROGRAM ADMINISTRATION**

PART I: STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES ..... 1

    3-I.A. OVERVIEW..... 1

    3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS  
    [24 CFR 984.301(b)]..... 1

    3-I.C. FSS PROGRAM COORDINATOR RESPONSIBILITIES ..... 2

        Primary Role of the FSS Program Coordinator ..... 2

    3-I.D. ADMINISTRATIVE FEES AND COSTS ..... 3

        Section 8 FSS Program ..... 3

        Public Housing FSS Program ..... 3

    3-I.E. SUPPORTIVE SERVICES FEES AND COSTS ..... 4

        Section 8 FSS Supportive Services ..... 4

        Public Housing FSS Supportive Services ..... 4

    3-I.F. TREATMENT OF FORFEITED FSS ESCROW ACCOUNT FUNDS ..... 5

    3-I.G. ON-SITE FACILITIES ..... 6

PART II: PROGRAM COORDINATING COMMITTEE ..... 7

    3-II.A. OVERVIEW ..... 7

    3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP..... 7

        Required PCC Membership [24 CFR 984.202(b)(1)]..... 7

        Assistance in Identifying Potential PCC Members [24 CFR 984.202(b)(1)] ..... 7

        Recommended PCC Membership [24 CFR 984.202(b)(2)] ..... 8

    3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)] ..... 8

EXHIBIT 3-1: CHART FOR DETERMINING PCC MEMBERSHIP ..... 9

**CHAPTER 4**  
**SELECTING AND SERVING FSS FAMILIES**

PART I: INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE..... 3

    4-I.A. OVERVIEW..... 3

    4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]..... 4

    4-I.C. OUTREACH EFFORTS [24 CFR 984.201(d)(6)(i)(ii)] ..... 5

    4-I.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF  
NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]..... 6

PART II: FAMILY SELECTION ..... 7

    4-II.A. OVERVIEW ..... 7

    4-II.B. COMPLIANCE WITH NONDISCRIMINATION PROVISIONS..... 7

    4-II.C. FSS SELECTION PREFERENCES ..... 8

    4-II.D. SELECTION FACTORS..... 10

        Motivation Selection Factors [24 CFR 984.203(d)(1)]..... 10

        Other Selection Factors..... 11

    4-II.E. SELECTION OF HEAD OF HOUSEHOLD ..... 12

PART III: ACTIVITIES AND SUPPORT SERVICES ..... 13

    4-III.A. OVERVIEW ..... 13

    4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS  
[24 CFR 984.201(d)(8)]..... 13

    4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION  
[24 CFR 984.201(d)(7)]..... 14

    4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(D)(12)]..... 17

**CHAPTER 5  
CONTRACT OF PARTICIPATION**

PART I: OVERVIEW AND FAMILY OBLIGATIONS..... 3

    5-I.A. OVERVIEW [24 CFR 984.303 and FAQ on  
    FSS Final Rule Implementation 7/23/23, Imp9]..... 3

    5-I.B. CONTENTS OF THE CONTRACT OF PARTICIPATION..... 4

        Individual Training and Services Plan..... 4

    5-I.C. FAMILY OBLIGATIONS..... 5

        Compliance with Lease Terms [24 CFR 984.303(b)(3)]..... 5

        Employment Obligation [24 CFR 984.303 (b)(4)] ..... 6

    5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT ..... 7

PART II: CONTRACT SPECIFICATIONS ..... 9

    5-II.A. OVERVIEW ..... 9

    5-II.B. CONTRACT TERM [24 CFR 984.303(c)]..... 9

        Contract Extension [24 CFR 984.303(d)]..... 9

    5-II.C. MODIFICATION OF THE CONTRACT ..... 10

    5-II.D. COMPLETION OF THE CONTRACT ..... 11

    5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE..... 11

    5-II.F. TERMINATION OF THE CONTRACT ..... 12

        Termination of the Contract with Escrow Distribution  
        [24 CFR 984.303(k)]..... 12

        Termination of the Contract without Escrow Distribution  
        [24 CFR 984.303(h)]..... 12

