

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)

# Rental Assistance Guidebook



## **Acknowledgements**

This guidance material was prepared by ICF International in partnership with Collaborative Solutions, Inc. for the U.S. Department of Housing and Urban Development's Office of HIV/AIDS Housing. The Office of HIV/AIDS Housing would like to thank Victory Programs, Inc. for their work to finalize this guidebook for publication.

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

Dear Colleagues:

The Office of HIV/AIDS Housing is pleased to present the *Housing Opportunities for Persons With AIDS (HOPWA) Rental Assistance Guidebook*. This publication provides HOPWA grantees and project sponsors with the tools and reference materials for operating programs that use rental assistance payments to provide housing support to beneficiaries. The guidebook will also be useful as you assess the results of your current rental housing programs and consider changes, if needed. It outlines additional steps to help identify current community needs and develop an updated comprehensive housing strategy in providing supportive housing for low-income persons living with HIV/AIDS and their families with HOPWA and other leveraged resources. The guidebook also supports your efforts to maintain quality programs and to strengthen partnerships in coordinating the delivery of housing assistance and support services to help end homelessness and reduce risks of homelessness for vulnerable households.

The Office appreciates your commitment to effectively managing and carrying out HOPWA program activities. This guidebook is part of a range of HOPWA training materials and related Office of Community Planning and Development (CPD) resources available to you at <https://www.onecpd.info/>. The Office continues to encourage HOPWA grantees, project sponsors, and recipient organizations to make use of these resources to increase the knowledge and skills necessary to manage these public resources, provide clients with appropriate housing and support, and to ensure continued program successes.

If you have any questions or comments about this guidebook, please contact the Office of HIV/AIDS Housing at [HOPWA@hud.gov](mailto:HOPWA@hud.gov) or contact your local HUD Community Planning and Development field office.

Thank you for your work on behalf of HOPWA beneficiaries in your community.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Vos".

David Vos  
Director  
Office of HIV/AIDS Housing

# HOPWA RENTAL ASSISTANCE GUIDEBOOK

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# INTRODUCTION

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## PURPOSE OF THE GUIDEBOOK

The Housing Opportunities for Persons with AIDS (HOPWA) program is administered by the Office of HIV/AIDS Housing (OHH) at the U.S. Department of Housing and Urban Development (HUD). OHH is a division of the Office of Community Planning and Development (CPD), which provides grants management oversight through 44 area and state field offices. Since the program's inception in 1992, HOPWA has helped thousands of Americans with HIV/AIDS avoid homelessness by addressing their housing needs in coordination with access to medical care and other supportive services.

The deficit of affordable housing in many communities is significant and impacts low-income residents across the country. For low-income persons with HIV/AIDS, the challenge of finding affordable housing is compounded by the need to cope with their medical and related issues; stable housing is the cornerstone of HIV/AIDS treatment, allowing persons with HIV/AIDS to access comprehensive healthcare and adhere to complex HIV/AIDS drug therapies.<sup>1</sup>

While Homeless Continuums of Care (CoCs) focus on the housing and service needs of homeless populations, the development of a range of housing options specifically for those with HIV/AIDS is warranted in order to ensure that the needs of this vulnerable group are effectively addressed. Research has consistently shown that stable housing is a key factor in successful health outcomes for persons with HIV/AIDS and tends to reduce risky behaviors and prevent the spread of HIV.<sup>2</sup>

HOPWA rental assistance programs are one way of addressing the need for stable housing for persons living with HIV/AIDS. Though rental assistance programs exist in many communities, few of these programs target and coordinate service delivery on the comprehensive needs of low-income persons living with HIV/AIDS. This guidebook provides HOPWA grantees and project sponsors with the tools and resources needed to design new rental assistance programs or refine existing rental assistance programs in coordination with HIV care and treatment so that they effectively and efficiently meet the needs of HOPWA program beneficiaries. Specifically, this guidebook does the following:

- Describes HOPWA requirements as they relate to rental assistance programs
- Provides examples of tools and resources designed to help grantees implement effective programs
- Assists grantees and project sponsors in administering rental assistance programs and coordinating care to better address the needs of low-income persons living with HIV/AIDS

## TARGET AUDIENCE

The primary audience for this guidebook is HOPWA grantees and project sponsors providing direct housing assistance with HOPWA funds and other key stakeholders involved in establishing and/or implementing rental assistance programs for persons living with HIV/AIDS.

## LEVEL OF KNOWLEDGE REQUIRED

This guidebook assumes a basic understanding of the HOPWA program requirements. It will focus on HOPWA requirements only as they pertain to establishing or refining rental assistance programs receiving

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<sup>1</sup> U.S. Department of Housing and Urban Development: Implementation Plan for the for the National HIV/AIDS Strategy (February 2011). See: <https://www.onecpd.info/resource/1942/huds-implementation-plan-for-the-national-hiv-aids-strategy/>.

<sup>2</sup> Kidder, D. P., Wolitski, R. J., Royal, S., Aidala, A., Courtenay-Quirk, C., Holtgrave, D. R., Harre, D., Sumartojo, E., Staff, R. (2007). Access to housing as a structural intervention for homeless and unstably housed people living with HIV: rationale, methods, and implementation of the housing and health study. *AIDS and Behavior*, 11, S149-S161.



HOPWA funding. While the guidebook is designed as a resource to be used when developing and administering a rental assistance program for persons living with HIV/AIDS, it is not a stand-alone document. Rather, it should be used in coordination with HUD staff and other grantees and project sponsors who are an important resource for ideas, approaches, and sample program documents.

For readers looking for a more in-depth review of the HOPWA program and its rules and regulations, please see: [www.onecpd.info](http://www.onecpd.info). Additional HOPWA resources are also listed in this guidebook on pages 4 and 5.

## HOW THE GUIDEBOOK IS ORGANIZED

This guidebook is organized into six chapters that describe the HOPWA program requirements and considerations that need to be taken into account when designing a HOPWA-funded rental assistance program. To make it easier to develop or refine an existing HOPWA rental assistance program, these chapters provide examples, tables, lists, and other tools designed to address common challenges and help implement successful rental assistance programs.

**Chapter 1: Strategic Planning for Rental Assistance** offers a discussion on strategic planning for HOPWA rental assistance within the framework of an overall HIV/AIDS housing strategy. This chapter describes four fundamental steps in developing a community's HIV/AIDS housing strategy. The first step is to develop an inventory of current housing and services available to HOPWA-eligible persons. The second step is to collect and analyze data on housing and service needs of HOPWA-eligible persons. The third step is to develop a strategic plan. The final step in this process is to implement the strategic plan.

**Chapter 2: HOPWA Rental Assistance Program Design** describes three types of rental assistance—Tenant-Based Rental Assistance (TBRA), Project-Based Rental Assistance (PBRA), and Master Leasing—and the advantages and disadvantages of each approach. It also provides an overview of the fundamental components to consider when designing a rental assistance program: program management; property management; and supportive service delivery.

**Chapter 3: Services in Support of Housing Stability** provides an overview of HOPWA requirements and additional guidance related to providing supportive services. This chapter provides guidance and information on designing a Supportive Services Plan and delivering case management. Additionally, this chapter details the process of assessing a client's housing and services needs and using that information to develop an Individual Housing and Services Plan for the client. Finally, the chapter discusses staffing, supervising, and additional service considerations to take into account when dealing with the unique needs of HOPWA clients.

**Chapter 4: Program Operations – Rental Subsidy** discusses a number of key concepts that program staff must consider for each client when administering a HOPWA rental assistance program. The chapter begins by outlining the process by which the maximum rental subsidy is determined, including the process of determining the rent standard and rent reasonableness and determining and adjusting annual income. It then discusses how to administer the rental subsidy, including how to calculate final rent and utilities. This chapter also outlines the requirements for eligibility, setting the rent standard, and determining rent reasonableness for shared housing options. The chapter ends with an overview of the factors to be considered when budgeting for TBRA programs.

**Chapter 5: Program Operations – Policies and Procedures** outlines policies and procedures designed to enhance effective operation of a rental assistance program. This chapter highlights the importance of having procedures in place to protect the confidentiality of HOPWA participants. It also discusses the process of developing written policies and procedures for program staff and program participants to help ensure consistent and fair program practices and compliance with HOPWA regulations. Finally, this chapter also identifies the requirements that each leased unit must meet under the HOPWA Habitability Standards as well as financial management and environmental review considerations to be taken into account during the planning process.

**Chapter 6: HOPWA Grant Management Requirements** reviews factors HOPWA grantees and project sponsors must consider to successfully meet grant management requirements of the HOPWA program. This chapter discusses the grantee – sponsor relationship, starting with the written agreements that set the stage for productive and effective monitoring. It addresses monitoring methods, including remote reviews and onsite visits. This chapter will also help grantees and sponsors understand what costs are reimbursable and how to classify them, as well as what kind of documentation is needed for personnel and non-personnel costs. Finally, the chapter provides an overview of performance management and reporting requirements.

## USING THE GUIDEBOOK

This guidebook is meant to serve as a resource when developing a new or refining an existing rental assistance program using HOPWA funds. There are different ways to use this guidebook depending on where the grantee or project sponsor is in the process of establishing or implementing a rental assistance program. Below are some examples of how this guidebook can be used:

- If the grantee is just beginning to think about using HOPWA funds to provide rental housing assistance, this guidebook can be used as a tool to help decide which form of rental assistance is the right choice for the program. A discussion of the advantages and disadvantages of each approach is explored in Chapter 2: HOPWA Rental Assistance Program Design.
- Once a grantee is ready to begin designing a rental assistance program using their HOPWA funds, Chapters 2 – 6 can provide a framework for developing a checklist of the activities that need to be considered. Grantees at this stage in the process should also pay special attention to Chapter 1: Strategic Planning for Rental Assistance, which discusses how to begin by outlining a community plan.
- This guidebook is also helpful for grantees that already have a rental assistance program in place by helping grantees and project sponsors explore ways to determine the effectiveness of existing activities and determine where improvements can be made to enhance their program.

## ADDITIONAL RESOURCES

As noted above, this guidebook is not a stand-alone document. Rather, it should be used in coordination with existing HOPWA guidance and rental assistance resources. Below are a list of additional resources to aid grantees and project sponsors in designing or refining rental assistance programs using HOPWA funds:

Additional Resources	
Resource	Description
HOPWA Program Regulation (24 Part 574)	<p>The HOPWA program regulation provides in-depth information about the HOPWA program.</p> <p>See: <a href="http://tinyurl.com/hopwaregs">http://tinyurl.com/hopwaregs</a></p> <p>Federal Regulation Search: <a href="http://www.ecfr.gov">www.ecfr.gov</a></p>
HOPWA Grantee Oversight Resource Guide	<p>The HOPWA Grantee Oversight Resource Guide provides grantees and project sponsors with an understanding of the various Federal laws and regulations that govern the use of HOPWA resources, while providing guidance and tools to conduct compliance reviews and identify corrective actions, as needed.</p> <p>See: <a href="http://www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/">www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/</a></p>
HOPWA Financial Management Online Training & Manual	<p>The HOPWA Financial Management online training is a new approach to training that allows grantees, project sponsors, and other community partners to access vital information remotely. It is designed to provide important information about the regulations and practices of the HOPWA program and to benefit a variety of staff. The training covers many topics including: HOPWA financial management standards; management of personnel and non-personnel costs; HOPWA rental assistance and reporting; auditing; and oversight of project sponsors.</p> <p>See the HOPWA Financial Management Online Training Webinar: <a href="http://www.onecpd.info/resource/1922/hopwa-financial-management-online-training-overview-webinar/">www.onecpd.info/resource/1922/hopwa-financial-management-online-training-overview-webinar/</a></p> <p>See the HOPWA Financial Management Online Training: <a href="http://www.onecpd.info/resource/1238/hopwa-financial-management-online-training/">www.onecpd.info/resource/1238/hopwa-financial-management-online-training/</a></p> <p>See the HOPWA Financial Management Training Manual: <a href="http://www.onecpd.info/resource/1920/hopwa-financial-management-training-manual/">www.onecpd.info/resource/1920/hopwa-financial-management-training-manual/</a></p>
Using IDIS Online for the HOPWA Program	<p>The user guide, Using IDIS Online for the HOPWA Program, provides both HOPWA formula and HOPWA competitive Grantees with the tools necessary to successfully use the IDIS pathways for HOPWA including the enhancements made in October 2011. IDIS Online is a web application that provides financial disbursement, tracking and performance reporting for CPD grant programs.</p> <p>See: <a href="http://www.onecpd.info/resource/1018/using-idis-online-for-hopwa/">www.onecpd.info/resource/1018/using-idis-online-for-hopwa/</a></p> <p>See webinar for Formula Grantees: <a href="http://www.onecpd.info/resource/2058/hopwa-webinar-series-using-idis-for-the-hopwa-formula-grant-program/">www.onecpd.info/resource/2058/hopwa-webinar-series-using-idis-for-the-hopwa-formula-grant-program/</a></p> <p>See webinar for Competitive Grantees: <a href="http://www.onecpd.info/resource/2059/hopwa-webinar-series-using-idis-hopwa-competitive-grant-program/">www.onecpd.info/resource/2059/hopwa-webinar-series-using-idis-hopwa-competitive-grant-program/</a></p>

Introduction

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<p>HOPWA Guide for Conducting Voluntary Consumer Satisfaction Surveys</p>	<p>The HOPWA Guide for Conducting Voluntary Consumer Satisfaction Surveys is designed to help HOPWA grantees and project sponsors to voluntarily and confidentially hear from clients in assessing quality and in identifying needs. Consumer survey templates are available in English and Spanish.</p> <p>See: <a href="http://www.onecpd.info/resource/2014/hopwa-guide-for-conducting-voluntary-consumer-satisfaction-surveys/">www.onecpd.info/resource/2014/hopwa-guide-for-conducting-voluntary-consumer-satisfaction-surveys/</a></p>
<p>Community Planning and Development Grantee Monitoring Handbook</p>	<p>This handbook is intended for grantees, project sponsors, and service providers seeking guidance on HUD program monitoring. The handbook establishes standards and provides guidance for monitoring many Community Planning and Development (CPD) programs.</p> <p>See: <a href="http://www.hud.gov/cpd">www.hud.gov/cpd</a> Refer to the <i>CPD Monitoring Handbook</i> available in the Library under the “Non-Program Materials” heading</p> <p>See the Handbook directly here: <a href="http://www.hud.gov/offices/cpd/library/monitoring/handbook.cfm">www.hud.gov/offices/cpd/library/monitoring/handbook.cfm</a></p>
<p>Housing Choice Voucher Program Guidebook</p>	<p>The Housing Choice Voucher Program guidebook is a resource typically recommended to HOPWA grantees, which provides guidance regarding the administration of tenant-based subsidy programs.</p> <p>See: <a href="http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm">www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm</a></p>
<p>Community Planning and Development eCon Planning Suite</p>	<p>In May 2012, HUD introduced the eCon Planning Suite, including the Consolidated Plan template in IDIS Online and the CPD Maps website. These tools were developed to support grantees and the public to better assess their needs and make strategic decisions regarding CPD funding in their communities.</p> <p>See: <a href="http://www.hud.gov/offices/cpd/about/conplan/index.cfm">www.hud.gov/offices/cpd/about/conplan/index.cfm</a></p>

# CHAPTER 1: STRATEGIC PLANNING FOR RENTAL ASSISTANCE

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## WHAT THIS CHAPTER IS ABOUT

In order to successfully address the housing and supportive services needs of persons living with HIV/AIDS and determine whether it makes sense to use HOPWA funds for rental assistance, it is critical to assess the unique needs of this population as well as the availability of affordable housing and supportive services already available in the community. HOPWA projects are incorporated in area Consolidated Plans involving needs assessments, market analysis, public consultations, and coordination with leverage resources. Grantees can also work with Homeless Continuums of Care (CoCs), Ryan White Planning Councils, and plan in conjunction with other community groups to develop an overall HIV/AIDS housing strategy to address these needs using HOPWA rental assistance. This chapter covers strategic planning for HOPWA rental assistance within the framework of an overall HIV/AIDS housing strategy, including information on the following:

- Performing a community needs assessment
- Identifying housing and service gaps
- Setting community goals in line with HOPWA program objectives

In order to decide how HOPWA or other funding for affordable housing should be allocated, it is important to have full knowledge of the current supply of affordable housing and associated supports that are available. Equally important is a complete understanding of the housing and service needs of persons living with HIV/AIDS. Given this kind of information, grantees and collaborative groups within communities can engage in strategic planning designed to produce an effective HOPWA system of care of HIV/AIDS housing and supports.

There are four fundamental steps in developing a community's HIV/AIDS housing strategy described in this chapter:

Step 1: Develop an inventory of current housing and services available to HOPWA-eligible persons

Step 2: Collect and analyze data on housing and service needs of HOPWA-eligible persons

Step 3: Develop a strategic plan

Step 4: Implementation Planning

## STEP 1: DEVELOP AN INVENTORY OF CURRENT HOUSING AND SERVICES

The HOPWA program offers a variety of housing and support service resources that can play a central role in the development of an HIV/AIDS housing system of care. In most communities, however, HOPWA resources alone are not sufficient to build a comprehensive system of care. Other affordable housing resources should be included when planning a housing response, including many of those discussed later in this section. By researching and seeking out additional housing resources, the system of housing and care in a community for persons with HIV/AIDS can be greatly enhanced. Further, communities that successfully leverage additional affordable housing will be able to serve greater numbers and may more easily direct HOPWA funds to meet strategic housing needs.

A thorough inventory of affordable housing and housing supports available to HOPWA-eligible individuals is the first step in determining what gaps exist in a community. Such an inventory can be used to compare existing resources with what is needed in the community. Many communities develop and maintain such an inventory on an ongoing basis as a resource to connect clients quickly with available housing. Particularly useful are resources for housing low-income persons that are not designated specifically for persons with HIV/AIDS. Capacity, eligibility, and waiting lists are important considerations in determining the availability of resources for HOPWA-eligible individuals.

A thorough understanding of the full system of care that is available for persons living with HIV/AIDS is essential. It is especially important to understand how multiple systems work together to form the full system of care. For example, the HOPWA program, Ryan White, the Homeless Continuum of Care, and mainstream housing programs<sup>3</sup> form a system of care for housing persons living with HIV/AIDS.

See Table 1.1 for a list of housing types and programs that should be included in a community-wide inventory.

<b>Table 1.1: What to Include in a Community-wide Inventory of Affordable Housing and Housing Supports</b>	
<ul style="list-style-type: none"> <li>• Emergency housing and shelters</li> <li>• Rapid-rehousing of homeless persons and families</li> <li>• Transitional housing, halfway houses, and other time-limited supportive housing, including those that combine housing and treatment for mental illness or substance abuse</li> <li>• Short-term homelessness prevention assistance</li> <li>• Community residences that provide a high level of care for people who have limited ability to live independently, and nursing homes or institutional settings for those in need of intensive medical care</li> <li>• Permanent housing, including affordable rental housing and low-income home ownership programs</li> <li>• Supportive services including transportation and services designed to facilitate housing placement and stability</li> </ul>	<ul style="list-style-type: none"> <li>• Public housing units and Housing Choice Vouchers (Section 8)</li> <li>• Section 811 for persons with disabilities or 202 for senior citizens</li> <li>• Homeless Continuum of Care (CoC) programs under the HEARTH Act—Shelter Plus Care (S+C), Supportive Housing Program (SHP), and Single Room Occupancy Program (SRO)</li> <li>• Emergency Solutions Grant Program (ESG), previously known as Emergency Shelter Grants Program</li> <li>• HOME-funded rental units and HOME Tenant-Based Rental Assistance</li> <li>• Rural housing provided through United States Department of Agriculture (USDA) or the Rural Housing and Economic Development (RHED) programs</li> <li>• Other statewide or local rental assistance or housing programs</li> <li>• Short-term housing assistance under the Ryan White Program</li> </ul>

Note, for more information about the HUD homeless and housing programs described in Table 1.1, please visit: [www.onecpd.info/resource/1780/introduction-and-overview-of-hud-homeless-programs/](http://www.onecpd.info/resource/1780/introduction-and-overview-of-hud-homeless-programs/) to view the presentation “Overview of HUD Homeless and Housing Programs.”

Some suggestions for finding information on local programs include reviewing existing housing inventory count information collected annually by the Continuum of Care programs, talking with state and city grantee staff to obtain lists of affordable housing programs funded through non-HOPWA Federal sources such as HOME, and gathering information from area community based organizations through a housing needs assessment.

## **STEP 2: COLLECT AND ANALYZE INFORMATION ON HOUSING AND NEEDS**

After taking into consideration all of the information related to current housing resources and the existing system of care for persons with HIV/AIDS, the next step in planning a community’s housing response is to collect and analyze targeted information on housing and service needs.

<sup>3</sup> For more information on accessing mainstream resources, visit HUD’s One CPD Resource Exchange website at: [www.onecpd.info](http://www.onecpd.info) and use the “Resource Library.”

HOPWA grantees and project sponsors that provide housing and supportive services to persons living with HIV/AIDS generally have a good understanding of what the housing needs are among their target population. Communities can expand and clarify this knowledge by quantitatively documenting the housing need across the full continuum, from emergency shelter to transitional and permanent housing, and considering the supports needed to promote housing stability. Ways to collect and analyze housing and service needs information are described in this section.

### Collecting Information on HIV/AIDS Housing and Service Needs

Depending upon the scope of planning in which the grantee decides to engage, collecting information on HIV/AIDS housing and service needs may involve the use of existing data, the collection of new data, or both.

#### Using Existing Data

The use of existing data available through community data sources or agency records is often the most cost-effective. Existing data can provide a quick picture of the housing and service needs in a community without much cost. There are several sources for existing data that should be considered, including the following:

- **Consolidated Plan.** Each HOPWA formula grantee is required to complete HUD's five-year Consolidated Plan. This plan outlines how HOPWA funds will be prioritized in the area and identifies housing gaps and housing targets. Even if a jurisdiction does not receive HOPWA funding, the Consolidated Plan is a good document to review as it indicates how the area is prioritizing other affordable housing funds.

#### **The Consolidated Plan**

The Consolidated Plan is a five-year planning document required by HUD for each of their four formula programs including the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME, and HOPWA programs. Information collected through an HIV/AIDS housing plan is often integrated into the Consolidated Plan to help prioritize the use of HOPWA funding. Many cities, counties, and states have posted their Consolidated Plan online.

To access local Consolidated Plans and reports, please visit:  
[www.hud.gov/offices/cpd/about/conplan/local/index.cfm](http://www.hud.gov/offices/cpd/about/conplan/local/index.cfm).

In May 2012, HUD introduced the eCon Planning Suite, including the Consolidated Plan template in IDIS Online and the CPD Maps website. These tools were developed to support grantees and the public to better assess their needs and make strategic decisions regarding CPD funding in their communities.

For more on the eCon Planning Suite, please visit:  
[www.hud.gov/offices/cpd/about/conplan/index.cfm](http://www.hud.gov/offices/cpd/about/conplan/index.cfm).

**Common Core Indicators**

A common core indicator on housing status was developed for all Federal HIV prevention, treatment, and care programs. The indicator measures the percentage of persons diagnosed with HIV receiving HIV services who were homeless or unstably housed in the last 12 months\*.

\*The Department of Housing and Urban Development's Homeless Information Management System (HMIS) provides guidance for classifying housing status in four categories—with first three constituting poor housing status:

(1) literally homeless (e.g., lack a regular nighttime residence, staying in an emergency shelter), following the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302, Sec. 103) definition of homelessness, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 (P.L. 111-22, div. B, Sec. 1003);

(2) imminently losing housing (e.g., being evicted or being discharged from an institution with no housing options identified);

(3) unstably housed and at-risk of losing housing (e.g., temporarily doubled up with others, moving frequently for economic reasons), and

(4) stably housed.

See: [www.onecpd.info/resource/1220/final-hmis-data-standards/](http://www.onecpd.info/resource/1220/final-hmis-data-standards/).

- **Homeless Continuum of Care.** A local Homeless Continuum of Care (CoC) is another good source of existing data. All CoCs are required to utilize the Homeless Management Information Systems (HMIS) to track client-level data on homeless individuals and families that can be useful during a planning process. Moreover, CoCs are required to update a Housing Inventory Chart (HIC) annually in the last 10 calendar days of January. The HIC is a comprehensive list of emergency, transitional, and permanent housing units available for homeless individuals and families in the community. The HIC and HMIS inform continuums conducting housing gaps' analyses, which compare the need for housing to available housing resources.
- **Ryan White Plan.** Ryan White Consortiums are a good source of data on the service and medical needs of persons living with HIV/AIDS. Many consortiums conduct annual consumer surveys to better understand service needs and utilization, as well as issues related to housing.
- **HIV/AIDS data.** State and national HIV/AIDS data is available through each state's department of health. National data can be accessed through the Center for Disease Control and Prevention ([www.cdc.gov/hiv](http://www.cdc.gov/hiv)). Additionally, the Department of Health and Human Services maintains AIDS.gov ([www.aids.gov](http://www.aids.gov)) as a one-stop resource for all information related to the Federal government's response to the HIV/AIDS epidemic.
- **Searchable Bibliography of Peer-Reviewed Journal Articles related to HIV/AIDS and Housing.** This database of over 400 recent articles can be searched by key word and filtered by Topic, Population and/or Region. Search results can be ordered by title, first author and year of publication. Details for each article include: abstract, full citation and web links to the full text for articles available open source.  
See: [www.hivhousingsummit.org/2011/frmSearchAbstracts.aspx](http://www.hivhousingsummit.org/2011/frmSearchAbstracts.aspx).
- **HUD USER.** The U.S. Department of Housing and Urban Development (HUD) has put together a variety of housing data on HUD USER ([www.huduser.org](http://www.huduser.org)). Such data sets include



- the American Housing Survey, Fair Market Rents, Income Limits, and Worst Case Housing Needs reports.
- **U.S. Census.** The U.S. Census is the most comprehensive data source for general statistics related to the country. On American Fact Finder, data can be queried for a variety of areas including states, counties, and census tracts. These data can provide detailed information on an area's population, income, and housing costs, which can be compared with similar information for the HIV/AIDS population in that area to help demonstrate the housing needs of HOPWA-eligible individuals. Census data can be found at: [www.census.gov](http://www.census.gov). The American Fact Finder is located at: <http://factfinder2.census.gov/>.
  - **Agency data.** Often overlooked is the existing data that HOPWA grantees and project sponsors already have within their agencies. Agency data collected through agency databases or contained in files is a valuable source for client-level information that can be used to examine housing and service needs for the entire area. Data of interest may include median income levels, average amounts paid for rent/utilities, rent burden based on the percentage of client income paid for rent and utilities, and other housing related information. To find local HIV testing and services, including HOPWA funded programs, please visit: [locator.aids.gov/](http://locator.aids.gov/).
  - **Waiting lists.** Waiting lists maintained by local housing providers, AIDS service organizations, and other local agencies may provide data that can be used to measure local needs for housing and services.

#### Collecting New Data

A second option is collecting targeted data on housing and service needs of HOPWA-eligible individuals through surveys, focus groups, and/or interviews. This option is more expensive and time-consuming than an examination of existing data, but it can yield very useful information that is designed to answer the specific housing questions posed. Typical methods for collecting this type of data include the following:

- Self-administered questionnaires or direct interviews of consumers, providers, or others to collect basic client demographics and specific information about housing status, housing and supportive service needs, housing stability, housing burden, and other identified issues of interest
- Focus groups of consumers, providers, and other community groups to collect additional information on housing and service needs and identify important qualitative elements for consideration
- Individual stakeholder interviews with HIV/AIDS service providers, as well as mainstream providers in systems such as mental health, substance abuse, public housing, Homeless Continuum of Care, and other community service providers to help inform the planning process

#### **Analyzing Housing Data**

A careful and thorough analysis of existing and new data collected can help a community more fully understand the housing and service needs of persons living with HIV/AIDS and to shape programs to meet those needs. At a minimum, housing cost burden, affordability gap, and housing stability data should be analyzed, as described in this section.

#### Housing Cost Burden

HUD has determined that spending no more than 30% of household income on housing related costs (i.e., rent and utilities) is affordable. As this percentage increases so, too, does the likelihood that some people, especially those with HIV/AIDS, may experience a housing crisis. Housing burden is calculated by taking the monthly amount a household pays for rent and utilities divided by the monthly income.

Households that pay more than 50% of household income on housing are considered “extremely cost burdened” by HUD. These households devote too much of their budgets to housing, leaving too little for other necessities such as food and healthcare.

<b>Calculating the Housing Cost Burden</b>	
<b>Example:</b>	
If a household pays \$600 in rent and \$250 for utilities per month and the household earns \$1,500 per month, then the housing cost burden would be calculated as follows:	
Housing Cost Burden = (Rent + Utilities)/Gross Monthly Income	
Rent	\$600
Utilities	<u>\$250</u>
Total Rent and Utilities	\$850
Gross Monthly Income	\$1,500
<b>Housing Cost Burden = \$850/\$1,500 = 57%</b>	
With a cost burden of 57%, this household would be considered extremely cost burdened.	

Information on a client’s housing burden can be useful both in performing client assessments and in planning for a rental assistance program. When used as a regular part of client assessments, the level of housing burden, based on client-reported income, rent, and utility levels, can provide important information about the client’s current housing stability. For instance, a client requesting Short-Term Rent, Mortgage, and Utility (STRMU) assistance but having a housing burden of 50% or more may be determined to be a better candidate for long-term rental assistance rather than short-term emergency assistance, as the high housing burden will likely mean the client will continue to have difficulty paying rent at that level.

Housing burden information on a broader community level can help project the overall need for a rental assistance program. A community analysis may be conducted, through client surveys or using other assessment methods, to determine the percentage of target population households with extreme housing cost burden. If a community’s analysis concludes, for example, that 60% of households with a member living with HIV/AIDS are extremely cost-burdened, the community may decide that more HOPWA resources should be directed toward long-term rental assistance than to short-term assistance. Information on local housing costs and the “affordability gap,” as discussed in the next section, should also be taken into consideration when planning a rental assistance program.

Affordability Gap

In addition to housing burden, examining the affordability gap for a specific population such as persons living with HIV/AIDS is another way to determine the relative affordability of housing in a local area. Understanding the affordability trends will allow grantees to target necessary housing and supportive service programs to ensure clients have access and are able to maintain care.

The affordability gap is the difference between the average rent payment that households making up the target population can afford and the median market rent or the Fair Market Rent (FMR). To determine how targeted households are faring in terms of housing affordability, grantees can compare the FMR for their area against 30% of the Area Median Income (AMI) for their clients. If the amount the household is paying for rent and utilities exceeds the FMR, then the housing is not affordable. The difference is the additional amount that an average target household needs in order for the housing to be considered affordable.

<b>Calculating the Affordability Gap</b>	
<b>Example: Year 1</b>	
FMR	\$650
Area Median Income (AMI)	\$1,000
30% AMI	<u>\$300</u>
Affordability Gap	\$350
<p>In Year 1, the average household paying no more than 30% of AMI should pay \$300 in housing costs. However, the local FMR is \$650. The result is in an affordability gap of \$350. In other words, the average household would need to pay \$350 more per month to afford a unit at the FMR.</p> <p>To overcome the affordability gap, the average household income would need to increase substantially.</p> <p>To close the \$350 gap in Year 1, a household would need to earn \$2,165 per month. With this income, 30% of the household's income would equal \$650. That monthly income, however, is 116% higher than the AMI.</p>	

<b>Calculating the Affordability Gap</b>	
<b>Example: Year 2</b>	
FMR	\$675
Area Median Income (AMI)	\$1,000
30% AMI	<u>\$300</u>
Affordability Gap	\$375
<p>In Year 2, the FMR increases, but the AMI does not. The affordability gap thus increases by an additional \$25.</p> <p>In Year 2, the household would need to earn \$2,225 per month. That monthly income is 123% higher than the AMI.</p>	

As in the example, the affordability gap can be tracked for each area annually to develop affordability trends. Additionally, the affordability gap among clients can be compared to the affordability gap of the general population using available data from the U.S. Census Bureau ([www.census.gov](http://www.census.gov)) or the National Low Income Housing Coalition ([www.nlihc.org](http://www.nlihc.org)). High affordability gaps can have an adverse impact on persons living with HIV/AIDS, including a need to work more hours, moving away from services or healthcare, and less contact with family or friends. As the affordability gap increases, households are

likely to face a choice—pay more than 30% of their income toward rent or live where they can afford, which may be away from available services or healthcare.

#### Housing Stability of HOPWA-Eligible Individuals

Data collected from past and current clients or HOPWA-eligible individuals can also be examined in a number of different ways to provide information about the present housing stability of HOPWA-eligible individuals in the community. Possible sources for such data may include client case records, agency databases, or client surveys developed to collect housing information from past or current clients or HOPWA-eligible individuals. Some stability factors to consider include the following:

- **Tenure in current housing.** Individuals, who have been in their current housing for a very short time, such as six months or less, can be at a higher risk of housing instability. The initial months in a new housing situation tend to be tenuous in terms of ability to pay rent, handle stress, and other similar factors.
- **History of homelessness.** Episodes or a history of homelessness is a strong indication of housing instability and inability to maintain housing. If individuals report spending one or more nights without a place to live, this may also be an indicator of housing stability problems.
- **Burden of rent cost.** The percentage of individuals paying in excess of 30% of their income for rent and utilities and the percentage paying 50% or more will provide a better picture of how severe the housing burden is for individuals in the community.
- **Perceived impact of rent increases.** Responses to questions (most likely in a survey) about the perceived impact of small monthly increases in rent or mortgage payments can provide information about the relative stability of their current housing situation. If survey respondents report that they would likely have to move if their monthly rent payment increased only marginally (\$1 - \$25 or \$25 - \$50), that may be an indication of how tenuous their housing situation really is.

### **STEP 3: DEVELOP A STRATEGIC PLAN**

After identifying the existing resources within the community, examining the housing and supportive service needs among people with HIV/AIDS, and determining the gaps that exist, grantees need to engage in a strategic planning process to decide how best to meet those needs.

The strategic planning process is instrumental for making decisions on the allocation of resources. Based on the needs of the HOPWA population, strategic plans define the long-term goals and objectives and include actionable strategies the grantee plans to undertake in order to meet those goals and objectives. Grantees should periodically re-evaluate their goals and objectives as needs change and programs and services evolve to ensure that resources are allocated effectively and are well integrated with planning for mainstream services.

Strategic planning can take many forms. Planning efforts such as the Consolidated Plan, Ryan White Planning, and Homeless Continuum of Care are local planning mechanisms that can be adapted to include a focus on housing for individuals with HIV/AIDS. Many communities have chosen to conduct separate housing plans that look solely at the housing needs among persons living with HIV/AIDS. Such HIV/AIDS housing plans more fully examine the housing and supportive service needs of persons living with HIV/AIDS and can be integrated with other community-wide efforts.

Below are some other things to consider during the strategic planning process:

- **Stakeholders.** The most effective planning efforts are open processes that allow all interested community stakeholders to take part. Grantees should involve a variety of stakeholders when developing a team to participate in an HIV/AIDS housing planning process. See Table 1.2 for stakeholders to include in the planning process.

**Table 1.2: Suggested Stakeholders to Include in an HIV/AIDS Housing Planning Process**

<ul style="list-style-type: none"> <li>• HIV/AIDS service providers</li> <li>• Mental health/substance use providers</li> <li>• Housing developers</li> <li>• Public Housing Authorities</li> <li>• Homeless Continuums of Care</li> </ul>	<ul style="list-style-type: none"> <li>• Ryan White Planning agencies</li> <li>• State or local government community planning</li> <li>• Mainstream supportive service providers</li> <li>• Other Consolidated Plan program providers</li> <li>• Persons living with HIV/AIDS</li> </ul>
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- **Leadership.** Whether led by the grantee staff, a nonprofit organization, or an outside consultant/organization, having a strong leader is critical to ensure that the planning process stays on track and a team approach is in place to help build support for the process and ensure energy to carry out the plan. An organization with the right leadership and credibility in the community can also be an important conduit for attracting additional resources and ensuring that efforts are well integrated with those of other mainstream and HIV/AIDS supportive service providers as well as other homeless programs.<sup>4</sup>
- **Vision and Goal Setting.** The vision of the planning group, consisting of relevant stakeholders, should be the guiding focus for a housing strategy and articulate what goals the grantee wants to achieve over a multi-year period and the specific plan to achieve those goals. Goals developed as part of the housing plan should be measurable, time-limited, and specific.

HUD's HOPWA program has three national objectives for client outcomes:

- **Increasing housing stability.** Central to the HOPWA program's success is finding and maintaining stable housing for persons living with HIV/AIDS. Stable housing includes private housing without known subsidy, housing obtained with HOPWA-funded housing assistance, and housing subsidized from non-HOPWA sources, with greater support and continued residence expected.
- **Decreasing the risks of homelessness.** The HOPWA program aims to reduce the risk of homelessness among people living with HIV/AIDS. Through, for example, the provision of short-term assistance to help pay for mortgage, rent, or utilities, the HOPWA program can keep HOPWA clients who are already housed from losing that housing.
- **Increasing access to care and non-medical supportive services.** The HOPWA program seeks to improve access and maintain connections to healthcare and other supportive services for people living with HIV/AIDS. This could be achieved through contact with case managers, housing plans, accessing medical insurance, visiting a primary healthcare provider, and so on. A full range of services provided by HOPWA grantees and project sponsors is identified in the HOPWA Consolidated Annual

<sup>4</sup> HOPWA grantees and sponsors may find *Building Effective Coalitions* a useful resource. This guidebook discusses the benefits of coalitions, how to build effective community-wide coalitions, how to collaborate with mainstream agencies, how to expand a coalition's membership, and how to manage an effective continuum. See: [www.onecpd.info/resource/1117/building-effective-homeless-coalitions/](http://www.onecpd.info/resource/1117/building-effective-homeless-coalitions/).

Performance and Evaluation Report (CAPER) Measuring Performance Outcomes and the Annual Progress Report (APR).<sup>5</sup>

**One of HUD’s goals under the *FY 2010–2015 HUD Strategic Plan* is Goal 3: Utilize Housing as a Platform for Improving Quality of Life.** A HUD notice issued September 20, 2011, entitled *Promoting Partnerships to Utilize Housing as a Platform for Improving Quality of Life* discusses how all HUD programs can contribute to good health outcomes for beneficiaries by efforts to provide service coordination. See: <http://portal.hud.gov/huddoc/pih2011-51.pdf>.

Grantees should consider these HUD and HOPWA objectives when they determine their local program goals, but they are also strongly encouraged to develop additional local program goals based on the needs of their HOPWA population.

#### **STEP 4: IMPLEMENTATION PLANNING**

At this point, the grantee and its partners must consider how they will turn their Strategic Plan into on-the-ground reality. As discussed more fully in Chapters 2 and 3, there are critical decisions to be made about the following:

- The most appropriate model or mix of models for providing rental assistance that meets the needs of the targeted population(s)
- The amount of funding to be provided from HOPWA and other public and private sources
- The specific support services needed, existing availability of those services, and potential resources for addressing identified service gaps
- The range of policies, procedures, and formats (e.g., client intake and exit, selecting and leasing acceptable housing units, financial procedures, reporting, etc.) to be developed and used by project sponsors
- Performance criteria, performance measures, and oversight plans to be built into operational plans

Most communities develop a “Request for Proposals” or “Request for Qualifications” that describes the desired characteristics of the proposed HOPWA rental assistance program and seek responses from potential project sponsors. The grantee also indicates how it will decide which proposals it accepts and funds. Typically grantees employ existing procedures for carrying out this process. The specific contents will vary to reflect the specifics of the local strategic plan and implementation decisions.

As emphasized in this guidebook, HOPWA rental assistance is not a stand-alone program; rather, it is the housing component of a more comprehensive support program for low-income persons living with HIV/AIDS that includes an integrated and individualized array of support services. The HOPWA program is emphasizing enhanced, coordinated delivery of services to clients through a process referred to as “braided” funding, by which multiple funding streams, such as mainstream resources for employment, income support, and education, are utilized to provide for the range of services needed by a given population. This approach is in contrast with one where a client is simply referred to separate service providers for each type of service required by the client.

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<sup>5</sup> The CAPER is required by HOPWA formula grantees, and the APR is required by HOPWA competitive grantees. To access the CAPER, see: [www.onecpd.info/resource/1011/hopwa-caper-form-hud-40110-d/](http://www.onecpd.info/resource/1011/hopwa-caper-form-hud-40110-d/). To access the APR, see: [www.onecpd.info/resource/1012/hopwa-annual-progress-report-apr-form-hud-40110-c/](http://www.onecpd.info/resource/1012/hopwa-annual-progress-report-apr-form-hud-40110-c/).

# CHAPTER 2: HOPWA RENTAL ASSISTANCE PROGRAM DESIGN

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## WHAT THIS CHAPTER IS ABOUT

The HOPWA program is flexible, allowing communities to use their HOPWA funds for a wide array of housing and supportive services, as well as program planning and development costs. However, as HUD seeks to emphasize housing as the primary HOPWA activity, a significant portion of HOPWA funds is used for housing programs, including rental assistance programs. For grantees seeking to start new rental assistance programs or for those refining existing programs, this chapter provides an overview of the elements to consider when designing a program.

The first consideration clearly is the population to be served. In order to receive HOPWA assistance, the client must meet two basic program requirements:

- **HIV/AIDS Diagnosis.** A member of the household must have a medical diagnosis of HIV/AIDS.
- **Income Eligibility.** Households must be at or below 80% of Area Median Income (AMI) to be eligible for all forms of HOPWA assistance, with the exception of Housing Information Services (24 CFR 574.3). Information on Area Median Income as determined by HUD is available at: [www.huduser.org/portal/datasets/il.html](http://www.huduser.org/portal/datasets/il.html).

Depending on the needs of this population, HOPWA rental assistance programs may be designed as transitional or permanent housing. Grantees and project sponsors should clearly define the length of time clients may continue receiving rental assistance and reflect any limitations in the program policies and in the client participation agreements.

Whether the housing is designed as transitional or permanent, provided on a scattered site basis or in a housing facility, HOPWA rental assistance programs should include an emphasis on moving clients toward other, non-HOPWA-funded permanent housing as much as is practical. Programs that help clients to become self-sufficient, qualify for other mainstream rental assistance, or enter and maintain market rate housing will enable HOPWA funds to be used to assist additional clients in need of assistance and not eligible for assistance under other programs.

