

VERMONT STATE HOUSING AUTHORITY

FAMILY SELF-SUFFICIENCY PROGRAM

ACTION PLAN

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THE VERMONT STATE HOUSING AUTHORITY FAMILY SELF-SUFFICIENCY (FSS) PROGRAM POLICIES AND ACTION PLAN

INTRODUCTION

The Vermont State Housing Authority (VSHA) has been providing critical housing assistance in Vermont for 54 years. Established in 1968, VSHA has the distinction of being the first statewide housing authority in the nation providing critical housing assistance in Vermont.

Throughout our history, we have aggressively and compassionately pursued opportunities to provide and make housing more accessible and affordable for Vermonters. Today, we serve more than 4477 families and are active in almost every community within the state.

MISSION

VSHA's mission is to promote and expand the supply of affordable rental and homeownership opportunities on a statewide basis. Each new endeavor will enhance or increase the organization's capacity to continue its mission and to assure the effectiveness of VSHA as a provider and administrator of affordable housing programs.

HISTORY OF THE FSS PROGRAM AT VSHA

The FSS program began as two pilot projects, Project Self-Sufficiency, created in 1986, and Operation Bootstrap, created in 1990. These pilot projects tested out self-sufficiency programs for families who received housing subsidies and included a focus on essential services, education, and training. The FSS program was created under the National Affordable Housing Act in 1990 and built upon what was learned from the initial pilot projects.

VSHA began its FSS program in 1991. The FSS program began as a mandated program. Upon completion of the requirements for the Mandatory Minimum Program Size, the FSS program of VSHA transitioned to a voluntary program. VSHA absorbed the FSS program of the Hartford Housing Authority, which took place in late 2010.

VSHA is revising its FSS Action Plan in order to reflect the requirements of the FSS Final Rule published May 17, 2022. VSHA rebranded the name of the program to be Forward Motion: A Family Self-Sufficiency Program. For the purpose of this Action Plan, the program will be referred to as FSS.

PROGRAM PURPOSE, APPLICABILITY, AND SCOPE [24 CFR § 984.101]

Purpose

The purpose of the FSS program is to promote the development of local strategies to coordinate the use of Department of Housing and Urban Development (HUD) assistance with public and private resources, to enable families eligible to receive HUD assistance to achieve economic independence and self-sufficiency.

Applicability

FSS will be made available to families who receive housing assistance through one of the following programs administered by VSHA: project-based and tenant-based assistance program under Section 8 of U.S. Housing Act of 1937, a Housing Choice Voucher (HCV) homeownership program under section 8 of U.S. Housing Act of 1937, and Section 8 Moderate Rehabilitation for low-income families and Moderate Rehabilitation Single Room Occupancy for homeless individuals under 24 CFR part 882.

Project-based and tenant-based assistance program under Section 8 of U.S. Housing Act of 1937 includes special purpose vouchers – Family Unification Program, Foster Youth to Independence, Veteran Affairs Supportive Housing Program, Emergency Housing Vouchers and Mainstream Vouchers.

Scope

VSHA must administer its program in accordance with HUD regulations.

Non-participation

Participation in an FSS program is voluntary. A family's admission to Section 8 programs cannot be conditioned on participation in FSS. A family's housing assistance cannot be terminated by such election or due to the family's failure to comply with FSS program requirements.

PROGRAM OBJECTIVES [24 CFR § 984.102]

The objective of FSS, as defined by HUD, is to reduce the dependency of low-income families on welfare assistance and housing subsidies.

Under the FSS program, HUD assisted families are provided opportunities for education, job training, counseling, and other forms of social service assistance, while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency, as defined in HUD regulations.

VSHA's FSS program seeks to help families make measurable progress toward economic security and become better able to achieve the goals they set out for themselves.

HUD will evaluate the performance of VSHA's FSS program using a scoring system that measures criteria, such as graduation from the program, increased earned income, and program participation.

DEFINITIONS [24 CFR § 984.103]

See attached addendum

BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR § 984.104]

An FSS program established under HUD shall be operated in conformity with the requirements of HUD regulations, including the Action Plan, and:

1. As applicable to voucher program participants:
 - a. HCV regulations at 24 CFR part 982, for HCV program participants; and
 - b. Project-based voucher (PBV) regulations at 24 CFR part 983, for PBV program participants; and
 - c. HCV Homeownership regulations at 24 CFR 982.625 through 982.643, for HCV homeownership participants;
2. As applicable to Mod Rehab and Mod Rehab SRO participants, 24 CFR part 882; and,
3. The applicable nondiscrimination and equal opportunity requirements, including, but not limited to, those set forth in 24 CFR part 5.

MINIMUM PROGRAM SIZE [24 CFR § 984.105]

VSHA's mandatory minimum program size as of October 21, 1998, was 165. Additionally, the mandatory minimum of the program previously administered by the Hartford Housing Authority was 4—for a combined total original mandatory minimum of 169.

At this point in time, 280 participants have successfully completed VSHA's FSS program since October 21, 1998. The FSS program of VSHA now functions as a voluntary program.

VSHA will offer FSS activities and services to all eligible families within its jurisdiction.

COOPERATIVE AGREEMENTS [24 CFR § 984.106]

VSHA may enter into a Cooperative Agreement with one or more owners to voluntarily make its FSS program available to owner's multifamily assisted housing tenants.

If VSHA and owner enter into a Cooperative Agreement to make its FSS program available to multifamily assisted housing tenants, VSHA and owner are subject to the following requirements:

1. VSHA must open its FSS waiting list to any eligible family residing in the multifamily assisted housing covered by the Cooperative Agreement.
2. The owner must provide, at the request of VSHA, information on escrow amounts for participating multifamily assisted housing tenants. The Cooperative Agreement must provide that the owner is responsible for managing the escrow account for participating multifamily assisted housing tenants, including calculating and tracking of escrow in accordance with HUD regulations.
3. VSHA may count multifamily assisted housing families served pursuant to a Cooperative Agreement under HUD regulations.
4. VSHA may use FSS appropriated funds to serve multifamily assisted housing tenants subject to the Cooperative Agreement.
5. The Cooperative Agreement must clearly specify the terms and conditions of such agreement, including HUD requirements, and it must include process for VSHA and owners to communicate with each other about changes in their Action Plan.

FSS AWARD FUNDS FORMULA [24 CFR § 984.107]

The Secretary may establish a formula by which funds for administration of the FSS program are awarded consistent with 42 U.S.C. 1437u(i), which provides the following:

Base award

A PHA or owner serving 25 or more participants in the FSS program is eligible to receive an award equal to the costs, as determined by the Secretary, of 1 full-time family self-sufficiency coordinator position. The Secretary may, by notice (including a Notice of Funding Opportunity (NOFO)), determine the policy concerning the award for an eligible entity serving fewer than 25 such participants, including providing prorated awards or allowing such entities to combine their programs under this section for purposes of employing a coordinator.