    5-II.G. OPTION TO WITHHOLD SUPPORTIVE SERVICE  
    [24 CFR 984.303(b)(5)(i)] ..... 14

    5-II.H. PHA OBLIGATION TO MAKE GOOD FAITH EFFORT TO REPLACE  
    UNAVAILABLE SUPPORT SERVICES [24 CFR 984.303(e)]..... 14

    5-II.I. GRIEVANCE PROCEDURES ..... 15

**CHAPTER 6  
ESCROW ACCOUNT**

PART I: THE ESCROW ACCOUNT .....	1
6-I.A. OVERVIEW.....	1
6-I.B. CALCULATING THE FSS CREDIT AMOUNT .....	2
Determination of Baseline Annual Earned Income and Baseline Monthly Rent ...	2
Determination of the Escrow Credit .....	2
Determination of Escrow Credit for Families Who Are Not Low Income.....	2
Increases in FSS Family Income [24 CFR 984.304] .....	2
Cessation of FSS Credit [24 CFR 984.305(b)(4)] .....	2
6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS .....	3
Disbursement before Completion of Contract .....	3
Disbursement at Completion of Contract [24 CFR 984.305(c)(1) and 24 984.305(c)(2)(i)] .....	3
Disbursement at Contract Termination [24 CFR 984.305(c)(3)].....	4
Verification of Family Certification at Disbursement .....	4
6-I.D. SUCCESSION TO FSS ACCOUNT [24 CFR 984.305(d) and FR Notice 5/17/22] .....	5
6-I.E. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP .....	6
6-I.F. FORFEITURE OF FSS ACCOUNT FUNDS .....	6
Treatment of Forfeited FSS Account Funds .....	6
PART II: ESCROW FUND ACCOUNTING AND REPORTING .....	7
6-II.A. OVERVIEW .....	7
6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS.....	7
Crediting the Escrow Account [24 CFR 984.305(a)(2)(i)].....	7
Proration of Investment Income [24 CFR 984.305(a)(2)(ii)] .....	7
Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii) and FAQ on FSS Final Rule Implementation 7/23/23, End9] .....	8
6-II.C. REPORTING ON THE FSS ACCOUNT .....	9

**CHAPTER 7  
PORTABILITY IN SECTION 8 FSS PROGRAMS**

**PART I: PORTABILITY IN THE FSS PROGRAM** ..... 1

    7-I.A. OVERVIEW..... 1

    7-I.B. DEFINITIONS ..... 2

    7-I.C. RESIDENCY REQUIREMENTS ..... 2

    7-I.D. PORTABILITY REQUIREMENTS FOR FSS PARTICIPANTS ..... 3

        Receiving PHA Offers an FSS Program [24 CFR 984.306(b) and FAQ on FSS  
        Final Rule Implementation 7/23/23, Port2] ..... 3

        Receiving PHA Does Not Administer an FSS Program [24 CFR 984.306(c)] ..... 4

        PORTABILITY FSS IMPACT ON FSS FAMILY..... 6

        Single Escrow Account..... 7

        If the receiving PHA absorbs the voucher and pays the housing assistance  
        payment from their HAP, the receiving PHA will manage the escrow account.... 7

        If the receiving PHA administers and bills the initial PHA for the housing  
        assistance payments, the initial PHA will manage the escrow account..... 7

        Single Contract of Participation..... 7

        Termination of FSS contract and Forfeiture of Escrow Account [984.306(e)] ..... 7

    7-I.E. NEW FSS ENROLLMENT INTO RECEIVING PHA’S FSS PROGRAM ..... 8

        Administering and Billing of the Voucher..... 8

        Absorption of the Voucher..... 8

**PART II: REPORTING** ..... 11

    7-II.A. OVERVIEW ..... 11

    7-II.B. CONTENTS OF THE FSS REPORT [24 CFR 984.401]..... 11

    7-II.C. FAMILY SELF-SUFFICIENCY GRANT PROGRAM REVIEW PHA  
    SELF-ASSESSMENT ..... 11