The chapter covers the following topics:

- **Types of rental assistance.** Tenant-Based Rental Assistance (TBRA), Project-Based Rental Assistance (PBRA), and Master Leasing, as well as the advantages and disadvantages of each approach
- **Three critical components of rental assistance program design.** Program management, property management, and supportive service delivery, including housing related activities

It should be noted that this chapter is not meant to be a step-by-step guide in designing a program, but instead it highlights the primary considerations when designing a new program or refining an existing one.

### Short-Term Assistance

In addition to the three types of rental assistance just mentioned, HOPWA funds may also be provided as short-term rent and utility payments (STRMU) aimed at persons and households that are in a precarious living situation and, without immediate short-term relief, are likely to become homeless. This type of short-term assistance is not described in this guidebook, but grantees can find information about the eligibility requirements and details of when and how to provide short-term rental assistance in the following:

- **Attachment 2-1: STRMU Fact Sheet** at the end of this chapter
- Frequently Asked Questions for Short-Term Rent, Mortgage, and Utility (STRMU) on the OneCPD Resource Exchange at: [www.onecpd.info/resource/1031/hopwa-strmu-frequently-asked-questions/](http://www.onecpd.info/resource/1031/hopwa-strmu-frequently-asked-questions/)
- STRMU Notice CPD 06-07 at: [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_15245.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_15245.pdf)

The ESG program provides funding for homeless prevention as well as rapid-rehousing for individuals and families experiencing homelessness. For more information on the ESG Program, see the Emergency Solutions Grants (ESG) Program Fact Sheet at: [www.onecpd.info/resource/2015/emergency-solutions-grants-esg-program-fact-sheet/](http://www.onecpd.info/resource/2015/emergency-solutions-grants-esg-program-fact-sheet/).

## PROVIDING RENTAL ASSISTANCE

One fundamental design decision involves the type(s) of HOPWA rental assistance the program will offer:

- Tenant-Based Rental Assistance (TBRA)
- Project-Based Rental Assistance (PBRA)
- Master Leasing
  - Scattered Site
  - Facility-Based

This section describes each type of rental assistance and discusses the advantages and disadvantages of each.

### Tenant-Based Rental Assistance

Under TBRA, funding is provided to an eligible client and the client selects a housing unit of his or her choice. If the client moves out of the unit, the contract with the owner ends and the client can move with continued assistance to another unit. In other words, TBRA is portable and moves with the client.



Table 2.1 summarizes the advantages and disadvantages of TBRA.

<b>Table 2.1: Advantages and Disadvantages of TBRA</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Maximizes choice by allowing clients to search for and make their own housing choice</li> <li>• Maximizes independence and anonymity</li> <li>• Enhances integration with the local community</li> <li>• Provides flexibility to communities to easily increase the number of assisted units year to year</li> </ul>	<ul style="list-style-type: none"> <li>• May be difficult for more physically limited clients in need of more medical care and assistance</li> <li>• Can be difficult to deliver in areas where the number of vacant rental housing units is low because clients are less likely to find appropriate housing (i.e., if the only available housing for a client with drug abuse issues is an area known for high drug crime, then this would not be an appropriate housing arrangement for that client)</li> </ul>

### **Project-Based Rental Assistance**

Whereas TBRA follows the tenant regardless of the unit in which they live, assistance under PBRA is tied to the unit. HOPWA funds provide subsidy to the unit specifically reserved for HOPWA clients by paying for the operating costs of the unit. Because assistance is tied to the unit, clients may receive assistance only so long as they are eligible and reside at the project-based unit. The assistance does not go with the client when they move, although clients may be eligible for TBRA after leaving a project-based unit.

Table 2.2 summarizes the advantages and disadvantages of PBRA.

<b>Table 2.2: Advantages and Disadvantages of PBRA</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Often better for serving the needs of clients with complex needs because clients with similar needs are housed together</li> <li>• Provides a more permanent supply of housing for people with HIV/AIDS since project-based units remain designated for HOPWA clients</li> <li>• Allows grantees to leverage other government resources and capital funds to develop or rehabilitate housing and stretch HOPWA dollars further</li> <li>• Can be used with new construction or with existing structures</li> </ul>	<ul style="list-style-type: none"> <li>• Longer lead time required for development projects and therefore it takes longer for affordable housing to become available</li> <li>• More complex than TBRA and requires greater expertise and capacity</li> <li>• Clients living in project-based units do not have as much anonymity as they do under the TBRA program</li> </ul>

While this guidebook discusses general design considerations, operating procedures, and program and grant management within the framework of HOPWA requirements, the Corporation for Supportive Housing has a Toolkit for Developing and Operating Supportive Housing that provides a wealth of information on the many tasks involved in developing a PBRA program. To access the Corporation for Supportive Housing’s Toolkit for Developing and Operating Supportive Housing, please visit:

[www.csh.org](http://www.csh.org) and look under “Resources.”

**Master Leasing**

Master Leasing is a model in which an organization directly leases individual units, blocks of units, or an entire structure from a private owner. Unlike TBRA, the lease is between the private owner and the leasing organization, which acts as the master tenant. The organization pays the total monthly rent for all units, fills the units through subleases or occupancy agreements with HOPWA-eligible households, and collects subtenant rental payments.

As part of their program design, grantees and or project sponsors may choose to add on utility costs with the rental assistance, such that the sublease for rent would include utility costs. However, the total of rent and utilities for the subleased rental amount must meet the rent reasonableness and rent standard requirements. This maximizes the potential benefit to the client.

The Master Leasing rental assistance model allows access to housing for clients who may not otherwise be able to afford housing or qualify as a tenant due to credit history, rental history, or other issues related to eligibility. This type of rental assistance, however, does come with additional environmental requirements. Please reference the environmental requirements section for more on this topic.

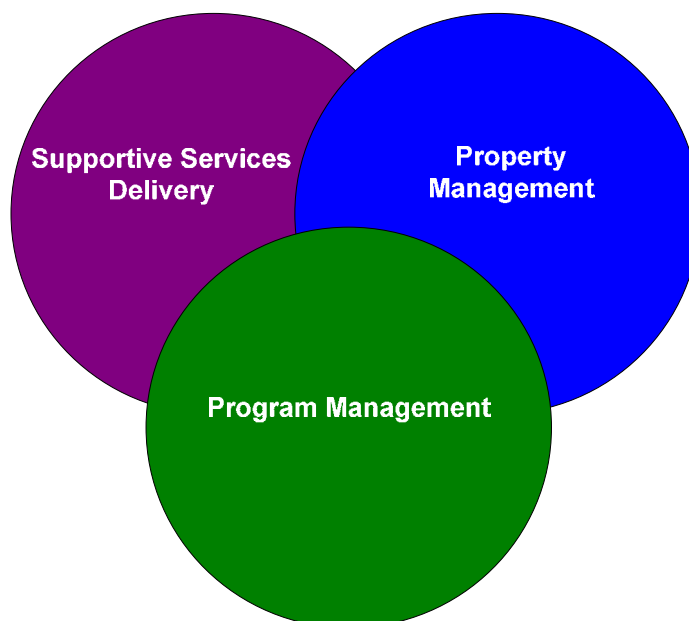
Table 2.3 summarizes the advantages and disadvantages of Master Leasing.

<b>Table 2.3: Advantages and Disadvantages of Master Leasing</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Provides client with semi-independent living</li> <li>• Sponsor can establish rules governing neighborhood location</li> <li>• Greater opportunity to maintain tenants and help avoid eviction (i.e., working with clients on problem behavior or rent payment, move clients to a more appropriate housing situation, etc.)</li> <li>• The lease is held with the grantee or sponsor, which can facilitate greater participation (i.e., clients who are unable to obtain a lease in their own name due to criminal history, poor rental history, etc.)</li> <li>• Offers community integration</li> </ul>	<ul style="list-style-type: none"> <li>• Sponsors take on greater risk and liability as a master tenant of multiple units</li> <li>• Requires a larger outlay of funding because, in most cases, the sponsor pays the owner one monthly rent check and is responsible for selecting tenants and filling the units in a timely manner as the program begins and as units turn over</li> </ul>

**DESIGNING A RENTAL ASSISTANCE PROGRAM**

Regardless of the form of the rental assistance (TBRA, PBRA, or Master Leasing), the design of any rental assistance program requires attention to three primary components: program management; property management; and supportive service delivery. As Figure 2.1: Rental Assistance Program Design Model and the related discussion illustrates, there are many overlapping areas of responsibility among these rental assistance program components that should be considered when designing a rental assistance program.

**Figure 2.1: Rental Assistance Program Design Model**



### **Program Management**

Designing a rental assistance program is not a linear process. In addition to making decisions about the type of rental assistance that will be offered and how supportive services will be made available, decisions need to be made about how the program will be managed. The most effectively and successfully managed programs will be ones that give considerable forethought to program management issues.

Program management tends to be used as a general term that encompasses a range of activities, including operating the program at a client level as well as adhering to regulatory requirements. Chapter 4: Program Operations – Rental Subsidy discusses calculating, administering, and budgeting rental subsidies. Though the chapter focuses on operational activities, grantees and sponsors should think about how they will manage the associated budgets and the staff activities. Chapter 5: Program Operations – Policies and Procedures looks at the broader policies and procedures needed to successfully operate and manage a rental assistance program. These are driven largely by Federal and HOPWA-specific regulatory requirements. For example, policies and procedures that comply with confidentiality requirements need to be in place. For the grantee, program management also entails oversight of the rental assistance program, as well as fiscal management and performance reporting. Further information about these activities is in Chapter 6: HOPWA Grant Management Requirements.

### **Property Management**

The management of property is a key component of PBRA programs, involving project sponsor responsibility for the maintenance and upkeep of rental units. Master Leasing programs may also include some property management responsibility on the part of the leasing organization under terms negotiated in the lease; where these costs are paid with HOPWA funds under facility-based Master Leasing programs, they should be in a separate HOPWA operating cost line item. Under these rental programs, the project sponsor is normally either the owner or holds the lease for the units of housing and therefore must carefully define staff responsibilities for property related matters.

Although TBRA and scattered site Master Leasing programs do not involve the use of HOPWA funds for property management, the importance of maintaining a good working relationship with landlords nevertheless calls for attention to property issues on behalf of clients.

## Supportive Services Delivery

Supportive services to assist tenants in maintaining housing stability are required for all HOPWA rental assistance programs. Supportive services may be located onsite or at a central location and can be provided by the project sponsor or by other community organizations through agreement. A more complete description of requirements for supportive services is provided in Chapter 3: Services in Support of Housing Stability.

When designing or refining a rental assistance program, consideration should be given to housing related services. These services are essential, and rental assistance program staff should play an active role in helping clients understand their responsibilities (e.g., such as paying their portion of the rent) and, in the case of TBRA, also helping them search for and locate appropriate apartments.

Housing counseling and assistance should help clients with the following:

- Understanding where affordable housing is located in the community
- Deciding what kind of house and neighborhood the client would like to move to within the range of available options
- Determining if an identified unit is located in an area that will meet the client's needs (This may involve determining whether the unit is located in an area accessible to the client's job, healthcare facilities, as well as local amenities and public transportation, and, if applicable, schools.)
- Determining whether a unit meets HOPWA habitability standards (with annual reassessment)
- Understanding the terms of the lease agreement

If a client does not have access to transportation to search for housing, staff should also assist in providing or arranging for transportation.

For more information about conducting a housing search and providing housing search counseling, visit HUD's OneCPD Resource Exchange at: [www.onecpd.info](http://www.onecpd.info) and use the "Resource Library" to access the Housing Search Assistance Toolkit.

## Assigning Responsibilities

Effective management depends on clearly assigning responsibilities for various aspects of a rental assistance program; these activity delivery costs can be divided into three general categories—housing and rental subsidy delivery, provision of supportive services, and property management (where the project sponsor has such responsibility, in whole or part).

Program staff is responsible for the day-to-day management of the rental subsidy program while supportive services staff is responsible for client services (as outlined in the supportive services plan discussed in Chapter 3: Services in Support of Housing Stability). Property management staff is responsible for the upkeep and maintenance of the property.

Under the HOPWA rental assistance program, organizations may choose to perform all of the functions or may decide to contract with other organizations to perform property management or supportive services. In either case, establishing clear roles and lines of responsibility are critical to the smooth operation of a successful rental assistance program. Staff performing these functions needs to maintain time and activity records that support appropriate charges to the HOPWA program, including when staff must allocate time among several functions performed or allocate time between HOPWA and non-HOPWA work.

While there are important distinctions among the roles and responsibilities of staff handling the rental subsidy, service delivery, and property management functions, program effectiveness and successful client outcomes can be enhanced when all work in a cooperative manner, with mutual understanding of the roles and perspectives of their colleagues. When a client is behind with rent payments and found to have caused property damage, an appropriate response involves more than simply following established rent collection and property management procedures; the entire team needs to work with the client in a

holistic way to understand the underlying issues and take actions that will ameliorate the situation and restore a stable housing situation.

**Attachments 2-2 and 2-3** provide additional guidance on defining and coordinating these staff functions and can help shape program design. These issues are most relevant to facility-based housing.

Giving consideration to program management upfront will “set up” the program activities, policies, and procedures that are necessary for a smoothly running program that complies with all Federal regulations.

## **CHAPTER 2 ATTACHMENTS**

ATTACHMENT 2-1: SHORT-TERM RENT, MORTGAGE, AND UTILITY (STRMU) ASSISTANCE FACT SHEET

ATTACHMENT 2-2: PROPERTY MANAGEMENT AND SUPPORTIVE SERVICES: ROLES AND RESPONSIBILITIES AND AREAS OF OVERLAP

ATTACHMENT 2-3: KEY PRINCIPLES FOR COORDINATING PROPERTY MANAGEMENT AND SUPPORTIVE SERVICES IN SUPPORTIVE HOUSING



Office of HIV/AIDS Housing

# SHORT-TERM RENT, MORTGAGE, AND UTILITY (STRMU) ASSISTANCE

## DEFINITION/PURPOSE

Short-Term Rent, Mortgage, and Utility (STRMU) assistance is an eligible activity under the HOPWA program. STRMU is time-limited housing assistance designed to prevent homelessness and increase housing stability. Grantees may provide assistance for a period of up to 21 weeks in any 52-week period. The amount of assistance varies per client depending on funds available, tenant need, and program guidelines.

## BENEFICIARY ELIGIBILITY

### HOPWA Program Eligibility

Individuals must meet the following criteria to be eligible for assistance under the HOPWA program:

- Low-income (below 80% of area median income, see <http://www.huduser.org/portal/>)
- Documented HIV/AIDS status (confidentiality must be maintained)

### STRMU Eligibility

STRMU is designed to be a short-term, needs-based intervention to prevent homelessness. As such, individuals must meet the following additional criteria in order to receive STRMU assistance:

- Client must be currently housed — homeless individuals are not eligible for STRMU assistance. Assistance is provided to help homeowners and renters remain in their current place of residence.
- Client must be able to document that he/she has a legal right to occupy the premises or has responsibility for the utility payment. Examples of acceptable documentation are as follows:
  - *Rental payments*: Client must be named tenant under valid lease or referenced in lease as occupant of the premises.
  - *Mortgage payments*: Client must demonstrate that he/she is owner of mortgaged real property (mortgage, deed of trust, title insurance policy).
  - *Utility payments*: Client must have account in their name or proof of responsibility to make utility payments (copies of money orders, cancelled checks, receipts).
- Client must demonstrate he/she does not have the resources to meet rent, mortgage or utility payments and, in the absence of STRMU assistance, would be at risk of homelessness.
  - Documentation of a default or late payment notice is not required; client can provide copies of bank statements and bills to demonstrate need.

## ELIGIBLE EXPENSES

- Rent and mortgage assistance
  - Must be reasonable and represent actual housing costs.
  - The amount of assistance provided is not limited to Fair Market Rents or “reasonable rent” limits.

## Attachment 2-1: Short-Term Rent, Mortgage, and Utility (STRMU) Assistance Fact Sheet

- Unlike other forms of HOPWA assistance, tenants are not required to pay 30 percent of their income towards the rent or mortgage payment. However, if they are able, clients should pay a portion of their housing costs as any portion paid by the tenant does not count against the 21-week STRMU benefit ceiling.
- Late fees
  - Late fees and other penalties may be paid if, in the event of nonpayment, the household is at risk of eviction or loss of housing.
- Utility assistance

*Note: Grantee may establish caps (limits) for rent, mortgage, or utility assistance; see section on “capped payments” below.*

### INELIGIBLE EXPENSES

- Security deposits and first month's rent
  - STRMU assistance is designed to help homeowners and renters stay in their current place of residence; as a result, security deposits and first month's rent are not eligible costs under STRMU. However, these costs are eligible as permanent housing placement costs (under the supportive services activity).
- Moving assistance
- Household supplies and furnishings
- Automobile expenses
- Telephone expenses
  - Telephone expenses are not payable as a utility expense under STRMU. However, such expenses may be covered as a supportive service expense in limited circumstances.

### PROGRAM REQUIREMENTS

#### Housing Quality Standards

- Units should be decent, safe, and sanitary. However, inspection of short-term assisted units is not required to meet HOPWA habitability standards.
  - HUD does not seek to provide subsidies to substandard housing. In the event that the unit is not capable of passing HQS, the sponsor, as part of the housing services plan, should work with the assisted household to either make improvements to the premises or to secure alternative housing.
- Units must have a functioning smoke detector.
- Lead-based paint requirements do apply. Specifically, lead-based paint rules apply when:
  1. Housing to be assisted was constructed before 1978; and
  2. Residents will include a pregnant woman or a child 6 years of age or younger.
- All housing meeting the above criteria must receive a lead-based paint visual assessment before assistance may be provided.
  - Staff must complete an online training course before they are allowed to perform assessments. This training can be found at [www.hud.gov/offices/lead/training/visualassessment/h00100.cfm](http://www.hud.gov/offices/lead/training/visualassessment/h00100.cfm)

*Note: Studio units are exempt from lead-based paint requirements.*



### **Calculating Limits for STRMU**

- The statute limits STRMU assistance to no more than 21 weeks in any 52-week period.
- Grantees must ensure that all project sponsors use the same method to determine the annual (i.e., 52-week) STRMU assistance period. Methods include:
  - A set standard annual period for all clients (either the grantee's operating year or the calendar year); or
  - A separate period of eligibility for each client based on the date a STRMU payment is first made on behalf of a client.
- Grantees must also define the 21-week period and apply this definition uniformly to all beneficiaries using one of following methods:
  - Count calendar days of assistance with max being 147 (21 x 7).
  - Round each month to 4 weeks of assistance, yielding a maximum total of 5 months of assistance.
  - Track assistance using the precise number of weeks in a month (e.g., a full month's rent would be tracked as 4.3 weeks, 75% of a month's rent would be tracked as 3.2 weeks, etc.)
- Rent and utilities
  - Provided that the rent payment and utility bill are reasonably coincidental (e.g., at least 14 days overlap between rent and utility payment period) it can be considered one month of assistance.

### **“Capped” Payments**

To manage short-term assistance, grantees may set program-based limits ('caps') on the amount of assistance that may be provided to each household.

- Caps can be set for housing costs (rent or mortgage payments) or utilities.
- Prior to establishing caps for STRMU assistance, grantees should identify these limits in the Consolidated Plan and accept public comments on the proposed limits.
- Caps should reflect the fair market rents and/or rent reasonableness limits so that support is sufficient to prevent a continuing housing crisis.
- Caps must be applied in a uniform, consistent, and non-discriminatory manner.
- In tracking STRMU support, an assisted household can receive up to the maximum subsidy established under the cap, regardless of whether the client has exhausted the 21-week period.

### **Assistance for Mobile Homes**

Assistance can be made to clients who live in mobile homes in limited circumstances.

- A rent, mortgage, or utility payment must be the basis for the assistance, and an applicant must provide documentation of the payment/expense.
- The home must be permanently attached to ground with utility and sewer connections as well as compliant with local guidelines for mobile homes.
- Mobile homes with wheels, capable of being relocated, are considered personal property and therefore are not eligible for STRMU assistance.

### **Assistance to Clients Residing with Family Members**

STRMU can be used to assist clients that have a lease or rental agreement naming them as a tenant, but who live with an adult family member, under two different scenarios.

- Under the first scenario, a client lives with an adult family member, and the entire household is assisted and total household income is taken into consideration to meet HOPWA low-income eligibility guidelines; and
- Under the second scenario, the client rents a unit/room from the adult family member and a “reasonable accommodation” is determined necessary for the client. (See HUD regulation 24 CFR 82.306(d) in permitting a “person with disabilities,” including persons with HIV/AIDS, to receive benefits when housed with a family member who owns or rents the housing unit if it is determined by a physician that living with the family member is important to the client’s overall health and well being.) The family’s income is not counted in determining eligibility for a STRMU payment and payments must be reasonable and similar to comparable units.

### **ADDITIONAL INFORMATION**

For additional information on STRMU assistance, see the following resources:

- CPD Notice 06-07 Standards for STRMU Payments:  
<http://www.hud.gov/offices/cpd/lawsregs/notices/2006/06-07.pdf>
- Frequently Asked Questions on HOPWA STRMU:  
<https://www.onecpd.info/resource/1031/hopwa-strmu-frequently-asked-questions/>

*\*Note on Confidentiality. HOPWA projects make use of information on the HIV/AIDS status of individuals in determining eligibility. This information must only be accessible by qualified individuals who operate or oversee HOPWA program activities. Grantees must have related written procedures and conduct training efforts. Precautions would involve actions such as maintaining paper files in locked cabinets accessible only by designated individuals, installing security software for electronic files, along with periodic monitoring reviews on the adequacy of these procedures and training efforts.*

For more information on the HOPWA program visit the HUD website at:

[www.hud.gov/offices/cpd/aidshousing/index.cfm](http://www.hud.gov/offices/cpd/aidshousing/index.cfm)



## Property Management and Supportive Services: Roles and Responsibilities and Areas of Overlap

The following responsibilities are generally shared by the service and property management staff. Staff working in every supportive housing project should discuss and reach consensus on how these responsibilities will be delineated within their project, as well as discussing the confidential handling of information.

	RESPONSIBILITIES OF SERVICE STAFF	RESPONSIBILITIES OF PROPERTY MANAGEMENT STAFF
<b>INTAKE: TENANT SELECTION &amp; INTERVIEWING</b>	Focus on service description during service interview	Focus on ability to pay rent during management interview
	Both Service Staff and Property Management conduct the tenant interview, focusing on characteristics of a good neighbor. Common concerns during Intake: Who makes the final decision? How much information should be gathered during the service interview?	
<b>ORIENTATION OF INCOMING TENANTS</b>	Help tenants with concrete needs around the move in, such as unpacking, getting familiar with the building routine and location of laundry, neighborhood resources, staff locations and responsibilities	Orient tenants about building maintenance issues, fire drills, and tenant meetings
<b>RENT PAYMENT &amp; ARREARS</b>	Provide tenants with assistance in paying their rent (e.g., budgeting, addressing cost of substance abuse, vocational services, etc.) Encourage payment plans.	Responsible for collecting rent and addressing issues of rent arrears through payment plans, etc.
<b>DEALING WITH NUISANCE &amp; DISRUPTIVE BEHAVIORS</b>	House rules are generally developed jointly by Services and Management. Some basic rules may be developed by staff and tenant input to add to or revise these. All staff can help promote healthy cultural norms for the building; it is frequently Service staff members who help to structure these efforts.	
<b>PROCEDURES IN CRISES (e.g., psychiatric, medical, physical or fire)</b>	Clear policies and procedures should be in place for dealing with disruptions. These should clearly spell out the chain of command in case of emergency, what information to provide to EMS, when to summon staff on call, etc.	
<b>TENANT GRIEVANCE PROCEDURES</b>	Staff and tenants should be aware of systems for evaluating the program and the services given. Management and Service staff generally works together, with Service staff alerting tenants to procedures through individual case management meetings or tenant meetings.	
<b>TENANT COUNCIL</b>	Facilitate initial tenant meetings with the goal being to eventually have tenant run meetings.	Attend meeting when issues concern the building or maintenance. Hold quarterly management/tenant meetings.
<b>COMMUNITY BUILDING</b>	Many issues mentioned above involve aspects of community building. The tenants as well as management and service staffs are members of the building community and influence the culture of the community. Staff should be aware of trends in the community and plan strategies for positively influencing the culture.	

Note: This document is included within the *Housing Operations* section of CSH's *Toolkit for Developing and Operating Supportive Housing*, which is available at [www.csh.org/toolkit2](http://www.csh.org/toolkit2).

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## Key Principles for Coordinating Property Management and Supportive Services in Supportive Housing

It is critical that the project sponsor and all team members understand the specialized nature of property management in supportive housing. Traditional property management practices may come into conflict with the principles of supportive housing. For example, traditional property management practices may require screening out some of the tenants that the sponsor has targeted to serve, or may have more stringent enforcement practices when it comes to lease violations.

In supportive housing, the property management role must be carefully integrated into the supportive housing team. Whether the property management function is filled by the project sponsor or contracted to another organization, it is essential that the property management agent support *mission-driven housing*, while at the same time effectively managing the physical assets of the project.

The following are some key principles relating to property management in supportive housing, and some tools that project sponsors can use to ensure these guiding principles are followed:

### **PRINCIPLE 1: PROPERTY MANAGEMENT SUPPORTS MISSION-DRIVEN HOUSING**

- All partners, including property management, must have a shared commitment to the success of the community and each of the tenants that resides in the building.
- All partners must have a shared commitment to coordinated communication between social services, property management and tenant organizations.

### **PRINCIPLE 2: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES**

- Commitment to clear roles and responsibilities for all stakeholders.
- Establishment of ongoing forum(s) for talking about and re-negotiating roles and responsibilities.

### **PRINCIPLE 3: RECOGNIZE OVERLAP AND BUILT-IN TENSION BETWEEN ROLES**

- Respect for the different roles of social service provider, property manager, owner and tenant council; each is necessary and important for a well-managed building.
- Acknowledgment and productive use of the built-in tension between these roles/functions.

Note: This document is included within the *Housing Operations* section of CSH's *Toolkit for Developing and Operating Supportive Housing*, which is available at [www.csh.org/toolkit2](http://www.csh.org/toolkit2). This document has been adapted from CSH's publication *Not a Solo Act*, which is available at [www.csh.org/resources/not-a-solo-act/](http://www.csh.org/resources/not-a-solo-act/)

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### **MISSION-DRIVEN PROPERTY MANAGEMENT PRACTICES:**

Practices through which a commitment to mission-driven property management may be demonstrated include:

- Property management should work closely with the project owner to ensure it can carry out its policies and objectives.
- Prior to lease-up, property management should work with owners and the supportive service staff to tailor the lease, house rules and operations to fulfill the owner's objectives.
- The lease prohibits criminal activity (including the use and sale of illegal drugs) but management does not interfere with a tenant's activities in the confines of their apartment as long as it does not impinge upon the other tenants' peaceful enjoyment of the premises or do physical harm to the property.
- While maintenance, rent collections and financial management of the building is largely property management's responsibility, certain tasks are taken on more collaboratively with the owner and/or service partner, such as tenant selection and screening, move-in and orientation and crisis management.
- Property management will provide support if tenants wish to establish a council as a means of addressing issues of house rules, access to common areas and safety concerns.
- Property management staff is committed to providing support to tenants as they establish independence and achieve a level of economic self-sufficiency by considering them as preferred candidates for site-related jobs.
- Tenant hospitalizations and in-patient treatment programs will be permitted up to 90 days (contingent upon continuing rental subsidies and rent payments) without termination of the lease agreement. After consultation with the tenant's physician, the 90-day time period may be extended so long as provisions are made to ensure timely rent payments.
- Tenant screening follows a specific procedure and is conducted jointly with the primary service provider.
- Tenant selection is decided jointly by property management and the primary service provider in accordance with written tenant selection criteria.
- Crisis management regarding property issues requires immediate response from the managing agent with notification to the owners.
- If the crisis involves a tenant, the supportive services staff takes the lead and works with other supportive service providers to address the issue with the tenant.
- Occupancy record keeping is the responsibility of the property manager—the supportive service staff maintains other records relating to tenant's use of supportive services.

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### **MISSION-DRIVEN PROPERTY MANAGEMENT PRACTICES (CONT.)**

- Staff agrees to a philosophy of quality control that includes the following tenets:
  - Recognition that all staff is responsible.
  - Quality comes from proper staff supervision.
  - Clarity regarding procedures is accomplished with well-established protocols and staff supervision.
  - Audits are conducted to maintain proper oversight.
  
- House rules:
  - Focus on preserving the physical integrity of the building and ensure the peaceful enjoyment of the premises for all tenants.
  - Are reviewed with all tenants at time of move-in.
  - May be adjusted with adequate notice.
  - Are reviewed periodically with tenants and the supportive service staff for suggested revisions.
  
- Evictions are reserved for:
  - Nonpayment of rent.
  - Causing serious physical harm to self, staff or others.
  - Pursuing a criminal activity on the premises.
  
- For other repeated infractions, sanctions other than eviction will be tried first, including such options as:
  - Arbitration.
  - Crisis intervention.
  - Referral to alternative housing.

### **TOOLS FOR PUTTING KEY PRINCIPLES INTO PRACTICE:**

- Memorandum of Understanding (MOU) or contract that spells out the role and commitment of each partner and makes it a condition of continued participation in managing the building.
  - Identify which organization is working for the owner to provide property management services.
  - Identify which issues and problems the owner, social service provider, tenant council and property manager resolve together and the processes to be followed.
- Guiding Principle statement that spells out the approach to the working relationship among all partners.
  - Example: We show respect for all individuals. We believe that all individuals can and want to contribute to their fullest potential. Differences are valued. We inspire and enable people to achieve high expectations, standards and challenging goals. We are honest with people about their performance.
- Careful selection, training, support and supervision of property management staff to ensure knowledge of special needs issues and to encourage them to develop solutions that are effective for each tenant.
- Careful selection, training, support and supervision of social service staff to ensure effective individual advocacy within the overall mission of maintaining the building and develop an understanding of property management responsibilities and procedures.
- Written job descriptions clearly delineating roles and emphasizing collaborative problem-solving with other staff.
- Established way of communicating roles, responsibilities and procedures to tenants.
- Regularly-scheduled required meetings between owner/sponsor, tenant council, social service provider and property manager.
- Social service staff and property management staff are given parallel status and authority and have access to the same information, report to the same level within the owner/sponsor organization, etc.
- Written procedure for resolving disagreements between the various stakeholders, in which the disagreement moves up the organizational ladder until consensus or a veto is rendered.

Note: CSH's *Toolkit for Developing and Operating Supportive Housing* includes additional documents that describe the collaborative relationship between property management and supportive services staff. See the *Housing Operations* section of the *Toolkit* at [www.csh.org/toolkit2](http://www.csh.org/toolkit2).

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## CHAPTER 3: SERVICES IN SUPPORT OF HOUSING STABILITY

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### WHAT THIS CHAPTER IS ABOUT

An essential ingredient in helping persons with HIV/AIDS achieve housing stability is to link appropriate supportive services with rental assistance. This chapter provides an overview of relevant HOPWA requirements, as well as guidance and information on the following topics:

- Designing an organizational Supportive Services Plan
- Delivering case management
- Conducting ongoing housing and service needs assessments
- Creating Individual Housing and Services Plans (IHSPs)
- Staffing and supervising
- Considering mental health and substance abuse issues

HOPWA rental assistance programs are not intended to provide “stand alone” rental subsidies. Rather, these programs come with requirements that the grantee or project sponsor provide an appropriate level of supportive services designed to meet the HOPWA program objectives for maintaining housing stability, avoiding homelessness, and assuring access to care and support.

#### Supportive Service Requirements

24 CFR 574.310: “The grantee shall assure that qualified service providers in the area make available appropriate supportive services to the individuals assisted with housing under this subpart.”

HUD Notice 06/07: “Grantees are required to conduct an ongoing assessment of the housing assistance and supportive services required by participants...To meet this requirement, grantees may direct sponsors to develop housing services plans for all beneficiaries...”

The regulations and guidance from HUD regarding supportive services have the following implications for HOPWA rental assistance programs:

- **Supportive services must be linked with the rental assistance provided.** Whether a project sponsor provides supportive services directly or through cooperative agreements with other providers, the services must be available to all recipients of rental assistance. The sponsor needs to document the types of supportive services available to all clients and the methods of delivery within the program in a Supportive Services Plan.
- **An assessment of both housing and supportive services must be conducted.** All clients should have an Individual Housing and Services Plan that includes an assessment of their housing needs as well as the supportive services needed for them to become and remain stable in housing. The plan should be updated on a regular basis.

Staff activities, particularly supportive services and case management, are often reimbursable under more than one funding source. In order to accurately share the costs among more than one funding source, personnel costs should be tracked using a time and activity reporting system, with thorough and appropriate documentation. More information on charging costs is provided in Chapter 6: HOPWA Grant Management Requirements.



## DESIGNING A SUPPORTIVE SERVICE PLAN

Integrating housing with supportive services can significantly reduce the incidence of crises in clients' lives and improve their ability to remain stable in housing. This is crucial regardless of the level or type of rental assistance program being implemented.

Rental assistance programs vary from the delivery of a small number of rental assistance payments/vouchers in a community to larger, more extensive rental assistance efforts. Also, rental assistance may be provided through Tenant-Based Rental Assistance (TBRA), in Project-Based Rental Assistance (PBRA) units (in the form of operating subsidy for the units), or through Master Leasing (of scattered sites or all or part of a housing facility). Whatever the structure of the rental assistance program, grantees and sponsors need to develop a Supportive Service Plan to ensure that clients have access to needed services. Such a plan also satisfies HUD's requirement to link supportive services with the provision of rental assistance by showing that there is an explicit program strategy for the delivery of services to recipients of HOPWA rental assistance.

The types of services included in a Supportive Services Plan will vary depending upon a number of factors. Answering some key questions can help determine what those factors are and the services that would be most appropriate:

- What is the specific population to be served?
- What is the expected range of service needs for this population?
- How will supportive services be provided? Options include by the grantee itself, through contract to another agency, or through project sponsor agreements.
- In what location(s) will the services be provided?

There are likely to be other factors that grantees and sponsor should consider during their planning and decision-making processes.

### Supportive Service Plan Components

The most basic principles of the Supportive Services Plan are that supportive services should be as follows:

- **Accessible.** Clients must be able to gain easy access to services, either on site or in areas that can be easily reached.
- **Flexible.** Services should be reflective of the present and changing needs and goals of the clients.
- **Targeted to residential stability.** Supportive services should always be designed to help ensure ongoing stability in housing and to promote the maximum independence possible.

With these principles in mind, and considering the focus or scope of the program, a plan should be created that covers the following elements:

- **Participation in services.** The plan should clearly outline the availability of supportive services and how clients can access these services. Though participation in services cannot be a condition of residency or receiving housing assistance, participation in services can be strongly encouraged by including this information in the client participation agreement.
- **Staff availability to residents.** The plan should define the manner in which clients will access the program's direct service staff. Will staff be on site during certain hours, or will they be located at a central office? Will staff meet with clients in their homes? Will staff be on call 24 hours per day?
- **Clients' access to program services.** The plan should clarify how clients will access program supportive services. Will client interaction with staff be flexible and based on

individual need or will a set schedule be maintained? Will staff be available by appointment or on a walk-in basis?

- **Menu of services.** A listing of supportive services should be an integral part of the plan, including the program’s core services that are provided to all clients and additional social services designed to meet a variety of needs. The plan should spell out who will provide each of these services, either the rental assistance provider or other community providers through mutual agreement.

**Core Supportive Services**

For most rental assistance programs, the Supportive Service Plan should include several common “core services.” Depending upon the program focus and population needs, an additional list of supportive services may be part of the plan. In addition to the items below in Table 3.1, **Attachment 3-1** and **Attachment 3-2** contain additional information on planning a menu of services.

<b>Table 3.1: Core Supportive Services</b>	
<b>Core Services</b>	<b>Other Services - Examples</b>
<ul style="list-style-type: none"> <li>• Case management emphasizing access to care and procurement of mainstream and other needed resources</li> <li>• Outreach and support to encourage client participation in services needed</li> <li>• Development and maintenance of client Individual Housing and Services Plans</li> <li>• Assistance for clients in developing the skills needed to increase and enjoy social support networks</li> <li>• Assistance to enhance independent client functioning and daily living activities</li> </ul>	<ul style="list-style-type: none"> <li>• Budgeting and financial management</li> <li>• Nutrition education</li> <li>• Mental health services</li> <li>• Substance abuse counseling and treatment</li> <li>• Vocational, educational, and job training services</li> <li>• Child care</li> <li>• Transportation</li> </ul>

Programs with a Supportive Services Plan that calls for services provided by multiple organizations should ensure that proper communication and coordination takes place with these partner organizations. Development of a memorandum of understanding with each partner to outline the services to be provided is strongly recommended, along with agreements related to reporting numbers served and client outcome data for use in reporting and evaluation. Periodic review of services provided and outcomes is essential to improving service delivery through emphasis on best practices and consideration of reallocating resources based on indications of unmet need.

## CASE MANAGEMENT

Case management is considered to be the central component for HOPWA supportive services and key to successful program outcomes for housing stability and access to care. All HOPWA rental assistance programs should make case management available to participants and should strongly encourage clients to make use of this service. The availability of and process for accessing case management should be clearly outlined in the client participation agreement. Case management services provided in conjunction with rental assistance may be funded through HOPWA and/or other sources. Case management may also be provided through service agreements with one or more other service providers.

The intensity or level of case management provided to clients in the rental assistance program depends upon the client's level of need, but it is also may be affected by the funding available, the client population being served, and other similar issues. Regardless of the approach used, the core functions of case management should include the following:

- Engagement
- Assessment
- Goal Setting
- Service Coordination
- Discharge Planning

Typically, case managers perform an array of additional services, such as the following:

- **Direct service.** Case managers may deliver program services such as group or individual counseling, substance abuse treatment, employment training, and other services depending on the program focus.
- **Crisis intervention.** Case managers are often responsible for managing crisis services to respond to immediate critical client issues.
- **Monitoring.** This may include regular, scheduled visits or checks on clients.
- **Individual and system advocacy.** Case managers frequently advocate on behalf of clients to solve problems and help clients access services; advocacy to change larger systems of policies, however, is often a function of program and supervisory personnel.
- **Resource development.** Case managers often work to create or encourage new resources needed by clients.
- **Evaluation and reporting.** Case management client records are a primary source of data used to determine program effectiveness and complete annual reporting requirements.

### Case Management for the HOPWA Rental Assistance Program

It is the responsibility of the case manager to do all he or she can to ensure that the specific housing and supportive service needs of each client are met. Case managers providing services to clients receiving rental assistance should include a strong focus on housing stability and future planning in their interactions with clients. This may include the following:

- Development and management of a client's Individual Housing and Services Plan
- Identification of skill deficits or service needs that could lead to a lack of housing stability
- Identification of mainstream rental assistance opportunities for long-term support
- Strategies to avoid long-term dependence on HOPWA rental assistance
- Education about landlord-tenant rights and responsibilities

HOPWA rental assistance programs are intended to provide transitional and/or permanent, stable housing to clients who need ongoing assistance to gain and maintain housing stability. Many persons living with HIV/AIDS experience long periods of good health, but sporadic to frequent illnesses are typical for others. The changing nature of the disease can trigger a need for additional assistance. Case managers working with clients receiving rental assistance should be especially alert for signs of housing instability among program participants, such as the following:

- Failure to make timely rent and utility payments
- Inability to physically maintain unit in sanitary and safe condition
- Non-compliance with housing rules and lease
- Violation of HOPWA program agreement (e.g., onsite drug use, violent behavior)

### **The Importance of a Housing Focus**

Why is a focus on housing so important in case management programs? Many recent studies have shown that people in safe, secure, and stable housing tend to have better health and mental health outcomes than those living in less secure environments.<sup>6</sup> Thus, stable housing equals improved health. It is reasonable to assume that if the anxiety and uncertainty caused by not having a secure place to live is removed, clients are better able to address other life issues and become more engaged in medical and other treatment.

“Housing case management” simply means that the central emphasis of a case manager’s work with the client is placed on housing issues, including evaluation of housing options, housing stability, and housing-specific goals. These three housing case management “concepts” are discussed in more detail in the following section.

## **CLIENT HOUSING AND SERVICES NEEDS ASSESSMENT AND INDIVIDUAL HOUSING AND SERVICES PLAN**

Guidance from HUD on the range of housing services available under HOPWA, including rental assistance, indicates that an ongoing assessment of housing needs and supportive services is required for each client and can be demonstrated in the form of a housing and services plan. This guidebook refers to this plan as an Individual Housing and Services Plan. As described earlier, the organization’s Supportive Services Plan is intended to ensure that all clients have access to supportive services. In contrast, the Individual Housing and Services Plan is client-specific.

HUD guidance outlines a needs assessment process that includes identification of a client’s ongoing housing stability needs, the establishment of housing and service goals, and documentation of eligibility and client progress. These requirements should be met through a housing needs assessment and Individual Housing and Services Plan for each client receiving HOPWA rental assistance.

### **Assessment of Housing and Services Needs**

An assessment of the housing and services needs should first be performed when a potential client is being considered for HOPWA rental assistance. This assessment may be a stand-alone document or can be incorporated into a broader client psycho-social assessment, depending upon the focus and needs of the program.

The assessment is intended to provide information to help achieve a successful housing placement and should collect as much information as possible about the client’s housing needs and preferences, as well as service needs to achieve housing stability. By identifying past successes and challenges, the case

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<sup>6</sup> Kidder, D. P., Wolitski, R. J., Royal, S., Aidala, A., Courtenay-Quirk, C., Holtgrave, D. R., Harre, D., Sumartojo, E., Staff, R. (2007). Access to housing as a structural intervention for homeless and unstably housed people living with HIV: rationale, methods, and implementation of the housing and health study. *AIDS and Behavior*, 11, S149-S161.

manager will gain a clearer idea about the specific barriers to residential stability faced by the client. It should be noted that the purpose of this assessment by case managers is to help determine the type of housing and service supports best suited to each client based on the client's challenges, circumstances, and desires. The assessment described here is not intended as a guide to tenant selection, which is separate and distinct from the case management process.

As part of the assessment, case managers should collect information to understand how extensive the service supports need to be for a client to maintain permanent housing. Incorporating a housing history into the client assessment can help accomplish this. A history of the type and location of housing in which the client has lived during recent years, along with questions about what worked and what did not work for the client in those settings, can provide valuable insight into his or her capacity to manage and maintain independence.