Additional award

A PHA or owner that meets performance standards set by the Secretary is eligible to receive an additional award sufficient to cover the costs of filling an additional FSS coordinator position if such entity has 75 or more participating families, and an additional coordinator for each additional 50 participating families, or such other ratio

as may be established by the Secretary based on the award allocation evaluation under section 23(i)(2)(E) of the U.S. Housing Act of 1937.

State and region entities

For purposes of calculating the award under this section, HUD may treat each administratively distinct part of a State or regional entity as a separate entity.

Determination of number of coordinators

In determining whether a PHA or owner meets specific threshold for funding pursuant to this section, the Secretary shall consider the number of participants enrolled by the PHA or owner in its FSS program as well as other criteria determined by the Secretary.

Renewals and allocation

FSS awards shall be allocated, as established by the Secretary, in the following order of priority:

First priority

Renewal of the full cost of all FSS coordinators in the previous year at each PHA or owner with an existing FSS program that meets applicable performance standards set by the Secretary. If this first priority cannot be fully satisfied, the Secretary may prorate the funding for each PHA or owner, as long as:

1. Each PHA or owner that has received funding for at least 1 part-time coordinator in the prior fiscal year is provided sufficient funding for at least 1 part-time coordinator as part of any such proration; and
2. Each PHA or owner that has received funding for at least 1 full-time coordinator in the prior fiscal year is provided sufficient funding for at least 1 full-time coordinator as part of any such proration.

Second priority

New or incremental coordinator funding.

Recapture of offset

Any FSS awards allocated under this section by the Secretary in a fiscal year that have not been spent by the end of the subsequent fiscal year or such other time period as

determined by the Secretary may be recaptured by the Secretary and shall be available for providing additional awards pursuant to HUD regulation, or may be offset as determined by the Secretary.

Incentives for innovation and high performance

The Secretary may reserve up to 5 percent of the appropriated FSS funds to provide support to or reward FSS programs based on the rate of successful completion, increased earned income, or other factors as may be established by the Secretary.

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THE FSS ACTION PLAN [24 CFR § 984.201]

Requirement for Action Plan

VSHA must have an approved Action Plan that complies with HUD regulations before VSHA operates an FSS program, whether the FSS program is a mandatory or voluntary program.

Development of Action Plan

The Action Plan shall be developed by VSHA in consultation with the chief executive officer of VSHA and the Program Coordinating Committee. Consultation of the Action Plan by VSHA shall also include representatives of current and prospective FSS program participants, any local agencies responsible for programs under title I of the Workforce Innovation and Opportunity Act, other appropriate organizations, and any other public and private service providers affected by the operation of VSHA's program.

Plan Submission

Voluntary program

VSHA must submit its Action Plan and obtain HUD approval of the plan before VSHA carries out a voluntary FSS program, including a program that exceeds the minimum size for a mandatory program, regardless of whether the voluntary program receives HUD funding.

Revision

Following HUD's initial approval of the Action Plan, no further approval of the Action Plan is required unless VSHA proposes to make policy changes to the Action Plan or increase the size of a voluntary program; or HUD requires other changes. In such cases, VSHA must submit changes to the Action Plan for HUD approval.

Contents of Plan

The Action Plan shall describe the policies and procedures for the operation of VSHA's FSS program, and shall contain, at minimum the following information:

Family demographics¹

¹ A description of the number, size, characteristics, and other demographics, and supportive service needs of the families expected to participate in the FSS program

The following table is a description of the number, size, characteristics, and other demographics, and the supportive service needs of the families expected to participate in the FSS program.

	Total Families	Percent of Total	MS Total Families	MS Percent of Total	S8 Mod Rehab Total Families	S8 Mod Rehab Percent of Total	HCV Total Families	HCV Percent of Total
All Families	3803		312		33		3458	
Single	2036	53.54%	225	72.12%	24	72.73%	1787	51.68%
Female HOH	2698	70.94%	202	64.74%	22	66.67%	2474	71.54%
Male HOH	1105	29.06%	110	35.26%	11	33.33%	984	28.46%
Race								
White	3565	93.74%	296	94.87%	28	84.85%	3241	93.72%
Black/African American	86	2.26%	8	2.56%	0	0.00%	78	2.26%
American Indian/Alaska Native	57	1.50%	4	1.28%	1	3.03%	52	1.50%
Asian	14	0.37%	1	0.32%	0	0.00%	13	0.38%
Native Hawaiian/Other Pacific Islander	4	0.11%	0	0.00%	0	0.00%	4	0.12%
Ethnicity								
Hispanic or Latino	77	2.02%	3	0.96%	4	12.12%	70	2.02%
Not Hispanic or Latino	3726	97.98%	309	99.04%	29	87.88%	3388	97.98%
Income								
Average Family Income	\$15,205.42		\$14,705.41		\$13,821.24		\$17,089.60	

Extremely Low-Income	2951	77.60 %		1.5% margin of error for the income levels				
Very Low-Income	681	33.45 %						
Low Income	105	3.89 %						
Over 80%	11	1.00 %						
Total Household Members	7375		460		55		6860	
Wage Income	836	11.34 %	34	0.46 %	7	0.09 %	795	10.78 %
TANF Income	454	6.16 %	22	0.30 %	5	0.07 %	427	5.79 %
SS	2347	31.82 %	224	3.04 %	8	0.11 %	2115	28.68 %
SSI	1778	24.11 %	181	2.45 %	14	0.19 %	1583	21.46 %
Pension	218	2.96 %	3	0.04 %	1	0.01 %	214	2.90 %
Child Support	288	3.91 %	4	0.05 %	3	0.04 %	281	3.81 %
Federal Wage	6	0.08 %	2	0.03 %	0	0.00 %	4	0.05 %
General Assistance (includes Food Stamps)	780	10.58 %	109	1.48 %	14	0.19 %	657	8.91 %
Medical Reimbursement	1	0.01 %	0	0.00 %	0	0.00 %	1	0.01 %
Military Pay	4	0.05 %	1	0.01 %	0	0.00 %	3	0.04 %
Other Nonwage Sources	754	10.22 %	51	0.69 %	3	0.04 %	700	9.49 %
Own Business	42	0.57 %	2	0.03 %	0	0.00 %	40	0.54 %
Unemployment Benefits	249	3.38 %	9	0.12 %	3	0.04 %	237	3.21 %
Number of Children								