Another method for eliciting housing related information during an assessment is to review a checklist of housing barriers with the client. Barriers to housing will typically include such issues as the following:

- No rental history
- Past eviction(s)
- Sporadic employment history
- Criminal history
- Insufficient or no income
- No or poor credit history
- Large family (3+ children)
- Recent history of substance abuse

By reviewing common barriers with the client, case managers can gain additional information about which services a client needs. Single parents may be in particular need of child care services, while someone with a history of sporadic employment may need assistance from a One-Stop Career Center. Having a client refer to a list often makes it easier for a client to reveal past housing issues that they otherwise might not volunteer.

Many programs incorporate a measure of rent burden as a regular tool for assessing housing options for clients (see Chapter 1: Strategic Planning for Rental Assistance for a lengthier discussion on calculating housing rent burden). This stability check is also useful when working with clients who are already housed but having financial difficulties. Case managers should not assume that being housed necessarily means being stable in housing. This check can be easily calculated by dividing the monthly rent and utility costs by the total monthly household income. HUD's definition of affordable is 30% of gross income. If clients are paying a much larger proportion of their income for housing, their ongoing housing stability may be seriously impacted.

**Stability Check**  
**Calculating Current Housing Burden**

Monthly rent and utility cost/monthly household income should be equal to or less than 30% of gross income for rent and utilities to be considered affordable.

For example,

- Monthly rent and utilities = \$600
- Monthly household income = \$2,400
- $\$600/\$2,400 = 25\%$

Rent and utilities are considered affordable.

**Attachment 3-3** provides a sample assessment form with a list of barriers that can be used to discuss past and current living situations with clients in order to identify and address the barriers that prevent them from accessing and sustaining housing.

### **Developing an Individual Housing and Services Plan**

The Individual Housing and Services Plan should document client goals for housing, resources and services that are needed to help maintain housing stability, the assistance to be provided by the case manager, and client attainment of the goals. All Individual Housing and Services Plans should be developed collaboratively between the client and case manager. To facilitate increased accountability, these plans can be used as “contracts” including both client and case manager signatures. The following includes the key components of an Individual Housing and Services Plan.

**Key Features of the Individual Housing and Services Plan**

- Identifies the type(s) of housing considered necessary for the client, both short-term and ongoing
- Identifies eligibility for other non-HOPWA housing assistance
- Addresses need for supportive services to ensure stability in housing
- Connects client to mainstream resources
- Outlines concrete client goals and actions to achieve/maintain stable housing and increased independence
- Documents client progress and successes

### Individual Housing and Services Plan Goals

The Individual Housing and Services Plan should contain a range of specific, measurable, and attainable goals in all areas relevant to obtaining and successfully maintaining ongoing housing stability, including goals that address the HOPWA program objectives of maintaining housing stability, avoiding homelessness, and increasing access to care. Primary goal areas should include the following:

- **Client housing.** The steps to be taken by the client to identify, obtain, and maintain housing should be clearly outlined, and may include the following:

- **Housing preference.** Client preferences related to unit size, location, housing type, and tenure (lease/own) should be reflected in the goals as much as possible given limitations in housing availability.
- **Obtaining housing.** Goals for obtaining identified housing should include steps to be taken by the client and the case manager to secure that housing.
- **Maintaining housing.** Goals should clearly state client responsibilities for maintenance of the selected housing unit or refer to program rules related to maintenance.
- **Future-oriented housing goals.** The inclusion of future-oriented goals can be a source of motivation for clients. Such goals may include plans to have greater independence, move to a larger place, or become a homeowner in the future.
- **Income.** Every client should have goals related to obtaining or maintaining either earned income or benefits. Achievement of these goals will help support the client's housing choice and success in achieving stability and will address the HOPWA program's care and support objectives.
- **Education/Skills.** Job training or other preparation for employment is an important part of planning for greater income and independence.
- **Access to care.** Goals in this area should ensure ongoing service coordination and measurement of client health outcomes with linkages to Ryan White Care Act services, primary HIV/AIDS medical care, Veterans Administration (VA) medical benefits and other services, as well as insurance or medical assistance, mental health treatment, or other treatment needs identified. Achievement of these goals will address the HOPWA program's care and support objectives.
- **Other supportive services.** Additional needs identified by the client and case manager should be addressed, such as child support needs, independent living skills, and connecting to family and social support networks.

Goals should be written to include the following:

- Statement of goal(s) the client plans to achieve
- Action steps designed to attain the goal(s)
- Timeframe for achieving the goal(s) and completing action step(s)
- Specific outcome(s) to achieve
- Support needed to achieve goal(s)
- Tasks to be accomplished by the client and the case manager

Goals should be updated on a regular basis with new action steps added. All goal activity should be documented in client case records. An example of goals and action steps for a client participating in a HOPWA TBRA program is shown below.

**Example: Setting Goals and Action Steps**

Scenario: A client named Sarah is approved for a tenant based rental voucher.

Goal 1: Find safe and secure housing

Action Steps:

- Case manager will provide orientation and housing search guidelines to Sarah before she begins the search for a rental unit.
- Within 4 weeks, Sarah will locate an appropriate rental unit based on program guidelines. Case manager will be available to answer questions and provide needed support.

Goal 2: Increase income to improve long-term stability

Action Steps:

- Sarah will apply for food stamps to supplement her current income. Application should be submitted by a specific date. Case manager will provide information on location and documentation needed.
- Sarah will apply for part-time weekend work to increase income. She will identify three possible places to apply before the next case management session.

A sample template is provided as **Attachment 3-4** that can be the basis for an Individual Housing and Services Plan. It includes sections on financial resources, HIV/AIDS and other services, tenant behavior and program participation, and housing stability factors, as well as a quarterly plan with action steps related to tenancy, program participation, service participation, and financial resources.

## **STAFFING AND SUPERVISING**

Rental assistance programs should be designed to provide appropriate staffing levels to serve participants and with a strong supervision component to effectively manage staff. Without the right level of properly trained staff, a program runs the risk of not achieving successful client outcomes. Inadequate professional supervision for staff will also impact program success and can lead to inconsistent results and reporting problems.

Staffing levels for supportive services in a HOPWA rental assistance program are one aspect of the design of the program and are dependent on factors such as the number of clients served, the needs of the specific population served, and other similar issues. For example, in some program models, different persons may perform intake/screening, case management, and housing search. In others, case managers may play all three roles. Whatever the model, program staff responsibilities include the following:

- Managing referrals to the program
- Certifying applicants for participation in the program
- Orienting clients to program requirements, rules, termination policy, and client rights, including the program's established grievance process
- Conducting housing needs assessments and developing Individual Housing and Services Plans
- Coordinating and managing supportive services
- Calculating client rent, utility allowances, and rental subsidies



- Assisting clients in identifying appropriate housing and negotiating rental agreements
- Reviewing leases to ensure compliance with Federal, state, and local laws
- Meeting with landlords to secure a written agreement to participate in the program
- Conducting housing inspections
- Assisting in resolution of housing related issues between clients and landlords
- Investigating reported violations of program rules by clients or landlords
- Maintaining client records and documenting housing and client activity

### **Staffing Levels**

Guidance on the optimum staff-to-client ratio varies, with many programs typically maintaining a ratio of between 1:10 and 1:30 per case manager or service manager. The level of support needs among program clients, availability of other services, and funding are all issues that tend to influence the caseloads of primary care staff. Programs may also employ or have cooperative agreements with specialty staff that focus on housing stability, healthcare, vocational counseling, life skills, or other service areas. The use of volunteer or paraprofessional staff has also proven beneficial in many programs. The availability of such additional supports can sometimes allow rental assistance program supportive service staff to carry somewhat higher caseloads.

Each program should develop and follow a staffing plan based on the individual circumstances of that program's structure. The following factors should be taken into consideration in developing the staffing plan:

- Number of households to be served
- The program focus—transitional versus permanent housing
- Number of households with additional or multiple needs, including history of chronic homelessness, substance abuse history, and mental health needs
- Expected level of clients' supportive services needs
- Availability and accessibility of additional supports
- Current and potential funding for supportive services

### **Staff Supervision**

Professional supervision provided on a regular basis is critical to successful outcomes of HOPWA rental assistance programs. Monitoring and supervision of case managers is important to ensure consistency of approach among program staff who act as the conduit or link to a wide range of services and who may have varying experience and educational levels. Recommendations for supervision include the following:

- Reviewing client case records on a regular basis  
(This review also helps a supervisor when signing staff time and activity reports and vouching for the actual work.)
- Holding weekly individual supervisory meetings to review case activity
- Convening group meetings to discuss caseloads, difficult cases, and other client activity issues
- Providing prompt supervisory response when confronted by difficult or challenging client situations

- Providing close supervision when employing paraprofessionals or volunteers within the program

### **ADDITIONAL SERVICE CONSIDERATIONS**

Delivery of a HOPWA rental assistance program typically calls for flexibility and a menu of supportive services based on the needs of clients. Not only do the needs of the HOPWA-eligible population vary and change over time, it is common to see co-occurring diagnoses that must be addressed. As a result, programs will frequently need to manage matters related to substance abuse, mental illness, and co-occurring disorders, in addition to needs arising from the combination of low-income and HIV/AIDS.

- **HIV/AIDS.** Persons living with HIV/AIDS can vary greatly in terms of health status and service needs, and these needs can change rapidly. Many persons living with HIV/AIDS will experience extended periods of good health when they maintain connections to health care. For persons in unstable situations and without access to adequate health care, the illness generally leads to a decline in health over the long term, often interspersed with the need for short-term and/or extended assistance.
- **Substance Abuse.** There are additional program considerations that should be addressed when serving individuals who have substance abuse issues. These include establishing clear expectations for client behavior, placing special emphasis on coordination with community treatment services, and providing appropriate training and supervision for staff.
- **Mental Illness.** Mental illness at varying levels is often a challenge for individuals with HIV/AIDS, sometimes co-occurring with substance abuse. Rental assistance programs should take into consideration issues of diagnosing, treating, and dealing with mental illness, including connecting clients with psychiatric care, medication management, and mental health treatment. Training and supervision should be provided to help staff understand major psychiatric disorders (such as HIV/AIDS-related dementia), symptoms, and behaviors, as well as crisis intervention techniques so they are equipped to recognize and respond to possible problems and quickly connect clients to appropriate psychiatric care.

## **CHAPTER 3 ATTACHMENTS**

ATTACHMENT 3-1: SAMPLE SERVICES PLAN FOR A SUPPORTIVE HOUSING DEVELOPMENT

ATTACHMENT 3-2: SAMPLE SUPPORTIVE SERVICES PLANNING WORKSHEET

ATTACHMENT 3-3: SAMPLE HOUSING ASSESSMENT TEMPLATE

ATTACHMENT 3-4: SAMPLE QUARTERLY ASSESSMENT AND STABILITY PLAN



## Sample Services Plan for a Supportive Housing Development

This is a sample plan for the provision of supportive services within a supportive housing development. Supportive housing operators may wish to use this plan as a template for the creation of their own services plans.

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Note: This document is included within the *Supportive Services* section of CSH's *Toolkit for Developing and Operating Supportive Housing*, which is available at [www.csh.org/toolkit2](http://www.csh.org/toolkit2).

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## 1. INTRODUCTION/OVERVIEW

ABC Housing Corporation, the Sponsor, is developing Nice Apartments in the South of Market neighborhood (SOMA) of San Francisco. SOMA has traditionally been the home to low and extremely low income persons, many of whom are homeless or at-risk of homelessness. The widespread development of high-end, market rate housing in the area over the past decade has driven up housing costs and resulted in widespread displacement of this population and the services that support them. In order to maintain the diversity of the SOMA community and offer housing options for the homeless residents of the area, it is important to create supportive housing in this neighborhood. To this end, Nice Apartments will include 98 units of service-enriched housing targeted to homeless and at-risk households, many of whom will also have other special needs. The project will have 3,200 square feet of internal common space that will be used for on-site social service programs for residents, including service coordination, case management, and educational services.

The Sponsor, through its Resident Services Coordinator Program (RSCP), will provide overall service coordination for Nice Apartments. ABC has partnered with DEF Services and GHI Services to provide the intensive case management that many of the project's residents will require. It is ABC's goal to create a service delivery system that can adapt to the changing needs and circumstances of the residents during initial occupancy and throughout the life of the project.

## 2. TARGET POPULATIONS

ABC has developed the Nice Apartments for the purpose of primarily serving single individuals and families who are homeless or who are at-risk of homelessness by virtue of their low incomes. Many of these homeless and at-risk households will also have special needs, including, but not limited to mental illness, co-occurring mental illness and substance use issues, physical disabilities, developmental disabilities, HIV/AIDS, and domestic violence issues. Some of the tenants may also be youth exiting the foster care system.

The sponsor has devised a rent structure that is appropriate for the target populations. The Nice Apartments will consist of 98 units of housing: 33 studios, 55 one-bedrooms, 8 two-bedrooms, and 2 managers units. ABC has obtained financing through the Low Income Housing Tax Credit Program (LIHTC), the San Francisco Mayor's Office of Housing (MOH), and the State of California's Multifamily Housing Program (MHP) for all 98 units. With these funding sources, ABC has been able to establish very affordable rents: 48 of the units will have rents affordable to households at approximately 27% of area median income (AMI)<sup>1</sup> and 50 will have rents affordable to those at 60% of AMI. In addition, 24 of the 60% units will also have project-based Section 8 subsidies from the San Francisco Housing Authority, making them affordable to persons with incomes as low as 0% of AMI. ABC has also applied for HUD Shelter Plus Care (S+C) funding for another 20 units, and expects to receive a funding commitment in December 2004.

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<sup>1</sup> Per the MHP funding, these units are affordable to households at 40% State Median Income (SMI), which when converted to AMI is approximately 27%.

## Attachment 3-1: Sample Services Plan for a Supportive Housing Development

The MHP funding requires that at least 74 of the units be occupied by households with Special Needs.<sup>2</sup> Additionally, financing from the Mayor's Office of Housing requires that the units serve persons who are homeless or at-risk of homelessness and/or disabled.

Based on the rent structure and financing requirements, ABC has developed the following more detailed description of the target populations and projected numbers of persons to be housed at the Nice Apartments.<sup>3</sup>

- Homeless Persons with Disabilities and Homeless Families. The 20 S+C units will be targeted to homeless individuals with disabilities (including mental illness, substance use issues, physical disabilities, HIV/AIDS and other chronic health conditions) and to homeless families (including families in which one or more member has a disability). It is estimated that about half of these households will meet HUD's definition of chronic homelessness (a single disabled individual who has been continuously homeless for one year, or who has experienced 4 episodes of homelessness in the past 3 years). These households are expected to be earning between 0% and 20% of AMI.
- Developmentally Disabled Individuals. Approximately 10 units will be targeted to individuals with Developmental Disabilities, the majority of whom will also be at-risk of homelessness due to their extremely low incomes.
- Extremely Low Income Individuals and Families At-Risk of Homelessness. Approximately 40 units will be targeted to single individuals and families who are at-risk of homelessness due to their very low incomes (these households will be between 10% and 27% of AMI). Many will also have other special needs (such as disabilities or domestic violence issues) and may include youth aging out of the foster care system.
- Low Income Individuals and Small Families. Approximately 26 of the units will be targeted to the "working poor," meaning single individuals, couples or small families earning no more than 60% of AMI.

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<sup>2</sup> Special Needs is defined as: means disabled households, agricultural workers, single-parent households, victims or survivors of domestic or physical abuse, households enrolled in Welfare-to-Work programs, homeless persons, or persons at risk of becoming homeless, chronically ill persons including those with HIV and mental illness, displaced dependent parents (or expectant dependent parents), emancipated foster youth, individuals exiting from institutional settings, chronic substance abusers, or other specific groups with unique housing needs as determined by the Department. "Special Needs Populations" do not include seniors or the frail elderly unless they otherwise qualify as Special Needs Population." (California Code of Regulations, Title 25, Division 1, Chapter 7, Subchapter 4, Article 2, Sec. 7301, gg).

<sup>3</sup> These figures are estimates only. While ABC is targeting particular populations, Fair Housing law requires that income-qualified households not be unfairly excluded simply because they do not fit a special needs category. Additionally, the tenants of the Section 8 units must be drawn from the San Francisco Housing Authority's Section 8 Waiting List, and it is not possible to determine in advance exactly what the income levels and special needs of those households will be. A demographic profile of the Section 8 waiting list is provided in Appendix 1.

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It is estimated that there will be approximately 20 children in the project, mostly in the two-bedroom units. A few of the one-bedroom units many house a single parent and child.

### 3. SERVICE NEEDS OF THE TARGET POPULATION

Nearly two decades of experience by the supportive housing industry has demonstrated that special needs populations, and particularly homeless and at-risk individuals and families, require a rich array of support services to help them maintain stable housing, to achieve their life goals, and to grow and thrive towards greater self-determination and self-sufficiency. ABC has researched projects with populations that are similar to the Nice Apartments and consulted with experts in the field of supportive housing to arrive at the following description of the expected service needs of the target populations:

<b>Population</b>	<b>Service Needs</b>
All tenants	Intake and assessment, information and referral, recreational and socialization activities, community building activities, support groups, on-site educational opportunities (i.e. computer classes).
Homeless individuals and families (including chronically homeless)	Intensive case management, with emphasis on behavioral health and primary health issues, independent living skills, and employment/educational goals. Intensive case management includes individualized service planning and goal setting, coordination of services, counseling and support, crisis intervention, intensive assistance with accessing mainstream services and other community-based resources. The service needs of homeless families will also include parenting support, childcare and after school programs.
Developmentally disabled tenants	Intensive case management, with emphasis on independent living skills and vocational/educational goals. Intensive case management includes individualized service planning and goal setting, counseling and support, coordination of services, and assistance with accessing mainstream services and other community-based resources.
Extremely low income individuals and families at-risk of homelessness	Case management, with emphasis on independent living skills and employment/educational goals, behavioral health and primary health issues as needed, domestic violence counseling and parenting support as appropriate. Case management includes individualized service planning and goal setting, counseling and support, coordination of services, and assistance with accessing mainstream services and other community-based resources. Families in this group will also have service needs in the area of childcare and after school programs.
Low income individuals and small families	Service coordination, with emphasis on employment and training services and resources for families and children. Service coordination includes information and referral, with some follow through to help tenants access needed services.

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## 4. SERVICE PROGRAM

### A. Overview

The Nice Apartments will provide a unique opportunity for households who are homeless, at-risk of homelessness, or who have very low incomes. Residents of the Nice Apartments will live in a community with full access to services and programs that will meet their specific needs, while encouraging independence and growth. The project will offer different levels of support, depending on the service needs of the individual or family. Populations will thrive and flourish in an environment that offers a variety of levels of support. Services will be offered through a coordinated effort among the owner, property management staff, on-site service staff, and the tenants themselves – ensuring a healthy living environment for all residents.

The overall philosophy of service delivery at the Nice Apartments will focus on helping residents to maximize their ability to live independently. The service philosophy of both DEF Services and GHI Services is based on providing compassionate, individualized, voluntary services designed to help tenants meet their own goals for self-sufficiency and self-determination.

The Resident Services Coordinator (RSC) will be responsible for overall coordination of program services onsite. ABC is partnering with two service providers who will provide case management and other services to the majority of the project's residents. These service provider partners are:

- *DEF Services:* DEF will be the lead supportive service partner for Nice Apartments, providing case management to the homeless and at-risk individuals and families.
- *GHI Services:* GHI will serve residents with developmental disabilities by providing access to a full range of services that advance self-determination, dignity and quality of life. Their services specifically focus on: housing retention, advocacy, employment, life skills, and leisure.

The specific services to be provided by each organization are described in the next section. Background information about DEF and the GHI are provided in the Addenda.

### B. Service Providers and Their Roles

The on-site service program at the Nice Apartments will be a joint effort of ABC/ABC Property Management Corporation, DEF and GHI.

#### 1. The Resident Services Coordinator Program (ABC)

The Resident Services Coordinator Program was created by ABC to develop and coordinate resident services at ABC properties. ABC's Manager of Resident Services oversees the Resident Services Coordinator Program and works with ABC staff during the predevelopment and development phase to conceptualize the potential services and programs that could be needed at each site, develop service plans, develop relationships with partner service agencies to provide on and off-site services, and assist with the identification of service funding. All services and programs at ABC properties are coordinated and monitored through the Resident Services Coordinator Program.

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At the Nice Apartments, The RSC has overall responsibility for the design and implementation of the service program. The RSC will identify and implement needed direct services by identifying appropriate partners and creating an on-site social service team that will provide needed services to residents. The RSC is responsible for creating a supportive atmosphere in which support service staff work side-by-side with property management staff to develop a comprehensive approach to meeting resident needs that focuses on helping residents to sustain their housing. The RSC will ensure that all services are culturally appropriate and special needs sensitive, and will work with the partnering agencies to develop and implement a plan for tenant engagement.

In addition to overall program coordination, the RSC will provide some direct services to residents, including:

- Conducting an initial resident orientation and ensure each new resident receives an assessment from DEF, to determine their interest in and need for on-site services.
- Providing general information and referral to services for all the project's tenants (but not case management, which will be the responsibility of the partner agencies).
- Coordinating on-site recreational, social and community-building activities; support groups; and educational opportunities such as computer classes, speakers, etc.
- Coordinating services and activities for the project's children, through a collaborative relationship with the Homeless Children's Program.
- Conducting assertive tenant engagement to encourage participation in services

## 2. DEF Services

The majority of direct individual supportive services at the Nice Apartments will be provided by DEF. DEF will provide case management and other services to 20 homeless individuals and families in the S+C units, plus 40 extremely low income individuals and families who are at-risk of homelessness. DEF will also provide services as needed to the 26 households occupying the 60% AMI units.

These DEF services are contingent upon ABC receiving the S+C award for which it has applied. The application is highly likely to receive HUD approval.

### **Background**

(In this section of the Service Plan, background information is provided about DEF Services including the date of incorporation, the mission, number of people served, its experience and qualifications serving the population and in supportive housing.)

### **DEF Responsibilities**

DEF's general responsibilities at the Nice Apartments will include hiring on-site staff that will have significant experience in working with homeless and at-risk populations; developing program strategies in collaboration with the RSC, onsite property management staff, and residents; engaging with tenants, developing strong relationships, and becoming familiar members of the community.

DEF's client-specific work will consist primarily of assessment and case management. DEF staff carry out an initial needs assessment of each resident. Those who are assessed to have significant

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support service needs and/or who wish to work on a self-directed goal plan, will be offered case management services. It is anticipated that the majority of the project's homeless and at-risk residents will be in need of case management. DEF case management services will be provided on-site.

### **Services To Be Provided**

DEF will offer the following services:

Case Management: DEF will conduct outreach and engagement with all the project's formerly homeless and at-risk tenants, both single individuals and families with children. DEF's case management staff will creatively encourage all residents to explore their fullest potential, and will work with interested residents to develop a self-directed goal plan designed to help the resident address any present issues (such as substance use, mental health concerns, parenting issues, vocational or educational goals) and to maximize their independence and self-sufficiency. DEF has developed programming that supports residents in challenging unhealthy behaviors and assists residents in securing linkages with organizations that can provide needed services. DEF staff will assist residents in applying for entitlement programs such as CalWORKs, general assistance, supplemental security income, and employment opportunities. The case manager will also assist residents with developing needed life skills, such as housekeeping, shopping, etc. DEF staff is dedicated to helping residents achieve self-sufficiency, as well as a strong sense of community within their buildings.

Vocational Services: DEF will offer vocational services through its Employment Program. *(In this section, details are provided about the location and scope of services provided by DEF's Employment Program and about how tenants will access the program.)*

Mental Health Services: The Nice Apartment residents will have access to DEF's Mental Health Internship Program. *(In this section, details are provided about the location and scope of services provided by the Mental Health Internship Program and about how tenants will access the program.)*

Support Groups: DEF staff will also coordinate on-site support and therapeutic groups, which include Narcotics Anonymous, Alcoholics Anonymous, and groups dedicated to emotional, physical, and spiritual wellbeing. Each of these groups will contribute to creating an atmosphere that will allow residents to confront their mental health and substance use issues with confidence and support.

DEF will also link tenants to the following services: *(In this section, details are provided about relationships with outside agencies including organization names, locations, populations served, capacity, any MOUs that are in place, any plan for on-site service delivery, etc.)*

Behavioral Health and Health Services:

HIV/AIDS Services:

### 3. GHI Services

GHI provides support services and independent living skills training for people with developmental disabilities. *(In this section of the Service Plan, background information is provided about GHI Services including the date of incorporation, the mission, number of people served, its experience and qualifications serving the population and in supportive housing.)*

Approximately ten of the units at Nice Apartments will be targeted to households that include developmentally disabled residents. One unit has been set-aside for a Live-In Rehabilitation Manager who will serve residents at Nice Apartments who are developmentally disabled, enabling GHI to implement a defined services program to help clients live independently with a built-in support network. In addition, GHI will use facilities at Nice Apartments to provide supportive services for the developmentally disabled residents. GHI will employ support services instructors to provide off and on-site support services and independent living skills training to the residents of the designated units.

Funding for GHI's services is mandated by state law (the Lanterman Act). People with developmental disabilities are entitled to the supports they need to live independently in the community and GHI is authorized as a vendor to provide these services and paid to do so by Golden Gate Regional Center. Golden Gate Regional Center is also mandated by state law (the Lanterman Act) to provide case management and coordination of services for people with developmental disabilities. GHI will be responsible for ensuring that the necessary funding is obtained to provide services to developmentally disabled adults who reside at Nice Apartments.

GHI's responsibilities at Nice Apartments are to:

- Assign GHI case manager in conjunction with Golden Gate Regional Center to develop a plan of services for each developmentally disabled resident of Nice Apartments, enabling them to live safely in the apartments. (Because these are studios or 1-bedroom apartments, we do not anticipate the need or ability for clients to have a live-in attendant in their apartment.).
  - Provide each developmentally disabled adult who lives at Nice Apartments from 5-30 hours a month of direct training, with an average of about 15 hours a month. The majority of the clients GHI serve work at least part-time. If they are not working, they are provided with a day program at sites other than their residence.
  - Provide case management, emergency assistance, and on-site counseling for residents through a Live-in Rehabilitation Manager.
  - Provide part-time staff, such as Social Recreation Volunteers and Self-Advocacy Instructors, to provide on-site training to GHI-related residents at Nice Apartments or accompany them into the community for shopping, medical appointments, banking, etc.

GHI will provide the following specific case management-related services for developmentally disabled residents at Nice Apartments:

- At move in, provide mobility training and orientation to facilities in the area. *(on-site)*
- Provide in-home services by GHI Residential Instructors including teaching, cooking, cleaning, budgeting and grooming as needed. The instructors will also be available in the evenings and on weekends to assist residents in the event of a crisis. They will be responsible for providing safety instruction and simple maintenance instruction. *(on-site)*

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- Coordinate the selection of “In-home” Personal Assistants from the San Francisco Department of Human Services to advise on personal hygiene/grooming, food preparation and cleaning techniques. *(on-site)*
- Assist residents in supervising the In Home Personal Assistant,
- Assign an off-site Rehabilitation Manager to each resident, who will perform case coordination activities and supervise the Live-in Rehabilitation Manager. *(both on-site and off-site)*
- Assist residents in accessing the resources of the Golden Gate Regional Center, which provides case management, crisis management, and funding for the individual resident service programs. *(off-site)*
- Provide opportunities for residents to attend ongoing workshops and classes offered by or through GHI. *(off-site)*
- Oversee the selection of qualified medical and dental personnel and oversee appointments and medications in conjunction with the Golden Gate Regional Center. *(off-site)*
- Provide each resident with access to an on-call system during times when the Live-In Rehabilitation Manager is not available. Each resident will have access, via beeper or telephone, to a GHI employee 24 hours a day, seven days a week. This safety system will be backed up by the Golden Gate Regional Center, which also operates a 24 on-call system. *(off-site)*

#### 4. Services for Families with Children

The Nice Apartments will provide housing to a small number of families, including an estimated 20 children. The RSC and the DEF staff will take the lead in providing services to families. As noted above, the case management services that will be provided by DEF will encompass all family members, including both adults and children. DEF will assist families with children to access needed services such as child care, after school programs, children’s health insurance programs, etc.

Additionally, the RSC will be responsible for coordinating a wide range of services and activities provided on-site through a partnership with the Homeless Children’s Program (HCP). The HCP and its partnering agencies work with formerly homeless children and youth (between the ages of six and seventeen) and their families, to help them establish and maintain developmentally and culturally appropriate mental health statuses. HCP has committed to provide numerous services at the Nice Apartments, including individual therapy, therapeutic play groups, parenting groups, workshops, and training for parents and providers. Families at the Nice Apartments will also have access to the on-site computer center, which will provide resources for both adults and children.

The RSC and DEF will also assist families to access the following resources:

##### **Downtown Childcare Center and Family Services (CCFS):**

CCFS works with families to provide parent education, referrals, family field trips, one-on-one support to families in transition, and childcare.

##### **CalWorks:**

CalWorks is a welfare program that is operated by the local county welfare department and provides short-term financial assistance to families in need of help. In San Francisco, DHS is the local entity

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overseeing the program. Families that qualify can get access to medical coverage, child support, family planning services, child health and disability prevention, and a wide range of social services. The on-site staff will work with eligible residents and CalWorks to get access to necessary services and financial assistance.

## 5. Other Services

ABC's Manager of Resident Services, DEF and GHI will work with a variety of community service and program partners to provide additional services to the tenants at the Nice Apartments. These include the following services (some of which are contingent upon ABC receiving S+C funding):

### **Department of Public Health (DPH)**

As noted above, DPH will provide behavioral health and health services to qualified residents of the Nice Apartments.

### **Department of Human Services (DHS):**

DHS manages the S+C waiting list, and will be responsible for referring potential tenants for the S+C units. Many of the project's residents will be eligible to access DHS services, including employment and training services, children and family services, and health and nutrition programs.

*(Other organizations are listed here and the specific commitments they will make related to services, food, equipment, etc.)*

The RSC Program Staff and DEF will be responsible for coordinating all of the community partners to create a comprehensive service program.

*(Listed here are additional technical assistance resources that are available or already accessed by ABC.)*

## **C. Staffing**

This section describes the off-site and on-site staffing for the Nice Apartments.

### **ABC Manager of Resident Services**

Responsible for oversight of all of The RSC programs, providing guidance for service delivery, and supervising on-site service and resident service coordinators at ABC properties. At the Nice Apartments, the Manager of Resident Services will work with the on-site RSC and partnering agencies to design and implement the service programs, troubleshoot problems, provide advocacy to and act as a liaison for residents with service agencies and building management; develop relationships with community organizations to form a cooperative network of social service

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agencies. This is a full-time position, located off-site at ABC's main office. The Manager of Resident Services will devote approximately 10% of her time to the Nice Apartments.

### **Resident Service Coordinator**

Responsible for overall coordination of services at the Nice Apartments, including activities of the service partners. Conducts initial tenant orientations; works with site staff, residents, and service providers to identify resident service needs; provides information and referral to residents; coordinates schedules, community/service space, volunteers, and personnel for third party service providers; organizes recreational and community building activities, educational activities (i.e. computer classes), and support groups; maintains statistics on attendance and participation in activities. Serves as liaison to ABC's Manager of Resident Services. This is a part-time, on-site position.

### **DEF Support Services Manager**

Responsible for overall development of the service program, in conjunction with ABC's Manager of Resident Services and Resident Services Coordinator. Supervises two on-site DEF Case Managers; communicates and coordinates with other partner organizations; maintains relationships with the immediate and broader community and stays abreast of current programs and resources; carries out goals and direction as approved by ABC. Also responsible for developing systems for collecting and tracking client data as needed to satisfy funder requirements (particularly HUD Annual Performance Report for the S+C units) and to generate outcome data for the purpose of program evaluation. Duties will also include some needs assessment; case management, developing and implementing client goal plans, coordinating services, problem solving and making service referrals. This is a full-time, on-site position.

### **DEF Case Managers (2)**

Responsible for providing case management services to homeless and at-risk families and individuals. Duties include outreach and engagement; needs assessment; case management; developing and implementing client goal plans; coordinating services; problem solving and making service referrals. These are full-time, on-site positions.

### **GHI Live-in Rehabilitation Manager**

Coordinates all of the services developmentally disabled tenants require. Provides case management and service coordination. Assists residents in choosing individual instructors, supervises the instructors and reviews reports from the instructors. Coordinates with the Golden Gate Regional Center to determine the hours of support services for each resident and provide primary case management. Lives on-site. This is a full-time position.

### **GHI Residential Instructor**

Creates a learning environment in which adults with developmental special needs can learn to function more independently in their home and in the community; Designs instruction methods based on measurable objectives, maintain records of client progress, analyzes barriers to learning, and creates alternative instructional plans to overcome barriers to learning; Travels to, and works with, clients in their homes. This is a full-time position.

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## D. Outcomes

The general goal and objective of the social service program at the Nice Apartments is to assist residents to: (1) maintain stable housing; and (2) achieve their own self-determined life goals.

The programs and services will be evaluated using a variety of methods.

### **Quantitative Outcome Objectives:**

The following outcome objectives will be established and progress tracked on a monthly basis:

- Support service staff will conduct outreach to and engagement with 100% of the residents living in the Nice Apartments.
- 100% of tenants who have not paid rent on time, or who have been formally notified regarding any other lease violation, will be offered supportive services; 60% of those who engage in services will establish a written plan that remedies late payment of rent and/ or lease violation; 80% of those who develop a plan will remain in housing for at least 90 days without being evicted.
- 85% of tenants will remain in housing for 1 year.
- 80% of participants who enter without any income will establish income from employment and or public assistance for which they are eligible within six months of enrollment

The following outcome objectives will be established and progress tracked on a monthly basis for all homeless tenants:

- 50% of formerly homeless tenants will participate in an organized educational, skill-building activity each month and 75% will participate in this kind of activity over the year.
- 15% of formerly homeless tenants will be successful in obtaining or maintaining employment during each year.
- Within 90 days of engaging in services, 70% of homeless tenants will develop an individualized service plan, which establishes goals and objectives and identifies activities leading to their accomplishment.
- 85% of crises that could have resulted in hospitalization and/or eviction will be resolved without the utilization of involuntary services or loss of housing for tenants.
- 65% of all formerly homeless residents will participate in group and/or community activities.
- Our goal is for all tenants to remain permanently housed. However, some tenants will chose to leave the project for their own reasons. 50% of formerly homeless tenants who leave this

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housing will move to a stable housing situation (such as unsubsidized housing, other supportive housing, or living with family/friends), or be placed in inpatient treatment facilities where their special needs can be better addressed.

#### Qualitative Evaluation

The onsite coordinator and ABC's Manager of Resident Services will develop a Resident Service Coordinator Program plan for each service area and will evaluate its effectiveness annually:

- Services to Families and their Children
- Services to Homeless Persons and Persons At-Risk of Homelessness
- Services to Children and Youth
- Services to Adults with Developmental Disabilities
- Services to Adults Over 60

DEF and GHI will be responsible for maintaining current written reports, charting and other paperwork required in documenting services and recording each unit of services provided to tenant in charts. They will collect data weekly and compile reports annually. The RCS and DEF will be responsible for aggregating the data and producing reports as needed to satisfy funding requirements.

#### Evaluation of Services to Developmentally Disabled Clients

All on-site and off-site programs for developmentally disabled clients will be evaluated by GHI's main service center and the Golden Gate Regional Center.

#### Methodology:

- The Live-in Rehabilitation Manager will visit each client's home once a month with the client's permission so the client may discuss his or her satisfaction with the program services and the In-home Personal Assistant's conduct and performance. Each client's opinion will be sought and considered.
- GHI will require In-home Personal assistants to use daily tracking sheets for documentation purposes. From the tracking sheets, the Residential Instructor will complete and submit monthly progress reports of each client to GHI's Director of Community Living Services.
- GHI will require In-home Personal Assistants to work the hours specified in the Individual Program Plan developed by the planning team. The hours worked will often be evenings and/or weekends. GHI's Director of Community Living Services will supervise the In-home Personal Assistants.
- The Live-In Rehabilitation Manager will review reports on all clients monthly to ensure that the services provided are maintained.
- GHI will ask clients to complete a periodic Service Satisfaction Survey.

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## 5. PRELIMINARY BUDGET AND STAFFING PLAN

		TOTAL	DEF	GHI	ABC	Notes
<b>USES</b>	<b>FTE</b>					
ABC's Manager of Res. Services	5%					off-site, in-kind
Resident Services Coordinator	25%					onsite function
DEF Support Services Manager	100%					onsite function
DEF Case Manager	100%					onsite function
DEF Case Manager	100%					onsite function
DEF Housing Management	30%					off-site function
GHI Live-In Rehab Manager	100%					live onsite function
GHI Residential Instructor	100%					onsite function
<b>Total Salary</b>						
Tax & Benefits						
<b>Total Salary &amp; Benefits</b>						
Office Supplies						in-kind
Postage						in-kind
Staff Transportation & Parking						
Training & Development						in-kind
Insurance						in-kind
Miscellaneous (Supplies, etc.)						in-kind
Food and Food Service Supplies						in-kind
Copier / Reproduction						in-kind
<b>Total Operating Expenses</b>						
Rent--Office /Service Space <sup>1</sup>						in-kind
Rent—GHI Manager Unit <sup>2</sup>						in-kind
<b>Total Program Space Rent</b>						
<b>TOTAL PROGRAM</b>						

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Attachment 3-1: Sample Services Plan for a Supportive Housing Development

<b>EXPENSES</b>						
Indirect Expenses @10%						
<b>TOTAL BUDGET</b>						
<b>TOTAL WITHOUT In-Kind</b>						
<b>SOURCES</b>						
Project Cash Flow <sup>3</sup>						
Golden Gate Regional Center						
<b>TOTAL REMAINING GAP</b>						
1 Based on approx 3000 sf space @ \$1/sf/month						
2 Based on a 60% AMI unit rent. Development is currently paying for full GHI manager unit.						
3 Securing this level of cash flow is contingent upon receipt of S+C funding						

## **6.     **MARKETING AND FAIR HOUSING****

ABC realizes the complexity of attracting special needs residents to Nice Apartments while complying with all applicable, federal, state, and local statutes and regulations regarding fair housing and non-discrimination. To carry this out, ABC Property Management Corporation has created a multi-phase marketing plan. A copy of the Marketing Plan is attached.

## **7.     **ADDENDA****

### **1.   Section 8 Waiting List Demographics**

For planning purposes, it is necessary to make assumptions about the likely characteristics of the future residents in the development. Because all of the units will be affordable to very low- and low-income populations and 24 of the units subsidized with Project-Based Section 8 Assistance, ABC researched and conducted some demographic analysis of the current Section 8 wait list with the assistance of the San Francisco Housing Authority.

*(Details from the demographic analysis are contained in this section.)*



## Supportive Services Planning Worksheet

### MENU OF SERVICES AVAILABLE TO TENANTS

#### 1. General Supportive Services

a. New tenant orientation/move-in assistance
b. Tenant's rights education/tenants council
c. Case management or service coordination
d. Psychosocial assessment
e. Individualized service planning
f. Individual counseling and support
g. Referrals to other services and programs
h. Crisis intervention
i. Peer mentoring
j. Support groups (list below)
k. Recreational/socialization opportunities
l. Legal assistance
m. Transportation
n. Nutritional services
o. Meals
p. Emergency financial assistance (specify below)
q. Furnished units
r. Other (specify):

On Site	Off-Site
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Who Provides?


#### 2. Independent Living Skills

a. Communication skills
b. Conflict resolution/mediation training
c. Personal financial management and budgeting
d. Credit counseling
e. Representative payee
f. Entitlement assistance/benefits counseling
g. Training in cooking/meal preparation
h. Training in personal hygiene and self-care
i. Training in housekeeping
j. Training in use of public transportation
k. Assistance with activities of daily living
l. Other (specify):

On Site	Off-Site
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Who Provides?


Note: This document is included within the *Supportive Services* section of CSH's *Toolkit for Developing and Operating Supportive Housing*, which is available at [www.csh.org/toolkit2](http://www.csh.org/toolkit2). This document has been adapted from CSH's publication *Developing the "Support" in Supportive Housing*, which is available at [www.csh.org/resources/tool-developing-the-support-in-supportive-housing/](http://www.csh.org/resources/tool-developing-the-support-in-supportive-housing/).

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## MENU OF SERVICES AVAILABLE TO TENANTS

<b>3. Health/Medical Services</b>
a. Routine medical care
b. Medication management or monitoring
c. Health and wellness education
d. Nursing/Visiting nurse care
e. Home health aide services
f. Personal care
g. HIV/AIDS services
h. Pain management
i. Other (specify):

On Site	Off-Site
Who Provides?	

<b>4. Mental Health Services</b>
a. Individual psychosocial assessment
b. Individual counseling
c. Group therapy
d. Support groups (specify below)
e. Peer mentoring/support (describe below)
f. Medication management/monitoring (specify below)
g. Education about mental illness
h. Education about psychotropic medication
i. Psychiatric services (specify below)
j. Liaison with Psychiatrist (describe)
k. Psychiatric Nurse
l. Other (specify):

On Site	Off-Site
Who Provides?	

<b>5. Substance Abuse Services</b>
a. Recovery readiness services (tenants with active addictions)
b. Relapse prevention and recovery planning
c. Substance abuse counseling (individual)
d. Substance abuse counseling (group)
e. Methadone maintenance
f. Harm-reduction services (specify)
g. AA/NA/CA
h. Sober recreational activities
i. Other substance abuse services (specify):

On Site	Off-Site
Who Provides?	

## MENU OF SERVICES AVAILABLE TO TENANTS

<b>6. Vocational Services</b>
a. Job skills training
b. Education
c. Job readiness training — resumes, interviewing skills
d. Job retention services — support, coaching
e. Job development/job placement services
f. On-site employment (describe)
g. Opportunities for tenants to volunteer
h. Other vocational services (specify):

<b>On Site</b>	<b>Off-Site</b>
Who Provides?	

<b>7. Services for Families</b>
a. Support group for parents
b. Support group for children
c. Support group for families
d. Parenting classes
e. Classes on child development
f. Childcare or daycare
g. After school care
h. Childcare or daycare tenant cooperative
i. Children’s services (specify)
j. Domestic violence services
k. Childcare in the event of parent illness / hospitalization/ detox
l. Family advocacy (specify)
m. Family reunification (specify)
n. Assistance with accessing services for children (specify)
o. Assistance with accessing entitlements
p. Other (specify):

<b>On Site</b>	<b>Off-Site</b>
Who Provides?	

Notes:

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Note: CSH’s Toolkit for Developing and Operating Supportive Housing includes additional information regarding service planning issues under both Designing the Services Plan and Preparing for Tenants’ Services Needs in the Supportive Services section of the Toolkit, available at [www.csh.org/toolkit2](http://www.csh.org/toolkit2).

## HOUSING ASSESSMENT TEMPLATE

**About this tool:** The *Housing Assessment Template* is designed to collect information from clients regarding their past and current living situations in order to identify and address barriers to housing stability. Understanding a client’s housing history is essential to the short- and long-term success of the housing search and placement process.

In the short-term, successful placements may depend on positive references from previous landlords as well as the client’s ability to address housing history problems. For example, few landlords will rent to an individual with prior evictions unless a client can prove that he/she has addressed the problems that led to the evictions. In some instances, it may simply be a matter of teaching a client about his or her rights and responsibilities as a tenant. In other instances, it may involve helping a client develop a plan to pay off debt and repair his or her credit history. In other words, a housing advocate must understand a client’s history in order to prevent history from repeating itself. The *Housing Assessment Template* provides the basis for gathering the information a housing advocate needs to assist a client. Based on the information gathered during intake and assessment, a housing advocate should then work closely with a client to develop a service plan that addresses the client’s barriers.

As most housing advocates know, however, getting clients into housing is only half of the battle. The long-term success of housing placement depends on placing clients in appropriate housing and providing them with adequate support so that they can maintain their housing. As a result, the *Housing Assessment Template* also allows housing advocates to gather information on client needs and preferences in order to make the most appropriate placements possible.

**User Tips:** This form is not designed to be a comprehensive intake form; for example, it does not include questions related to health, mental health, or substance abuse. It is assumed that clients will have gone through an extensive intake and assessment process, and will only be referred to a housing search program if deemed “housing ready” (i.e., ready for private-market housing). It is possible that much of this information will have been collected as part of the original intake process. However, some case managers - particularly those from the health and social services fields – are less familiar with housing issues and what it takes to be “housing ready.” This means that although clients being referred to a housing search program may not have serious substance abuse or mental health problems, housing advocates will likely have to address other types of issues, such as developing a household budget, repairing credit and rental histories, and teaching clients about their rights and responsibilities as a tenant. As a result, housing advocates can use this form to guide their discussion with clients to ensure that they fully understand a client’s barriers and need for services. NOTE: This form is just a sample of the type of information a housing advocate may want to discuss with clients. Programs should modify this form to gather any specific data required by their local Homeless Management Information System.

Client Name: \_\_\_\_\_ Intake Date: \_\_\_\_\_

Client Case Number: \_\_\_\_\_ Client Date of Birth: \_\_\_ / \_\_\_ / \_\_\_\_\_  
(Month) (Day) (Year)

Housing Advocate: \_\_\_\_\_

Case Manager (if different from Housing Advocate): \_\_\_\_\_

Case Manager Phone Number: \_\_\_\_\_

**Is client now, or has client ever worked with a housing search agency?** Yes No

If yes, which one(s) and when? \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

## Part 1. Housing Barriers

**Barriers to Housing** *(Review the list of barriers with the client and use this information to guide the rest of the discussion.)*

- No rental history
- Eviction(s) \_\_\_\_\_
- Large family (3+ children)
- Single parent household
- Head of household under 18
- Sporadic employment history
- No high school diploma/GED
- Insufficient/no income
- Insufficient savings
- No or poor credit history
- Debts
- Repeated or chronic homelessness
- Recent history of substance abuse or actively using drugs or alcohol
- Recent criminal history
- Adult or child with mild to severe behavioral problems
- History of abuse and/or battery but abuser not in the unit
- Recent or current abuse and/or battering (client fleeing abuser)



Based on review of barriers above, is client ready for private or subsidized housing?

Yes (*continue intake*)

No, refer to following program: \_\_\_\_\_

**Part 2. Housing History**

**What types of housing has client previously lived in? Check all that apply, and include dates of residence and reason for leaving:**

Type of Residence	Dates of Residence	Reason for Leaving
<input type="checkbox"/> Emergency shelter		
<input type="checkbox"/> Transitional housing for homeless persons		
<input type="checkbox"/> Permanent housing for formerly homeless persons		
<input type="checkbox"/> Psychiatric hospital or facility		
<input type="checkbox"/> Substance abuse treatment facility or detox center		
<input type="checkbox"/> Hospital (non-psychiatric)		
<input type="checkbox"/> Jail, prison or juvenile detention facility		
<input type="checkbox"/> Room, apartment, or house that you rent		
<input type="checkbox"/> Apartment or house that you own		
<input type="checkbox"/> Staying or living in a family member's room, apartment, or house		
<input type="checkbox"/> Staying or living in a friend's room, apartment, or house		
<input type="checkbox"/> Hotel or motel paid for without emergency shelter voucher		
<input type="checkbox"/> Foster care home or foster care group home		
<input type="checkbox"/> Place not meant for habitation		



### Part 3. Financial Stability

Have you and/or the children who are coming into this program with you received money from any of the following sources in the last month? And if so, what amount did you receive from each source? (*Read each income source and check all that apply.*)

Source of Income	Amount from Source
<input type="checkbox"/> Earned Income	\$ _____.00
<input type="checkbox"/> Unemployment Insurance	\$ _____.00
<input type="checkbox"/> Supplemental Security Income or SSI	\$ _____.00
<input type="checkbox"/> Social Security Disability Income (SSDI)	\$ _____.00
<input type="checkbox"/> A veteran's disability payment	\$ _____.00
<input type="checkbox"/> Private disability insurance	\$ _____.00
<input type="checkbox"/> Worker's compensation	\$ _____.00
<input type="checkbox"/> Temporary Assistance for Needy Families (TANF)	\$ _____.00
<input type="checkbox"/> General Assistance (GA)	\$ _____.00
<input type="checkbox"/> Retirement income from Social Security	\$ _____.00
<input type="checkbox"/> Veteran's pension	\$ _____.00
<input type="checkbox"/> Pension from a former job	\$ _____.00
<input type="checkbox"/> Child support	\$ _____.00
<input type="checkbox"/> Alimony or other spousal support	\$ _____.00
<input type="checkbox"/> Other source	\$ _____.00
<input type="checkbox"/> No financial resources	
<u>Total monthly income</u>	\$ _____.00

### Source of Non-Cash Benefit

Do you participate in any of the following programs? (*Check all that apply.*)

- Food stamps or money for food on a benefits card
- MEDICAID health insurance program
- MEDICARE health insurance program
- State Children's Health Insurance Program
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- Veteran's Administration (VA) Medical Services
- TANF Child Care services
- TANF transportation services

- Other TANF-funded services
- Section 8, public housing, or other rental assistance
- Other sources \_\_\_\_\_

<b>Debt</b>				
Origin of Debt	Yes	No	Amount	Contact Info
Landlord			\$	
Gas Company			\$	
Electric			\$	
Telephone			\$	
Child Support			\$	
IRS			\$	
Car (Loan/Tickets)			\$	
Student Loans			\$	
Credit Cards			\$	
Storage			\$	
Other			\$	
<b>Total</b>			<b>\$</b>	

What type of credit history do you have?

- Good       Bad       No Credit History       Don't Know

Assets:

Do you have a bank account?       No       Yes

Checking \$ \_\_\_\_\_       Savings \$ \_\_\_\_\_       Other \$ \_\_\_\_\_

Do you have any assets (car, property, CD, IRA)?       No       Yes

Details:

**Employment**

Are you currently employed?       No       Yes

(If yes, ask the following questions):

How many hours did you work last week? \_\_\_\_\_ hours

Was this permanent, part-time, temporary, or seasonal work?

Permanent     Part-time     Temporary     Seasonal

Current Employer Name: \_\_\_\_\_ Position: \_\_\_\_\_

Address: \_\_\_\_\_  
 \_\_\_\_\_

Previous employment (type and duration):

\_\_\_\_\_  
 \_\_\_\_\_

*(If client reports that he/she is not working, ask the following):*

Are you currently looking for work?  No       Yes

Are you currently unable to work?  No       Yes

**Identification/Paperwork**

Currently possesses:

Social Security Card       No       Yes       Needs to Obtain

Birth certificate       No       Yes       Needs to Obtain

State ID       No       Yes       Needs to Obtain

Green Card/Work Permit       No       Yes       Needs to Obtain

## Part 4. Housing Needs and Preferences

Number of adults in households \_\_\_\_\_

Number of children in households \_\_\_\_\_

Location, in order of preference:

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

(4) \_\_\_\_\_

(5) \_\_\_\_\_

Preferred size:

Studio

One bedroom

Two bedroom

Three bedroom

Other \_\_\_\_\_

Special Needs:

Close to public transportation

Close to childcare

Close to \_\_\_\_\_ school

Close to \_\_\_\_\_ clinic/medical facility/treatment facility

One level unit

Yard or nearby park

Other: \_\_\_\_\_

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*Client Signature*

*Date*

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*Housing Advocate Signature*

*Date*

Source: Housing Search and Assistance Toolkit: Client Intake and Case Management Resources.

To access toolkit online, see: [www.onecpd.info/resource/967/housing-search-assistance-toolkit/](http://www.onecpd.info/resource/967/housing-search-assistance-toolkit/).

**HOUSING STABILITY ASSESSMENT**

(This assessment is to be performed within thirty days of the start of TBRA assistance and thereafter on a quarterly basis during home visits.)

<b>Client No.</b>		<b>Date Assistance Commenced</b>				
<b>Case Manager</b>		<b>Date of Quarterly Assessment</b>				

**PART ONE – FINANCIAL RESOURCES**

Review status of financial support to ensure continued receipt and/or to review the status of pending applications.

Form of Income or Benefit	1 <sup>st</sup> Quarter			2nd Quarter			3rd Quarter			4th Quarter		
	Y	N	Applied For (Date)	Y	N	Applied For (Date)	Y	N	Applied For (Date)	Y	N	Applied For (Date)
Supplemental Security Income (SSI).												
Social Security Disability Insurance (SSDI).												
TANF												
Food Stamps.												
Veteran's benefits.												
Retirement check.												
Other benefit.												
Employment												
Medicaid.												
Medicare.												
Private health insurance.												
Private disability insurance.												
State AIDS Drug Assistance Program (ADAP)												
Other insurance.												

**FINANCIAL RESOURCES – NOTES/COMMENTS**

	<b>Status of Pending Applications</b>	<b>If the client lost a source of income, why, and what measures are necessary to reinstate?</b>
<b>1<sup>st</sup> QUARTER</b>		
<b>2<sup>nd</sup> QUARTER</b>		
<b>3<sup>rd</sup> QUARTER</b>		
<b>4<sup>th</sup> QUARTER</b>		



**PART II - HIV/AIDS AND OTHER SERVICES RECEIVED**

Based on the latest case management plan and progress notes, review the results of your service referrals and describe the degree of client participation in those services during the past three months.

Service	1 <sup>st</sup> Quarter			Comments – Why Are Services Not Being Used or Only Sometimes?
	Y	N	Some times	
Service	2 <sup>nd</sup> Quarter			Comments – Why Are Services Not Being Used or Only Sometimes?
Service	3 <sup>rd</sup> Quarter			Comments – Why Are Services Not Being Used or Only Sometimes?
Service	4 <sup>th</sup> Quarter			Comments – Why Are Services Not Being Used or Only Sometimes?

**PART III – CLIENT AS TENANT AND PROGRAM PARTICIPANT**

Review client's behavior, both as a program client and a tenant, during the past three months. Did the client pay his or her rent on time each month? Were there any landlord complaints regarding condition of the unit or disturbance to neighbors? Were there any other program violations? If so, was the tenant or client-based matter resolved and how? What steps are necessary to resolve open issue?

**A. PAYING RENT ON TIME**

	Yes	No	Why Not? Identify Steps Necessary to Resolve.
	<b>1<sup>st</sup> Qtr.</b>		
<i>Did the client pay rent on time each month?</i>			
<i>Has the client negotiated a payment plan with the landlord?</i>			
<i>Is the client willing to commit to a payment plan?</i>			
	<b>2<sup>nd</sup> Qtr.</b>		
<i>Did the client pay rent on time each month?</i>			
<i>Has the client negotiated a payment plan with the landlord?</i>			
<i>Is the client willing to commit to a payment plan?</i>			
	<b>3<sup>rd</sup> Qtr.</b>		
<i>Did the client pay rent on time each month?</i>			
<i>Has the client negotiated a payment plan with the landlord?</i>			
<i>Is the client willing to commit to a payment plan?</i>			
	<b>4<sup>th</sup> Qtr.</b>		
<i>Did the client pay rent on time each month?</i>			
<i>Has the client negotiated a payment plan with the landlord?</i>			
<i>Is the client willing to commit to a payment plan?</i>			

**B. BEING A GOOD TENANT AND NEIGHBOR**

Has the landlord communicated any complaints or concerns during the past three months (to the client and/or program)? Does the client have complaint(s) regarding the landlord or neighbors?

1 <sup>st</sup> Qtr.		If Yes, Describe	Resolved		How Was It Resolved or How Will It Be Resolved?
Yes	No		Yes	No	
2 <sup>nd</sup> Qtr.					
3 <sup>rd</sup> Qtr.					
4 <sup>th</sup> Qtr.					

**C. FOLLOW THROUGH ON CLIENT RESPONSIBILITIES**

Have there been any program violations in the past three months? Has the client taken steps to cure the program violation? What steps can be taken to cure, or prevent future, violation(s)?

1 <sup>st</sup> Qtr.		If Yes, Describe	Cured		How Was It Resolved or How Will It Be Resolved?
Yes	No		Yes	No	
2 <sup>nd</sup> Qtr.					
3 <sup>rd</sup> Qtr.					
4 <sup>th</sup> Qtr.					

**PART IV – HOUSING STABILITY ASSESSMENT\***

Use checks to represent the level of assistance needed.

Almost never needs assistance

Sometimes needs assistance

Almost always needs assistance

Money management skills and ability to pay rent (keep up with entitlement/ benefits paperwork, cash checks, budget)

Ability to follow lease/house rules (refrain from violence, keep noise down during hours of sleep, refrain from criminal activity, wear appropriate clothing in common spaces)

Housekeeping skills (able to clean space, wash sheets, remove garbage regularly, keep out insects, rodents, remove excess clutter, maintain plumbing [keep large items out of toilet ] )

Personal care skills (washing clothes, buying and using toiletries, dress appropriate to weather, bathing)

Travel skills (use public transportation, follow directions)

Shopping and cooking skills (able to obtain meals by buying or cooking food, store food properly)

Social skills (sensitivity to and respect for the needs and rights of others, conflict management skills, ability to maintain positive relationships)

Social supports (connections to family and significant others, need for interaction/alone time)

Awareness of service needs and ability to seek and accept help

Communication skills (able to make needs known, ask for clarification when not clear about what others have said)

Ability to manage health, substance use, and psychiatric care (make and keep appointments, manage Medicaid or health insurance paperwork requirements, take medication as prescribed, advocate and communicate with doctors).

Awareness of substance use, relapse patterns, and consequences of use (disruptive behavior, deteriorated health, rent payment, inability to work, relapse triggers)

Ability to pursue goals (planning, prioritizing, and accessing needed resources; problem-solving and negotiation skills)

**CLIENT HOUSING PLAN FOR \_\_\_\_\_ QUARTER****CLIENT AS TENANT**

I, \_\_\_\_\_, acknowledge the following concerns regarding my tenant responsibilities and hereby agree to take the action steps below to resolve those concerns.

Issue(s) To Be Resolved	Action Step
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.

**CLIENT AS PROGRAM PARTICIPANT**

I acknowledge the following concerns regarding my continued participation in the Program and hereby agree to take the action steps below to resolve those concerns.

Issue(s) To Be Resolved	Action Step
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.

## SERVICE PARTICIPATION

I agree to participate in the following services once made available to me and will seek the assistance of my case manager to secure such services or will follow through on referrals made.

Service	Selection
Assistance with benefit applications or insurance documents	
Home meal delivery	
Personal care/attendant	
Money budgeting skills training	
Vocational training	
Legal services	
Peer support or buddy program	
Medical care	
Substance abuse treatment	
Mental health treatment	
Nutritional services	
Domestic violence intervention services	
Conflict or anger management skills training	
Other: _____	
Other: _____	

## CLIENT'S FINANCIAL RESOURCES

I agree to take the following action steps to improve my financial status, including seeking or restoring additional forms of income, reducing my monthly expenses and/or adhering to a new monthly household budget.

	Action Step(s)
<b>Measures to Increase Financial Resources</b> For example, apply for additional benefits; take measures to have benefits reinstated; seek employment or vocation/job training.	1.  2.  3.
<b>Reduce Monthly Expenses</b> Ways to Save: Reduce cable television plan to basic cable; eliminate extra phone charges; reduce debt finance charges, be more frugal with personnel spending; seek subsidized transportation and child care; reduce car payments by trading in for less expensive vehicle.	1.  2.  3.

<b>MONTHLY HOUSEHOLD BUDGET FOR _____ QUARTER</b>		
	<b>OLD BUDGET</b>	<b>NEW BUDGET</b>
<b>CASH INCOME</b>	\$ _____	\$ _____
<b>Rent/Mortgage</b>	\$ _____	\$ _____
<b>Electricity</b>	\$ _____	\$ _____
<b>Gas</b>	\$ _____	\$ _____
<b>Telephone</b>	\$ _____	\$ _____
<b>Water &amp; Sewer</b>	\$ _____	\$ _____
<b>Transportation</b>	\$ _____	\$ _____
<b>Food</b>	\$ _____	\$ _____
<b>Child Care</b>	\$ _____	\$ _____
<b>Medical Insurance</b>	\$ _____	\$ _____
<b>Medical Out-of-Pocket</b>	\$ _____	\$ _____
<b>Car Payment</b>	\$ _____	\$ _____
<b>Car Insurance</b>	\$ _____	\$ _____
<b>Auto Fuel/Maintenance</b>	\$ _____	\$ _____
<b>Credit Card/Debt Payments</b>	\$ _____	\$ _____
<b>Other _____</b>	\$ _____	\$ _____
<b>Other _____</b>	\$ _____	\$ _____
<b>EXPENSE TOTAL:</b>	\$ _____	\$ _____

I, \_\_\_\_\_, agree to all of the above and I understand that I must make all efforts toward achieving these goals and completing these action steps to keep my housing and the assistance I receive from the HOPWA Program. I agree to discuss my success(es) and/or my difficulty(ies) with achieving any of the above goals or accomplishing any of the above action steps during my monthly contact with my Housing Coordinator.

**Client Signature:** \_\_\_\_\_

\_\_\_\_\_ **Date**

**Print Name:** \_\_\_\_\_

**Housing Coordinator Signature:** \_\_\_\_\_

\_\_\_\_\_ **Date**

**Print Name:** \_\_\_\_\_



## CHAPTER 4: PROGRAM OPERATIONS – RENTAL SUBSIDY

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### WHAT THIS CHAPTER IS ABOUT

This chapter describes the key requirements that are important to operating and managing a HOPWA rental assistance program at the client level. Though these requirements are not unique to the HOPWA program, they are critical to meeting and complying with HUD and HOPWA program and funding requirements.<sup>7</sup>

This chapter pays special attention to the following requirements and implications for HOPWA rental assistance:

- Setting the rent standard and conducting a rent reasonableness assessment
- Determining income and calculating resident rent contribution
- Determining the maximum rental subsidy amount
- Administering the rental subsidy
- Considering shared housing options

### DETERMINING RENT STANDARD AND RENT REASONABLENESS

Under the HOPWA program regulations at 24 CFR 574.320 (a)(1), the maximum rental subsidy to an eligible individual is defined as the total amount of grant funds used to pay monthly housing assistance. The total amount of grant funds that may be used to subsidize rent is the difference between the rent standard or reasonable rent for a unit, whichever is lower, and the client's calculated resident rent contribution. The following sections discuss how to establish the rent standards for a rental assistance program and how to determine the reasonable rent for a specific unit.

**Example: Rental subsidy calculation—  
Rent standard versus Reasonable rent**

If the rent standard for a one-bedroom unit is \$750 and the calculated client rent contribution is \$250, the maximum subsidy is the difference between \$750 and \$250, in this case \$500. In this example, \$500 is the maximum amount that the grantee will pay for the client's housing assistance.

However, if the reasonable rent for a particular one-bedroom unit is \$700, the maximum rental subsidy that a grantee will pay would be the difference between \$700 and \$250, in this case \$450.

Clients must find housing with rents that comply with both the rent standard and the reasonable rent. Otherwise, the grantee may not provide rental assistance. In this example, the maximum rent is \$700 since the reasonable rent is lower than the rent standard.

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<sup>7</sup> HOPWA tenant-based assistance works much like the Section 8 Housing Choice Voucher Program, 24 CFR part 982, which can be found at: [http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=ecfrbrowse/Title24/24cfr982\\_main\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=ecfrbrowse/Title24/24cfr982_main_02.tpl).

HOPWA grantees and project sponsors are encouraged to refer to the Housing Choice Voucher Program guidebook (7420.10g) for guidance, which can be found at:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/hcv/forms/guidebook](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/forms/guidebook).

## Rent Standard

The rental assistance program must have a rent standard that sets the limit for housing costs for each unit size—from one-bedroom (efficiency) to six-bedroom units. This rent standard helps ensure that selected units are modest rather than luxury housing.

An important point about the rent standard is that it includes both rent *and* utilities. Utilities include electricity, fuel (e.g., natural gas, oil), water, sewer, and trash removal. Telephone, internet, and cable are NOT included. When determining whether a particular unit is within the rent standard, the project sponsor needs to know the amount of several costs:

- Rent being requested by the landlord
- Basic utilities included in the rent to the landlord
- Basic utilities to be paid separately in addition to the rent paid to the landlord

### Establishing the Rent Standard

The HOPWA regulations (24 CFR 574.320 (a)(2)) specify how the rent standard should be set for a rental assistance program. Grantees generally use HUD’s published Fair Market Rents (FMR) as a guide in setting the rent standard.

HUD annually updates and publishes FMR schedules (usually in October) that provide rental information for Metropolitan Statistical Areas (MSAs) and/or counties for programs targeting areas outside of MSA. FMRs are provided based on the bedroom size of the units (i.e., one-bedroom, two-bedroom units, etc.). The current FMR may be found under “Data Sets” on the HUD USER website at: [www.huduser.org](http://www.huduser.org).

One approach is to simply adopt the published FMR as the rent standard. As an alternative to using the published FMR, grantees may use the local Housing Choice Voucher payment standard. HUD allows the local Public Housing Authority (PHA) to set the Housing Choice Voucher payment standard between 90% – 110% of FMR and approves it in the annual Public Housing Authority Management Plan. When a HOPWA grantee uses the approved PHA payment standard that is above the FMR, it conforms to HOPWA option of using “the community-wide exception rent” as the HOPWA rent standard.

Using these PHA rent standards may benefit HOPWA-eligible persons, especially in tight rental markets where housing costs are high. Rent standards are set no lower than 90% of the FMR, as rent standards below 90% of the FMR are likely to result in too few available units and more substandard units. However, grantees have the authority on a unit by unit basis to increase the rent standard by up to 10%, but may do so for no more than 20% of the HOPWA rental units.

There are limited situations in which grantees may seek HUD approval to use PHA rent standards for a portion of, rather than the entire, HOPWA services area. For example, if a grantee serves a large geographic region that includes both metropolitan and non-metropolitan areas, the grantee may choose to use the published FMR as the basis for its rent standard in the non-metropolitan areas. However, housing costs are higher in the metropolitan counties making it difficult for eligible persons to locate and secure affordable housing. The local PHA that serves the metropolitan counties has an approved rent standard higher than the published FMR. The grantee may seek HUD approval to use the PHA rent standard to assist all eligible persons residing in the designated metropolitan area (i.e., the PHA rent standard must be applied consistently). In this example, the HOPWA grantee would be using both options—published Fair Market Rents (FMR) in the non-metropolitan area and PHA rent standards in the metropolitan area.

Whichever method or combination of methods that are used to determine the rent standard, the grantee will need to document and have available for HUD review the process for setting the rent standard. Grantees should identify the rent standard in the project sponsor agreement and other guidance material for project sponsors before beginning any rental assistance program. Grantees are required to maintain documentation on the rent standards used for its programs and are required to monitor their project sponsors following procedures described in the HOPWA Oversight and Monitoring Guide to ensure that rent standards are applied in a correct manner throughout the service area.

Annual Review of Rent Standard

A grantee’s rent standard may be adjusted annually based on the release of the Fair Market Rents (FMR) or issuance of a new HUD community-wide exception, if using this rent standard. HUD typically updates the FMR in October of each year. A HOPWA grantee may choose to adjust its rent standard based on the new FMR, but adjustments are not mandatory as long as they meet certain requirements described in the next section. Based on the grantee’s housing market (e.g., rent reasonableness and vacancy rate), a grantee may determine that adjustments in the rent standard are not needed. Further, increasing rent standards could limit the number of eligible persons that could be served by the program, as available funding may limit the number of eligible households that can be assisted. However, a higher rent standard may increase the options of affordable housing available to assisted households.

The grantee should review their rent standards annually against the new FMR schedule. If the FMR increases, a grantee should ensure the rent standards are at least 90% of the new FMR. In practice, a rent standard for a unit should not fall below 90% of the current FMR because it is likely that there would be fewer units available and more units that are substandard. One notable exception is when households are already housed in units with rents that meet the previous years’ rent standards; these households would continue to rent the units with no change in rent through the term of the lease. At lease renewal, the rent would be re-evaluated in terms of both the rent standard in effect and the reasonable rent requirement.

The example in Table 4.1 illustrates how to make adjustments to the HOPWA rent standard if the FMR increases so that it does not fall below 90% of the current FMR.

<b>Table 4.1: Adjustments to Rent Standard (at least 90% of FMR)</b>			
	<b>2 Bedroom FMR</b>	<b>90% of FMR</b>	<b>HOPWA Rent Standard</b>
Previous Year	\$800	\$720	\$720
Current Year	\$850	\$765	Revise to \$765 (or more)

If the FMR decreases, the grantee should ensure that the rent standard is not higher than 100% of the FMR, unless the grantee has adopted the PHA rent standards that may be up to 110% of FMR. In that case, the rent standard may not exceed the HUD-approved rent standard.

Reasons to Seek Rent Standard Adjustment

To determine if the rent standard should be adjusted, grantees can examine several factors:

- **Availability of affordable units.** This may be demonstrated by reasonableness data (discussed in the next section, Rent Reasonableness), vacancy rates, and supply or location of housing. If eligible households are having trouble finding affordable housing within the rent standard, the rent standards for the area may be too low.
- **Size and quality of housing.** The size and/or quality of housing may be limited due to the rent standards. The grantee may track data collected during the HOPWA habitability standards review to determine if certain trends are occurring (i.e., lack of one-bedroom units or units with utilities).
- **Time to locate housing or the voucher expires without leasing.** If eligible households are unable to find housing within 90 days of entering the program or the time period for finding housing expires, the rent standard may be too low for the area.

- **Large number of turnovers.** If there is a high rate of turnover of eligible households receiving housing rental assistance, the rent standard may be too low to allow eligible households to access neighborhoods with amenities necessary for the family. For example, access to neighborhoods with good public transportation, schools, work, or other community amenities may be limited based on the rent standard used.

#### Applying the Adjusted Rent Standard

If an adjustment is made to the rent standard, the grantee has the option of making the change within 90 days following the release of the new HUD FMR or at the beginning of the grantee's next program year. For example, if the FMR schedule is released in October and the grantee's program year begins in June, the grantee has the option to begin using the new rent standard either by January (90 days following the release of the FMR) or in June at the beginning of the program year. Whichever method is used by the grantee should be described in the Consolidated Plan, grant proposal, or equivalent document and be approved by HUD. If a grantee chooses to begin using the new rent standard prior to the method approved by HUD, the grantee must provide a justification to HUD and receive approval of the requested change before using the new rent standard.

- **Lowering the rent standard.** If the grantee determines the rent standard should be lowered, the new rent standard applies to new tenants, tenants moving to a new unit, tenants with a change in family size or composition, or at the anniversary of the lease. Grantees may wait to apply the new rent standard until the second anniversary of the lease start date to allow for a grace period for the household to adequately plan for the adjustment (which could include the need to move if the current unit no longer is within the adjusted rent standard).
- **Increasing the rent standard.** If the grantee determines the rent standard should be raised, the new rent standard would apply to new tenants, tenants moving to a new unit, or at the anniversary of the lease (when the lease is up for renewal).
- **Case-by-case increase of the rent standard.** HOPWA regulations (24 CFR 574.320 (a)(2)) allow, on a unit-by-unit basis, a grantee to increase the amount of the established rent standard by 10% for up to 20% of the units assisted. Such an increase can be provided when a grantee is using either of the two methods for determining the rent standard discussed earlier in the chapter. Grantees may grant authority to their project sponsors to conduct such increases; however, it is up to the grantee to monitor such a provision to ensure that no more than 20% of the units receive such increases. A case-by-case increase may be applied to the unit at any time the grantee deems necessary.

### **Rent Reasonableness**

Program staff must ensure that the rents being charged for the assisted units are reasonable, as described in the HOPWA regulations 24 CFR 574.320 (a)(3). Reasonableness is tested in two ways. First, the rent charged for the unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market. Secondly, the rent charged cannot be higher than rents currently charged by the owner (landlord) for comparable unassisted units. The purpose of the requirement is to ensure that no property owner artificially inflates assisted units over comparable unassisted units. At no time should the rent to the owner exceed the reasonable rental amount.

#### When to Conduct a Reasonableness Assessment

Program staff is required to assess the rent reasonableness of a unit in the following circumstances:

- **Before entering into an agreement with a landlord.** A grantee should not enter into an agreement with a landlord without first determining if the requested rent of the unit is comparable to other unassisted units.
- **Before increasing the rent to a landlord.** A grantee should recertify that the requested higher rent is reasonable as compared to other unassisted units.

- **When the FMR decreases.** If, during an annual recertification, there is a decrease of 5% between the new FMR and the previous year's FMR for the unit size, a grantee needs to conduct a rent reasonableness review. If the current rent is found not be reasonable, the grantee should negotiate a lower rent with the landlord to ensure the rent remains reasonable.
- **Requested by HUD.** If HUD has reason to question the grantee's system or the accuracy of the rent reasonableness, HUD may request rent reasonableness reviews of all or a portion of a grantee's units.
- **At any time determined by the grantee.** A grantee can conduct a rent reasonableness assessment at any time, for example as part of routine monitoring.

#### Determining Rent Reasonableness

Program staff must ensure that each unit assisted is rent reasonable throughout the tenancy of the eligible household. To this end, the program should have established policies on how rent reasonableness will be determined and documented. Program staff must document the decision-making process and the decision in the tenant's file.

Program staff should not assume that if the rent of an assisted unit is within the established rent standard that the unit's rent is reasonable. It is possible that a unit may be within the rent standard established by the grantee and still not be reasonable. Program staff must document for each unit that a reasonable rent is being charged compared to other units in the private market and must verify, if applicable, that the rent of a unit is reasonable compared to the rent of other comparable unassisted units owned by the same landlord. To meet the first of these two reasonableness requirements, program staff may choose one of the following two options for determining rent reasonableness:

- **Using a market study.** A market study conducted by a local Public Housing Agency (PHA) or other entity in conducting their rent reasonableness assessment may be used. In some cases, HOPWA grantees and project sponsors have worked in partnership with their local PHA to gain access to rent reasonableness assessments conducted by or for the PHA. Such information can provide the necessary data needed to complete the rent reasonableness assessment.
- **Review of comparable units.** A grantee or project sponsor may also choose to conduct their own review of comparable units. This is usually the best option for smaller programs or for programs that serve a large or varied geographic region that may be different than any one PHA. A review of rent reasonableness can often be completed during the HOPWA habitability standards review. The rental assistance program should develop clear policies detailing how the reviews will be completed. The policies should include resources regarding factors to consider when comparing units, finding comparable units, and methods of documentation.
  - **Comparison factors.** Factors to consider in conducting the assessment, include the following:
    - ✓ Location of the unit: In what neighborhood is the unit located? What are the distances to public transportation, shopping, work, and other services?
    - ✓ Size of unit: How many bedrooms does the unit have?
    - ✓ Type of unit: Is the unit unattached or attached? Is it in a large or small complex? Is it a single- or multi-family unit?
    - ✓ Age of unit: When was the unit built?
    - ✓ Utilities: Which utilities, if any, are included in the rent of the unit?

These first five factors are often the most important for determining variances in rent.

The following factors usually do not create substantial differences in rent, although they are addressed in the lease and can affect how quickly a unit leases.

- ✓ Amenities: Is a washer/dryer, dishwasher, or new carpet provided in the unit? Do tenants need to pay for washing clothes and linens (in the building or at a self-service laundromat)?
- ✓ Housing Services: Are services provided to tenants?
- ✓ Maintenance: Does the lease specify some form of tenant responsibility for maintenance of the unit (e.g., lawn care)?
- **Locating units for comparison.** There are a variety of methods for locating units for comparison, including newspaper advertisements, Internet sites (e.g., [www.craigslist.org](http://www.craigslist.org), [www.rent.com](http://www.rent.com)), and apartment guides. Additionally, some communities have developed 211 systems that include affordable housing as a part of their listed services. Based on the factors discussed above, each unit should be reviewed with at least three other comparable units.

When comparable units are not available, best efforts should be made to find similar units in other complexes or in similar geographic areas that are comparable to the location of the unit to be assisted.

- **Documenting the comparison.** A variety of forms may be used to document the rent reasonableness of assisted units (see **Attachment 4-1** for a sample Rent Reasonableness Checklist and Certification). The form should address the factors discussed above and should compare the unit to be assisted with three other comparable units. The contract rent for the unit to be assisted should be at or below the contract rent of the three comparable units. If the unit rent is determined to be unreasonable, rental assistance should not be provided for this unit.

In addition to ensuring the rent reasonableness of a unit compared to other private market units, program staff must ensure the rent of a unit is reasonable compared to the rent of other comparable unassisted units owned by the landlord. To meet this second reasonableness requirement, program staff must request certification from the landlord that the rent being charged for the assisted unit is comparable to rents charged for other comparable unassisted units owned by the landlord. The landlord should provide previous rent charged for the unit to be assisted, current rent charged by the landlord for comparable unassisted units, and estimated rent for a comparable unassisted unit, if the unit was vacant. If the requested rent is not reasonable, meaning the rent is not comparable to rent charged for other comparable units owned by the landlord, assistance may not be provided for this unit unless an adjustment in the requested rent is made.

## DETERMINING RESIDENT INCOME

Determining the client household's annual income and adjusted income is a critical step in determining how much the household will be able to contribute to housing and ultimately, the amount of the rental subsidy for the client. This section describes how to calculate the household's annual income and adjusted income.

### CPD Income Eligibility Calculator

HUD's Office of Community Planning and Development (CPD) launched the CPD Income Eligibility Calculator in 2012. The calculator is an interactive web-based tool for determining income eligibility and assistance amounts for beneficiaries of CPD programs, including HOPWA. The calculator is designed for use by grantees and subrecipients of CPD programs. The tool asks a series of questions depending on the program, activities, and other factors. The user inputs data about each household and its members, and the calculator works to generate a summary of results for each beneficiary. For more information on and access to the calculator, visit: [www.onecpd.info/incomecalculator/](http://www.onecpd.info/incomecalculator/).

## Determining Annual Income

Determining annual income serves two purposes:

- First, it ensures that basic eligibility for HOPWA rental assistance is documented. Only low-income households—those with income below 80% of the Area Median Income (AMI)—may receive HOPWA rental assistance.

Note: HUD publishes the annual income limits on the HUD USER website, found at: [www.huduser.org/portal/datasets/il.html](http://www.huduser.org/portal/datasets/il.html). Grantees and project sponsors can find the current income limits for their area(s) under “Data Sets.”

- Second, for the purpose of the rental subsidy, annual income must be evaluated as part of the process for determining the amount the household will contribute toward their housing expense (with the balance paid with HOPWA funds).

**Attachment 4-2** is an Income and Resident Rent Calculation Worksheet that provides a comprehensive sample format for calculating annual income, adjusted income, and resident rent contribution.<sup>8</sup> Whatever summary format is used, compliance relies on the proper use of these formats and requires that adequate supporting documentation is collected.

When determining household income, there are rules regarding the income to include and exclude. For HOPWA rental assistance programs, income covered by the Earned Income Disregard (EID) should be excluded.

### Earned Income Disregard (EID)

In February 2001, HUD finalized regulations that require housing providers in certain HUD programs to disregard some or all of the earned income for tenants with disabilities (24 CFR 5.617). This is commonly known as the Earned Income Disregard (EID) and should be considered when determining annual income. EID allows qualified individuals and families receiving housing assistance to keep more of their earned income for a period of up to two years following an increase in employment income. The purpose is to assist persons with disabilities in obtaining and retaining employment, as an important step toward economic self-sufficiency. Additional guidance on Earned Income Disregard is provided as **Attachment 4-3**.

Some households entering the HOPWA program may indicate that they have no income. In such cases, agencies are expected to document this fact by obtaining a certification of “no income” from the applicant. A sample of a Zero-Income Certification Form is provided as **Attachment 4-4**.

## Determining Adjusted Income

After the household’s annual income has been calculated and the household is determined income eligible for HOPWA assistance, the next step is to determine a household’s adjusted income. Adjusted income considers adjustments to income to establish how much the household will be required to pay for its housing, covering both basic utilities and rent.

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<sup>8</sup> The HOPWA program regulation at 24 CFR 574.310(d) refers to income calculation requirements at 24 CFR Part 5. In addition to the Housing Choice Voucher Program guidebook, grantees could refer to Handbook 4350.3, but should use only Chapter 5. Determining Income and Calculating Rent, Sections 1 and 2, which are based on 24 CFR 5.609 and 5.611. Find this resource at:

<http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.3/43503c5HSGH.pdf>.

**Attachment 4-2** (previously mentioned) provides a comprehensive sample format for calculating adjusted income. There should be additional documents on file to support entries on this summary form. Each category of income adjustment listed below includes a description of typical documentation:

- **Disabled/Elderly.** A household that meets the definition of an elderly or disabled household is entitled to a deduction of \$400 per household. Even if more than one person in the household is elderly or disabled, there is only one \$400 adjustment for the entire household.

The documentation of HIV/AIDS showing eligibility for the HOPWA program is generally sufficient for showing eligibility for the disability income adjustment. Acceptable forms of documentation include documentation from a health professional qualified to make such a decision or an HIV/AIDS test conducted by a physician, community health center, or HIV counseling center.

- To qualify for this adjustment as a disabled household, the person with the disability must be the head of the household, spouse of the head of household, or the sole member of the household.

In cases where the only person with disability is a dependent child, the household does not qualify for this adjustment on the basis of disability.

- To qualify for this adjustment as an elderly household, the head of the household, spouse of the household, or sole member of the household must be 62 years of age or older.
- **Dependents.** When calculating adjusted income, deduct \$480 from annual income for each household dependent (24 CFR 5.611(a)(1)). HUD's definition of dependent is different from the Internal Revenue Service (IRS) definition. HUD defines a dependent as any household member who is not the head, co-head, or spouse, but who is
  - under the age of 18 years,
  - disabled (of any age), or
  - a full-time student (of any age).

Documentation in the file should verify age, disability, or student status, as applicable.

- **Child Care Expenses.** Reasonable child care expenses paid out of pocket by the tenant for the care of a child age 12 or under may be documented and deducted from annual income if the child care (1) enables an adult family member to seek employment actively, be gainfully employed, or further his/her education, and (2) expenses are not reimbursed (24 CFR 5.611(a)(4)). Deducted expenses cannot exceed income earned.
- **Medical Expenses.** Elderly or disabled households (as defined previously) that have no disability assistance expenses (see below) may claim out-of-pocket medical expenses in excess of 3% of annual income as a deduction (24 CFR 5.611(a)(3)(i)). Medical expenses that may be considered include all medical expenses anticipated to be incurred during the coming year that are not covered by insurance or reimbursed through other sources. File documentation should clearly document these expenses and consider whether some or all of the claimed expenses might be reimbursed from other sources.
- **Disability Assistance.** Disability assistance expenses paid out of pocket by the tenant can also be deducted from annual income to the extent that they exceed 3% of annual income (24 CFR 5.611(a)(3)(ii)). The purpose of this deduction is to recognize expenses for the care of a disabled person that enables the disabled person or some other family member to work. Disability assistance expenses may include the cost of a care attendant and/or auxiliary apparatus that enables a household member, including the disabled member, to work.

Both medical expenses and disability assistance expenses are limited to those in excess of 3% of annual income. For families who qualify for both types of expenses, the allowable amount is the amount by which



the combined expenses exceed 3% of annual income. Because disability assistance expenses are also capped by the amount of income earned, a special calculation is required. Program staff should first calculate the allowable disability assistance expenses and then add to that the allowable medical expenses.

## CALCULATING RESIDENT RENT CONTRIBUTION AND MAXIMUM RENTAL SUBSIDY

After verifying the determination of both annual income and adjusted income, the next step is to calculate how much the resident will pay for housing—the payment to the landlord and resident paid utilities.

**Attachment 4-2** (previously mentioned) provides a comprehensive sample format for calculating the resident rent contribution.

By regulation (24 CFR 574.310(d)), residents receiving HOPWA rental assistance must pay as rent, including utilities, an amount which is the higher of

- 30% of monthly adjusted income,
- 10% of monthly annual income (annual income before adjustments, divided by 12), or
- welfare payments specifically designated to meet housing costs.

Except for unusual circumstances, 30% of monthly adjusted income will be higher than 10% of monthly annual income. So in most cases, the resident rent contribution will be 30% of adjusted income. HOPWA requires that residents pay the amount calculated regardless of the rent for the unit (as long as housing costs for the unit meet the rent standard and rent reasonableness requirements as noted earlier).

In a few areas, the agency administering “Temporary Assistance to Needy Families” (TANF) designates a portion of the welfare payments for rent. In these localities, the file must include documentation of this amount.<sup>9</sup>

Program staff should ensure that the data on file includes calculations of resident rent contribution, as shown in the example below.