Household without Children	2520	34.17 %	272	3.69 %	24	0.33 %	2224	30.16 %
1	517	7.01 %	20	0.27 %	2	0.03 %	495	6.71 %
2	424	5.75 %	12	0.16 %	3	0.04 %	409	5.55 %
3	239	3.24 %	4	0.05 %	3	0.04 %	232	3.15 %
4	71	0.96 %	2	0.03 %	1	0.01 %	68	0.92 %
5	22	0.30 %	1	0.01 %	0	0.00 %	21	0.28 %
6	8	0.11 %	1	0.01 %	0	0.00 %	7	0.09 %
7	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
8	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
9	2	0.03 %	0	0.00 %	0	0.00 %	2	0.03 %
Total Number of Family Numbers								
1	2036	27.61 %	225	3.05 %	24	0.33 %	1787	24.23 %
2	801	10.86 %	57	0.77 %	2	0.03 %	742	10.06 %
3	452	6.13 %	13	0.18 %	3	0.04 %	436	5.91 %
4	309	4.19 %	10	0.14 %	2	0.03 %	297	4.03 %
5	123	1.67 %	3	0.04 %	2	0.03 %	118	1.60 %
6	58	0.79 %	2	0.03 %	0	0.00 %	56	0.76 %
7	18	0.24 %	1	0.01 %	0	0.00 %	17	0.23 %
8	4	0.05 %	1	0.01 %	0	0.00 %	3	0.04 %
9	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %

10	0	0.00 %	0	0.00 %	0	0.00 %	0	0.00 %
11	2	0.03 %	0	0.00 %	0	0.00 %	2	0.03 %
Persons with Disabilities								
HOH Person with Disabilities	2247	30.47 %	304	4.12 %	13	0.18 %	1930	26.17 %
Family Members with Disabilities	522	7.08 %	33	0.45 %	1	0.01 %	488	6.62 %
1. All data includes Homeownership data. 70 Homeownership households which equals to 1.89% of total households.								

Estimate of Participating Families²

The number of families who can reasonably be expected to receive supportive services under VSHA’s FSS program are 125-150 based on the available and anticipated resources.

Eligible families from other self-sufficiency programs³

VSHA provides FSS program informational material to all eligible families participating in our applicable programs, regardless of their participation in other local self-sufficiency programs; therefore, the number of families, by program type, who are participating in other local self-sufficiency programs and are expected to agree to execute an FSS CoP is not applicable.

Family selection procedures⁴

Selection for participation and outreach efforts will be equally targeted to minority and non-minority families to ensure that the families will be selected without regard to race, color, religion, sex (including actual or perceived gender identity or sexual orientation), disability, familial status, or national origin.

² A description of the number of eligible FSS families who can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated Federal, tribal, State, local and private resources

³ If applicable, the number of families, by program type, who are participating in other local self-sufficiency programs and are expected to agree to execute an FSS CoP

⁴ A statement indicating the procedures to be utilized to select families for participation in the FSS program.

VSHA will not select families who have previously participated in the FSS program who completed its CoP.

VSHA, at its discretion, may select families who have previously participated in the FSS program whose CoP was terminated and whose FSS escrow account was forfeited.

VSHA will offer enrolled families the following incentives to encourage participation in the FSS program:

- (a) FSS Escrow Account
- (b) Supportive Services

Outreach efforts⁷

VSHA provides FSS program informational material to all eligible families participating in our applicable programs. All participants, minority and non-minority, who are recipients of housing assistance benefits receive informational material about the FSS program during their voucher briefing. Additionally, informational material about the FSS program will be disseminated at annual reexaminations.

In addition to providing the informational material during voucher briefings and annual reexaminations, VSHA will promote the FSS program through mailings, posters, informational meetings, advertising, and other means as necessary.

FSS activities and supportive services⁸

FSS coordinators will identify and coordinate access to public and private resources which are expected to provide supportive services on behalf of participating FSS families.

Coordinators will work with members of the PCC, as well as other public and private resources, based on the needs of the participant and their CoP. Public and private resources that the Coordinator will assist the participant to access include, but are not limited to:

NEED	Support Services
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⁶ A description of the efforts, including notification and outreach efforts, to recruit FSS participants from among eligible families

⁷ A description of the efforts, including notification and outreach efforts, to recruit FSS participants from among eligible families

⁸ A description of the activities and supportive services to be coordinated on behalf of participating families and identification of the public and private resources which are expected to provide the supportive services.

Health Services	<ul style="list-style-type: none"> • Health Clinics • Dental Clinics • Mental Health Providers • Health Insurance Options and Assistance • Substance Abuse Counseling
Daycare and Supportive Child Services	<ul style="list-style-type: none"> • Daycare Options • Head Start Options • Parenting Education • Child/Family Services • WIC • Health Services
Educational Programs	<ul style="list-style-type: none"> • Educational Program Options • Financial Aid • Basic and Higher Education • Scholarship Opportunities
Training Programs	<ul style="list-style-type: none"> • VocRehab Services • Career Training Centers • Sponsored Training Programs
Job Search Assistance	<ul style="list-style-type: none"> • Job Seeker Services • Resume Writing and Interviewing Workshops • Transportation Support • Work Clothing Support • Job Site Visits
Nutritional Assistance	<ul style="list-style-type: none"> • WIC • Food Stamps • Food Banks
Financial and Credit Counseling	<ul style="list-style-type: none"> • Financial Education • Small Business Counseling and Education
Homeownership Counseling	<ul style="list-style-type: none"> • NeighborWorks Homeownership Centers • VSHA's Homeownership Program
Crisis Assistance	<ul style="list-style-type: none"> • Heating and Electric Assistance • Legal Aid Options

Method for identification of family support needs⁹

⁹ A description of how the FSS program will identify the needs and coordinate the services and activities according to the needs of the FSS families

Coordinators will work as partners with identified public and private resources to support FSS families in fulfilling their obligations under the CoP. Coordinators will work as advocates and coaches for FSS families; at minimum conducting annual updates to identify barriers and assess progress towards goal completion.

The following process will be used to determine the supportive services needed by a FSS family:

Assessments will be conducted by the Coordinator in conjunction with the FSS family. Growth will be assessed and tracked in the areas of employment and job readiness, education and job training, supports and barriers, health, and finances.

The Coordinator will link the FSS family to local public and private resources that provide supportive services as barriers to economic independence and self-sufficiency are identified.

When an assessment is being conducted, the Coordinator in conjunction with the FSS family, and if applicable the FSS family's other supportive services providers, will meet to assess and track barriers and progress towards goal completion.

Program termination; withholding of services; and available grievance procedures¹⁰

The CoP may be terminated on or before the expiration of the contract term and any applicable extension under these circumstances:

- Failure to meet the obligations of the CoP, to include lease violations
- If the family's housing assistance is terminated in accordance with HUD requirements and/or VSHA policy
- Mutual consent of the FSS family and VSHA
- Voluntary withdrawal by the FSS family
- Unavailability of supportive services
- Other acts deemed inconsistent with the purpose and objectives of the FSS program

If the FSS family is terminated from the FSS program, the family will be sent written notice advising them that their FSS CoP will be terminated. This notice will inform them of their right to submit a written request for an informal hearing.

¹⁰ A description of all policies concerning termination of participation in the FSS program, or withholding of coordination of supportive services, on the basis on a family's failure to comply with the requirements of the CoP; and the grievance and hearing procedures available for FSS families

The grievance and hearing procedures will be the same as the procedures set forth and adopted in VSHA's Section 8 Administrative Plan.

Assurances of non-interference with rights of non-participating families

A family's election to not participate in the FSS program will not affect the family's admission to the Section 8 program or the family's right to occupancy in accordance with their lease.

Timetable for program implementation

VSHA has successfully administered a FSS program since 1998. An Incentive Plan has been established, as outlined on page 13 of this Action Plan. FSS families are actively engaged and receiving support by their Coordinator to access needed supportive services.

The FSS Action Plan has been revised to reflect recent regulatory changes as mandated by HUD requirements.

Certification of coordination

If the FSS family already receives services through another public or private resource, the Coordinator will coordinate the development of services and activities with the goal of service coordination and elimination of duplication of services and activities.

VSHA certifies that coordination with public and private resources is currently occurring and will continue as applicable in the local communities of the FSS families who are served. These services include, but are not limited to, the areas of training, education, employment, child care, transportation, physical health and mental wellness services, and nutritional and financial empowerment programs.

PROGRAM COORDINATING COMMITTEE (PCC) [24 CFR § 984.202]

The PCC's role is to secure commitments of public and private resources for the operation of the FSS program, including assisting in developing the Action Plan and in operating the program.

MEMBERSHIP - REQUIRED

VSHA must include representatives of the VSHA, including one or more FSS Program Coordinators, and one or more participants from each HUD rental assistance program served by the VSHA's FSS program.

RECOMMENDED MEMBERSHIP

Membership may include representatives of the unit of general local government served by VSHA, local agencies (if any) responsible for carrying our programs under title I of the Workforce Innovation and Opportunity Act, and any other organizations with resources to assist the FSS program.

VSHA has an active and engaged PCC consisting of representatives from the State of Vermont Agency of Human Services / Economic Services / Department of Labor / Vocational Rehabilitation, Community Action, The Vermont Student Assistance Corporation, Adult Basic Education, NeighborWorks Homeownership Centers, United Way, Head Start, Youth Service Bureaus, and other active members of the social service community. VSHA will have consistent representation on the committee from at least one FSS participant from each HUD rental assistance program served.

FSS FAMILY SELECTION PROCEDURES [24 CFR § 984.203]

If there are more applicants to the FSS program than the FSS program can serve, a wait list will be created.

When a slot becomes available, applicant families will be contacted from the wait list. In areas where the level of interest permits, VSHA may opt to offer a group orientation session. At the end of the orientation session, individual family meetings will be scheduled. If the contacted family does not respond or does not attend a required orientation session or individual meeting without good cause, the applicant family will be removed from the wait list and offered access to the grievance and hearing process.

VSHA has the option of selecting eligible families for up to (50) percent of its FSS slots in accordance with the Action Plan written policy who have one or more family members currently enrolled in an FSS related service program or on the waiting list for such a program. VSHA may limit the selection preference given to participants in, and applicants for, FSS related service programs to one or more eligible FSS related service programs.

SELECTION AMONG FAMILIES WITH PREFERENCE

VSHA is not adopting the option of selecting eligible families for up to (50) percent of its FSS slots who have one or more family members currently enrolled in an FSS related service program or on the waiting list for such a program.

SELECTION AMONG FAMILIES WITHOUT PREFERENCE

Applicants placed on the waiting list will be drawn off the waiting list according to the date and time they completed an application to the FSS program.

MOTIVATION AS A SELECTION FACTOR

VSHA may screen families for interest and motivation to participate in the FSS program provided that the factors utilized are those which solely measure the family's interest and motivation to participate in the FSS program, provided that the factors utilized are those which solely measure the family's interest and motivation to participate in the FSS program. For this reason, VSHA must only apply motivational screening factors that are permissible under HUD regulations.

VSHA will screen families for interest and motivation to participate in the FSS program by requiring candidates to participate in an FSS program orientation or complete a questionnaire. The orientation will include a review of the objectives and expectations of the programs, services offered, and the requirements to complete the FSS program.

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PROGRAM OPERATIONS

This section discusses six main components of the Family Self-Sufficiency Program:

- Program implementation
- FSS funds
- The Contract of Participation (CoP)
- Amount of rent paid by FSS family and increases in family income
- FSS escrow account
- HCV portability requirements for FSS participants

PROGRAM IMPLEMENTATION [24 CFR § 984.301]

VSHA operates a voluntary program as the requirements of § 984.201 have been satisfied.

VSHA employs appropriate staff to administer its FSS program. VSHA may contract with an appropriate organization to administer all or part of its FSS program, including the FSS escrow account, as provided by § 984.305.

FSS FUNDS [24 CFR § 984.302]

Section 8 program

VSHA may use the administrative fees paid for costs associated with operation of an FSS program.

FSS funds

FSS funds associated with the operation of an FSS program are established by Congress and subject to appropriations. FSS appropriated funds awarded to VSHA will be used for costs associated with families who are enrolled in the FSS program.

CONTRACT OF PARTICIPATION [24 CFR §984.303]

Each eligible family that is selected to participate in an FSS program must enter into a CoP with VSHA. There will be no more than one CoP at any time for each family. There may be an Individual Training and Services Plan (ITSP) for as many members of the family as wish to participate. The CoP shall be signed by the Coordinator and the head of the FSS family, as designated by the family. The head of the FSS family does not have to be the same as the official head of household for rental assistance purposes.

Form and content of contract

The CoP, which incorporates the ITSP(s), is an agreement entered into by the designated adult family member of the FSS family and VSHA. This contract establishes the terms and conditions governing participation in the FSS program, the rights and responsibilities of the FSS family and VSHA, the services to be provided to, the activities to be completed by, each adult member of the FSS family who elects to participate.

The head of the FSS family is designated by the participating family. VSHA may make itself available to consult with families on this decision but it is the assisted household that chooses the head of FSS family that is most suitable for their individual household circumstances. The designation or any changes by the household to the head of the FSS family must be submitted to VSHA by completing a form developed by VSHA.