<b>Example: Calculating Resident Rent Contribution</b>	
<p><b>Options to determine resident rent contribution</b></p> <p>Option 1 – 10% of Monthly Income</p> <p>Option 2 – 30% of Monthly Adjusted Income</p> <p>Option 3 – Welfare payment designated for housing</p>	
<p><b>Option 1: \$2,056 x .10 =</b></p> <p><b>Calculate Annual Income and Monthly Income</b></p> <ul style="list-style-type: none"> <li>• Adult 1: \$600/month x 12 = \$7,200</li> <li>• Adult 2: 24 hours/week x \$14/hour = \$336/week \$336 x 52 = \$17,472</li> <li>• Dependent 1: \$80/week</li> </ul>	<p>\$206</p>

<sup>9</sup> Note: In **Attachment 4-2** (the income and resident rent calculation worksheet), welfare payments are included in the calculation of annual income. However, on page 5 of that attachment, in the full text of 24 CFR 5.609(b)(6), it explains that the amount included for welfare payments excludes the amount specifically designated for shelter or utilities.

<p>Excluded – under 18 years of age</p> <ul style="list-style-type: none"> <li>Total Annual Income: <math>\\$7,200 + \\$17,472 = \\$24,672</math></li> <li>Monthly Income: <math>\\$24,672 / 12 = \\$2,056</math></li> </ul>	
<p><b>Option 2: <math>\\$1,983 \times .30 =</math></b>  <b>Calculate Adjusted Income and Monthly Adjusted Income</b></p> <ul style="list-style-type: none"> <li>Disabled Adjustment: \$400</li> <li>Dependent Adjustment: \$480</li> <li>Total Adjusted Income: <math>\\$24,672</math> (annual income) - <math>\\$880 = \\$23,792</math></li> <li>Monthly Adjusted Income: <math>\\$23,792 / 12 = \\$1,983</math></li> </ul>	\$595
<p><b>Option 3: Calculate welfare payment designated for housing</b>                  Not applicable.</p>	N/A
<p><b>Resident Rent Contribution = highest of the three options</b>                  Resident rent contribution is the amount the client pays towards the rent (in the lease) and all basic utilities (in or in addition to the lease).</p>	\$595

<b>Example: Calculating HOPWA Subsidy Amount</b>	
<b>Basic Information</b>	
Rent (per lease)	\$825
Resident paid basic utilities	\$85
Resident rent contribution	\$595
<b>Calculate Resident Rent to Landlord</b>	
Resident rent contribution – Resident paid basic utilities	
\$595 – \$85	\$510
<b>Calculate HOPWA rental subsidy amount</b>	
Rent – Resident Rent to Landlord	
\$825 – \$510	\$315
Based on the information in the file, the HOPWA rental subsidy of \$315 is accurate and properly documented.	

A sample of a completed worksheet summarizing the information described in these examples and the one above is included as **Attachment 4-5**.

In the examples above, the resident rent contribution will be 30% of monthly adjusted income, which in this case is \$595. To obtain the amount the resident will actually pay to the landlord, program staff must subtract resident paid utilities from the resident rent contribution amount. In this case, \$85 would be subtracted from \$595, making the amount of the actual resident payment for rent to the landlord \$510. To determine the HOPWA rental subsidy amount, program staff must take the difference between the rent listed on the lease and the amount the resident will pay to the landlord. In this case, the resident will pay

\$510 to the landlord, but the rent listed in the lease is \$825. Therefore, the HOPWA rental subsidy amount would be \$315.

Note that when resident income is very low, the resident’s contribution may be less than resident paid utilities. In those cases, HOPWA funds would be used to pay a rebate to the resident, in addition to the HOPWA rental subsidy payment to the landlord, as indicated in the following example:

Rent per lease	\$ 825
Resident paid basic utilities	\$ 85
Resident rent contribution	\$ 60
HOPWA subsidy to landlord	\$ 825
HOPWA rebate for resident utilities	\$ 25

**Rent and Utility Deposits**

A HOPWA rental assistance program may choose to provide assistance with rent and utility deposits using Permanent Housing Placement funds. This funding option allows for the payment of reasonable costs to move clients into permanent housing. Security deposit costs cannot exceed two months of rental costs. In addition to the security deposit, funds may also be used for utility connection fees and processing costs.

A HOPWA rental assistance program that provides such rent and utility deposits should require that landlords and utility companies pay any returned deposits directly to the program rather than to the client. Funds recaptured in this manner are considered program income and must be applied to future rental program or housing placement activities. For additional information on tracking and using program income, see pages 173-174 of the HOPWA Grantee Oversight Resource Guide.

## ADMINISTERING THE HOPWA RENTAL SUBSIDY

The processes followed by program staff once a client is approved to receive HOPWA rental assistance will vary depending upon the type of assistance provided. For example, PBRA and Master Leasing programs will not necessitate a lease between the client and an independent landlord, as is the case in a TBRA program. For the purposes of this section, the processes described will follow those required for a TBRA program, although many of the issues relate to all forms of rental assistance.

The process of paying monthly rental subsidies on behalf of clients calls for the rental assistance program to develop and follow a set of program procedures and to ensure that all required documentation is in place.

### Final Rent and Utilities Calculations

Another step in preparing to pay the rental subsidy is a final calculation of the client rental share and the utility allowance, based on the actual unit approved for the client and the information provided in the lease. As described in previous sections, the monthly rental subsidy amount paid by the HOPWA rental program to the landlord for an approved unit will be determined based upon the calculation of the landlord-charged rent, the utility allowance, and the calculated client portion of the rent based on the household’s adjusted income.

Also as described in previous sections, the total monthly payment a client will make to the landlord may be reduced or adjusted based on the projected cost of utilities for the selected unit.

Utility allowance schedules are available from the local Public Housing Authority (PHA). These schedules show the allowance for each type of utility, by size of single- or multi-family unit, for the area covered by the PHA. In rural areas where there are no PHAs, state housing finance agencies can provide the utility allowance schedule. The utility allowance for the unit in question should be determined based on the unit size and the utilities to be paid by the tenant. As a final review to ensure that the total rent plus utilities (proposed gross rent) does not exceed the rent standard used by the program, the utility allowance should be added to the total rent to be charged by the landlord. If this amount exceeds the rent standard, then final calculation of the client rental share and the utility allowance will need to be recalculated. The actual payment of utility allowances will need to be set up separately and is described in more detail in the next section, Payment Process. A sample utility worksheet is provided below to help determine the utilities that must be paid by the tenant.

<b>Sample HOPWA Rental Assistance Utilities Worksheet</b>			
Unit Location: 1452 Sequoia Avenue, Apt 123		Unit Size: 2BR	
<b>Utility/Appliance</b>	<b>Included in Rent</b>	<b>Paid by Tenant</b>	<b>Published Allowance per Utility</b>
Heating		X	\$17 (gas)
Cooking		X	\$ 9 (electric)
Other – Electric		X	\$20
Air Conditioning		NA	
Water Heating		X	\$25 (electric)
Water	X		
Sewer	X		
Trash Collection	X		
Range (Tenant Supplied)		NA	
Refrigerator (Tenant Supplied)		NA	
Other – Specify			\$18 (utility fee)
Total Monthly Utility Allowance for this Tenant:			\$89

### Payment Process

After all of the steps described above have been completed and documented, payments to the new landlord may be initiated. The rental assistance program should develop an internal system that will accomplish the following:

- Set up initial landlord vendor accounts for payment of rent deposits, if applicable, and the rental subsidy
- Establish a procedure to request, process, and track monthly payments to landlords
- Set up utility accounts for payment of client utility allowances directly to the utility company, or set up accounts for payment of utility allowances directly to clients

- Establish a procedure to request, process, and track monthly payments to utility companies or clients

Clients should be reminded that because utility allowances are based on an average and may not cover the entire utility bill, the client may have to make residual payments to the utility company.

## OFFERING ADDITIONAL OPTIONS: SHARED HOUSING

Shared housing arrangements where two or more unrelated households live together are allowable under the HOPWA program (see 24 CFR 574.320(b)). Shared housing can often be a cost effective alternative to individual housing arrangements. It is up to the grantee whether or not the rental assistance program will allow shared housing arrangements of eligible households; shared housing arrangements, however, should be voluntary. Policies should be developed that provide guidance on how the program will be implemented. Further, the grantee must describe the programs and the processes they will use to operate the programs in the Consolidated Plan, grant proposal, or other document that will be reviewed and approved by HUD.

The general requirements for shared housing, including eligibility, rent standard, and rent reasonableness, are provided in this section.

### Eligibility

To be eligible for shared housing, the unit size must be able to accommodate the household size based on the grantee's guidelines for the rental assistance program. Each unrelated household should have enough bedrooms to accommodate their family members, while not sharing private space with unrelated household members. Shared housing must meet the size and security standards of the HOPWA program (24 CFR 574.310(b)(2)(iii)) as well as any local requirements relating to the number of bedrooms. Additionally, no family member may rent from an owner who is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, including partners, based on HOPWA's definition of household, unless a reasonable accommodation is granted for a family member who is a person with disabilities or the total income of all family members in all households sharing the unit meets the income eligibility for the program.

### Maximum Rent

The maximum rent subsidy for shared housing is the lower of the following:

- **The rent standard for the unit size of the private space that the household will be using:** For example, if the family will be using two bedrooms out of three bedrooms, the rent standard for a two-bedroom unit should be used for comparison.
- **The pro-rata share of the private space as compared to the total space in the unit:** The pro-rata share is determined by dividing the private space the household is using by the total private space available. This may be determined by taking the number of bedrooms in the private space of the assisted household divided by the number of total bedrooms in the unit.

For example, if an eligible household will be using two bedrooms out of three bedrooms, the assisted household would be eligible for 67% ( $2/3=67\%$ ) of the total rent of the unit.

Both the applicable rent standard and the pro-rata share must be determined with the lower of the two being the maximum subsidy.

Note that when utilities are not included in the rent and a utility allowance is allowed, the applicable utility allowance must be pro-rated in the same manner as the rent is pro-rated, as described above. Additionally, if a credit for utility allowance is offered, this should also be done using the pro-rata percentage.

**Attachment 4-6** is a worksheet that can be used to help accurately calculate the client's rental portion in a shared housing situation.

## Rent Reasonableness

Under shared housing, rent reasonableness still applies and program staff should ensure that the rent of the unit does not exceed the rent of comparable unassisted units. Depending on the applicable rent standard, as discussed above, rent reasonableness will be determined as follows:

- 1) If the rent standard of the unit size is used, then rent reasonableness is conducted on this unit size. For example, if the rent standard of a two-bedroom was lower than the pro-rata shared rent, then rent reasonableness should be conducted using other two-bedroom units.

OR

- 2) If a pro-rata rent was determined to be the lower amount, rent reasonableness is figured on the total unit, in this case the three-bedroom unit. The pro-rata percentage of the assisted unit's rent should be comparable to the pro-rata share of comparable unassisted units.

If the rent is higher than the unit comparables, in either example, rental assistance cannot be given or the rent standard should be adjusted to the reasonable rent.

## BUDGETING FOR A TBRA PROGRAM

Developing a budget for rental assistance programs will vary depending on multiple factors, including the type of rental assistance that is being provided. For purposes of this HOPWA Rental Assistance Guidebook, the focus will be on developing budgets for Tenant-Based Rental Assistance (TBRA) programs. To come up with a reasonable budget for a HOPWA TBRA program, staff developing the budget must first have an understanding of the client population to be served, specifically the number of persons in the household and general household income levels:

- **Household size.** Household size will provide a guide to the size of units that will be used by program participants. The budget planner would then project the number of units in each bedroom size based on occupancy standards.
- **Household income.** While all HOPWA clients must be low-income, the range of incomes can vary widely. Specific programs may target assistance to extremely low-income households at or below 30% of Area Median Income (AMI).

For existing TBRA programs seeking additional funds, data on household size (and thus expected housing unit size) and resident income is available from existing records. When developing a new TBRA program, it will be necessary to consult with agencies serving persons with HIV/AIDS and other organizations operating local TBRA programs to obtain this information. Once this data has been gathered, the budget can be developed using two additional items of financial information:

- Rent standard for each size unit
- TBRA staffing costs

The variety of possible program priorities and preferences add complexity to the calculations as programs serve different size households with different levels of anticipated income. Nevertheless, the basic approach, as shown in the example in Table 4.2, remains the same.

**Table 4.2: Developing a Realistic Budget: Housing Costs**

Scenario: A project sponsor is identifying its housing costs for its HOPWA TBRA program for one year. It has the following information on the client population to be served:

- Number of households: 10 households
- Household size: 10 one-person households
- Household income: typical income is \$600/month, after adjustments

With this information, it can determine the number of units in each bedroom size and apply the appropriate rent standard.

**Housing**

Number of One-Bedroom Units Needed	10
One-Bedroom Rent Standard	\$750/month
Gross Annual Housing Cost = \$750/month x 10 units x 12 months	\$90,000
Resident Rent Contribution = 30% of \$600/month	\$200/month
Gross Annual Resident Rent Contribution = \$200/month x 10 households x 12 months	\$24,000
Net HOPWA Rental Subsidy = \$90,000 – \$24,000	\$66,000

Program staff may want to consider factors that can influence possible adjustments to the amount budgeted for rental subsidy, such as the following:

- Phase-in of assistance as a new project starts up
- Gaps between the departure of a resident and the beginning of assistance to a new resident

As for TBRA staffing costs, there are several sources of information. The best source of information on typical personnel costs for a HOPWA TBRA program is an existing program. When proposing a new program, grantee staff or HUD staff can provide contact information for existing TBRA programs.

The Housing Choice Voucher Program is another possible source of information. Local voucher programs are often larger and more complex than the typical HOPWA TBRA project, but they still can provide a point of reference. While voucher programs operate under rules and regulations that differ in some respects from HOPWA rental assistance, discussions with voucher program administrators can provide valuable insight into key operational and financial issues.

For further research, refer to the Housing Choice Voucher Program regulations (24 CR Part 982, generally, and 24 CFR 982.153, specifically, regarding administrative fees at: [www.ecfr.gov](http://www.ecfr.gov)) or the website of the Public Housing Financial Management Center at: [www.hud.gov/offices/pih/centers/fmc](http://www.hud.gov/offices/pih/centers/fmc).

## **CHAPTER 4 ATTACHMENTS**

ATTACHMENT 4-1: RENT REASONABLENESS CHECKLIST AND CERTIFICATION

ATTACHMENT 4-2: HOPWA INCOME AND RESIDENT RENT CALCULATION WORKSHEET<sup>10</sup>

ATTACHMENT 4-3: GUIDANCE ON EARNED INCOME DISREGARD

ATTACHMENT 4-4: ZERO INCOME AFFIDAVIT

ATTACHMENT 4-5: SAMPLE INCOME AND RESIDENT RENT CALCULATION WORKSHEET – COMPLETED

ATTACHMENT 4-6: SHARED HOUSING RENT CALCULATION WORKSHEET

For additional resources and forms on this topic and others, see the HOPWA Program Administration Toolkit on HUD’s OneCPD Resource Exchange, at: [www.onecpd.info/resource/1025/hopwa-program-administration-toolkit/](http://www.onecpd.info/resource/1025/hopwa-program-administration-toolkit/).

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<sup>10</sup> The Technical Guide for Determining Income and Allowances for the HOME Program does not directly pertain to HOPWA grantees and project sponsors. Nevertheless, grantees and sponsors can review Appendices B, E, and H of this Guide, which contains several sample verification forms for items such as income, benefits, and assets. These forms are based on the requirements in 24 CFR Part 5, which applies to HOPWA grantees and project sponsors. See: <http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/2005/1780.pdf>.



**RENT REASONABLENESS CHECKLIST AND CERTIFICATION**

24 CFR 574.320 (a)(3) Rent reasonableness. The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

	Proposed Unit	Unit #1	Unit #2	Unit #3
Address				
Number of Bedrooms				
Square Feet				
Type of Unit/Construction				
Housing Condition				
Location/Accessibility				
Amenities Unit: Site: Neighborhood:				
Age in Years				
Utilities (type)				
Unit Rent Utility Allowance Gross Rent				
Handicap Accessible?				
Most Recently Charged Rent For Proposed Unit		Reason for Change		

\* Other local resources may be used to obtain information, e.g.: market surveys, classified ads.

I certify that I am not a HUD certified inspector and I have evaluated the property located at the above address to the best of my ability and find the following:

**CERTIFICATION:****A. Compliance with Payment Standard**

\_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_ Proposed  
Contract Rent                      Utility Allowance                      Proposed Gross Rent

Approved rent does not exceed applicable Payment Standard of \$\_\_\_\_\_

**B. Rent Reasonableness**

Based upon a comparison with rents for comparable units, I have determined that the proposed rent for the unit   IS          IS NOT reasonable.

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# INCOME & RESIDENT RENT CALCULATION WORKSHEET

## HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

**This worksheet will determine the Tenant Rent Payment based on the greater of 10% of Monthly Gross Income or 30% of Monthly Adjusted Income. For income exclusions, see pages 5 and 6.**

HOPWA regulations 24CFR574.310d(1)(2)(3) state: "Resident rent payment. Except for persons in short-term supported housing, each person receiving rental assistance under this program or residing in any rental housing assisted under this program must pay as rent, including utilities, an amount which is the higher of: (1) 30 percent of the family's monthly adjusted income (adjustment factors include the age of the individual, medical expenses, size of family and child care expenses and are described in detail in 24CFR5.609); (2) 10 percent of the family's monthly gross income; or (3) If the family is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of the payment that is designated for housing costs." Documentation and Verification of Income: As a condition of participation in the program, each client must agree to supply such certification, release, information, or documentation as the agency determines to verify the client's income.

\*The total income of the household (Annual Gross Income) is from all sources anticipated to be received in the 12-month period following the effective date of the income certification. Therefore, income must be ANNUALIZED, e.g. payment amount X number of payment periods/yr., for all income sources.

1. The full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, other compensation for personal services prior to payroll deductions. (Applies to client and **all** household members 18 and older. For full-time students 18 and over, only \$480 of annual earned income should be included here.) \$ \_\_\_\_\_
2. Periodic payments from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, excluding lump sum payments for the delayed start of a periodic payment (Except as provided in (c)(14)). \$ \_\_\_\_\_
3. Payments in lieu of earnings, such as unemployment, disability, worker's compensation, and severance pay (Except as provided in (c)(3)). \$ \_\_\_\_\_
4. WELFARE ASSISTANCE, including payments made under other programs funded, separately or jointly, by federal, state, or local governments which are not excluded by Federal Statutes (see Income Exclusions). \$ \_\_\_\_\_
5. Periodic allowances including alimony and child support payments, and regular contributions or gifts received from organizations or persons not residing in the residence. \$ \_\_\_\_\_
6. Net income from operation of a business or profession. \$ \_\_\_\_\_
7. Interest, dividends, and other net income of any kind from real or personal property. Where net family assets are less than \$5000, include the actual income from asset; where net family assets are in excess of \$5,000, annual income shall include the greater of actual income derived from net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD. \$ \_\_\_\_\_
8. All regular pay, special pay and allowances of a member of the Armed Forces (Except Hostile Fire Pay). \$ \_\_\_\_\_
9. **ANNUAL GROSS INCOME\* TOTAL OF LINES 1-8**  
**Note:** Annual income must be reassessed at least annually. However, if there is substantial change in the household's income during the year, an adjustment must be made to the resident rent to reflect the change in income. \$ \_\_\_\_\_

Attachment 4-2: HOPWA Income and Resident Rent Calculation Worksheet

10. MONTHLY GROSS INCOME (Line 9 divided by 12.) \$ \_\_\_\_\_

11. 10% of MONTHLY GROSS INCOME (Line 10 multiplied by .10.) \$ \_\_\_\_\_

**Per HUD regulations 24CFR5.611(a) the annual adjusted income is determined by deducting the following allowances from the annual gross income (see pages 5 and 6 for more info).**

12. ENTER ANNUAL GROSS INCOME FROM LINE 9. \$ \_\_\_\_\_

13. \$480.00 FOR EACH DEPENDENT Dependents, including household members under the age of 18, elderly dependents, handicapped, disabled, or full-time students, but not the family head, spouse or foster children. - \$ \_\_\_\_\_

14. \$400 FOR ANY ELDERLY OR DISABLED FAMILY MEMBER. This allowance is provided to any family whose head, spouse, or sole member is at least 62 years of age **OR** is handicapped/disabled. This deduction **always** applies to households with persons with HIV or AIDS if they are the head, spouse, or sole member. (ONLY ONE DEDUCTION PER FAMILY/HOUSEHOLD PER YEAR.) \$ \_\_\_\_\_

15. ANY REASONABLE CHILDCARE EXPENSES These are expenses anticipated during the year for children 12 years of age and under that enable a household member to work, seek employment, or to further education. Deductible expenses for childcare to enable a person to work shall not exceed the amount of income received from such work. Childcare cannot be paid to another member of the household. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.) - \$ \_\_\_\_\_

16. THE SUM OF THE FOLLOWING, TO THE EXTENT THE SUM EXCEEDS 3% OF ANNUAL GROSS INCOME. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendance care or auxiliary apparatus.

i. EXPENSES FOR NON-ELDERLY DISABLED FAMILY MEMBERS. This allowance covers reasonable expenses anticipated during the period for attendant care (provided by a non-household member) and/or auxiliary apparatus for any disabled household member that enables that person or any other household member to work. Deduction may not exceed the amount of income generated by the person enable to work. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.)

ii. MEDICAL EXPENSES AND/OR ASSISTANCE FOR ANY ELDERLY OR DISABLED FAMILY. If deductions are taken on i and ii line for medical expenses, the deduction on line 13 must also be taken. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.)

a. ENTER TOTAL non-reimbursed expenses for this category \$ \_\_\_\_\_

b. Annual Gross Income X .03 \$ \_\_\_\_\_. Subtract **b.** from **a.** and enter difference. - \$ \_\_\_\_\_

17. EARNED INCOME DISREGARD/SELF-SUFFICIENCY INCENTIVES FOR PERSONS WITH DISABILITIES. In addition to deductions mandated in **24CFR5.611(a)**, HUD requires disregard for income to previously unemployed persons with disabilities who have earned income as described in **24CFR5.617(a)(b)(c)(d)**. If applicable enter amount of Disregard from line E or F of the worksheet on page 4. - \$ \_\_\_\_\_

18. ANNUAL ADJUSTED INCOME. (Subtract line #'s 13 through 17 from the ANNUAL GROSS INCOME on line 12.) \$ \_\_\_\_\_

19. MONTHLY ADJUSTED INCOME. (Line 18 divided by 12.) \$ \_\_\_\_\_

Attachment 4-2: HOPWA Income and Resident Rent Calculation Worksheet

20. 30% of MONTHLY ADJUSTED INCOME (Multiply Line 19 by .30.) \$ \_\_\_\_\_

21. **RESIDENT RENT PAYMENT**  
Compare Line 10 on page 2 to Line 20 and enter the higher number here. \$ \_\_\_\_\_  
THIS IS THE RESIDENT RENT PAYMENT.

**NOTE:** After the 10% and 30% calculations have been determined, the client must pay the higher of the two amounts. If either the 10% gross or 30% adjusted income amounts are greater than the Fair Market Rent (FMR- or rent standard) or the resident's actual rent, the applicant is not eligible for long-term HOPWA rental assistance.

**When determining the resident's payment portion when utilities are NOT included in the rent but need to be paid out-of-pocket by the resident, follow steps 22-23.**

22. RESIDENT RENT PAYMENT (enter the amount from line #21.) \$ \_\_\_\_\_

23. UTILITY ALLOWANCE per HUD Guidelines (Subtract from line #22.)  
Copies of HUD-approved utility allowance charts may be obtained from local Public Housing Authority offices, and are updated on a periodic basis. Allowances may vary by community. - \$ \_\_\_\_\_

24. **TOTAL RESIDENT RENT/UTILITY PAYMENT.** (Subtract Line #23 from Line #22.) \$ \_\_\_\_\_

**If line #24 is a negative number, this is the amount to be reimbursed to the tenant based on having paid utilities out-of-pocket.**

## Earned Income Disregard Worksheet

### STEP 1: Determine Eligibility (The Earned Income Disregard does not apply for purposes of admission to these programs)

A. A disabled family must be receiving assistance through one of the following programs:

- HOPWA (Housing Opportunities for Persons with AIDS)
- HOME (Housing Opportunities Made Equal)
- SHP (Supportive Housing Program)
- Housing Choice Voucher (Section 8)

#### And at least ONE of the following must apply

- B. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; **OR**
- C. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; **OR**
- D. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

- If eligible proceed to Step 2 -

### STEP 2: Calculate Amount of Earned Income Disregard

- |  |          |
|--|----------|
| A. Current earned income (gross annualized) of EID family member               | \$ _____ |
| B. Other current income (gross annualized) of EID family member                | \$ _____ |
| C. Total current annual income of EID family member (A+B)                      | \$ _____ |
| D. Pre-Qualifying income   | \$ _____ |
| Total gross annual income at last review (earned and unearned) for this member |          |
| E. Full exclusion (C-D, but no more than A)                                    | \$ _____ |
| First 12-month exclusion period  |          |
| F. 50% exclusion, if applicable (E x 0.050)                                    | \$ _____ |
| Second 12-month exclusion period   |          |

The amount on Line E. or Line F. (whichever is applicable) is the amount of deduction entered on Page 2, number 17.

**Full Text of 24 CFR 5.609**  
**Income Inclusions and Exclusions**

Sec.5.609 Annual income

(a) Annual income means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

**(b) Annual income includes, but is not limited to:**

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments. (i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

**(c) Annual income does not include the following:**

- (1) Income from employment of children (including foster children) under the age of 18 years;
  - (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
  - (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
  - (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
  - (5) Income of a live-in aide, as defined in Sec. 5.403;
  - (6) The full amount of student financial assistance paid directly to the student or to the educational institution;
  - (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
  - (8)(i) Amounts received under training programs funded by HUD;
  - (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
  - (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
  - (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
  - (9) Temporary, nonrecurring or sporadic income (including gifts);
  - (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
  - (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
  - (12) Adoption assistance payments in excess of \$480 per adopted child;
  - (13) [Reserved]
  - (14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
  - (15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
  - (16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
  - (17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- (d) Annualization of income. If it is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

**Full Text of 24 CFR 5.611  
Mandatory Deductions**

Sec. 5.611 Adjusted income

Adjusted income means annual income (as determined by the responsible entity, defined in Sec. 5.100 and Sec. 5.603) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

(a) Mandatory deductions. In determining adjusted income, the responsible entity must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
  - (i) Unreimbursed medical expenses of any elderly family or disabled family; and
  - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(b) Additional deductions. (1) For public housing, a PHA may adopt additional deductions from annual income. The PHA must establish a written policy for such deductions.

(2) For the HUD programs listed in Sec. 5.601(d), the responsible entity shall calculate such other deductions as required and permitted by the applicable program regulations.



## **Disallowance of Increase in Annual Income (Earned Income Disregard)**

In February 2001 HUD finalized regulations that require housing providers in certain HUD programs to disregard some or all of the earned income for tenants with disabilities. The Earned Income Disregard, as it is commonly called, allows qualified individuals and families receiving housing assistance to keep more of their earned income for a period of up to two years following an increase in employment income. The purpose is to assist persons with disabilities in obtaining and retaining employment, as an important step toward economic self-sufficiency.

### **Who qualifies for the earned income disregard?**

1. A disabled family receiving assistance through one of the following programs:

- HOPWA (Housing Opportunities for Persons with AIDS)
- HOME (HOME Investment Partnership Act)
- SHP (Supportive Housing Program)
- Housing Choice Voucher (Section 8)

**The Earned Income Disregard does not apply for purposes of admission to these programs.**

AND at least one of the following:

2. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; OR

3. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; OR

4. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

### **Definitions**

Previously Unemployed: Includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Minimum Wage: The prevailing minimum wage in the state or locality. Go to this web link to verify the minimum wage in your state: <http://www.dol.gov/esa/minwage/america.htm>. The established minimum wage means the federal minimum wage unless there is a higher state or local minimum wage.

Economic Self-Sufficiency Program: Any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment)

### **Initial and Phase-In Exclusion Periods**

Initial 12-Month Exclusion: 100% Exclusion of income over the amount of prior income (if any). This cumulative period begins on the date a member who is a person with disabilities of a qualified family is first employed OR the date the family first experiences an increase in annual income attributable to employment. The responsible entity must exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months.

Second 12-Month Exclusion/Phase-In: 50% Exclusion of income over the amount of income prior to the beginning of the initial exclusion (if any).

The second 12-month cumulative period after the date a member who is a person with disabilities of a qualified family is first employed OR the date the family first experiences an increase in annual income attributable to employment. The responsible entity must exclude from annual income of a qualified family fifty percent (50%) of any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months

Maximum 48-Month Disallowance: There is a 48-month (four year) lifetime maximum time frame for each qualifying family member to utilize the Earned Income Disregard. The 48-month period is *consecutive* and begins at the initial exclusion, either the date that a qualified family member is first employed or the date when the family first experienced an increase in annual income. The exclusion ends when the qualifying family member uses both 12-month exclusions (initial 12-month 100% and second 12-month 50%) or until the 48-month lifetime maximum is reached, whichever comes first. No disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

### **Documentation and Tracking**

Documentation should be maintained and may include the following:

1. Date the increase in earned income was reported by the family.
2. Name of the family member whose earned income increased.
3. Reason (new employment, participation in job training program, within six months after receiving TANF) for increase in earned income.
4. Verification of income.
5. Amount of the increase in income (amount to be excluded).
6. Date the increase in income is first excluded from annual income.
7. Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if applicable).
8. Date the family member received a total of 12 months of the initial exclusion.
9. Date the second 12-month (phase-in) exclusion period began.
10. Date(s) earned income ended and resumed during the second cumulative 12-month period of exclusion (if applicable).
11. Date the family member received a total of 12 months of phase-in exclusion.
12. Ending date of the maximum 48-month disallowance period OR full utilization of both 12-month periods, whichever comes first. If all months in both the initial and phase-in periods occur consecutively, this date may be as soon as 24 months from the date the exclusion was first applied.

**EID Calculation**

- A. Current earned income (gross annualized) of EID family member \$ \_\_\_\_\_
- B. Other current income (gross annualized) of EID family member \$ \_\_\_\_\_
- C. Total current annual income of EID family member (A+B) \$ \_\_\_\_\_
- D. Pre-Qualifying income \$ \_\_\_\_\_  
Total gross annual income at last review (earned and unearned) for this member
- E. Full exclusion (C-D, but no more than A) \$ \_\_\_\_\_  
First 12-month exclusion period
- F. 50% exclusion, if applicable (E x 0.050) \$ \_\_\_\_\_  
Second 12-month exclusion period

**Question & Answer**

Obtained from the HUD website: [www.hud.gov/offices/pih/phr/about/ao\\_faq\\_eid.cfm](http://www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm)

**Q1:** Does the new disregard apply to a tenant who has income from both TANF and employment, beginning prior to October 1, 2002, but then experiences an increase in earnings from work after October 1, 2002?

**A1:** The new income disregard applies; tenants whose earnings increase while on TANF are eligible for a disregard of their *increased income due to earnings*.

Example:

A tenant has a 20-hour/week job for which she earns \$550 per month (she did not receive the 18-month disregard) and receives \$200/month in TANF benefits. Beginning November 1, 2002 the employer increases her hours to 35 per week with a slight pay increase for a total of \$1000 per month and she stops receiving the TANF benefits. The new disregard applies to her *increase* in income due to earnings. Under the regulations, \$250/month of the increase in earnings is excluded from her annual income to determine her rent, because that is her increase in income (as opposed to the increase in earnings). The annual income used to determine her rent is 12 times the previous \$750/month of income. Her rent would remain what it was in October 2002 (assuming no other changes in income or family composition), because the October and prior rent was based on the previous gross income of \$750/month.

**Q2:** At a family's last reexamination effective 1/1/2001, the family is receiving welfare assistance. When the family is reexamined for 1/1/2002, a member of the family has earnings after being previously unemployed for twelve months. This change occurred on 6/15/2001, but the family was not required to report it. Now it is being reported for the reexamination effective 1/1/2002. How is the earned income exclusion benefit processed?

**A2:** By not reporting the increase, the family has received the benefit for the 6 months prior to the reexamination. The family is entitled to 100 percent of the disregard of any incremental increase for the remaining six months. At the end of that six months, the family is then entitled to the 12 month 50% disregard of the incremental increase.

**Q4:** Does the \$500 minimum dollar requirement apply only when a family is seeking to qualify for the disregard on the basis of receipt of one-time TANF benefits or ancillary benefits such as transportation assistance, (and not to the receipt of monthly TANF income maintenance benefits?)

### Attachment 4-3: Guidance on Earned Income Disregard

**A4:** Yes, the \$500 minimum dollar requirement applies only to one-time benefits, wage subsidies, and transportation. A person receiving regular monthly income benefits in the previous six months is eligible for the disallowance even if the amount received is less than \$500.

**Q5:** An individual who was never previously employed obtains his or her first job, but is still receiving a regular monthly income benefit from welfare. Is this individual entitled to the income disregard?

**A5:** Yes, the individual is eligible for the earned income disregard based on the following criteria: “Whose annual income increases as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for Temporary Assistance to Needy Families **funded under Part A of title IV of the Social Security Act**, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare to Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.”

**Q6:** An individual is working but also receiving TANF benefits. If the individual’s income increases, and as a result, the individual loses the TANF benefits, does the individual qualify for the income disallowance?

**A6:** Yes, the individual is eligible for the income disregard based on an increase in income as a result of new employment within six months of receiving TANF.

**Q7:** Does a family receive the benefit of the income disregard if the family experiences an increase in earnings within six months of receiving a non-cash TANF benefit, such as a \$600 payment to an auto shop for repairs to the tenant’s car so she could start a new job?

**A7:** Yes, receipt of at least \$500 in TANF benefits is sufficient to trigger the disregard. To verify which benefits are funded under of the state’s TANF program, contact your state or local welfare office.

**Q8:** In determining a family's eligibility for the income disregard, must the member of a household who gets a job or increased earnings be the same member of the household who received TANF benefits?

**A8:** Yes. Only members of a qualified family who are also TANF recipients can receive the disregard based on the qualifying factor related to new employment or an increase in income during or within six months of receipt of TANF.

**Q9:** At reexamination, if some members of a household have increases in their income, and those household members are not entitled to the disregard, how does this affect the rent at the second twelve-month exclusion and phase-in period?

**A9:** Any increases in income of family members who are not eligible for the earned income disregard will be considered in determining the family's rent.

**Q10:** Is a tenant eligible for the income disregard if she obtains a job 2 months after completion of the coursework portion of a vocational school program while she is receiving job search and counseling assistance from the program?

**A10:** Yes. Because she is still receiving services from the training program, she has started a job during the program and is entitled to the disregard.

**Q11:** If a tenant who qualifies for the disregard gets a job after paying a zero rent, does her rent remain at zero for another 12 months (and then increase to half of what the rent obligation would have been if all her earnings were considered)?

### Attachment 4-3: Guidance on Earned Income Disregard

**A11:** Yes. For example, if a tenant had no income for 12 months prior to getting a job she would meet the eligibility for the disregard as “previously unemployed.” Her rent would remain zero for 12 months after her job began. In months 13 - 24 after her employment began, her rent would be based on half her earnings.

**Q12:** If a PHA does not perform interim reexaminations and increases rents only at the family's annual reexamination, why does EID begin on the first day of the month following the increase in earnings?

**A12:** According to the regulation, the exclusion actually begins on the date the family is first employed or first experiences an increase in income attributable to employment. However, for administrative and tracking purposes, the PHA can begin the exclusion on the first of the month following the employment or increase in income. Note: If a person who qualifies for EID begins employment or experiences an increase in income and fails to report this change, the PHA will count this time against the family member's exclusion period.

**Q13:** A tenant received TANF benefits of \$500 per month from March 2004 - August 2004, and at this point the tenant reached the state's TANF time limit and benefits were terminated. The tenant got a job making \$600/month for September through November 2004. At the end of November, the person quit that job and during the week before Christmas started a new job paying \$1200/month. Is the tenant eligible for the disregard when she reports her new earnings in January 2005?

**A13:** Yes. The tenant qualifies for the income disregard because the individual received TANF benefits within the 6-month period prior to January 2005. In addition, in the 12 months prior to beginning her new job, she earned only \$1,800, which is less than 500 hours at the federal minimum wage (currently \$2,575) so she is considered to be “previously unemployed.”

**Q14:** How many times in a 48-month period can a family qualify for the earned income exclusion?

**A14:** A family member can only receive a total of 12 months for 100% of the incremental increase disregard, and 12 months of the 50% disregard in his or her lifetime. The disregard only applies for a maximum of 4 years from the time it is first applied.

**Q15:** If a tenant is eligible for the earned income disregard, can the disregarded amounts be used in determining the cap for the childcare expense deduction?

**A15:** In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income; therefore, the disregarded amounts can not be used in determining the cap for the childcare expense deduction. (See definition of childcare expenses at 24 CFR 5.603.)

Example:

A resident is receiving the benefit of the new earned income disregard. Her salary is \$9,000/year, however, only \$3,000 of this amount is being included in annual income. The remaining \$6,000 is being disregarded. Childcare expenses for her four-year-old daughter total \$3,640/year. The resident's childcare deduction is capped at \$3,000, because this is the amount that is included in annual income.

**Full Text of 24 CFR 5.617  
Earned Income Disregard**

Sec. 5.617 Self-sufficiency incentives for persons with disabilities--Disallowance of increase in annual income.

(a) Applicable programs. The disallowance of increase in annual income provided by this section is applicable only to the following programs: HOME Investment Partnerships Program (24 CFR part 92); Housing Opportunities for Persons with AIDS (24 CFR part 574); Supportive Housing Program (24 CFR part 583); and the Housing Choice Voucher Program (24 CFR part 982).

(b) Definitions. The following definitions apply for purposes of this section. Disallowance. Exclusion from annual income. Previously unemployed includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage. Qualified family. A family residing in housing assisted under one of the programs listed in paragraph (a) of this section or receiving tenant-based rental assistance under one of the programs listed in paragraph (a) of this section.

(1) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

(2) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

(3) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

(c) Disallowance of increase in annual income--(1) Initial twelve month exclusion. During the cumulative twelve month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the responsible entity must exclude from annual income (as defined in the regulations governing the applicable program listed in paragraph (a) of this section) of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

(2) Second twelve month exclusion and phase-in. During the second cumulative twelve month period after the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the responsible entity must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

(3) Maximum four year disallowance. The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph (c)(1) or (c)(2) is limited to a lifetime 48 month period. The disallowance only applies for a maximum of twelve months for disallowance under paragraph (c)(1) and a maximum of twelve months for disallowance under paragraph (c)(2), during the 48 month period starting from the initial exclusion under paragraph (c)(1) of this section.

(d) Inapplicability to admission. The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable)

## ZERO INCOME AFFIDAVIT HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

I, \_\_\_\_\_, have applied for emergency or rental assistance through the HUD Housing Opportunities for Persons with AIDS (HOPWA) program. Program regulations require verification of all income from participating households.

Income includes but is not limited to:

- Gross wages, salaries, overtime pay, commissions, fees, tips and bonuses
- Net income from operation of a business or from rental or real personal property
- Interest, dividends and other net income of any kind for real personal property
- Periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of period receipts
- Lump sum payment(s) for the delayed start of a periodic payment (except as provided in 24 CFR 5.609 (b)(5))
- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay
- Public assistance
- Alimony and child support payments (whether through the court system or not)
- Regular pay, special pay and allowances of a head of household or spouse who is a member of the Armed Forces (whether or not living in the dwelling)
- Regular monetary gifts from family and/or friends

I have stated during this verification process that I have no income at this time. I have not received income since \_\_\_\_\_. I do not expect to receive any income until \_\_\_\_\_. I applied for \_\_\_\_\_ (other financial assistance) on \_\_\_\_\_ (date).

***I understand that any misrepresentation of information or failure to disclose information requested on this form may disqualify me from participation in the HOPWA program, and may be grounds for termination of assistance. WARNING: It is unlawful to provide false information to the government when applying for federal public benefit programs per the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. §§ 3801-3812.***

I certify that the above information is true and correct. I also understand that it is my responsibility to report all changes to my household composition or income in writing to within ten (10) business days of such change.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness: \_\_\_\_\_ Date: \_\_\_\_\_

Case Manager/Care Coordinator's Notes:

# INCOME & RESIDENT RENT CALCULATION WORKSHEET

## HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

**This worksheet will determine the Tenant Rent Payment based on the greater of 10% of Monthly Gross Income or 30% of Monthly Adjusted Income. For income exclusions, see pages 5 and 6.**

HOPWA regulations 24CFR574.310d(1)(2)(3) state: “Resident rent payment. Except for persons in short-term supported housing, each person receiving rental assistance under this program or residing in any rental housing assisted under this program must pay as rent, including utilities, an amount which is the higher of: (1) 30 percent of the family's monthly adjusted income (adjustment factors include the age of the individual, medical expenses, size of family and child care expenses and are described in detail in 24CFR5.609); (2) 10 percent of the family's monthly gross income; or (3) If the family is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of the payment that is designated for housing costs.” Documentation and Verification of Income: As a condition of participation in the program, each client must agree to supply such certification, release, information, or documentation as the agency determines to verify the client's income.

\*The total income of the household (Annual Gross Income) is from all sources anticipated to be received in the 12-month period following the effective date of the income certification. Therefore, income must be ANNUALIZED, e.g. payment amount X number of payment periods/yr. for all income sources.

- |     |   |                  |
|-----|---|------------------|
| 1.  | The full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, other compensation for personal services prior to payroll deductions. (Applies to client and <b>all</b> household members 18 and older. For full-time students 18 and over, only \$480 of annual earned income should be included here.)  | \$ <u>17,472</u> |
| 2.  | Periodic payments from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, excluding lump sum payments for the delayed start of a periodic payment (Except as provided in (c)(14)).   | \$ <u>7,200</u>  |
| 3.  | Payments in lieu of earnings, such as unemployment, disability, worker's compensation, and severance pay (Except as provided in (c)(3)).  | \$ <u>0</u>      |
| 4.  | Welfare Assistance, including payments made under other programs funded, separately or jointly, by federal, state, or local governments which are not excluded by Federal Statutes (see Income Exclusions).   | \$ <u>0</u>      |
| 5.  | Periodic allowances including alimony and child support payments, and regular contributions or gifts received from organizations or persons not residing in the residence.  | \$ <u>0</u>      |
| 6.  | Net income from operation of a business or profession.  | \$ <u>0</u>      |
| 7.  | Interest, dividends, and other net income of any kind from real or personal property. Where net family assets are less than \$5000, include the actual income from asset; where net family assets are in excess of \$5,000, annual income shall include the greater of actual income derived from net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD. | \$ <u>0</u>      |
| 8.  | All regular pay, special pay and allowances of a member of the Armed Forces (Except Hostile Fire Pay).  | \$ <u>0</u>      |
| 9.  | <b>ANNUAL GROSS INCOME* TOTAL OF LINES 1-8</b><br><b>Note:</b> Annual income must be reassessed at least annually. However, if there is substantial change in the household's income during the year, an adjustment must be made to the resident rent to reflect the change in income.  | \$ <u>24,672</u> |
| 10. | <b>MONTHLY GROSS INCOME</b> (Line # 9 divided by 12.)   | \$ <u>2,056</u>  |

Sample Form

Updated: February 22, 2008



11. 10% of MONTHLY GROSS INCOME (Line #10 multiplied by .10.) \$ 206

**Per HUD regulations 24CFR5.611(a) the annual adjusted income is determined by deducting the following allowances from the annual gross income (see pages 5 and 6 for more info).**

12. ENTER ANNUAL GROSS INCOME FROM LINE # 9. \$ 24,672

13. \$480.00 FOR EACH DEPENDENT. Dependents, including household members under the age of 18, elderly dependents, handicapped, disabled, or full-time students, but not the family head, spouse or foster children. - \$ 480

14. \$400 FOR ANY ELDERLY OR DISABLED FAMILY MEMBER. This allowance is provided to any family whose head, spouse, or sole member is at least 62 years of age **OR** is handicapped/disabled. This deduction **always** applies to households with persons with HIV or AIDS if they are the head, spouse, or sole member at least 62 years of age. (ONLY ONE DEDUCTION PER FAMILY/HOUSEHOLD PER YEAR.) - \$ 400

15. ANY REASONABLE CHILDCARE EXPENSES. These are expenses anticipated during the year for children 12 years of age and under that enable a household member to work, seek employment, or to further education. Deductible expenses for childcare to enable a person to work shall not exceed the amount of income received from such work. Childcare cannot be paid to another member of the household. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.) - \$ 0

16. THE SUM OF THE FOLLOWING (i. ii.), TO THE EXTENT THE SUM EXCEEDS 3% OF ANNUAL GROSS INCOME. (If deductions are taken on Line i. or ii. below for medical expenses, the deduction on Line 14 must also be taken.) - \$ 0

i. EXPENSES FOR DISABLED FAMILY MEMBERS. Reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.)

Enter total out of pocket expense here: \$ 0

ii. MEDICAL EXPENSES FOR ANY ELDERLY OR DISABLED FAMILY. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.)

Enter total out of pocket expense here: \$ 0

a. ENTER TOTAL non-reimbursed expenses from i. and ii. here: \$ 0

b. Enter Annual Gross Income X .03 here: \$ 740

c. Subtract b. from a. and enter difference here: \$ (740)

**NOTE:** If Line a. is less than Line b. and results in a negative # for Line c., no deduction can be taken. ONLY out of pocket expenses greater than .03 of the Annual Gross Income may be deducted.

17. EARNED INCOME DISREGARD/SELF-SUFFICIENCY INCENTIVES FOR PERSONS WITH DISABILITIES. In addition to deductions mandated in **24CFR5.611(a)**, HUD requires disregard for income to previously unemployed persons with disabilities who have earned income as described in **24CFR5.617(a)(b)(c)(d)**.

If applicable enter amount of Disregard from Line E or F of the worksheet on page 4. - \$ NA

18. ANNUAL ADJUSTED INCOME. (Subtract Line #'s 13 through 17 from the ANNUAL

Attachment 4-5: Sample Income and Resident Rent Calculation Worksheet – Completed

GROSS INCOME on Line #12.)	\$ <u>23,792</u>
19. <u>MONTHLY ADJUSTED INCOME.</u> (Line #18 divided by 12.)	\$ <u>1983</u>
20. <u>30% of MONTHLY ADJUSTED INCOME.</u> (Multiply Line #19 by .30.)	\$ <u>595</u>
21. <b><u>RESIDENT RENT PAYMENT</u></b> Compare Line # 10 on Page 2 to Line #20 and enter the higher number here. THIS IS THE RESIDENT RENT PAYMENT.	\$ <u>595</u>

**NOTE:** After the 10% and 30% calculations have been determined, the client must pay the higher of the two amounts. If either the 10% gross or 30% adjusted income amounts are greater than the Fair Market Rent (FMR- or rent standard) or the resident's actual rent, the applicant is not eligible for long-term HOPWA rental assistance.

**When determining the resident's payment portion when utilities are NOT included in the rent but need to be paid out-of-pocket by the resident, follow steps 22-24.**

22. <u>RESIDENT RENT PAYMENT.</u> (Enter the amount from Line #21.)	\$ <u>595</u>
23. <u>UTILITY ALLOWANCE per HUD Guidelines.</u> Copies of HUD-approved utility allowance charts may be obtained from local Public Housing Authority offices, and are updated on a periodic basis. Allowances may vary by community.	- \$ <u>85</u>
24. <b><u>TOTAL RESIDENT RENT/UTILITY PAYMENT.</u></b> (Subtract Line #23 from Line #22.)	\$ <u>510</u>

**If Line #24 is a negative number, this is the amount to be reimbursed to the resident or utility company, based on the resident having paid utilities out-of-pocket.**

**Earned Income Disregard  
Worksheet**

**STEP 1: Determine Eligibility (The Earned Income Disregard does not apply for purposes of admission to these programs.)**

A. A disabled family must be receiving assistance through one of the following programs:

- HOPWA (Housing Opportunities for Persons with AIDS)
- HOME (Housing Opportunities Made Equal)
- SHP (Supportive Housing Program)
- Housing Choice Voucher (Section 8)

**And at least ONE of the following must apply:**

- B. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; **OR**
- C. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; **OR**
- D. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies, and transportation assistance—provided that the total amount over a six-month period is at least \$500.

- If eligible, proceed to Step 2 -

**STEP 2: Calculate Amount of Earned Income Disregard**

- |  |          |
|--|----------|
| A. Current earned income (gross annualized) of EID family member   | \$ _____ |
| B. Other current income (gross annualized) of EID family member  | \$ _____ |
| C. Total current annual income of EID family member (A+B)  | \$ _____ |
| D. Pre-Qualifying income<br>Total gross annual income at last review (earned and unearned) for this member | \$ _____ |
| E. Full exclusion (C-D, but no more than A)<br>First 12-month exclusion period                             | \$ _____ |
| F. 50% exclusion, if applicable (E x 0.050)<br>Second 12-month exclusion period                            | \$ _____ |

The amount on Line E. or Line F. (whichever is applicable) is the amount of deduction entered on Page 2, number 17.  
(See Attachment 4-2 for the full text of 24 CFR 5.609 and 24 CFR 5.611)

## SHARED HOUSING RENT CALCULATION

### HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

#### STEP 1. Determine who lives in the dwelling and who can be assisted

A. Does the owner live in dwelling? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, is this a one-bedroom unit? \_\_\_\_\_ Yes \_\_\_\_\_ No

If **yes to both questions**, the household cannot be assisted under shared housing

If the owner lives in the dwelling, is owner related to the client? \_\_\_\_\_ Yes \_\_\_\_\_ No

If **yes**, the participant cannot be assisted with HOPWA funds in the following calculations:

*24CFR 982.306 (d) states: " The Public Housing Authority (PHA) must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, **unless** the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. "*

*Because PWAs often rent from family when they need care and support for their illness, and because low-income families may need the rental income to help support the additional household member, a waiver of this rule may be requested through the local HUD Field Office. In this case a written rental agreement from the family must be obtained and maintained in the client file for documentation purposes.*

B. Does the client have additional family members living in the dwelling? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, how many family members, including the client, reside there? \_\_\_\_\_

C. How many total persons reside in the dwelling? \_\_\_\_\_

#### STEP 2. Determine whether the housing is suitable for the family to be assisted

A. Are there sufficient bedrooms/sleeping areas for the individual/family members, based on your local public housing authority/HUD guidelines? \_\_\_\_\_ Yes \_\_\_\_\_ No

B. If there are disabled persons residing in the dwelling, do the private and common spaces accommodate the disability? \_\_\_\_\_ Yes \_\_\_\_\_ No

If **no to either question**, the individual/family cannot be supported in this shared housing arrangement.

When calculating tenant rental portion keep the following in mind:

The Fair Market Rent (FMR) or Rent Standard for a family in shared housing is **the lower of the FMR/Payment Standard for the family unit size or the pro-rata share of the FMR/Payment Standard for the shared housing unit size**. The pro-rata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit. Both amounts must be calculated and compared.

The utility allowance for an assisted family living in shared housing is the pro-rata share of the utility allowance for the shared housing unit.

HUD FMRs/Payment Standards include utilities. If HOPWA recipients pay separately for utilities, they must be credited their pro-rate share of the local HUD-approved utility allowance.

**STEP 3. Calculate the rental portion for the individual/family. Determine both the FMR/Payment Standard for the family unit size (the number of bedrooms allowed) AND the family's pro-rata share based on the number of bedrooms occupied in the shared space. The allowable rent is capped at the lesser of FMR/Payment Standard or pro-rata share.**

EXAMPLE 1: An individual occupies one bedroom of a 3-bedroom dwelling.

John rents one room in Steve's 3-bedroom house, and shares common areas (living room, kitchen, bath). Steve charges John \$400 per month including utilities.

The FMR/Payment Standard in the area for a 3-bedroom unit is \$1200 per month. The FMR/Payment Standard for a 1-bedroom unit is \$525.

John's total maximum allowable rent would be **the lesser of**:

- The pro-rata share of 1/3 of \$1200 = \$400
- The one-bedroom FMR/payment standard = \$525

John is able to rent this unit because he is being charged \$400 for rent and utilities which, in this example, is the same as the pro-rate share.

Based on HOPWA guidelines John would pay the higher of 10% of his gross income or 30% of his adjusted gross income. HOPWA funds would pay the balance, up to the pro-rata share of \$400.

EXAMPLE 2: A family occupies three bedrooms of a 5-bedroom dwelling.

The Sanders family occupies three bedrooms of a 5-bedroom house. The Sanders are charged \$950 for rent and utilities.

The FMR/Payment Standard in the Sander's community for a 5-bedroom unit is \$1,500 per month; the 3-bedroom FMR is \$1,200 per month.

The Sanders' total maximum allowable rent would be **the lesser of**:

- The pro-rate share 3/5 of \$1,500 = \$ 900
- The three-bedroom FMR/payment standard = \$1200

In this case the pro-rata share is \$900, \$50 less than the FMR/Payment Standard. The Sanders would need to negotiate the rent downward to \$900 or find another unit.

### **For Group Homes**

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home is 0- or 1-bedroom, depending on the PHA's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size. If there is more than one occupant per bedroom the 0-bedroom FMR/Payment Standard must be used.

The payment standard used to calculate the tenant rent is the lower of the payment standard for the family unit size or the pro-rata share of the payment standard for the group home size. The pro-rata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

#### **Example #3: Calculating rent in a community residence with multiple occupants.**

ABC organization rents an 8-bedroom house. One PWA occupies each bedroom. All the residents share two bathrooms, living room, kitchen, and the other common areas. Each PWA is charge \$375 per month.

The FMR/Payment Standard for an 8-bedroom house in this community is \$3,000; the 1-bedroom FMR is \$500.

Each PWAs' total maximum allowable rent would be **the lesser of:**

- The pro-rate share of 1/8 of \$3,000 = \$375
- The 1-bedroom FMR/payment standard = \$500

In this case the rent being charged is \$375, the same as the pro-rata share of \$375. Based on HOPWA guidelines, each resident would pay the higher of 10% gross income or 30% of their adjusted gross income and HOPWA funds would pay the balance, up to \$375.

**Note:** If this community residence placed 2 people in each bedroom, each PWAs' total maximum allowable rent would be **the lesser of:**

- The pro-rate share of 1/16 of \$3,000 = \$188
- The 0-bedroom FMR because the room is shared.

# CHAPTER 5: PROGRAM OPERATIONS – POLICIES AND PROCEDURES

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## WHAT THIS CHAPTER IS ABOUT

Operation of a HOPWA rental assistance program requires careful planning as to the policies, procedures, forms, standards, and staffing responsibilities that will facilitate a smoothly running housing program. Written policies and procedures need to be in place to help ensure consistent and fair program practices and compliance with Federal and HOPWA-specific regulations.

Depending on the scope and complexity of the rental assistance program, an organization may decide to develop one or more policies and procedures manuals to cover the range of information related to program operations, assignment of staff responsibilities, emergency procedures and contacts, and other policies to be followed by program staff and clients. These manuals should be comprehensive and clearly written, and should be readily available for grantees so they can assess whether the administering agency has developed and is adhering to the requisite policies and procedures.

This chapter provides an overview of policies and other processes designed to enhance effective operation of a rental assistance program, including the following:

- Confidentiality requirements
- Key policies and procedures for rental assistance programs
- HOPWA Habitability Standards
- Financial management policies
- Environmental review considerations

Many programs also have some sort of manual, handbook, or orientation guide for program participants. This chapter highlights topics that should be included in such a client handbook.

## CONFIDENTIALITY

It is critical to have policies and procedures in place that protect the confidentiality of HOPWA participants. All rental assistance programs should have documented and enforced policies and procedures that address each of the following questions:

- What data is collected from clients?
- How is data collected from clients?
- How is data stored?
- How is information shared with other providers?
- How is information reported (e.g., Homeless Management Information System)?
- How is information monitored?

Guidance on developing confidentiality policies is provided by HUD, through regulations and notices, and from Federal and applicable state laws. HUD's statements on confidentiality include the following:

- "HIV/AIDS status, along with related client eligibility documentation should only be accessible by qualified individuals who determine eligibility or provide support, or who oversee the provision of this federal assistance. Grantees must have written procedures and training efforts in place to maintain confidentiality." (CPD Notice 06-07)

- “The grantee shall agree, and shall ensure that each project sponsor agrees to ensure the confidentiality of the name of any individual assisted under this part and any other information regarding individuals receiving assistance.” (Sec. 574.440 Confidentiality, of the AIDS Housing Opportunity Act, the law that authorized the HOPWA program)

Grantees need to work with project sponsors to develop monitoring procedures that preserve confidentiality as much as possible within the context of program oversight, as well as clear guidelines on where and how monitoring reviews should take place. The HOPWA Grantee Oversight Resource Guide elaborates on the processes that need to be implemented prior to, during, and after site visits. These include using client consent forms that specifically permit file review for audit purposes, maintaining files and confidential information, and safe-guarding information during monitoring reviews.<sup>11</sup>

### Other Federal and State Guidance on Confidentiality

Questions about the applicability of Health Insurance Portability & Accountability Act (HIPAA) regulations to HOPWA programs are frequently raised by grantees and project sponsors, prompting the consideration of confidentiality issues in addition to those required by HOPWA. For sponsors that do operate as healthcare providers and conduct electronic billing for such services, legal advice should be sought regarding how HIPAA regulations would affect service provision and confidentiality standards. See **Attachment 5-1** for further guidance on how to determine whether an organization is a HIPAA-covered entity.

Grantees and sponsors must be certain to research state laws covering disclosure of HIV status when developing confidentiality policies to ensure that a program operates within legal requirements. State laws may require specific standards for how consent is given; 39 states currently have laws specific to HIV-related information. Additionally, organizations should be aware of Federal laws on disclosure of drug and alcohol treatment, and of state regulations or standards that supplement Federal statutes.

### Collecting and Maintaining Client Information

The protection of client information begins at the time of intake and continues throughout and beyond the client's tenure in a program. Procedures for protection should include use of appropriate consent forms, file maintenance and protection, staff guidance and training on appropriate information sharing, and avoidance of unintentional information sharing. Each of these procedures is described in more detail in this section.

#### Consent Forms

Consent to share information with other service providers must be given in a specific manner. A general or blanket authorization is not appropriate. Consider carefully what types of information are to be included in such releases. Authorization to discuss medical status may be inappropriate if it is not relevant to the services being sought. Be sure that clients fully understand the content and purpose of consent forms. If it is determined that client authorization to share information is needed, then a signed copy of this form should be placed in the client file. A sample consent form is provided as **Attachment 5-2**.

#### File Maintenance and Protection

An organization's policies on confidentiality should consider a range of precautions to keep client information private. To help ensure that files containing client information remain confidential, a grantee should incorporate the following as standard procedures:

- Store client files, forms, and identifying information in locked file cabinets and ensure that files are not left out when not in use

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<sup>11</sup> To access the HOPWA Grantee Oversight Resource Guide, search the Resource Library at HUD's OneCPD Resource Exchange website: [www.onecpd.info](http://www.onecpd.info). The direct link is here: [www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/](http://www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/).



- Keep HOPWA files separate from other client files if the agency administers multiple programs
- Password protect on secure networks all information stored in electronic systems
- Ensure that client files are viewed only by “need-to-know” personnel with policies in place defining which staff members have access to client files
- Eliminate personal identifiers where possible, using code systems in place of client names on client files and client databases
- Take steps to protect the privacy of client meetings
- Work to address HIV+ client confidentiality protections within the Homeless Management Information Systems (HMIS) where applicable

#### Staff Training

Staff working with HOPWA clients should be regularly trained on confidentiality protections, generally annually but more frequently if issues arise or when there is staff turnover. Staff should be familiar with the use of basic tools, including consent forms, protocols for securing paper and electronic files, computer access and technology protections, and protocols for talking with other providers.

#### Avoiding Unintentional Information Sharing

The most common way in which confidential information is inadvertently shared is through staff conversations with other service providers, landlords, and colleagues, and even with a client’s partner or family members. Staff should be especially vigilant about not revealing a client’s HIV status, even when speaking to people they assume are already aware of that status. The best policy is to provide no information without a specific consent, as it is better to be too cautious than unknowingly cause harm to clients.

#### Implications for Rental Assistance Programs

HOPWA rental assistance programs require additional attention to confidentiality, especially related to interacting with landlords. Referencing the HOPWA program by name in rental documents or letters and forms used in the program provides an opportunity for landlords or their agents to become aware of a renter’s HIV status. Similarly, if the agency or program name references “AIDS” and is used in communication or outside documents, the confidentiality of clients will be compromised. Rental assistance programs are strongly encouraged to use generic program names and to insulate rental assistance clients from exposure in all practical ways.

HIV/AIDS housing and service providers have a professional and ethical responsibility to protect client confidentiality related not only to HIV status, but also to substance use, mental health status, and similar issues. The development and monitoring of policies that protect client confidentiality should be a top priority for grantees and project sponsors.

For detailed information on individual client records that must be maintained for all clients enrolled in a HOPWA rental assistance program, see Chapter 6: HOPWA Grant Management Requirements.

### **KEY POLICIES AND PROCEDURES FOR RENTAL ASSISTANCE PROGRAMS**

The development of basic policies and procedures to define and guide program operations will help assure consistency and fairness within the rental assistance program. It is strongly recommended that rental program administrators create clear, written policies and procedures that define and clarify common operational issues. Programs are also encouraged to develop a manual for program staff that contains all of the rental program’s policies and procedures, along with additional information explaining program operations. Some programs may also choose to develop a manual for program participants outlining policies and procedures specifically related to clients, as well as requirements and conditions of program participation.

A list of basic policies and procedures considered fundamental to the operation of a rental assistance program is shown below. The sections that follow provide brief explanations for each of these program elements.

**Key Rental Assistance Program Policies and Procedures**

- Client Eligibility
- Client Intake Procedures and Wait List
- Client Participation Agreement
- Termination of Rental Assistance
- Program (House) Rules
- Emergencies and Grievances
- Housing Search Process
- Move-in Prerequisites
- Housing Suitability
- Occupancy Standards
- Tenant Lease Requirements
- Rental Program Landlord Contract

### **Client Eligibility**

Policies relating to program eligibility should clearly outline what makes a client household eligible for the rental assistance program. Primary in this, of course, will be the HOPWA eligibility standards set by HUD related to HIV status and income.

Additional eligibility considerations may be adopted locally and relate to items such as residency within a specified area or designation of the program as serving extremely low-income clients. Program focus may also dictate eligibility, as in the case of programs that target specific subpopulations such as the chronically homeless, persons with substance abuse issues, or others. In addition, client income must be verified at least annually. Rental subsidy amounts and resident rent contributions should be recalculated accordingly. Where a client does not qualify for a program targeted to a specific subpopulation, the grantee should make every effort to connect those clients with programs for which they do qualify.

### **Client Intake**

A client intake plan should be in place that clearly guides intake to the rental assistance program and ensures equal opportunities for program access for the targeted population. The intake plan should include the following:

- **Intake/interview process.** A written description and timeline for bringing a prospective client into the program will help program staff more effectively gather information to assess clients' needs, evaluate barriers to housing, identify appropriate housing and support services, and convey information clients need to achieve housing stability.
- **Referral and wait list.** A written process for referral to the program and management of a waiting list for rental assistance will help the program ensure equal treatment and access.

Waiting list guidelines typically include an explanation of how the list is maintained and the process by which rental assistance slots are filled from the list. Some programs employ guidelines which ensure that the people in the greatest need get housed first, regardless of when they are placed on the waiting list, while others use a “first come, first served” approach to filling rental assistance slots from the list. Regardless of the method used for managing the waiting list, programs should ensure the following:

- Written procedures are in place describing the list, how names are placed on the list, who is responsible for maintaining the list, and how rental assistance slots will be filled from the list.
- All tenants placed in the rental assistance program from the waiting list are treated equally, based on the program and waiting list policies.
- **Client participation agreement.** The client participation agreement is discussed in more detail in the next section.

### **Client Participation Agreement**

The intake and processing procedures for every rental assistance program should include the development, provision, review, and signing of a client participation agreement. The client participation agreement is essential to clarify a client’s responsibilities while participating in a rental assistance program. It should outline the availability of and process for accessing case management or other supportive services and the importance of participation in these types of services. The client participation agreement should also include requirements related to notifying the program of changes in income or household composition, timely payment of rent to landlord, and any other program requirements that require action by program participants. Additionally, this agreement should clearly specify that the termination of the lease will lead to the termination of rental assistance. It is important that this agreement reference the Program (House) Rules to be provided to the client as a separate document. Program policies should ensure that client expectations are also discussed with the client. The client participation agreement should be signed by the client. A copy of this signed agreement should be kept in the client file.

### **Termination of Rental Assistance**

Every rental assistance program should have written procedures in place to guide program actions related to termination of assistance. As described in 24 CFR 574.310(e), HOPWA regulations require a formal process for handling the termination of participants from HOPWA assistance. Procedures for termination should address termination due to violation of program requirements and termination in the event of death of the HOPWA-eligible participant when there are surviving family members. These procedures should be reviewed and signed by rental assistance program participants at intake, and the signed document should be kept in each participant’s file.

Although termination of assistance for violation of requirements should be a last resort, it is important for programs to develop and uniformly enforce rules governing termination of assistance to program participants in alignment with local landlord-tenant laws. Such rules should include due process that must be followed before termination as described in 24 CFR 574.310(e). Termination procedures should include the following elements:

- Written notice to the participant containing a clear statement of the reasons for termination
- Opportunity for a participant to review the decision, allowing them to confront opposing witnesses, present written objections, and be represented by their own counsel or representative; this review should be presented to someone other than the person who made or approved the termination decision (or a subordinate of that person)
- Prompt written notification of the final decision to the participant

Procedures should also be outlined for serving and transitioning surviving family members who were living in a unit with a HOPWA-eligible client receiving rental assistance at the time of his or her death. The HOPWA regulations require that housing and supportive services to survivors continue for a reasonable grace period not to exceed one year; the regulations also allow programs to assist the family with housing information and moving expenses (i.e., expenses such as those provided under permanent housing placement) (24 CFR 574.310(e)). Appropriate initial support could focus on bereavement support, followed by counseling on available assistance to facilitate a reasonable transition well within the maximum one year period. The client should be informed about these policies. Organizations should consider whether to include this information in the client participant agreement or address it separately.

Additional guidance related to developing termination procedures is available in Chapter 3 of the HOPWA Grantee Oversight Resource Guide.<sup>12</sup>

### Program (House) Rules

In rental assistance programs, a set of program rules (referred to in some programs as house rules) should be developed to define the actions and behaviors expected of program participants. In a PBRA or facility-based Master Leasing program, these rules may be in the form of an addendum to the tenant's lease. In a TBRA or scattered site Master Leasing program, the rules should be provided as a part of the client participation agreement or statement of client responsibilities.

Program rules should be clearly written and easily understood by clients. When developing rules, programs should consider how they will be enforced, and rules that cannot be uniformly enforced should be excluded. Legality of program rules should also be reviewed to ensure that they are consistent with all applicable Federal, state and local laws. Additionally, programs may want to allow for client input into the rules, as well as a process for periodic review and revision.

The following are suggested topics to address in program rules:

- **Tenant conduct.** Includes issues related to behaviors that are dangerous, unsanitary, or otherwise harmful to others and addresses rules regarding weapons, fights, violence, and loud or disturbing noise.
- **Substance abuse.** Policies on possession or use of alcohol or drugs may be appropriate depending upon the program focus.
- **Illegal activities.** Includes a statement about illegal activities that are strictly prohibited and will be reported to the police, such as the use, selling, or possession of illegal drugs, prostitution, and other illegal activities.
- **Additional rules.** Programs that use specific housing facilities (Project-Based or Master Leasing) will have additional issues to consider in developing rules, as the sponsor will also be the landlord. Some of these additional rules may relate to smoking, property damage, apartment maintenance, policies on visitors and overnight guests, and other similar matters.

### Emergencies and Grievances

PBRA and Master Leasing programs clearly need emergency and grievance procedures for their residents. TBRA programs, however, should also have policies that address under what circumstances staff should respond to client emergencies and procedures that address what they should do. Staff should discuss these with participants early in the intake process.

- **Emergency procedures.** Staff needs emergency procedures that include the steps to be taken in the event of psychiatric/medical emergencies, accidents, or other serious incidents affecting program participants, visitors, or staff. Such procedures should include on-call

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<sup>12</sup> To access the HOPWA Grantee Oversight Resource Guide, see: [www.onecpd.info](http://www.onecpd.info) and search the Resource Library. The direct link is here: [www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/](http://www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/).

phone numbers, emergency contacts, and other resources to be accessed in the event of an emergency.

- **Grievance procedures.** The rental assistance program should have clear, written grievance procedures for addressing resident grievances with other residents and/or staff. The grievance procedures should be available to both staff and residents/participants. Many programs require participants to sign documentation that they have been informed of this and other procedures at intake.

### **Housing Search Process**

Rental assistance programs that provide TBRA should develop written policies for program participants or staff persons to follow when assisting program participants as they search for housing that is suitable for rental assistance.

These policies should include information on permissible unit size, maximum rent allowed, and the area in which they may look, if applicable. Clients should also be informed as to the maximum period of time allowed for locating housing and be provided the applicable unit utility allowance schedule for the area. Additionally, many programs provide a simplified habitability standards checklist to help clients eliminate units that would not pass a HOPWA Habitability Standards inspection, which is required before signing a lease. Note that the HOPWA program does not require units to pass a Section 8 Housing Quality Standards (HQS) inspection; those standards are more stringent than the HOPWA Habitability Standards.

### **Move-in Prerequisites**

Clients should not be allowed to just locate a unit and sign a lease. A grantee or sponsor is responsible for making sure that the unit meets various regulatory requirements and is appropriate for the client to rent and inhabit. As such, a rental assistance program needs policies and procedures that address “move-in prerequisites.” Move-in prerequisites are the activities that need to occur before the client moves into a unit.

Rental assistance program staff needs to provide the client with guidance on evaluating units during a housing search, but staff also needs to confirm the unit meets occupancy and HOPWA Habitability Standards. They are responsible for reviewing leases prior to clients signing them and calculating resident rent contribution and subsidy amounts (as discussed in Chapter 4: Program Operations – Rental Subsidy). As part of the procedures for move-in prerequisites, staff needs a landlord contract that can be used when a client is able to rent a unit. Staff must also obtain and have on file an IRS W-9 form, Request for Taxpayer Identification Number and Certification on file, and set up a payment account.

A step-by-step guide for clients to follow as they prepare to move into housing will help avoid confusion and ensure consistency. See the example below.

**Move-in Guide Example**

- Initial client evaluation of unit
- Application to landlord to rent the unit
- Review of *unsigned* lease by program staff
- Confirmation of rent reasonableness, occupancy, and HOPWA habitability standards
- Signing of a landlord participation agreement and provision of IRS W-9 form, Request for Taxpayer Identification Number and Certification
- Move-in authorization given to client
- Lease signed by client
- Final calculation of client rent, utility allowance, and subsidy amount, along with account setup
- Authorization of move-in costs paid by program, if applicable

## Housing Suitability

In order to ensure compliance with HOPWA Habitability Standards, the rental assistance program staff should have a formal process for inspection of rental units prior to authorizing client lease execution and move-in. The process should include subsequent inspections at least annually during assisted occupancy. More information on HOPWA Habitability Standards is provided later in this chapter.

## Occupancy Standards

Occupancy standards refer to the guidelines set by a housing program governing the number of bedrooms allowed for households of different sizes and composition. HOPWA rental assistance programs have some flexibility in developing specific occupancy standards as long as the standards do not violate fair housing requirements and comply with Federal, state, and local fair housing and civil rights laws. Since there are no HOPWA occupancy standards specified by regulation, programs may wish to refer to Chapter 5.9 of HUD's Housing Choice Voucher Program Guidebook for general guidance.<sup>13</sup>

The primary intent when developing occupancy standards for the rental program, is to provide for the smallest number of bedrooms needed by a household without overcrowding. It is acceptable to make allowances for special needs or circumstances, but the standards developed by the program must be applied equally and fairly to all program participants.

Presented next is an example of basic occupancy standards for a rental assistance program. This example is for illustration only, and each program should establish its own, specific occupancy guidelines to regulate allowable unit size for program participants.

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<sup>13</sup> The Housing Choice Voucher Program guidebook can be found at: [www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm](http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm).

**Example: Occupancy Standards for HOPWA Rental Assistance Program**

*Sample Requirements*

- The head (and partner, if applicable) of household will be eligible for a separate bedroom.
- Single persons are eligible for a studio or one-bedroom unit only.
- Except as provided below, all other family members will use the standard of two persons per bedroom.
- Persons of the opposite sex will not be required to occupy the same bedroom except in the case of infants or children up to age 12. (Note that the age limit is strictly an example and is not tied to Federal regulation.)
- In some cases, relationship, age, sex, health, or handicap of a family member may warrant assignment of a larger unit size or bedroom configuration. Approval of such exceptions will be based on individual case review.

<b>Sample Unit Size Chart</b>		
<b>Unit Size</b>	<b>Minimum # of Persons in Household</b>	<b>Maximum # of Persons in Household</b>
SRO	1	1
Studio	1	1-2
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	4	6
4 Bedrooms	6	8

Some programs may choose to incorporate shared housing as a part of their policies addressing occupancy standards. HOPWA regulations allow shared housing, as long as participation in the shared housing is voluntary. The regulations also specify the manner in which rent may be charged to each individual based on the private space occupied by that individual. If a program decides to allow shared housing options, policies and procedures regarding the occupancy of shared housing units should be clearly defined and outlined in accordance with HOPWA regulations. Shared housing is discussed in more detail in Chapter 4: Program Operations – Rental Subsidy.

**Tenant Lease Requirements**

After the client finds a unit that is suitable and meets the program’s rent standard, HOPWA Habitability Standards, lead-based paint, and rent reasonableness guidelines, the lease must be reviewed and approved by program staff. Rental assistance programs may develop a preferred lease format that landlords must use, or they may allow landlords to use their own leases, as long as the leases do not contain provisions prohibited under the program.

As a general rule, the lease between the tenant and the landlord must be for not less than one year and should allow for renewal after that period. However, it should be noted that Section 8 regulations, which HOPWA follows to the extent practicable, provide that a grantee and/or project sponsor may approve a shorter initial lease if such shorter term would improve the housing opportunities for the tenant and such shorter term is the prevailing local market practice.<sup>14</sup> The following provisions should either be contained in the lease or added as a lease addendum:

- Details about the rental amount, including tenant and rental program shares of the rent to be paid monthly
- List of utilities to be paid or provided by landlord and those to be paid by tenant
- List of appliances to be provided by landlord
- Explanation of landlord's responsibility for maintenance and services
- Condition(s) necessary for eviction
- Prohibition against discrimination
- Amount of security deposit and who will pay it
- Names of all occupants that will be living in the unit

The lease should **not** contain any of the following provisions:<sup>15</sup>

- **Agreement to be sued.** Agreement by the tenant to be sued, to admit guilt or to a judgment in favor of the owner in a lawsuit brought in connection with the lease
- **Treatment of property.** Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties

Note: This prohibition does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with state law.

- **Excusing owner from responsibility.** Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent
- **Waiver of notice.** Agreement by the tenant that the owner may institute a lawsuit without notice to the tenant
- **Waiver of legal proceedings.** Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties
- **Waiver of right to appeal court decision.** Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease

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<sup>14</sup> Office of HIV/AIDS Housing, U.S. Department of Housing and Urban Development. *Housing Opportunities for Persons with AIDS (HOPWA) Grantee Oversight Resource Guide*. 2008.

<sup>15</sup> The suggested standards listed here are borrowed from the HOME program, which explicitly prohibits such lease provisions in programs receiving HOME assistance. See 24 CFR § 92.253 – *Tenant and participant protections*.



- **Tenant chargeable with cost of legal actions regardless of outcome.** Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant

Note: The tenant may be obligated to pay costs if the tenant loses.

- **Payment of additional rent or fees to landlord.** Agreement by the tenant to pay additional rent or fees to the landlord out of pocket once occupancy takes place

The lease terms should allow the landlord to terminate the lease or refuse to renew the lease of a tenant only for the following reasons:

- Serious or repeated violation of the terms and conditions of the lease
- Violations of applicable Federal, state, or local law
- For other good cause

Program staff should review prospective leases to ensure that the provisions meet the standards described in this section, as well as any additional requirements developed by the program. Clients should not be directed to sign a lease until this review is complete **and** the landlord has signed an agreement to participate in the rental assistance program.

### **Rental Program Landlord Contract**

Before the client signs the lease and payment of rental assistance begins, a contract of participation agreement must be signed between the administering agency and the owner of the unit in question. This agreement/contract is intended to clarify rights and responsibilities of each party and should include the following:

- Landlord contact information and Tax ID number or Social Security number
- Overview of the rental assistance program process
- Landlord acknowledgement and acceptance of rental assistance program requirements, which may include initial and continuing compliance with HOPWA Habitability Standards, state and local laws governing landlord and tenant relations, and program rules related to such issues as return of deposits, conflict resolution, and required notifications
- Additional program procedures, such as statement about program staff availability to help resolve problems with client rent payment or behavior

The landlord contract should not list the HOPWA program by name, nor should it refer to the HIV/AIDS program generally.

The landlord contract should be fully executed and signed by the landlord and designated agency staff. A contract of this type should be executed for each unit occupied under the rental assistance program, and a copy should be placed in each client's individual file. A sample Rental Assistance Landlord Contract is provided as **Attachment 5-3**.

### **HOPWA HABITABILITY STANDARDS**

The HOPWA regulations specify that each housing unit supported through rental assistance or operating costs must comply with the housing quality standards as outlined in 24 CFR 574.310(b), also known as the HOPWA Habitability Standards. To this end, a rental assistance program must ensure that each leased unit be 1) safe and sanitary and compliant with all state and local housing codes, licensing requirements, or other local requirements, and 2) meet HOPWA's Habitability Standards. These requirements apply to PBRA programs when the organization owns the units, Master Leasing programs when the organization is the tenant subletting to households, and TBRA programs where the organization

is responsible for approving the unit the tenant rents. As such, a program's policies and procedures must provide clear guidance to staff regarding their responsibilities.

This section outlines the required HOPWA Habitability Standards required to be met for every leased unit. Policies must ensure that every unit leased meets HOPWA Habitability Standards and local and state housing codes. Additionally, the policies should cover how the inspections will be conducted, as mentioned earlier. The inspection should be conducted before the leasing of any unit and should be repeated annually during the recertification of the unit. Staff conducting the inspection does not need specialized training, but they must be familiar with the HOPWA Habitability Standards.

The standards are as follows:

- **Structure and materials.** The structure must be structurally sound so as not to pose any threat to the health and safety of the occupants and to protect the residents from hazards.
- **Access.** The housing must be accessible and capable of being used without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.
- **Space and security.** Each resident must be afforded adequate space and security for themselves and their belongings. An acceptable place to sleep must be provided for each resident.
- **Interior air quality.** Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.
- **Water supply.** The water supply must be free from contamination at levels that threaten the health of individuals.
- **Thermal environment.** The housing must have adequate heating and/or cooling facilities in proper operating condition.
- **Illumination and electricity.** The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.
- **Food preparation and refuse disposal.** All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.
- **Sanitary condition.** The housing and any equipment must be maintained in sanitary condition.

A signed copy of a form indicating that the unit meets the HOPWA Habitability Standards must be in the client's file. A sample of this form is provided as **Attachment 5-4**.

### **Lead-Based Paint**

The procedures for HOPWA Habitability Standards inspections must include an inspector's review for compliance with the Lead-Based Poisoning Prevention Act of 1973 and its applicable regulations found at 24 CFR 35, Subpart M. Rental assistance program staff should also consult local or state laws that may apply and be more stringent than Federal law.

The lead-based paint regulations require certain responses to potential lead-based hazards. Depending on the type of rental assistance program and the activity, the program staff either must conduct the required activities or ensure that required activities have been conducted by property owners or managers. It may be helpful for grantees to think about the requirements in the categories described here.

### Disclosure and Notification Requirements

Disclosure requirements are triggered for ALL properties constructed prior to 1978. These requirements require that lessors (property owners or managers) provide tenants with the following two items:

- HUD’s disclosure form for rental properties disclosing the presence of known and unknown lead-based paint
- A copy of the “Protect Your Family from Lead in the Home” pamphlet

Both the disclosure form and pamphlet are available at:  
[www.hud.gov/offices/lead/enforcement/disclosure.cfm](http://www.hud.gov/offices/lead/enforcement/disclosure.cfm).

As stated above, this requirement actually relates to property owners/managers, but sharing this information with your clients (or ensuring they have received it) is an important opportunity to educate clients about the potential hazards related to lead and their rights as tenants.

### The Visual Assessment

Regulations require that a visual assessment of existing paint surfaces in dwellings be conducted before leasing the unit, and on an annual basis thereafter as long as assistance is provided. Visual assessments are only triggered under certain circumstances:

- The household living in the unit is being assisted with HOPWA assistance (rent assistance, utilities assistance, utility/security deposits, etc.);
- The unit was constructed prior to 1978; **and**
- A child under the age of six or pregnant woman is or will be living in the unit.

Visual assessments are not triggered under any of the following circumstances:

- It is a zero-bedroom or SRO-sized unit.
- X-ray or laboratory testing of all painted surfaces by certified personnel has been conducted in accordance with HUD regulations, and the unit is officially certified to not contain lead-based paint.
- The property has had all lead-based paint identified and removed in accordance with HUD regulations.
- It meets any of the other exemptions described in 24 CFR Part 35.115(a).

Program staff should make the visual assessment a part of their HOPWA Habitability Standards inspections.

Visual assessments must be conducted by a HUD-Certified Visual Assessor. It is important to note that a HUD-Certified Visual Assessor is not equivalent to a Certified Clearance Examiner. Anyone may become a HUD-Certified Visual Assessor by successfully completing a 20-minute online training by visiting: [www.hud.gov/offices/lead/training](http://www.hud.gov/offices/lead/training) and clicking on “Take the Visual Assessment Course.” Depending on the results of the visual assessment, additional steps may be required before assistance can be provided for that unit.

### Paint Stabilization

If, during the HOPWA Habitability Standards inspection, a visual assessment reveals problems with paint surfaces, program staff should not approve the unit for leasing. The program staff should notify the property owner of the need for paint stabilization. Specific guidelines for paint stabilization can be found in 24 CFR 35.1330(b).

### Lead-Based Paint Maintenance

During the annual recertification of the unit, program staff should conduct a visual assessment of the stability of painted surfaces.

### Response to a Child with Elevated Blood Lead Levels

If a child under the age of 6 living in a HOPWA leased unit is found to have elevated blood levels, the response process established based on 24 CFR 35.1225 takes effect. Program staff should have an established response policy based on these regulations.

### **Fire Safety**

Rental assistance programs are required to comply with the Fire Administrative Authorization Act of 1992 (Act). Policies and procedures should ensure that, during the HOPWA Habitability Standards inspection, program staff adequately reviews housing units to determine if they conform to the Act. The following provisions of the Act are applicable to the HOPWA program:

- The Act limits the payment of rental assistance in connection with newly constructed multi-family units (post-1994) that are four or more stories unless the property is equipped with automatic sprinkler systems and hard-wired smoke detectors.
- For all units, regardless of when the unit was constructed, smoke detectors must be present on each level of the dwelling unit including basements, but excluding spaces and unfurnished attics. At least one battery operated or hard-wired smoke detector must be present. All smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standards (NFPA) 74 or its successor standards.
- If eligible persons or members of their household are hearing impaired, the smoke detector must be equipped with hearing-impaired alarm as specified in NFPA 74 or its successor standards. Rental assistance programs are not required to pay for the installation of hearing-impaired smoke detectors, and HOPWA funds cannot be used if the sponsor or grantee chooses to do so.

If the unit does not meet these standards, rental assistance cannot be approved until the standards are met. HOPWA funds may not be used to install, replace, or repair smoke detectors in any unit. A landlord may be asked to make necessary repairs for the units before they are approved.

### **FINANCIAL MANAGEMENT**

Every organization, regardless of its line of business, needs to manage its resources, and the best way to do so is to have financial management policies and procedures in place.