FSS family goals

The ITSP, incorporated in the CoP, shall establish specific interim and final goals by which VSHA and the family measures the FSS family's progress towards fulfilling its obligations under the CoP and becoming self-sufficient.

In cases where the participant is enrolled in an FSS related service program, the Coordinator in conjunction with the FSS family and other supportive services providers, will obtain and incorporate their established self-sufficiency related plan. This plan will inform what specific interim and final goals are to be established with the intent of avoiding the duplication of services and activities.

The ITSP is prepared by the Coordinator in consultation with a participating FSS family member (the person with for and whom the ITSP is being developed) to identify and establish relevant, feasible and desirable goals that are realistic and individualized.

For any FSS family that is a recipient of welfare assistance at the outset of the CoP or that receives welfare assistance while in the FSS program, VSHA must establish a final goal for each FSS participant that every member of the family become independent from welfare assistance before the expiration of the term of the CoP, including any extension thereof.

VSHA must not include additional mandatory goals or mandatory modifications of the two mandatory goals. See employment obligation below.

Compliance with lease terms

The CoP shall provide that one of the obligations of the FSS family is to comply with the terms and conditions of the respective Section 8 lease. However, all considerations allowed for other assisted participants for repayment agreements, etc. shall be allowed for FSS participants.

VSHA will confirm the FSS family is compliant with the terms and conditions of the respective Section 8 lease by requiring the completion of VSHA's Landlord Certification form.

Employment obligation

The head of the FSS family must seek and maintain suitable employment during the term of the contract and any extension thereof, as required under the CoP.

Seek employment

The obligation to seek employment means searching for jobs, applying for employment, attending job interviews, and otherwise following through on employment opportunities.

Determination of suitable employment

A determination of suitable employment shall be made by VSHA, with the agreement of the FSS family, based on the skills, education, job training, and recipient of other benefits of the household member, and based on available job opportunities within the community where the FSS family resides.

Consequences of noncompliance

The CoP shall state the consequences of noncompliance. Such consequences are outlined on Form HUD-52650: Family Self-Sufficiency (FSS) Program Contract of Participation.

Contract of Participation term

The CoP shall state that each FSS family will be required to fulfill CoP obligations no later than 5 years after the first reexamination of income after the execution date of the CoP.

Contract of Participation extension

VSHA shall, in writing, extend the term of the CoP for a period not to exceed (2) years for any FSS family that requests, in writing, an extension of the contract, provided that VSHA 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 escrow account in accordance with HUD regulation.

HUD defines *good cause* to mean:

1. Circumstances beyond the control of the family that impede the family's ability to complete the CoP obligations, as determined by VSHA, such as serious illness or involuntary loss of employment
2. Active pursuit of current or additional goal that will result in furtherance of self-sufficiency during the period of the extension, as determined by VSHA; or
3. Any other circumstance that VSHA determines warrants an extension, as long as VSHA is consistent in its determination as to which circumstances warrant an extension

Unavailability of supportive services

Good-faith effort to replace unavailable services

If a social service agency fails to deliver supportive services identified in a FSS family member's ITSP, VSHA will make a good faith effort to obtain these services from another agency.

Assessment of necessity of services

If VSHA is unable to obtain services from another agency, VSHA shall reassess the family member's needs and determine whether other available services would achieve the same purpose. If other services would not achieve the same purpose, VSHA and the family shall determine whether the unavailable services are integral to the FSS family's self-sufficiency. If the unavailable services are:

1. Determined to not be integral to the FSS family's advancement towards self-sufficiency, VSHA shall revise the ITSP to delete these services, and modify the CoP to remove any obligation on the part of the FSS family to accept unavailable services in accordance with HUD regulation; or
2. Determined to be an integral to the FSS family's advancement towards self-sufficiency, VSHA shall terminate the CoP and follow HUD regulation regarding FSS escrow disbursement

Modification

VSHA and the FSS family may mutually agree to modify the CoP with respect to ITSP and/or contract term in accordance with HUD regulation, and/or designation of the head of FSS family. Modifications must be in writing.

VSHA will not approve modifications to the ITSP beyond three months prior to the end of the contract term or extensions thereof. Exceptions will be considered if requested through reasonable accommodation.

Completion of the contract

The CoP is considered to be completed, and the family's participation in the FSS program is considered to be concluded when the FSS family has fulfilled all of its obligations under the CoP, including all family members' ITSPs, on or before the expiration of the contract term, including any extension thereof.

Termination of the contract

The CoP shall be terminated if the family's housing assistance is terminated in accordance with HUD requirements.

The CoP may be terminated before the expiration of the contract term, and any extensions thereof, by:

1. Mutual consent of the parties;
2. The failure of the FSS family to meet its obligations under the CoP without good cause. This includes an FSS family receiving tenant-based assistance under section 8(o) of the 1937 Act who fails to comply with the contract requirements because the family has moved outside of VSHA's jurisdiction, and VSHA has not determined that there is good cause to terminate the CoP with FSS escrow disbursement in accordance with HUD regulation;
3. The family's withdrawal from the FSS program;
4. Such other act as deemed inconsistent with the purpose of the FSS program; or
5. Operation of law

Option to terminate FSS participation or withhold the coordination of supportive service assistance

VSHA may withhold the coordination of supportive services or terminate the FSS family's participation in the FSS program, if VSHA determines, in accordance with the VSHA Section 8 Administrative Plan hearing procedures, that the FSS family has failed to comply without good cause with the requirements of the CoP in accordance with HUD regulations.

Transitional supportive service assistance

VSHA will not continue to offer to a former FSS family that has completed its CoP, appropriate coordination of those FSS supportive services needed to become self-sufficient if the family still resides in Section 8 housing.

If the family no longer resides in Section 8, VSHA will not continue to coordinate supportive services for a former FSS family that completed its CoP.

Termination with FSS escrow disbursement

The CoP will be terminated with FSS disbursement when:

1. Services by VSHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable, as described in HUD regulation;
2. The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless VSHA and the FSS family determine that it is possible to modify the contract and designate a new head of the FSS family; or
3. A FSS family in good standing moves outside the jurisdiction of VSHA for good cause, as determined by VSHA, and the continuation of the CoP after the move, or completion of the CoP prior to move, is not possible.

VSHA must be consistent in their determinations of whether a family has good cause for termination with FSS escrow disbursement under HUD regulations.

Escrow funds will be handled consistently upon termination of a CoP in accordance with HUD regulations.