- **Federal requirements.** All organizations receiving Federal funding must adhere to financial management requirements. See **Attachment 5-5** for a summary of the relevant regulations and OMB circulars.
- **Allocating costs.** Each staff person working on HOPWA activities needs to have a clear process for recording and adequately documenting time that can be charged to HOPWA program. Key to this process is a robust time-keeping system and standardized forms for case managers to record their activities and keep in their files. In addition, staff needs a clear understanding of the basis for properly allocating non-personnel costs to the HOPWA program.
- **Recordkeeping system.** A rental assistance program needs a well-organized recordkeeping system to maintain adequate oversight and control of its cash, property, and other assets. As part of that system, HOPWA expenditures must always be properly documented, regardless if they are direct or indirect, program or administrative, personnel or non-personnel. Financial and recordkeeping systems should record in a readily retrievable manner all of the financial (and other) data required for HOPWA reports. While records should be readily retrievable, procedures also need to control access to records, forms, and assets and otherwise safeguard them.

- **Approval and authority.** Written procedures should detail how financial transactions are approved and recorded and how transactions are tracked. Policies should describe who has the authority to approve financial transactions, separate duties effectively to safeguard against fraud, and ensure that no one person has control over an entire financial transaction.
- **System for payment of monthly rent subsidy.** Programs must establish an internal system to process and track monthly payments to landlords. Procedures for landlord payments should specify staff responsibilities, timelines, and the documentation that must be on file.
- **Management of rental subsidies.** Rental assistance programs should have a system for tracking rental subsidy payments to ensure that sufficient funding is available to support the number of units under contract obligation. This will allow program staff to assess whether sufficient funds are available to assist additional clients or whether the number of clients assisted should be reduced.

## ENVIRONMENTAL CONSIDERATIONS

Environmental factors need to be considered as part of the planning process in rental assistance programs. While planning costs incurred in developing a HOPWA rental assistance program do not require environmental review (such costs are “exempt”), it is essential to complete required environmental review procedures before spending funds for leasing or other program implementation costs. Failure to do so may result in costs having to be repaid because of non-compliance with environmental requirements.

Grantees that are units of government (states, cities, and counties) are required to comply with standard environmental review procedures established under HUD regulations (24 CFR Part 58). A grantee that is not a unit of government should contact the local government for the project area to request that it assume environmental review responsibilities. When this is not feasible, the grantee needs to seek guidance from the HUD Field Office program representative and Field Office environmental staff.

The nature and scope of environmental reviews vary with the type of rental assistance program that is developed. The National Environmental Policies Act (NEPA) and HUD review procedures establish the following categories:

- **Tenant-Based Rental Assistance programs.** Considered “categorically excluded” and NOT subject to related environmental laws and authorities.

Note: The use of emergency housing vouchers to place homeless families in temporary housing, such as short-term use of hotel/motel units, is considered a short-term payment for rent costs under HUD environmental regulations. (See inset below for more information.)

- **Project-Based Rental Assistance and Master Leasing programs.** Considered “categorically excluded” but IS subject to evaluation under related environmental laws and authorities.
- **Acquisition (with or without rehabilitation).** Acquisition of a residential structure for use as HOPWA rental housing that does not exceed specified thresholds<sup>16</sup> is also considered “categorically excluded” but subject to evaluation under related environmental laws and authorities.
- **Construction of a residential facility.** This type of project requires evaluation under environmental standards and a “full assessment.”

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<sup>16</sup> Refer to 24 CFR 58.35(a)(3)(i) and (ii) and more general guidance on environmental review at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/environment/](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/).

### Short-Term Payment Costs

The use of emergency housing vouchers to place homeless families in temporary housing, such as short-term use of hotel/motel units, is considered a short-term payment for rent costs under HUD environmental regulations.

Note. Any “short-term payments for rent/mortgage/utility costs” for temporary housing and related supportive services listed at 24 CFR 58.35(b)(2) are eligible as categorical exclusions from the National Environmental Policy Act (NEPA) [except in extraordinary circumstances under §58.35(c)] and are not subject to compliance with §58.5 environmental laws and authorities. A recipient does not have to submit an RROF and certification. However, for the environmental review record, the responsible entity (i.e., the unit of general local government or the State agency, if applicable) must document in writing the determination of short-term payment for rent costs as listed in the section on supportive services (24 CFR 58.35(d)). An environmental assessment may be required because of extraordinary circumstances and conditions at or affecting the location of the activity or project that may have significant environmental effect (§ 58.35(c)). The term “extraordinary circumstances” is defined at §58.2(a)(3)). The term “short-term or temporary”, although not defined in HUD environmental regulations, generally is considered to mean a duration of less than one year. Leasing for one or more years other than Tenant-Based Rental Assistance (TBRA) is subject to 24 CFR 58.35(a)(5), i.e., it is categorically excluded from assessment under NEPA (except in extraordinary circumstances) but is subject to compliance with §58.5 environmental laws and authorities. Under 24 CFR 58.35(b)(1), TBRA is excluded from NEPA review and not subject to compliance with §58.5 environmental laws and authorities.

Related links for formats on categorical exclusion, see:

- <http://portal.hud.gov/hudportal/documents/huddoc?id=excludednotsubject.doc>
- <http://portal.hud.gov/hudportal/documents/huddoc?id=exclusionsuggestedformat.doc>
- [http://www.schousing.com/library/HOME/Environmental%20Forms/Categorical%20Exclusion%20NOT%20Subject%20To\\_Fillable.pdf](http://www.schousing.com/library/HOME/Environmental%20Forms/Categorical%20Exclusion%20NOT%20Subject%20To_Fillable.pdf)

## **CHAPTER 5 ATTACHMENTS**

ATTACHMENT 5-1: COVERED ENTITY CHARTS

ATTACHMENT 5-2: SAMPLE HOPWA INFORMATION RELEASE FORM

ATTACHMENT 5-3: SAMPLE RENTAL ASSISTANCE LANDLORD CONTRACT

ATTACHMENT 5-4: SAMPLE HOPWA HABITABILITY STANDARDS FORM

ATTACHMENT 5-5: SUMMARY OF FEDERAL FINANCIAL MANAGEMENT  
REQUIREMENTS

# Covered Entity Charts

**Guidance on how to determine whether an organization or individual is a covered entity under the Administrative Simplification provisions of HIPAA**



**Background:**

The Administrative Simplification standards adopted by HHS under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) apply to any entity that is:

- a health care provider that conducts certain transactions in electronic form (called here a “covered health care provider”),
- a health care clearinghouse, or
- a health plan

An organization or individual that is one or more of these types of entities is referred to as a “covered entity” in the Administrative Simplification regulations, and must comply with the requirements of those regulations.

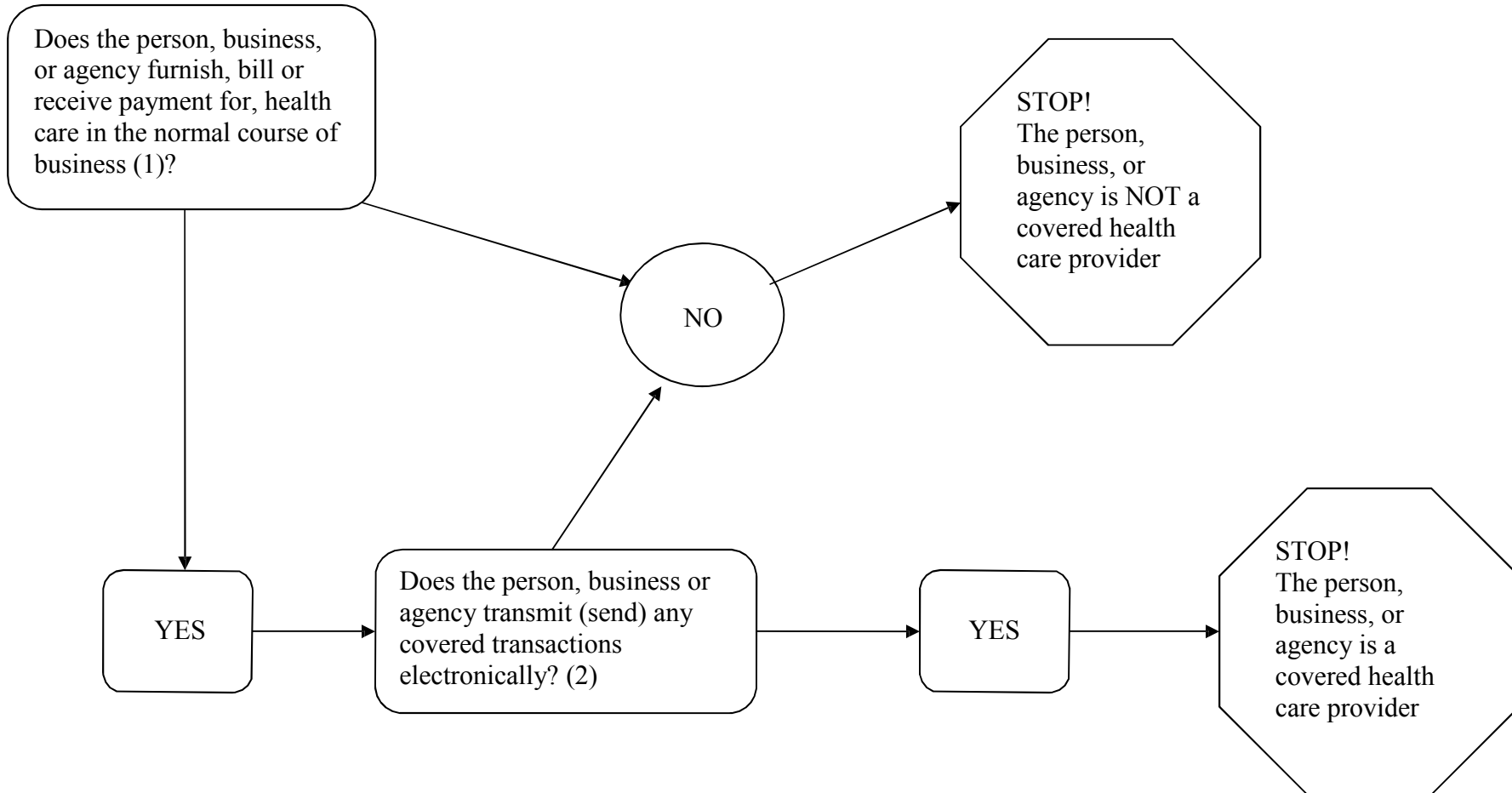
**How to Use These Charts:**

To determine if a natural person, business, or government agency is a covered entity, go to the chart(s) that apply to the person, business, or agency, and answer the questions, starting at the upper left-hand side of the chart(s).

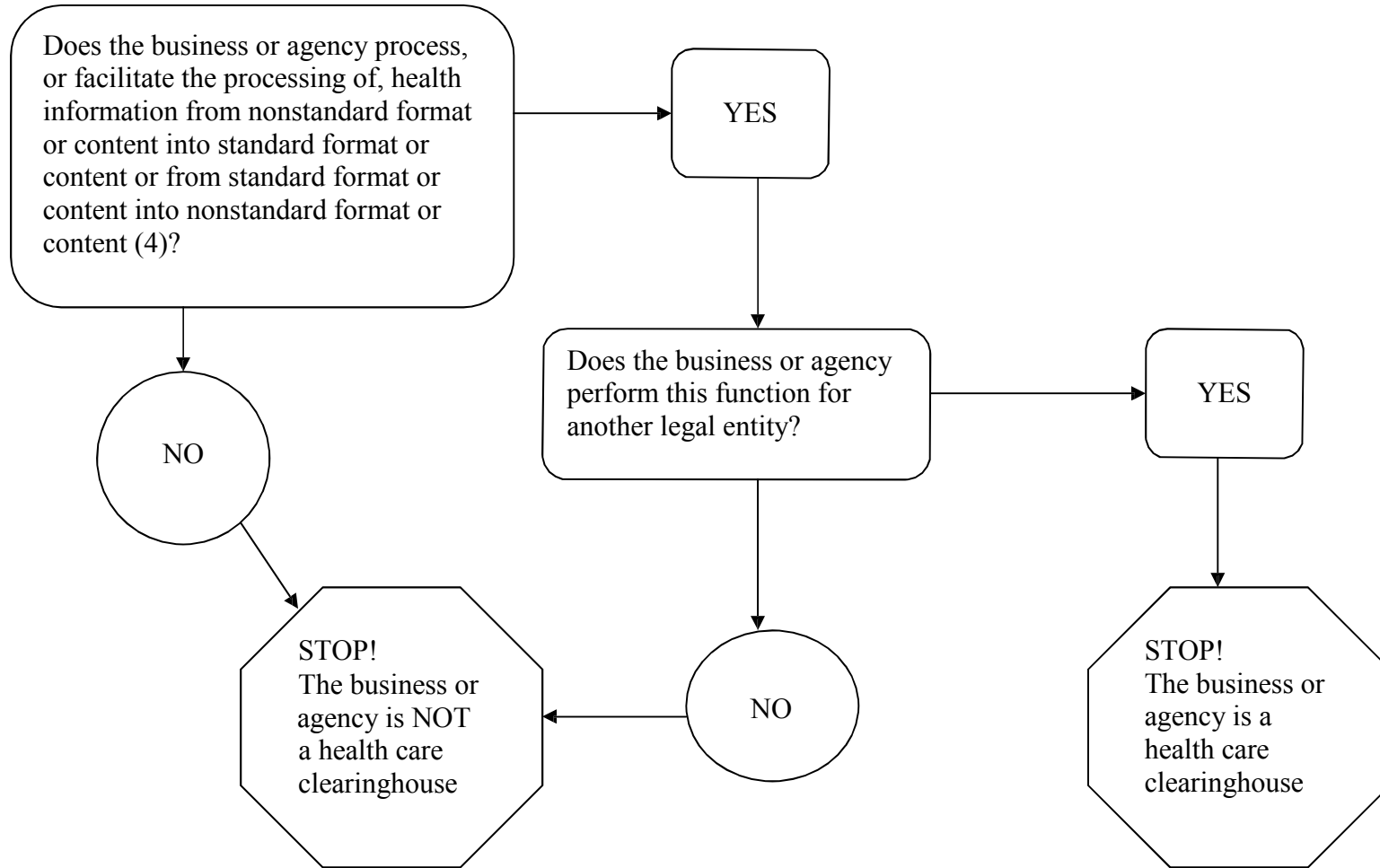
If you are uncertain about which chart(s) applies, answer the questions on all of the charts.

Many terms used in the charts are defined terms or have a special meaning. The definitions or special meanings are set out in the endnotes. The number for the appropriate endnote appears at the end of the question, if the defined term or special meaning is used in, or is relevant to, the question.

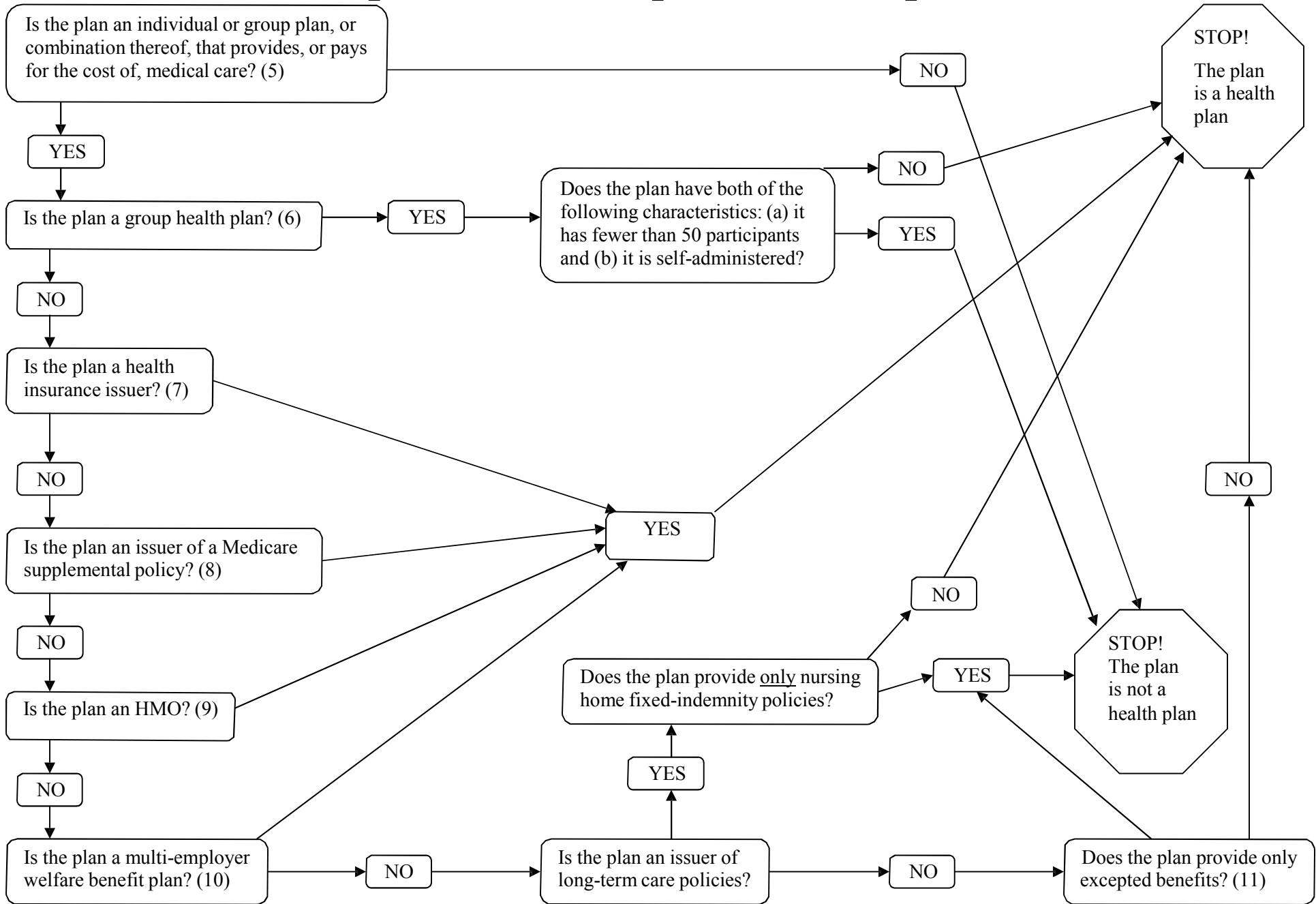
# Is a person, business, or agency a covered health care provider?



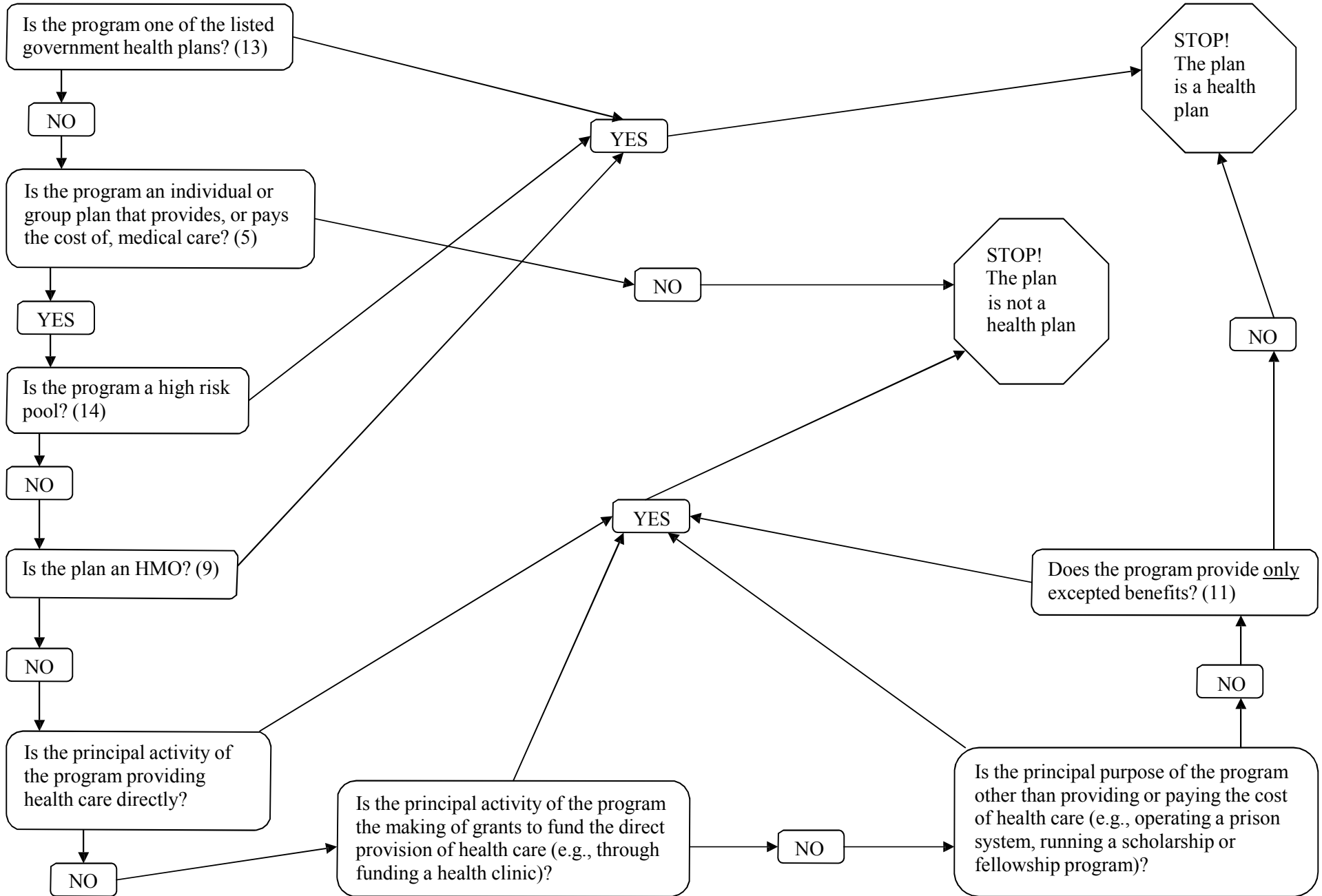
## Is a business or agency a health care clearinghouse?



## Is a private benefit plan a health plan?



# Is a government-funded program a health plan?



1. **Health care** means: care, services, or supplies related to the health of an individual. It includes, but is not limited to, the following:

(1) Preventive, diagnostic, rehabilitative, maintenance, or palliative care, and counseling, service, assessment, or procedure with respect to the physical or mental condition, or functional status, of an individual or that affects the structure or function of the body; and (2) Sale or dispensing of a drug, device, equipment, or other item in accordance with a prescription. See 45 C.F.R.160.103.

2. **Covered transactions** are transactions for which the Secretary has adopted standards; the standards are at 45 C.F.R. Part 162. If a healthcare provider uses another entity (such as a clearinghouse) to conduct covered transactions in electronic form on its behalf, the health care provider is considered to be conducting the transaction in electronic form.

A transaction is a covered transaction if it meets the regulatory definition for the type of transaction. These definitions for each type of covered transaction are provided below:

45 C.F.R.162.1101: Health care claims or equivalent encounter information transaction is either of the following:

(a) A request to obtain payment, and necessary accompanying information, from a health care provider to a health plan, for health care.

(b) If there is no direct claim, because the reimbursement contract is based on a mechanism other than charges or reimbursement rates for specific services, the transaction is the transmission of encounter information for the purpose of reporting health care.

45 C.F.R.162.1201: The eligibility for a health plan transaction is the transmission of either of the following:

(a) An inquiry from a health care provider to a health plan or from one health plan to another health plan, to obtain any of the following information about a benefit plan for an enrollee:

(1) Eligibility to receive health care under the health plan.

(2) Coverage of health care under the health plan.

(3) Benefits associated with the benefit plan.

(b) A response from a health plan to a health care provider's (or another health plan's) inquiry described in paragraph (a) of this section.

45 C.F.R.162.1301: The referral certification and authorization transaction is any of the following transmissions:

(a) A request for the review of health care to obtain an authorization for the health care.

(b) A request to obtain authorization for referring an individual to another health care provider.

(c) A response to a request described in paragraph (a) or paragraph (b) of this section.

45 C.F.R.162.1401: A health care claim status transaction is the transmission of either of the following:

- (a) An inquiry to determine the status of a health care claim.
- (b) A response about the status of a health care claim.

45 C.F.R.162.1501: The enrollment and disenrollment in a health plan transaction is the transmission of subscriber enrollment information to a health plan to establish or terminate insurance coverage.

45 C.F.R.162.1601: The health care payment and remittance advice transaction is the transmission of either of the following for health care:

(a) The transmission of any of the following from a health plan to a health care provider's financial institution:

- (1) Payment.
- (2) Information about the transfer of funds.
- (3) Payment processing information.

(b) The transmission of either of the following from a health plan to a health care provider:

- (1) Explanation of benefits.
- (2) Remittance advice.

45 C.F.R.162.1701: The health plan premium payment transaction is the transmission of any of the following from the entity that is arranging for the provision of health care or is providing health care coverage payments for an individual to a health plan:

- (a) Payment.
- (b) Information about the transfer of funds.
- (c) Detailed remittance information about individuals for whom premiums are being paid.
- (d) Payment processing information to transmit health care premium payments including any of the following:
  - (1) Payroll deductions.
  - (2) Other group premium payments.
  - (3) Associated group premium payment information.

45 C.F.R. 162.1801: The coordination of benefits transaction is the transmission from any entity to a health plan for the purpose of determining the relative payment responsibilities of the health plan, of either of the following for health care:

(a) Claims.

(b) Payment information.

**3. In electronic form** means: using electronic media, electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

**4.** As pertinent here, a **health care clearing house** is a “public or private entity ... that performs either of the following functions:

(1) Processes or facilitates the processing of health information ... in a nonstandard format or containing nonstandard data content into standard data elements or a standard transaction.

(2) Receives a standard transaction ... and processes or facilitates the processing of health information [in the standard transaction] into nonstandard format or nonstandard data content for the receiving entity”. See 45 C.F.R. 160.103.

A “standard transaction,” for the purpose of this definition, is a transaction that complies with the standard for that transaction that the Secretary adopted in 45 CFR Part 162. See 45 C.F.R. 162.103. See the list of covered transactions in endnote 2.

**5. Medical care** means: amounts paid for: (A) diagnosis, cure, mitigation, treatment or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body; (B) amounts paid for transportation primarily for and essential to medical care referred to in (A); and (C) amounts paid for insurance covering medical care referred to in (A) and (B). See 42 U.S.C. 300gg-91(a) (2).

**6. A group health plan** is: an employee welfare benefit plan (as defined in section 3(1) of the Employee Retirement Income and Security Act of 1974 (ERISA), 29 U.S.C. 1002(1)), including insured and self-insured plans, to the extent that the plan provides medical care (see endnote 5), including items and services paid for as medical care, to employees or their dependants directly or through insurance, reimbursement, or otherwise, that: (1) has 50 or more participants (see endnote 12); or (2) is administered by an entity other than the employer that established and maintains the plan. See 45 C.F.R. 160.103.



- 7. A *health insurance insurer*** is: an insurance company, insurance service or insurance organization (including an HMO) that is licensed to engage in the business of insurance in a state and is subject to state law that regulates insurance. (This term does not include a group health plan). See 45 C.F.R. 160.103.
- 8. An *issuer of a Medicare supplemental policy*** is: a private entity that offers a health insurance policy or other health benefit plan, to individuals who are entitled to have payments made under Medicare, which provides reimbursement for expenses incurred for services and items for which payment may be made under Medicare, but which are not reimbursable by reason of the applicability of deductibles, coinsurance amounts, or other limitations imposed pursuant to or other limitations imposed by Medicare. A Medicare supplemental policy does not include policies or plans excluded under section 1882(g)(1) of the Social Security Act. See 42 U.S.C. 1395ss (g)(1).
- 9. A *health maintenance organization*** is: a federally qualified health maintenance organization, an organization recognized as a health maintenance organization under state law, or a similar organization regulated for solvency under state law in the same manner and to the same extent as a health maintenance organization as previously described. See 45 C.F.R. 160.103.
- 10. A *multi-employer welfare program*** is: an employee welfare benefit plan or any other arrangement that is established or maintained for the purpose of offering and providing health benefits to the employees of two or more employers. See 45 C.F.R. 160.103.
- 11. *Excepted benefits*** are: coverage for accident, or disability income insurance, or any combination thereof; coverage issued as a supplement to liability insurance; liability insurance, including general liability insurance and automotive liability insurance; workers' compensation or similar insurance; automobile medical payment insurance; credit only insurance; coverage for on-site medical clinics; other similar insurance coverage, specified in regulations, under which benefits for medical care are secondary or incidental to other insurance benefits. See 42 U.S.C. 300gg-91(c)(1).
- 12. A *participant*** means: any employee or former employee of an employer, or any member or former member of an employee organization, who is or may become eligible to receive a benefit of any type from an employee benefit plan which covers employees of such employer or member of such organization, or whose beneficiaries may be eligible to receive any such benefit.
- 13. The listed *government-funded health plans*** are: the Medicare program under Title XVIII of the Social Security Act (Parts A, B and C) (42 U.S.C. 1395, et seq.); the Medicaid program under Title XIX of the Social Security Act (42 U.S.C. 1396, et seq.); the health care program for active military personnel (10 U.S.C. 1074, et seq.); the veterans health care program (38 U.S.C. Ch.17); the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) (10 U.S.C. 1061, et seq.); the Indian Health Service program under the Indian Health Care Improvement Act (25 U.S.C. 1601); the Federal Employees Health Benefit Program (5 U.S.C. Ch. 89); and approved state child health programs under Title XXI of the Social Security Act (42 U.S.C. 1397, et seq.) (SCHIP).
- 14. A *high risk pool*** is a mechanism established under State law to provide health insurance coverage or comparable coverage to eligible individuals.

**PERMISSION TO RELEASE CONFIDENTIAL  
INFORMATION TO SECURE NECESSARY SERVICES  
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS**

I authorize personnel of \_\_\_\_\_ or this local agency \_\_\_\_\_ to share my identity, the fact that I have a confirmed diagnosis of HIV or AIDS, and that I seek their services for support. I authorize only those agencies or individuals who are listed below. Unless I have initialed and signed additional release forms for specific purposes, no information which might identify me may be shared by representatives of \_\_\_\_\_ or this Agency with any other person or organization. I understand that \_\_\_\_\_ or this Agency will take all necessary precautions to protect my identity. This consent expires \_\_\_\_\_ months after signed, when revoked, in writing, by the authorized person, or upon exit from the program.

By my signature below, I hereby agree that I shall not hold \_\_\_\_\_ or this Agency \_\_\_\_\_ liable for the performance or quality or degrees of performance of services agreed to by affiliates. I authorize \_\_\_\_\_ and this Agency \_\_\_\_\_ to release my identity, my HIV/AIDS status when necessary, and my need for services and support to the individuals, groups, or agencies listed below.

<b>Name of Authorized Persons*</b>	<b>Applicant's Initials</b>	<b>Date</b>
Agency Name:		
Case Manager:		
Physician:		
Clinic:		

*\*This includes Clergy, Counselors, other Agencies, Family members, Attorneys, Landlords, or anyone that the client may so choose.*

My signature below, authorizes \_\_\_\_\_ (Agency) to release necessary information to the agencies and individuals initialed by me, above. Further, if I am unable to participate in a determination of those services which would be of benefit to me, or my permission is needed in the future to authorize additional services for this program, my signature below authorizes the named individual to sign for assistance for me in my absence after receiving my verbal permission. Finally, if I am unable to make decisions, the person listed below is hereby authorized to represent me:

Print Name of Designated Individual	Relationship
Address	Phone/Fax
Client Signature	Date
Witness Signature	Date

NOTES: \_\_\_\_\_

**SAMPLE RENTAL ASSISTANCE LANDLORD CONTRACT**

LANDLORD NAME & ADDRESS  Telephone No. _____	UNIT NO. & ADDRESS	TENANT NAME
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This Rental Assistance Contract ("Contract") is entered into between \_\_\_\_\_ (insert Program Administrator/administering agency name) and the Landlord identified above. This Contract applies only to the Tenant family and the dwelling unit identified above.

**1. TERM OF THE CONTRACT**

The term of this Contract shall begin on \_\_\_\_\_<sup>1</sup> and automatically terminates on the last day of the term of the Lease, \_\_\_\_\_.

**2. SECURITY DEPOSIT<sup>2</sup>**

- A. The Tenant / Program Administrator (circle one) will pay a security deposit to the Landlord in the amount of \$\_\_\_\_\_. The Landlord will hold this security deposit during the period the Tenant occupies the dwelling unit under the Lease. The Landlord shall comply with state and local laws regarding interest payments on security deposits.
- B. After the Tenant has moved from the dwelling unit, the Landlord may, subject to state and local law, use the security deposit, including any interest on the deposit, as reimbursement for rent or any other amounts payable by the Tenant under the Lease. The Landlord will give the Tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used as reimbursement to the Landlord, the Landlord shall promptly refund the full amount of the balance to the Tenant/ Program Administrator (circle one).
- C. The Landlord shall immediately notify the (program administrator) when the Tenant has moved from the Contract unit.

**3. RENT AND AMOUNTS PAYABLE BY TENANT AND (program administrator)**

- A. *Initial Rent.* The initial total monthly rent payable to the Landlord for the first twelve months of this Contract is \$\_\_\_\_\_.
- B. *Tenant Share of the Rent.* Initially, and until such time as both the Landlord and the Tenant are notified by the (program administrator), the Tenant's share of the rent shall be \$\_\_\_\_\_.
- C. *Program Administrator Share of the Rent.* Initially, and until such time as both the Landlord and Tenant are notified by the (program administrator), the (program administrator's) share of the rent shall be \$\_\_\_\_\_. Neither the (program administrator) nor HUD assumes any obligation for the Tenant's rent, or for payment of any claim by the Owner against the Tenant. The (program administrator's) obligation is limited to making rental payments on behalf of the Tenant in accordance with this Contract.

<sup>1</sup> Insert the first day of the term of the Lease.

<sup>2</sup> Modify the paragraph based on TBRA program policy.

- D. *Payment Conditions.* The right of the owner to receive payments under this Contract shall be subject to compliance with all of the provisions of the Contract. The Landlord shall be paid under this Contract on or about the first day of the month for which the payment is due. The Landlord agrees that the endorsement on the check shall be conclusive evidence that the Landlord received the full amount due for the month, and shall be a certification that:
1. The Contract unit is in decent, safe and sanitary condition, and that the Landlord is providing the services, maintenance and utilities agreed to in the Lease.
  2. The Contract unit is leased to and occupied by the Tenant named above in this Contract.
  3. The Landlord has not received and will not receive any payments as rent for the Contract unit other than those identified in this Contract.
  4. To the best of the Landlord's knowledge, the unit is used solely as the Tenant's principal place of residence.
- E. *Overpayments.* If the (program administrator) determines that the Landlord is not entitled to any payments received, in addition to other remedies, the (program administrator) may deduct the amount of the overpayment from any amounts due the Landlord, including the amounts due under any other Rental Assistance Contract.

#### **4. HOUSING QUALITY STANDARDS AND LANDLORD-PROVIDED SERVICES**

- A. The Landlord agrees to maintain and operate the Contract unit and related facilities to provide decent, safe and sanitary housing in accordance with 24 CFR Section 882.109, including all of the services, maintenance and utilities agreed to in the Lease.
- B. The (program administrator) shall have the right to inspect the Contract unit and related facilities at least annually, and at such other times as may be necessary to assure that the unit is in decent, safe, and sanitary condition, and that required maintenance, services and utilities are provided.
- C. If the (program administrator) determines that the Landlord is not meeting these obligations, the program administrator shall have the right, even if the Tenant continues in occupancy, to terminate payment of the (program administrator's) share of the rent and/or terminate the Contract.

#### **5. TERMINATION OF TENANCY**

The Landlord may evict the Tenant following applicable state and local laws. The Landlord must give the Tenant at least 30 days' written notice of the termination and notify the (program administrator) in writing when eviction proceedings are begun. This may be done by providing the (program administrator) with a copy of the required notice to the tenant.

#### **6. FAIR HOUSING REQUIREMENTS**

- A. *Nondiscrimination.* The Landlord shall not, in the provision of services or in any other manner, discriminate against any person on the grounds of age, race, color, creed, religion, sex, handicap, national origin, or familial status. The obligation of the Landlord to comply with Fair Housing Requirements insures to the benefit of the United States of America, the Department of Housing and Urban Development, and the (program administrator), any of which shall be entitled to involve any of the remedies available by law to redress any breach or to compel compliance by the Landlord.
- B. *Cooperation in Quality Opportunity Compliance Reviews.* The Landlord shall comply with the (program administrator) and with HUD in conducting compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders and all related rules and regulations.

**7. (Program administrator) AND HUD ACCESS TO LANDLORD RECORDS**

- A. The Landlord shall provide any information pertinent to this Contract which the (program administrator) or HUD may reasonably require.
- B. The Landlord shall permit the (program administrator) of HUD, or any of their authorized representatives, to have access to the premises and, for the purposes of audit and examination, to have access to any books, documents, papers, and records of the Landlord to the extent necessary to determine compliance with this Contract.

**8. RIGHTS OF (Program administrator) IF LANDLORD BREACHES THE CONTRACT**

- A. Any of the following shall constitute a breach of the Contract:
  - (1) If the Landlord has violated any obligation under this Contract; or
  - (2) If the Landlord has demonstrated any intention to violate any obligation under this Contract; or
  - (3) If the Landlord has committed any fraud or made any false statement in connection with the Contract, or has committed fraud or made any false statement in connection with any Federal housing assistance program.
- B. The (program administrator's) right and remedies under the Contract include recovery of overpayments, termination or reduction of payments, and termination of the Contract. If the (program administrator) determines that a breach has occurred, the program administrator may exercise any of its rights or remedies under the Contract. The (program administrator) shall notify the Landlord in writing of such determination, including a brief statement of the reasons for the determination. The notice to the landlord may require the Landlord to take corrective action by a time prescribed in the notice.
- C. Any remedies employed by the (program administrator) in accordance with this Contract shall be effective as provided in a written notice by the (program administrator) to the Landlord. The (program administrator's) exercise or non-exercise of any remedy shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

**9. RELATION TO THIRD PARTIES**

- A. The (program administrator) does not assume any responsibility for, or liability to, any person injured as a result of the Landlord's action or failure to act in connection with the implementation of this Contract, or as a result of any other action or failure to act by the Landlord.
- B. The Landlord is not the agent of the (program administrator) and this Contract does not create or affect any relationship between the (program administrator) and any lender to the Landlord, or any suppliers, employees, contractors or subcontractors used by the Landlord in connection with this Contract.
- C. Nothing in this Contract shall be construed as creating any right of the Tenant or a third party (other than HUD) to enforce any provision of this Contract or to assess any claim against HUD, the (program administrator) or the Landlord under this Contract.

**10. CONFLICT OF INTEREST PROVISIONS**

No employee of the (program administrator) who formulates policy or influences decisions with

respect to the Rental Assistance Program, and no public official or member of a governing body or state or local legislator who exercise his functions or responsibilities with respect to the program shall have any direct or indirect interest during this person's tenure, or for one year thereafter, in this contract or in any proceeds or benefits arising from the Contract or to any benefits which may arise from it.

**11. TRANSFER OF THE CONTRACT**

The Landlord shall not transfer in any form this Contract without the prior written consent of the (program administrator). The (program administrator) shall give its consent to a transfer if the transferee agrees in writing (in a form acceptable to the (program administrator)) to comply with all terms and conditions of this Contract.

**12. ENTIRE AGREEMENT: INTERPRETATION**

- A. This Contract contains the entire agreement between the Landlord and the program administrator. No changes in this Contract shall be made except in writing signed by both the Landlord and the (program administrator).
- B. The Contract shall be interpreted and implemented in accordance with HUD requirements.

**13. WARRANTY OF LEGAL CAPACITY AND CONDITION OF UNIT**

- A. The Landlord warrants the unit is in decent, safe, and sanitary condition as defined in 24 CFR Section 882.109, and that the Landlord has the legal right to lease the dwelling unit covered by this Contract during the Contract term.
- B. The party, if any, executing this Contract on behalf of the Landlord hereby warrants that authorization has been given by the Landlord to execute it on behalf of the Landlord.

Landlord Name (Type or Print):	(Program administrator) Representative (Type of Print):
(Signature/Date)	(Signature/Date)

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious, or fraudulent statements or entries, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000, or imprisoned for not more than five years, or both.

LANDLORD'S CHECK TO BE MAILED TO:

SS NO. or TAX ID NO. \_\_\_\_\_

NAME(S) \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF OWNER      DATE

**HOPWA HQS Habitability Standards**

All housing assisted under 24CFR574.300(b)(3),(4),(5), and (8), including the HOPWA Rental Assistance Program, must provide safe and sanitary housing that is in compliance with the habitability standards outlined below and any state or local requirements. Mark each statement as A for approved or D for deficient. Property must meet all standards in order to be approved.

- \_\_\_ i. Structure and materials: The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from hazards.
- \_\_\_ ii. Access: The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.
- \_\_\_ iii. Space and Security: Each resident must be afforded adequate space and security for themselves and their belongings. An acceptable place to sleep must be provided for each resident.
- \_\_\_ iv. Interior air quality: Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.
- \_\_\_ v. Water Supply: The water supply must be free from contamination at levels that threaten the health of individuals.
- \_\_\_ vi. Thermal environment: The housing must have adequate heating and/or cooling facilities in proper operating condition.
- \_\_\_ vii. Illumination and electricity: The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.
- \_\_\_ viii. Food preparation and refuse disposal: All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.
- \_\_\_ ix. Sanitary Conditions: The housing and any equipment must be maintained in sanitary condition.
- \_\_\_ x. Lead-based paint: If the structure was built prior to 1978, and a child under the age of six or a pregnant woman will reside in the property, and the property has a defective paint surface inside or outside the structure, the property cannot be approved until the defective surface is repaired by at least scraping and painting the surface with two coats of non-lead based paint. Defective paint surface means: applicable surface on which paint is cracking, scaling, chipping, peeling or loose. If a child under age six residing in the HOPWA-assisted property has an Elevated Blood Level, paint surfaces must be tested for lead-based paint. If lead is found present, the surface must be abated in accordance with 24 CFR Part 35.  
*Note the following to assist in determining if unit can be approved or is deficient: Date built/rehabbed \_\_\_; Children under 6 present \_\_\_; Pregnant woman \_\_\_; LBP brochure provided to household and signature of receipt on file \_\_\_.*
- \_\_\_ xi. Smoke detectors: The HOPWA program must comply with the Fire Administration Authorization Act of 1992 (P.L. 102-522). Smoke detectors must be installed in accordance with NFPA 74, or more stringent local policies as applicable. Existing units must contain a single or multiple station smoke detector; outside each sleeping area; on each level; battery operated or hard wired; clearly audible or interconnected. Accommodations must be made for individuals with sensory impairments.