AMOUNT OF RENT PAID BY FSS FAMILY AND INCREASES IN FAMILY INCOME [24 CFR §984.304]

Amount of rent paid by FSS family

The amount of rent paid by an FSS family is determined in accordance with the requirements of the applicable housing assistance program they are participating in.

Section 8 programs: Calculation of rent

For the HCV program, rent is determined in accordance with HUD regulations; specifically, 24 CFR part 982, subpart K.

For the PBV program, rent is determined in accordance with HUD regulations; specifically, 24 CFR part 983, subpart G.

Increases in FSS family income

Any increase in earned income of an FSS family during its participation in an FSS program may not be considered as income or an asset for the purposes of eligibility of the FSS family under any other program administered by HUD.

FSS ESCROW ACCOUNT [24 CFR §984.305]

Establishment of FSS escrow account

VSHA will deposit the FSS escrow account funds of all families participating in the FSS program into a single interest-bearing depository account. VSHA must deposit the FSS escrow account funds in one or more of the HUD-approved investments. The depository account may be part of VSHA's overall accounts or a separate account, as long as it is in compliance with HUD regulations.

During the term of the CoP, the FSS escrow account credit amount shall be determined in accordance with HUD regulations at each reexamination of income occurring after the effective date of the CoP. Such escrow credit amount must be deposited each month by VSHA to each family's FSS escrow account within VSHA's depository account.

Accounting for FSS escrow account funds

Accounting records

The total of the combined FSS escrow account funds will be supported in the accounting records by a subsidiary ledger showing the balance applicable to each FSS family.

Proration of investment income

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

Reduction of amounts due by FSS family

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, under the Section 8-assisted lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to VSHA) at the time of final disbursement of FSS escrow funds in accordance with HUD regulation.

If the FSS family has been found to have under-reported income after the baseline annual earned income was set, the amount credited to the FSS escrow account will be based on the income amounts originally reported by the FSS family.

If the FSS family has been found to have under-reported income in the re-examination used to set the baseline, the escrow for the entire period of the CoP will be re-calculated using the correct income to set the baseline and then calculate subsequent escrow amounts.

Reporting on FSS escrow account

VSHA will be required to make a report, at least once annually, to each FSS family on the status of the family's FSS escrow account. At minimum, the report will include:

1. The balance at the beginning of the reporting period;

2. The amount of the family's rent payment that was credited to the FSS escrow account, during the reporting period;
3. Any deductions made from the account at the time of final disbursement of FSS escrow funds in accordance with HUD regulations for amounts due to VSHA;
4. The amount of interest earned on the account during the year; and
5. The total in the account at the end of the reporting period.

FSS credit

Determining the family's baseline information

When determining the family's baseline income annual earned income and the baseline monthly rent amounts for purposes of computing the FSS escrow credit, VSHA must use the amounts on the family's last income re-examination.

Computation of amount

The FSS credit amount shall be the lower of:

1. Thirty (30) percent of one-twelfth (1/12) (i.e. two and a half (2.5) percent) of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income; or
2. The increase in the family's monthly rent. The increase in the family's monthly rent shall be the lower of:
 - a. For HCV families, the difference between the baseline monthly rent and the current gross rent (i.e. rent to owner plus any utility allowance) or the payment standard, whichever is lower; or
 - b. For PBV, Mod Rehab, including Mod Rehab SRO, and PBRA families, the difference between the baseline monthly rent and the current gross rent (i.e., rent to owner or contract rent, as applicable, plus any utility allowance).

Ineligibility for FSS credit

FSS families who are not low-income families (i.e., whose adjusted annual income exceeds eighty (80) percent of the area median income) shall not be entitled to any FSS credit.

Cessation of FSS credit

VSHA shall not make additional credits to the FSS family's FSS escrow account:

1. When the FSS family has completed the CoP, as described in HUD regulations;
2. When the CoP is terminated; or

3. During the time an HCV family is in the process of moving to a new unit, in accordance with HCV program requirements in accordance with HUD regulations, and is not under a lease.

Disbursement of FSS escrow account funds

General

The amount in an FSS escrow account in excess of any amount owed to VSHA by the FSS family, as provided in HUD regulations, shall be paid to the head of FSS family when the CoP has been completed in accordance with HUD regulations, and if, at the time of contract completion, the head of FSS family submits to VSHA a certification, as defined in HUD regulations, that to the best of their knowledge and belief, no member of the FSS family is a recipient of welfare assistance.

VSHA will require third-party verification of goal completion and when not available or appropriate will accept self-certification.

Disbursement before expiration of contract term

If VSHA determines that the FSS family has fulfilled its obligations under the CoP before the expiration of the contract term, and the head of FSS family submits a certification that, to the best of their knowledge, no member of the FSS family is a recipient of welfare assistance, the amount in the family's FSS escrow account, in excess of any amount owed to VSHA by the FSS family, as provided in HUD regulations, shall be paid to the head of FSS family.

VSHA will require third-party verification of goal completion and when not available or appropriate will accept self-certification.

VSHA will allow for interim disbursements on a case-by-case basis. Families may request an interim disbursement from the escrow account once the FSS family has met the following criteria:

1. Has fulfilled at least one interim goal; and
2. Has been enrolled in the self-sufficiency program for, at minimum, twelve months; and
3. Must be in compliance with its CoP and voucher obligations, to include having satisfied or current on repaying any debts owed to VSHA; and

The disbursement request will be considered if it is needed in order to pay for specific goods or services that will help the family make progress toward achieving the goals in its Individual Training and Services Plan (ITSP).

Requests must be made in writing and may be made through the term of the Contract of Participation. The request must explain how the funds will facilitate the completion of the ITSP.

Requests for interim disbursements will be considered by the Director of Housing Program Administration. The total disbursement if granted, will be no greater than, 25% of the FSS family's total FSS escrow account balance.

If an interim disbursement is granted, the FSS family will be required to provide documentation to demonstrate that the funds were used in accordance with their written request.

VSHA will not grant more than one interim disbursement with the contract term or extension thereof.

Unless the interim disbursement was granted based on fraudulent information from the FSS family, the FSS family is not required to repay such interim disbursements if the FSS family does not complete the CoP.

If available, approved interim disbursements will first be made from the forfeited FSS escrow account funds in accordance with HUD regulation.

Disbursement in cases of termination of the CoP with disbursement of escrow

VSHA must disburse to the family its FSS escrow account funds in excess of any amount owed to VSHA by the FSS family, as provided in HUD regulations, under circumstances in which HUD has determined good cause is warranted.

HUD determines that there is good cause when a CoP is terminated in accordance with HUD regulations. Therefore, if the CoP is terminated in accordance with HUD regulations, VSHA must disburse to the family its FSS escrow account funds in excess of any amount owed to VSHA by the FSS family, as provided in HUD regulations, as of the effective date of the termination of the contract.

Verification of family certification

Before disbursement of the FSS escrow account funds to the family, VSHA will verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance and by contacting welfare agencies.

Succession of FSS escrow account

If the head of FSS family ceases to reside with other family members in the Section 8-assisted unit, the remaining members of the FSS family, after consultation with VSHA, shall have the right to take over the CoP or designate another family member to receive the funds in accordance with HUD regulations.

Use of FSS escrow account funds for homeownership

A FSS family may use disbursed FSS escrow account funds, in accordance with HUD regulations, after final disbursement of the purchase of a home, including the purchase of a home under

one of HUD's homeownership programs, or other Federal, State, or local homeownership programs, unless such use is prohibited by the statute or regulations governing the particular homeownership program.

Forfeiture of FSS escrow funds

Conditions for forfeiture

Amounts in the FSS escrow account shall be forfeited upon the occurrence of the following:

1. The CoP is terminated, as provided in HUD regulations; or,
2. The CoP is completed by the family, as provided in HUD regulations, but the FSS family is receiving welfare assistance at the time the CoP term expires, including any extensions thereof.

Treatment of forfeited FSS escrow account funds

FSS escrow account funds forfeited by the FSS family must be used by VSHA for the benefit of the FSS participants. Specifically, such funds may **be** used for the following eligible activities:

1. Support for FSS participants in good standing, including, but not limited to, transportation, child care, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the CoP;
2. Training for FSS Program Coordinator(s); or
3. Other eligible activities as determined by the Secretary.

VSHA will allow for disbursements on a case-by-case basis. Families may request a disbursement from the forfeited FSS escrow account once the FSS family has met the following criteria:

1. Has been enrolled in the self-sufficiency program for, at minimum, twelve months; and
2. Must be in compliance with its CoP and voucher obligations, to include having satisfied or current on repaying any debts owed to VSHA; and

The disbursement request will be considered if it is needed in order to pay for specific goods or services that will help the family make progress toward achieving the goals in its Individual Training and Services Plan (ITSP).

Requests must be made in writing and may be made through the term of the Contract of Participation. The request must explain how the funds will facilitate the completion of the ITSP.

Requests for disbursements will be considered by the Director of Housing Program Administration. If a disbursement is granted, the FSS family will be required to provide documentation to demonstrate that the funds were used in accordance with their written request.

Such funds may not be used for salary and fringe benefits of FSS Program Coordinators; general administrative costs of the FSS Program, for housing assistance payments (HAP) expenses; or any other activity determined ineligible by the Secretary.

HCV PORTABILITY REQUIREMENTS FOR FSS PARTICIPANTS [24 CFR § 984.306]

Initial period of CoP

First 12 months

During the first 12 months after the effective date of the FSS CoP, an FSS family may not move outside the jurisdiction of VSHA. However, VSHA may approve an FSS family's request to move outside of its jurisdiction under portability, in accordance with HUD regulation, during this period.

This applies to a former PBV family who received tenant-based rental assistance in accordance with HUD regulations and exercised their right to move.

After the first 12 months

After the first 12 months of the FSS CoP, the FSS family with a tenant-based voucher may move outside VSHA's jurisdiction under portability regulation.

This applies to former PBV families who received tenant-based rental assistance in accordance with HUD regulations and exercised their right to move.

An FSS family moves to the jurisdiction of a receiving PHA that administers FSS program

Whether the receiving PHA bills VSHA or absorbs the FSS family into its program, the receiving PHA must enroll an FSS family in good standing in its FSS program; unless

1. 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; or
2. The receiving PHA and VSHA agree to the FSS family's continued participation in VSHA's FSS program. Prior to the PHAs agreeing to the continued participation, VSHA must determine that the relocating FSS family has demonstrated that, notwithstanding the move, it will be able to fulfill its

responsibilities under the initial or a modified CoP at its new place of residence.

Where continued FSS participation is not possible in accordance with HUD regulations, VSHA 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, termination of the FSS contract and forfeiture of escrow, termination with FSS escrow disbursement in accordance with HUD regulations, or locating a receiving PHA that has capacity to enroll the family into its FSS program.

An FSS family moves to a jurisdiction of a receiving PHA that does not administer an FSS program

If the receiving PHA does not administer an FSS program, the FSS family may not continue participation in the FSS program. VSHA 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, termination with FSS escrow disbursement in accordance with HUD regulation, termination of the FSS contract and forfeiture of escrow, or locating a receiving PHA that administers an FSS program.

Single FSS escrow account

Regardless of whether the FSS family remains in the FSS program of VSHA or is enrolled in the FSS program of the receiving PHA, the family will have only one FSS escrow account.

If the receiving PHA is billing VSHA, the account will be maintained by VSHA.

If an FSS family will be absorbed by the receiving PHA, VSHA will transfer the family's FSS escrow account funds to the receiving PHA and the receiving PHA will maintain the funds in its FSS account.

FSS program termination; loss of FSS escrow account

If an FSS family relocates to another jurisdiction, as provided in HUD regulations, and is unable to fulfill its obligations under the CoP (or any modifications thereto), VSHA, which is 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 VSHA determines, in consultation with the FSS family, that the FSS 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 HUD regulations.

When termination is the only option, VSHA must clearly notify the FSS family that the move will result in the loss of escrow funds.

In the event of forfeiture of the family's FSS escrow account funds, the FSS escrow account funds will revert to VSHA.

Contract of Participation (CoP)

If the FSS family enrolls in the receiving PHA's FSS program pursuant to HUD regulations, the receiving PHA will enter into a new CoP with the FSS family for the term remaining on the contract with VSHA. VSHA will terminate its CoP with the family.

If the FSS family remains in the FSS program of VSHA, pursuant to HUD regulations, the CoP executed by VSHA will remain as the contract in place.

New FSS enrollment into the receiving PHA's FSS program

Billing

If the receiving PHA bills VSHA, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not a FSS participant with VSHA into its FSS program, provided that VSHA manages an FSS program and agrees to such enrollment.

If the receiving PHA bills VSHA, but VSHA does not manage an FSS program, the family may not enroll in the receiving PHA's FSS program.

Absorption

If the receiving PHA absorbs the family into its HCV program, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at VSHA into its FSS program.

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DEFINITIONS ADDENDUM [24 CFR § 887.103]

(a) The terms 1937 Act, Fair Market Rent, Head of household, HUD, Low income family, Public housing, Public Housing Agency (PHA), and Secretary, as used in this part, are defined in part 5 of this title.

(b) As used in this part:

Baseline annual earned income means, for purposes of determining the FSS credit under § 984.305(b), the FSS family's total annual earned income from wages and business income (if any) as of the effective date of the FSS contract. In calculating baseline annual earned income, all applicable exclusions of income must be applied, except for any disregarded earned income or other adjustments associated with self-sufficiency incentives that may be applicable to the determination of annual income.

Baseline monthly rent means, for purposes of determining the FSS credit under § 984.305(b): (i) The FSS family's total tenant payment (TTP), as of the effective date of the FSS contract, for families paying an income-based rent as of the effective date of the FSS contract; or (ii) The amount of the flat or ceiling rent (which includes the applicable utility allowance), and including any hardship discounts, as of the effective date of the FSS contract, for families paying a flat or ceiling rent as of the effective date of the FSS contract.

Certification, means a written assertion based on supporting evidence, provided by the FSS family or the PHA or owner, as may be required under this part, and which: (i) Shall be maintained by the PHA or owner in the case of the family's certification, or by HUD in the case of the PHA's or owner's certification; (ii) Shall be made available for inspection by HUD, the PHA or owner, and the public, as appropriate; and, (iii) Shall be deemed to be accurate for purposes of this part, unless the Secretary or the PHA or owner, as applicable, determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

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.

Contract of Participation (CoP), means a contract, in a form with contents prescribed by HUD, entered into between an FSS family and a PHA or owner 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) entered into between the PHA or owner and all members of the family who will participate in the FSS program, and which plans are attached to the CoP as exhibits. For additional detail, see § 984.303.

Current annual earned income means, for purposes of determining the FSS credit under § 984.305(b), the FSS family's total annual earned income from wages and business income (if

any) as of the most recent re-examination of income which occurs after the effective date of the FSS contract. In calculating current annual earned income, all applicable exclusions of income will apply, including any disregarded earned income and other adjustments associated with self-sufficiency incentives or other alternative rent structures that may be applicable to the determination of annual income.

Current monthly rent means, for purposes of determining the FSS credit under § 984.305(b): (i) The FSS family's TTP as of the most recent re-examination of income, which occurs after the effective date of the FSS contract, for families paying an income-based rent as of the most recent re-examination of income; or (ii) The amount of the flat rent (which includes the applicable utility allowance) or ceiling rent, including any hardship discounts, as of the most recent re-examination of income which occurs after the effective date of the FSS contract, for families paying a flat rent or ceiling rent as of the most recent reexamination of income.

Earned income means, income or earnings from wages, tips, salaries, other employee compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA or owner on behalf of a FSS family.

Effective date of Contract of Participation (CoP) means, the first day of the month following the date in which the FSS family and the PHA or owner entered into the CoP.

Eligible families means, current residents of public housing (section 9) and current Section 8 program participants, as defined in this section, including those participating in other local self-sufficiency programs.

Enrollment means, the date that the FSS family entered into the CoP with the PHA or owner.

Family Self-Sufficiency (FSS) Program means, the program established by a PHA within its jurisdiction or by an owner 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. FSS escrow account (or, escrow) means the FSS escrow account authorized by section 23 of the 1937 Act, and as provided by § 984.305.

FSS escrow credit means, the amount credited by the PHA or owner to the FSS family's FSS escrow account.

FSS family, means a family that resides in public housing (section 9) or receives Section 8 assistance, as defined in this section, and that elects to participate in the FSS program, and whose designated adult member (head of FSS family), as determined in accordance with § 984.303(a), has signed the CoP.

FSS family in good standing 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.

FSS related service program means, any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of “supportive services” set forth in this section. FSS slots refers to the total number of families (as determined in the Action Plan for mandatory programs in § 984.105) that the PHA will serve in its FSS program.

FSS Program Coordinator, means the person(s) who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; goalsetting and case management/coaching of FSS participants; working with the community and service partners; and tracking program performance.

FY, means Federal fiscal year (starting October 1 and ending September 30, and year designated by the calendar year in which it ends).

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 or owner in consultation with a participating FSS family member (the person with for and whom the ITSP is being developed), and which sets forth: (i)(A) The final and interim goals for the participating FSS family member; (B) The supportive services to be provided to the participating FSS family member; (C) The activities to be completed by that family member; and, (D) The agreed upon completion dates for the goals, and activities. (ii) Each ITSP must be signed by the PHA or owner and the participating FSS family member and is attached to, and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS program, including the head of FSS family who has signed the CoP.

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.

Owner means, the owner of multifamily assisted housing.

Program Coordinating Committee (PCC) means, the committee described in § 984.202. 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 under section 8(o) of the 1937 Act; the HCV homeownership option under section 8(y) of the 1937 Act; Family Unification Program (FUP) assistance under section 8(x) of the 1937 Act; and the Section 8 Moderate Rehabilitation (Mod Rehab) for low income families and

Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) for homeless individuals under 24 CFR part 882.

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 or owner will coordinate on behalf of an FSS family under a CoP, which may include, but are not limited to: (i) 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; (ii) Transportation. Transportation necessary to enable a participating FSS family member to receive available services, or to commute to their place(s) of employment; (iii) 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 certificate; (iv) Employment supports. Job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the CoP; (v) Personal welfare. Substance/ alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services; (vi) Household management. Training in household management; (vii) Homeownership and housing counseling. Homeownership education and assistance and housing counseling; (viii) 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.; and (ix) Other services. Any other services and resources, including case management, optional services, and specialized services for individuals with disabilities, that are determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency. Reasonable accommodations and modifications must be made for individuals with disabilities consistent with applicable Federal civil rights and nondiscrimination laws. Unit size or size of unit refers to the number of bedrooms in a dwelling unit.

Very low-income family is defined as set out in § 813.102 of this title.

Welfare assistance means, (for purposes of the FSS program only) income assistance from Federal (i.e., Temporary Assistance for Needy Families (TANF) or subsequent program), State, or local welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include: (i) Nonrecurrent, short-term benefits that: (A) Are designed to deal with a specific crisis or episode of need; (B) Are not intended to meet recurrent or ongoing needs; and, (C) Will not extend beyond four months; (ii) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); (iii) Supportive services such as child care and transportation provided to families who are employed; (iv) Refundable earned income tax credits; (v) Contributions to, and distributions from, Individual Development Accounts under

TANF; (vi) Services such as counseling, case management, peer support, child care information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; (vii) Amounts solely directed to meeting housing expenses; (viii) Amounts for health care; (ix) Supplemental Nutrition Assistance Program and emergency rental and utilities assistance; (x) Supplemental Security Income, Social Security Disability Income, or Social Security; and (xi) 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 on the need of the child's current non-parental caretaker.

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