(Source: U.S. Department of Housing and Urban Development: 24 CFR Part 574, B574.310 (b), B882.404(c)(3); and CPD-94-05.)

**CERTIFICATION STATEMENT**

I certify that I am not a HUD certified inspector and I have evaluated the property located at the address below to the best of my ability and find the following:

\_\_\_ The property meets all of the above standards      \_\_\_ The property does not meet all of the above standards.  
 \_\_\_ The property is Rent Reasonable      \_\_\_ The property is not Rent Reasonable

Therefore, I make the following determination: \_\_\_ The property is approved. \_\_\_ The property is not approved.

Case Name \_\_\_\_\_

Street Address \_\_\_\_\_

Apartment #      City      State      Zip

Evaluator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please Print Name: \_\_\_\_\_ CBO Exec. Dir. Initial \_\_\_\_\_

## Summary of Federal Financial Management Requirements

	Governmental Agencies	Nonprofits
<b>Uniform Financial Management Requirements</b>	24 CFR Part 85 (Implements OMB Circular A-102)	24 CFR Part 84 (Implements OMB Circular A-110)
<b>Cost Principles</b>	2 CFR Part 225 (supersedes OMB Circular A-87)	2 CFR Part 230 (supersedes OMB Circular A-122)
<b>Audit Requirements</b>	OMB Circular A-133	
<b>HOPWA Confidentiality</b>	24 CFR Part 574.440	

- Federal standards.** Financial policies and procedures must conform to 24 CFR Parts 85 and 84, pertaining to governments and nonprofits, respectively. These requirements address internal, budget, and accounting controls. Collectively, these controls are established through policies and procedures pertaining to staff with financial responsibilities; procedures for tracking, reporting on, and obtaining revisions for the budget; and requirements for accounting records and source documentation.
- Cost Principles.** Cost principles are a key part of determining whether costs are allowable, reasonable, and allocable under Federal programs. Cost principles define how to arrive at the cost of a specific activity or department, both for internal purposes (determining the true cost of an activity or department) as well as external purposes (determining costs chargeable to grants, contracts, and other agreements).
- Procurement.** All organizations must adhere to procurement requirements. Most sponsors use HOPWA funds to procure “small purchases” (e.g., office equipment or janitorial services), while others procure more substantial contracts for services or goods. For all procurements, written policies and procedures must describe how the organization will procure goods and services, what information staff will require when receiving a price or rate quote, and who will have approval authority.
- Audit requirements.** The focus of an audit conducted in accordance with Circular A-133 is on the financial statements of the audited organization and its internal controls, along with compliance with other laws, regulations, and award provisions.
- Confidentiality.** Sponsors and grantees are required to protect the privacy of recipients of HOPWA assistance. Staff should use HIV status information only for verifying eligibility. HIV/AIDS status information, along with related personal participant eligibility documentation, should only be accessible to staff persons who require access to this information to carry out their responsibilities in administering the HOPWA program. Written confidentiality policies and procedures need to be in place and should describe how they protect participant confidentiality. Staff should receive training and periodic reminders about confidentiality.



# CHAPTER 6: HOPWA GRANT MANAGEMENT REQUIREMENTS

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## WHAT THIS CHAPTER IS ABOUT

Successful planning for HOPWA rental assistance must consider how the grantee and project sponsor together will meet the specific grant management requirements of the HOPWA program. To be effective, the rental assistance program should develop conforming management policies and procedures from the start of the implementation of the rental assistance program to ensure compliance and avoid the difficulties of trying to fix problems after the fact.

Grant management encompasses a range of activities; in this chapter, the focus is on overseeing and monitoring project sponsor rental assistance program activities. Although not discussed in detail in this guidebook, oversight should be viewed as a comprehensive, systematic approach to promoting effective program results in the delivery of decent, affordable housing and related services to eligible HOPWA clients.

This chapter covers the following aspects of HOPWA grant management in the context of rental assistance:

- Grantee oversight of project sponsor activities
- Financial management of personnel and non-personnel costs
- Financial management documentation
- Performance measurement and reporting

Please note that starting in FY2012, HOPWA grantees and project sponsors must ensure that at least one employee obtains a certificate of completion of the HOPWA Financial Management Online Training, or demonstrates financial management capacity by the use of other credentials related to Federal requirements at 24 C.F.R. 85.20, as specified in a HUD-approved plan. For more information and to access the online training, please visit: [www.onecpd.info/resource/1238/hopwa-financial-management-online-training/](http://www.onecpd.info/resource/1238/hopwa-financial-management-online-training/). To access the complementary HOPWA Financial Management Training Manual, please visit: [www.onecpd.info/resource/1920/hopwa-financial-management-training-manual/](http://www.onecpd.info/resource/1920/hopwa-financial-management-training-manual/).

### Helpful Resources

Below are a list of additional resources to aid grantees and project sponsors in meeting the grant management, oversight, and monitoring requirements of the HOPWA program:

- HOPWA Grantee Oversight Resource Guide  
To access, please visit: [www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/](http://www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/)
- Community Planning and Development Grantee Monitoring Handbook (CPD Monitoring Handbook)  
To access, please visit: [www.hud.gov/cpd](http://www.hud.gov/cpd), select the “Library” link, review resources under the “Non-Program Materials” heading

## OVERSIGHT OF PROJECT SPONSORS<sup>17</sup>

Overseeing project sponsor activities starts when grantees select sponsors and enter into contractual agreements. During that time, grantees should emphasize preparation and training; for example, grantees should ensure that sponsors understand requirements for program operations, financial management, and reporting, much of which has been introduced in this guidebook. Productive oversight continues with ongoing monitoring, both remotely and onsite. In order to provide effective oversight for HOPWA rental assistance programs, grantees should do the following:

- Ensure a strong program of upfront, proactive guidance and training—both for grantee staff and sponsors—that helps achieve compliance, as opposed to after-the-fact oversight that uncovers deficiencies and problems
- Ensure both grantee staff and sponsors are taking steps to protect privacy and meet confidentiality requirements
- Provide guidance and training to the staff conducting oversight to continually improve skills in conducting oversight reviews and managing the oversight process
- Develop clear and comprehensive written agreements to achieve compliance and that can be relied upon as the basis for oversight reviews
- Periodically review and update the oversight system to refine the risk analysis process, reflect any revised program rules and requirements, and take advantage of insights gained from experience
- Establish and follow appropriate termination procedures to ensure accountability in a rental assistance program (Given the significant consequences of termination from rental assistance program, this topic merits careful attention both in upfront training and in oversight reviews.)

**Attachment 6-1** contains The Guide for Review of HOPWA Project Sponsor or Subrecipient Management (Exhibit 10-4) from the Community Planning and Development Grantee Monitoring Handbook. This document provides both the HOPWA grantee and the project sponsor with a comprehensive description of the elements expected to be included in the oversight system.

### Grantee – Sponsor Agreements

Local HOPWA programs have already developed some form of agreement that governs the grantee – project sponsor relationship. As grantees select sponsors to undertake rental assistance it would be useful to review the basic format that has been used in the past.

When a sponsor undertakes a HOPWA rental assistance program, the grantee needs to ensure that the agreement focuses on the following topics:

- **Households assisted.** The agreement must be clear about how many households the sponsor is expected to assist, with reasonable timeframes for either a start-up or ongoing program.
- **Budgeting.** There must be a specific, realistic budget both for rental subsidy and personnel costs based on research of expected rental costs, utility costs, typical client rent contribution, and reasonable staff time required for case processing.
- **Recordkeeping.** The provision on recordkeeping needs to spell out in detail a schedule of records that must be compiled for each case. Agreements that describe recordkeeping

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<sup>17</sup> This section is based on the HOPWA Grantee Oversight Resource Guide. For a more comprehensive treatment of oversight and monitoring, refer to this guide at: [www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/](http://www.onecpd.info/resource/1003/hopwa-grantee-oversight-resource-guide/).

requirements in vague, general terms such as “records documenting household eligibility” are a prescription for problems. Specific delineation of required records such as “household composition” or “verified sources of all household income” provides a more effective basis for meeting recordkeeping requirements. Detailed recordkeeping requirements are discussed later in this chapter.

## Monitoring Activities

Grantees need to ensure that sponsors have a clear understanding of what monitoring entails. Sponsors may think of monitoring as simply an onsite visit during which grantee staff reviews the adherence to prescribed policies and procedures and the completeness and accuracy of financial and other records. Others may mistakenly equate monitoring to auditing.

Monitoring encompasses several activities, one of which is onsite visits. Effective and productive monitoring also involves the development of a monitoring plan and remote monitoring.

- **Monitoring plan.** The grantee should have an individualized monitoring plan for each project sponsor that will identify that sponsor’s required rental assistance program activities, the recordkeeping and reporting requirements, and the plan and schedule for monitoring those activities. The grantee should provide a copy of this plan to the project sponsor.
- **Remote monitoring.** This activity occurs as part of the ongoing relationship between the grantee and each sponsor. Routinely, sponsors submit and grantees process payment requests, sponsors report and grantees review financial and program data, and so forth. These interactions provide grantees opportunities to identify areas of concern and address them with the sponsor, prior to the need for intervention or other stringent measures.
- **Onsite monitoring.** At some point, grantees are likely to visit each of their project sponsors. The onsite monitoring entails a more comprehensive and thorough review of the sponsors program activities and financial management systems. Financially, for example, a detailed examination of a sample of files and transactions can indicate whether charges for rental assistance, personnel, non-personnel, and other approved HOPWA activity costs are properly supported and documented.

Grantees may also use auditing results to supplement their monitoring activities. However, the aim of the auditor’s examination of the organization as a whole is not the same as the grantee’s monitoring of the sponsor. Most audits look at a whole organization and not just a single program; thus, grantees still need to examine compliance with HOPWA-specific requirements.

To effectively monitor all rental assistance programs, grantees can perform a risk analysis for each project sponsor. A risk analysis assesses the potential risks that a sponsor might have in managing its project. It focuses on key program areas, including the soundness of a sponsor’s financial system and its ability to perform basic HOPWA activities. Doing this serves two purposes: 1) it helps a grantee determine when a particular sponsor starts to run into problems and when and where to do a site visit; and 2) it also helps a grantee develop an overall plan for prioritizing time- and resource-intensive visits to all its sponsors (generally, not every sponsor will be monitored onsite every year). A formal risk analysis process, such as the format in the HOPWA Grantee Oversight Resource Guide, provides a consistent approach to evaluating and documenting risk for all project sponsors.

Additionally, grantees may find it useful to review the following chapters of the Community Planning and Development Grantee Monitoring Handbook:<sup>18</sup>

- Chapter 2: Management of Monitoring Activities
- Chapter 10: HOPWA

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<sup>18</sup> To access the Community Planning and Development Grantee Monitoring Handbook, please visit: [www.hud.gov/cpd](http://www.hud.gov/cpd), select the “Library” link, review resources under the “Non-Program Materials” heading.

## FINANCIAL MANAGEMENT: PERSONNEL AND NON-PERSONNEL COSTS

All costs charged to HOPWA must be identifiable within a specific activity in an approved Annual Action Plan or competitive application and benefiting a HOPWA-eligible client. In a rental assistance program, there are essentially two types of costs incurred—personnel costs and non-personnel costs.<sup>19</sup>

There are four principles that all costs must meet in order to be considered reimbursable costs—reasonable, allowable, documented, and allocable.

- **Reasonable.** The cost must not exceed the amount a rational person would spend under similar circumstances. In order to pass the “rational person” test, **all** of the following must be true:
  - The cost type must be recognized as ordinary and necessary for the operation, activity, or performance.
  - The cost must be consistent with the market price for comparable goods and services.
  - The individuals who incurred the cost acted with prudence for the circumstances and to the benefit of the organization and its activities.
  - The cost was incurred after following the established practices of the organization as described in the organization’s procedures manual.
- **Allowable.** The cost must conform to HOPWA regulations and meet OMB standards. In order to be considered allowable, **all** of the following must be true:
  - The cost must be included within the description of eligible activities in the HOPWA regulations.
  - The cost must have been incurred directly or indirectly for the benefit of an eligible HOPWA client.
  - The cost must conform to the general criteria for allowable costs set forth in 2 CFR 230 for nonprofit organizations and 2 CFR 225 for governmental organizations.
- **Documented.** The cost must be documented adequately. While documentation will vary based on the activity being documented, it must demonstrate that costs charged against the HOPWA program were **all** of the following:
  - Incurred during the effective period of the grantee’s agreement with HUD or the subgrantee’s agreement with the grantee
  - Actually paid out or incurred
  - Expended on eligible items
  - Approved by the appropriate official(s) within the organization
- **Allocable.** The cost must meet Federal guidelines by complying with **one** of the following requirements:
  - The cost is a direct cost that was incurred specifically for the funded program.
  - If it is not a direct cost, the cost proves necessary to the overall operation of the organization.
  - The cost benefits both the funded program activities and other activities, and it is assigned to all of these activities in a reasonable proportion to the benefits received.

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<sup>19</sup> For additional guidance on HOPWA financial management, see [www.onecpd.info](http://www.onecpd.info) and search in the Resource Library for the “HOPWA Financial Management Online Training.” The direct link is here: [www.onecpd.info/resource/1238/hopwa-financial-management-online-training/](http://www.onecpd.info/resource/1238/hopwa-financial-management-online-training/).

When further considering whether these costs are reimbursable, grantees and sponsors need a basic understanding of direct and indirect costs.

- Direct costs are those that can be identified specifically with a particular activity.

The term RADAR can help you remember the financial criteria to use when you want to determine if a cost can be charged to HOPWA. The RADAR concept is applicable to costs charged on a “direct,” rather than an “indirect,” basis. When costs are

- Reasonable,
  - Allowable,
  - Documented, and
  - Allocable, they are
  - Reimbursable.
- Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular activity.

Note: It can be difficult or inordinately time-consuming to allocate the appropriate share of these general costs to HOPWA. There are two options for financial management of these types of costs; they can be included in an Indirect Cost Allocation Plan, or they can be charged to a fund source other than HOPWA (such as an agency general overhead account).

For more information on indirect costs allocation methods, see the HOPWA Grantee Oversight Resource Guide.

Likewise, grantees and sponsors need to understand the difference between program and administrative costs. Separating these two costs is essential because the HOPWA program places a limit on the amount of funds spent on administrative costs.

- Program costs are related to a particular activity.
- Administrative costs are “costs for general management, oversight, coordination, evaluation, and reporting on eligible activities. Such costs do not include costs directly related to carrying out eligible activities, since those costs are eligible as part of the activity delivery costs of such activities.” [24 CFR 574.3 Definitions]

The upcoming discussion provides examples of these types of costs.

### **Personnel Costs**

Staff salaries and benefits are reimbursable under the HOPWA grant when staff time is spent conducting activities and providing services to HOPWA-eligible clients (and only those clients). When an organization serves HOPWA-eligible and non-eligible clients, personnel costs are allocated among funding sources, based on the time spent serving clients. If staff costs cannot be directly charged by identifying them with a particular HOPWA grant, contract, project, function, or activity, they are indirect; it is typically impractical for small organizations like project sponsors to seek HOPWA funds to cover indirect staff costs.

The staff costs involved with the direct implementation of a HOPWA rental assistance program need to be properly categorized as eligible rental assistance expenses. Grantees and project sponsors also need to carefully distinguish between program activity expenses and general administrative expenses through complete and accurate time and activity records.

Table 6.1 below compare staff costs that are classified as part of the rental assistance program activities and staff costs that benefit the HOPWA program but that are general administration and therefore subject to the limitation on administrative costs.

<b>Table 6.1: Direct Personnel Costs</b>	
<b>Program Costs</b>	<b>Administrative Costs</b>
Intake and needs assessment	Grantee oversight visit to project sponsor
Documentation and review of income	Prepare project sponsor report for grantee
Housing inspection	Working with the independent auditor on the annual A-133 audit
Preparing and issuing rental assistance checks to landlords	Aggregating client information records for reporting to the grantee

All staff time that is paid from the HOPWA grant must have supporting documentation. One of the most accurate ways to document staff time is with a robust time and activity reporting system that tracks staff time by grant and activity. More information on documenting staff time is included later in this chapter.

**Non-Personnel Costs**

Non-personnel costs cover a range of items. The payment of rental assistance for a HOPWA-eligible household is a direct, non-personnel cost that is clearly reimbursable by the HOPWA grant. So, too, are the operating costs of a HOPWA housing facility used exclusively by HOPWA-eligible residents. Operating costs for housing include maintenance, security, operation, insurance, utilities, furnishings, equipment, supplies, and other incidental costs.

Other non-personnel costs may include costs for office space (including utilities, maintenance, and security costs), copiers and other office equipment, and vehicle maintenance costs associated with transportation services provided to HOPWA-eligible clients. If serving both HOPWA-eligible and non-HOPWA-eligible households, however, these costs typically do not benefit only the HOPWA rental assistance program and must be pro-rated according to the percentage of clients served.

**FINANCIAL MANAGEMENT: DOCUMENTING COSTS**

Documentation—sufficient and appropriate documentation—is key to successful grant management. As such, grantees need to include specific recordkeeping requirements in the grantee – sponsor agreements and review them with each sponsor to better enable them to consider upfront the financial management systems that they will need.

**Documentation of Rental Assistance Support**

To properly support the funds expended for rental assistance, individual client charts or records should be maintained for all clients enrolled in the HOPWA rental assistance program. The organization and maintenance of these records is of great importance to the efficient and effective operation of the program. Proper documentation and accurate reporting will depend in great part upon the contents of client records. Organizations operating rental assistance programs should develop an expected structure and content for client records to ensure consistency. This is especially important if multiple agencies or staff groups are responsible for client recordkeeping.

The following is a list of documents that should be contained in the client file:

- Certification forms for client HOPWA eligibility documenting HIV/AIDS status verification
- Income certification and recertification forms for client HOPWA eligibility
- Intake information, including the following:
  - Forms
  - Client information
  - History
- Referral forms and/or other information submitted at client intake
- Individual Housing and Services Plan (IHSP)
- Authorization for use and disclosure of information (client release of information)
- Signed client participation agreement
- Case notes
- Copies of formal correspondence with the client
- Copies of formal correspondence with other service providers on behalf of the client
- Rental subsidy materials, including documentation of the following:
  - Verification of household size
  - Verification of each source of income and all assets
  - Each adjustment to income
  - Current income limits at the time household was approved for rental assistance
  - Schedule of maximum rent for each unit size
  - Rent for similar units (rent reasonableness)
  - Subsidy and client rent calculation
- HOPWA habitability standards inspection checklist, lead-based paint disclosure forms and other lead-based paint documentation such as clearance reports, and environmental review checklist of other applicable laws (All documents should be signed and dated.)
- Rental assistance landlord contract
- Copy of signed lease/rental agreement specifying amount of rent to be paid
- Document specifying basic utilities included and not included in lease and average monthly costs for utilities
- Notification of subsidy/move-in authorization

The following provides a list of items commonly missing from client files.

<b>Items Commonly Missing from Client Files<sup>20</sup></b>
<ul style="list-style-type: none"><li>• Adequate or up-to-date release of information forms</li><li>• HIV status verification*</li><li>• Income eligibility for all household members</li><li>• Annual income updates</li><li>• HOPWA habitability standards forms</li><li>• Household rent calculation worksheet</li><li>• Accurate tracking for the 21-week limit on Short-Term Rent, Mortgage, and Utilities (STRMU), if applicable</li></ul>
<p>* This documentation is required, but regulations addressing confidentiality also require that procedures be in place to restrict access to the information.</p>

**Attachment 6-2** is a sample checklist of suggested items that should be included in the client file to ensure all the necessary paperwork has been completed by the client and that the project sponsor has compiled all of the required documentation.

### **Documentation of Personnel Costs Directly Related to Rental Assistance**

In order to properly document and charge personnel costs for the implementation of rental assistance, the project sponsor must implement a time and activity recordkeeping system that provides adequate documentation for charges to the HOPWA program.

The staff must consistently record time spent on activities directly related to rental assistance. This typically involves the following:

- Time spent with the client household on the income determination process and follow-up with employers and others to obtain required verification
- Annual recertification
- Research and documentation to establish rent reasonableness
- Inspection of the unit to be leased
- Completion of the environmental review and other required documentation

Since staff often performs multiple functions on a HOPWA rental assistance program, each person needs to maintain activity logs that support the charging of costs. This and other activity information is then recorded on a time and activity sheet that is signed by the employee and reviewed and approved by a supervisor. The following is an example of how to categorize and document staff time spent on HOPWA rental assistance activities.

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<sup>20</sup> Office of HIV/AIDS Housing, U.S. Department of Housing and Urban Development. *Housing Opportunities for Persons with AIDS (HOPWA) Grantee Oversight Resource Guide* (p.57). 2010.



**Categorizing Staff Time**

Marcy Overland of the Community Housing Network staff works from 9:30am to 11:30am on Tuesday on tasks related to an apartment that a HOPWA client seeks to lease. Marcy uses this time to research and complete the environmental site specific checklist, visit the unit, and complete an inspection form. She also confirms utility cost information with the onsite manager and the local utility company. These activities are noted in Mary's daily log. She then records 2 hours on her Tuesday timesheet on the line for "HOPWA Rental Assistance." When the weekly timesheet is completed, Jordan Bowman, agency director and Mary's supervisor, signs off on the timesheet. Based on this documentation, the agency will charge 2 hours of Mary's time to the HOPWA rental assistance account. Data on file shows that Mary's salary is reasonable and the daily work log and timesheet demonstrate that costs are allowable and properly documented.

**Documentation of Personnel Costs for HOPWA Administration**

The same rules and standards described above for charging personnel costs to the rental assistance account also apply when charging costs to the HOPWA administrative account. The difference is the nature of the activities performed. Activities that would be categorized under administrative costs would include the following:

- Staff time preparing monthly requests for HOPWA funds to pay rental assistance
- Staff time aggregating client information records for reporting to the grantee

Charges would be supported by the same type of activity log and timesheet described earlier for personnel costs directly related to rental assistance.

**Documentation of Non-Personnel Costs**

As with personnel costs, the documentation for non-personnel costs needs to show a link to an approved HOPWA activity benefiting HOPWA-eligible clients. When the cost is direct, such as with the operation of a vehicle used to pick up HOPWA clients and drive them to and from services, the documentation needed is fairly straightforward; it should include items such as a trip and client mileage log and receipts for gasoline and maintenance service.

Non-personnel costs, however, often need to be allocated among different funding sources because they benefit more than one program. This can make documenting costs particularly challenging; not only is documentation needed to reflect the costs, but it also needs to show justification for how much of the cost is pro-rated to the HOPWA program.

For example, an organization may rent office space where staff operates various programs. A portion of those costs could be paid for by the HOPWA grant, but there needs to be documentation that justifies the amount allocated. Receipts for the office space rent and utilities could document costs overall, while the pro-rated amount could be determined by the number of staff working on each program, or by the proportion of clients served.

**PERFORMANCE MEASUREMENT AND REPORTING**

Performance measurement is important for two primary reasons:

1. **Enhancing program impact.** Performance measurement is an important management tool that can enhance program impact and performance. Regular review of performance data allows program managers to identify what is working well and where adjustment needs to be made to more effectively address the needs of persons living with HIV/AIDS.

2. **Meeting Federal requirements.** Additionally, HUD is required to meet the standards of the Government Performance and Results Act (GPRA) of 1993, which holds all Federal agencies accountable for establishing goals and objectives and measuring outcomes.

The HOPWA program promotes stable housing as a platform for delivering a wide variety of health and social services for many of the nation’s most vulnerable households. Program achievements are measured through performance reports submitted annually by program grantees. Grantees use three distinct reporting tools in the process of completing performance reports. Formula HOPWA grantees submit the Consolidated Annual Performance and Evaluation Report (CAPER) and the IDIS/CAPER Beneficiary Verification Worksheets. At this time, financial transactions occur in the Integrated Disbursement Information System (IDIS). Competitive HOPWA grantees submit the Annual Progress Report (APR).

**CAPER and APR Reporting**

The CAPER and APR reporting forms are designed to collect a range of program information, including grantee and project sponsor activities, program outputs, leveraging, households served, program financial activity, and an assessment of client/project outcomes. Performance outcomes, as reported in the CAPER and APR, are measured in relation to the long-term performance objectives for HOPWA housing. Reports are due within 90 days of the end of the formula grantee’s program year, or 90 days after the end of the competitive grantee’s operating year.

Housing outcomes for households served with HOPWA rental assistance are reported in the CAPER and the APR, as identified in Table 6.2.

<b>Table 6.2: Housing Outcomes for Households Served with HOPWA Rental Assistance</b>	
<b>Reporting Tool</b>	<b>Location of Housing Stability Outcome Information</b>
CAPER	Part 4, Section 1. Housing Stability: Assessment of Client Outcomes on Maintaining Housing Stability (Permanent Housing and Related Facilities)  Part 5: Worksheet – Determining Housing Stability Outcomes (When completed, this chart assesses program results based on the data from Part 4 above.)
APR	Part 4, Section 1. Housing Stability: Assessment of Client Outcomes on Maintaining Housing Stability (Permanent Housing and Facilities)  Part 6: Worksheet – Determining HOPWA Outcomes and Connections with HMIS (When completed, this chart assesses program results based on the data from Part 4 above.)

Review of these report sections will provide grantees and project sponsors with a snapshot of how well individual programs or the overall system of services is doing at achieving the housing stability goals for households receiving rental assistance. In these sections, the grantee must provide information on households continuing in the rental assistance program and those that have exited. While receiving rental assistance, the household should be achieving a stable housing status. Especially for HOPWA rental assistance programs designed to be transitional in nature, grantees should ensure sponsors are carefully tracking and recording information and the housing status of households that exit the program. Every effort should be made to minimize the number of exiting households in the “Disconnected/Unknown” category (code 8).

The quality of data and information reported can be enhanced by linking financial data with output and outcome information. Through specific provisions in the written agreement, the grantee may require the sponsor to provide information on new households and exiting households with each request for funds. This ensures that CAPER/APR data are current so that preparation of the annual report is an ongoing process, which only requires entering final updates at the end of the program year to complete a report on activities for the 12 month period.

For more information about HOPWA performance measurement and reporting requirements, please visit the “HOPWA Performance Measurement and Reporting” page of HUD’s OneCPD Resource Exchange website at: [www.onecpd.info/resource/1281/hopwa-performance-measurement-and-reporting/](http://www.onecpd.info/resource/1281/hopwa-performance-measurement-and-reporting/).

### **Integrated Disbursement and Information System**

In addition to submitting the CAPER, HOPWA formula grantees set up activities and drawdowns through the Integrated Disbursement and Information System (IDIS). Beneficiary information not captured in the CAPER is reported in the CAPER/IDIS Beneficiary Verification Worksheets. Starting in October 2011, OHH implemented improvements to the structure of the IDIS system to include grants management and performance reporting. The enhancements also included transitioning competitive grantees into IDIS. The transition began with the 2012 renewal process, and the competitive grantees will continue to transition to the system as they come up for renewal, with an expected final transition date in 2014. For more information on these enhancements, please refer to *Using IDIS Online for the Housing Opportunities for Persons with AIDS (HOPWA) Program*, which can be accessed by visiting: [www.onecpd.info/resource/1018/using-idis-online-for-hopwa/](http://www.onecpd.info/resource/1018/using-idis-online-for-hopwa/).

For general information about IDIS for HOPWA grantees and for additional IDIS resources, please visit the “HOPWA Performance Measurement and Reporting” page of HUD’s OneCPD Resource Exchange website at: [www.onecpd.info/resource/1281/hopwa-performance-measurement-and-reporting/](http://www.onecpd.info/resource/1281/hopwa-performance-measurement-and-reporting/).

### **The Importance of Reporting**

Reporting helps grantees, sponsors, local agencies, and HUD measure outcomes and evaluate a program’s performance. Reporting requirements are important tools towards measuring progress and ensuring that the rental assistance program remains on track to meet the goals of its strategic plan. As grantees and project sponsors create and implement new rental assistance programs or refine existing rental assistance programs using HOPWA funds, grantees and project sponsors should use this information to identify the strengths and weaknesses of their current program design and make changes that will help achieve the maximum return on the limited funds available.

## **CHAPTER 6 ATTACHMENTS**

ATTACHMENT 6-1: GUIDE FOR REVIEW OF HOPWA PROJECT SPONSOR OR SUBRECIPIENT MANAGEMENT

ATTACHMENT 6-2: SAMPLE CLIENT FILE CONTENTS CHECKLIST

## Housing Opportunities for Persons With AIDS (HOPWA) Program

<b>Guide for Review of HOPWA Project Sponsor or Subrecipient Management</b>			
<b>Name of Program Participant:</b>			
<b>Staff Consulted:</b>			
<b>Name(s) of Reviewer(s)</b>		<b>Date</b>	

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

**Instructions:** This Exhibit is designed to evaluate a program participant's compliance with HOPWA requirements for project sponsors and subrecipients which are awarded contracts for carrying out HOPWA activities. It is divided into five sections: Program Participant Management and Training Systems; Internal Controls; Performance Reporting; On-Site Review of Project Sponsors by HUD; and Summary of HUD Review.

As specified in 24 CFR 574.520 and 24 CFR 91.520, program participants are responsible for reporting to HUD progress made in carrying out Strategic Plans and Action Plans, as referenced in 24 CFR Part 91 (for formula participants) and grant agreements (for competitive participants). Program participants are responsible for monitoring the operations of project sponsor activities and contracted services to assure compliance with applicable Federal requirements and that performance goals are being achieved. Throughout this Exhibit, references are made to 24 CFR Part 85, which applies to reviews of states and units of local government and 24 CFR Part 84, which applies to reviews of nonprofit organizations and/or institutions of higher learning. Program participant monitoring must cover each program, function, or activity (see 24 CFR 574.500, "Responsibility for Grant Administration"). They are also responsible for ensuring that grants are administered in accordance with these requirements and that their project sponsors carry out activities in compliance with applicable requirements.

The HUD review will normally take place at the program participant level but, if time and resources permit, a selected sample of project sponsors should be monitored on-site, following the guidance in Section D of this Exhibit. A separate form for questions 28-32 should be filled out for each project sponsor or subrecipient reviewed. Selection of project sponsors and subrecipients should be based on the sampling guidance provide in Section 10-5 of the introduction to this Chapter. To select a sample, request a list of the project sponsors and subrecipients which were using program funds during the operating year under review. If the program participant has funded fewer than ten (10) organizations for the year or years being reviewed, complete questions 3 and 7; if more than ten, completed items 5, 11, 15 and 17.

03/2008

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Exhibit 10-4

Housing Opportunities for Persons With AIDS (HOPWA) Program

A. PROGRAM PARTICIPANT MANAGEMENT AND TRAINING SYSTEMS

1.

Does the program participant use written agreements with organizations selected or designated as project sponsors, as well as organizations selected by competitive processes as subrecipient service contractors, to ensure that the organizations comply with HOPWA program requirements? [24 CFR 574.500 and 24 CFR 91.525(a)]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>  	

2.

Does the program participant have a management system for the oversight and monitoring of its project sponsors and any subrecipients? (If the participant has a written description of its project sponsor and subrecipient management policies or systems, attach a copy.) [24 CFR 574.500; 24 CFR 91.230, 24 CFR 91.330, and 24 CFR 91.525(a)]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>  	

3.

Does the program participant review the performance of each project sponsor and subrecipient annually or other periodic basis? (Include, in response below, the planned review schedule.) [24 CFR 574.500; 24 CFR 91.230 and 330]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>  	

4.

How often or on what periodic cycle does the program participant monitor its project sponsors and subrecipients on-site?
<b>Describe Basis for Conclusion:</b>  

Housing Opportunities for Persons With AIDS (HOPWA) Program

5.

a. If the program participant does not monitor on-site all of its project sponsors and subrecipients, does it have a system or risk assessment process to identify “high risk” project sponsors to receive priority treatment for monitoring? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <b>Yes No N/A</b>
<b>Describe Basis for Conclusion:</b>  	
b. What, if any, special procedures have been established by the program participant for “high risk” project sponsors or subrecipients (e.g., limited or inexperienced staff, frequent staff turnover; or programs experiencing difficulties in carrying out activities, such as housing development and/or construction)? [24 CFR 574.500; 24 CFR 91.230, 24 CFR 91.330 and 24 CFR 91.525(a)]	
<b>Describe Basis for Conclusion:</b>  	

6.

a. Provide the following information regarding the on-site monitoring efforts that have been conducted by the program participant during the period under review: (Use the “tab” key to add additional rows or attach additional sheets.)
--

Project Sponsors/Subrecipients Name <sup>1</sup>	Dates Monitored	Number and Types of Finding	Date of Letter with Monitoring Results	Date(s) Findings Resolved

<sup>1</sup> Identify whether the entity is a Project Sponsor “(PJ)” or subrecipient “(S)” being monitored.

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b. Of the project sponsors and subrecipients monitored “a” above, what percentage does this represent of the total number of organizations funded by the program participant during the period under review?

**Describe Basis for Conclusion:**

7.

Describe the program participant’s processes for conducting annual or other periodic reviews to ensure quality monitoring, including appropriate documentation, requested actions, and follow-through on promised actions.

**Describe Basis for Conclusion:**

8.

a. Do the program participant’s written monitoring reports clearly document the areas monitored and the conclusions reached? [24 CFR 574.500; 24 CFR 91.230, 24 CFR 91.330 and 24 CFR 91.525(a)]	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Yes</b>	<b>No</b>

**Describe Basis for Conclusion:**

b. Do such results include any expected corrective actions and dates for resolution? [24 CFR 574.500; 24 CFR 91.230, 24 CFR 91.330 and 24 CFR 91.525(a)]	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Yes</b>	<b>No</b>

**Describe Basis for Conclusion:**

9.

a. Are monitoring results communicated timely to project sponsors and subrecipients? [24 CFR 574.500; 24 CFR 91.230, 24 CFR 91.330]	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Yes</b>	<b>No</b>

**Describe Basis for Conclusion:**



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b. Are project sponsors and subrecipients given an opportunity to respond and/or clarify? [24 CFR 574.500; 24 CFR 91.230, 24 CFR 91.330]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes    No</b>
---	---

**Describe Basis for Conclusion:**

10.

Use the information provided in the applicable CAPER, IDIS, Action Plan or competitive application to complete the table below and confirm with the program participant during the monitoring for the program year being examined.  
 [24 CFR 574.450]

Program Year	Project Sponsor Name	Amounts Committed	Amounts Expended in this Period	Balances

11.

a. Do the program participant’s financial or program records document the total amount of HOPWA funds obligated to each of its project sponsors or subrecipients during the program year under review?

**Describe Basis for Conclusion:**

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b. Of the amounts obligated above, do records show what amounts remain unexpended?
<b>Describe Basis for Conclusion:</b>

c. For the program year under review, do the program participant's financial or program records document the funds remains unexpended from any year prior to the year under review?
<b>Describe Basis for Conclusion:</b>

12.

For the period being reviewed, compare a sample of the program participant's project sponsor or subrecipient records with:	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>for <u>formula program participants</u>, information in HUD's Program Accounting System (PAS), the Consolidated Annual Performance and Evaluation Report (CAPER), and the Integrated Disbursement and Information System (IDIS); OR</li> <li>for <u>competitive grants</u>, the Annual Performance Report (APR).</li> </ul>	<b>Yes</b>	<b>No</b>
Are there any discrepancies which require correction? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330, and 24 CFR 91.525]		
<b>Describe Basis for Conclusion:</b>		

13.

Does the program participant have a method to ensure that project sponsors and subrecipients receive information, training or technical assistance to facilitate compliance with the HOPWA program requirements applicable to the activities or projects they are carrying out? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330 and 24 CFR 91.525(a)]	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Yes</b>	<b>No</b>
<b>Describe Basis for Conclusion:</b>		

Housing Opportunities for Persons With AIDS (HOPWA) Program

14.

Describe the training or technical assistance provided to the project sponsors during the year being reviewed.			
Project Sponsor/ Subrecipient	Person(s) Trained	Topics	Date(s)

15.

Has the program participant provided appropriate resource materials to its project sponsors and subrecipients (e.g., HOPWA regulations, OMB Circulars, applicable CPD Notices, 24 CFR Part 5, Subpart F, “ <i>Determining Income and adjustments to income for HOPWA rental assistance program</i> ”)? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330, and 24 CFR 91.525(a)]	<input type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> <b>No</b>
<b>Describe Basis for Conclusion:</b>    		

16.

a. How does the program participant ensure that project sponsors and subrecipients maintain adequate financial and program records to document compliance with program requirements, including record retention? [24 CFR 574.450 and 574.530]
<b>Describe Basis for Conclusion:</b>    

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b. Are project sponsors and subrecipients accurately reporting program income to the program participant (i.e. repayments of loans made with HOPWA funds)? [24 CFR 574.450; 24 CFR 85.40(a), or 24 CFR 84.52(a), as applicable]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

c. If program income is retained by the project sponsors or subrecipients, are the funds used for eligible program purposes? [24 CFR 574.450; 24 CFR 85.40(a), or 24 CFR 84.52(a), as applicable]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <b>Yes No N/A</b>
<b>Describe Basis for Conclusion:</b>	

B. INTERNAL CONTROLS

17.

Does the program participant have a system or some other method to ensure that project sponsors' and subrecipients' financial management systems are kept in accordance with the Federal requirements in 24 CFR 85.20(b) or 24 CFR 84.21(b)(3), as applicable? [24 CFR 574.605]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

18.

a. Has the program participant established qualifications for the persons who conduct financial transactions on behalf of the project sponsors and subrecipients? [24 CFR 574.500(a)]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

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b. If the answer to “a” above is “yes,” describe the qualifications.

**Describe Basis for Conclusion:**

19.

<p>a. If project sponsor or subrecipient employees work on both HOPWA and non-HOPWA projects, does the program participant have a system to ensure that these organizations keep appropriate time distribution records and properly charge the HOPWA program, including correctly assigning administrative and program delivery costs? [24 CR 574.605 and 574.3, “Administrative costs”]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>				
<b>Yes</b>	<b>No</b>				

**Describe Basis for Conclusion:**

<p>b. Does the program participant require and receive adequate documentation from project sponsors or subrecipients to ensure that payments are for eligible, actual and incurred expenditures that were contracted for in their scope of work? [24 CFR 574.605]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>				
<b>Yes</b>	<b>No</b>				

**Describe Basis for Conclusion and assessment elements:**

<p>c. Does the program participant review project sponsor and subrecipient requests for funds to ensure that the payments are not being requested in excess of immediate needs? [24 CFR 574.605; 24 CFR 84.22 or 24 CFR 85.22, as applicable]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>				
<b>Yes</b>	<b>No</b>				

**Describe Basis for Conclusion:**

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20.

a. Does the program participant have a system or other method to ensure compliance by project sponsors and subrecipients with the procurement and/or subcontracting requirements of 24 CFR 85.36 or 24 CFR 84.40 - 48, as applicable? [24 CFR 574.605]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

b. If the answer to “a” above is “yes,” describe the system or method.
<b>Describe Basis for Conclusion:</b>

21.

a. Are OMB Circular A-133 Single Audits, as described in 24 CFR Part 84, required for any project sponsors or subrecipients? [24 CFR 574.650]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

b. If the answer to “a” above is “yes,” does the program participant have a system or methodology to ensure that such audits are conducted? [24 CFR 85.26 or 84.26 and 24 CFR 574.605]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <b>Yes No N/A</b>
<b>Describe Basis for Conclusion:</b>	

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<p>c. If A-133 audits are required for any project sponsors or subrecipients, does the program participant have documentation that the audits have been reviewed for compliance with the requirements of 24 CFR Part 84 and OMB Circular A-133 and taken appropriate follow-up actions, if necessary? [24 CFR 574.605]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> <td><b>N/A</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
<b>Yes</b>	<b>No</b>	<b>N/A</b>					

<p><b>Describe Basis for Conclusion:</b></p>
--

22.

<p>a. Does the program participant review project sponsors and subrecipients for evidence of conflicts of interest, either between the participant and project sponsors/subrecipients, or between the project sponsors/subrecipients and their respective contractors (e.g., seek information on the background of staff or the Board of Directors, seek specific assurances from the project sponsors/subrecipients)? [24 CFR 574.625]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>				
<b>Yes</b>	<b>No</b>				

<p><b>Describe Basis for Conclusion:</b></p>
--

<p>b. If the answer to “a” above is “yes,” does the program participant take appropriate action to address conflicts of interest, as needed? [24 CFR 574.625]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> <td><b>N/A</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
<b>Yes</b>	<b>No</b>	<b>N/A</b>					

<p><b>Describe Basis for Conclusion:</b></p>
--

23.

Does the program participant ensure that project sponsors and subrecipients have procedures to:

<p>a. Identify HOPWA property and assets? [For example, does it ensure that project sponsors or subrecipients have the property records required by 24 CFR 85.32(d)(1) or 24 CFR 84.34(f)]? [24 CFR 574.605]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>Yes</b></td> <td><b>No</b></td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Yes</b>	<b>No</b>
<input type="checkbox"/>	<input type="checkbox"/>				
<b>Yes</b>	<b>No</b>				

<p><b>Describe Basis for Conclusion:</b></p>
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b. ensure adequate safeguards for preventing loss, damage or theft of project sponsor- or subrecipient-held property? [24 CFR 85.32(d)(3) or 24 CFR §84.34(f)(4) and 24 CFR 574.605]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

C. PERFORMANCE REPORTING

24.

a. In reporting to HUD in the CAPER, IDIS, or APR, does the program participant collect complete, accurate, timely and comprehensive performance data for all of its HOPWA project sponsor and subrecipient activities? [24 CFR 91.525(a) and 24 CFR 574.520]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

b. Does the program participant have a tracking system or other method of documenting the receipt, review and correction (as needed) of the annual performance reports from the project sponsors or subrecipients which are used to report to HUD? [24 CFR 574.500 and 24 CFR 574.520]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

25.

In reporting to HUD, does the program participant provide actual housing outputs (the number of households to be assisted during the year) in relation to planned targets and address any variations in performance or adjust program efforts? [24 CFR 91.525(a)] and 24 CFR 574.520]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	



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26.

When providing oversight of reporting by its project sponsors and subrecipients, does the program participant review the accuracy and verify the performance data? [24 CFR 91.525(a)] and 24 CFR 574.520]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

27.

Does the program participant report to HUD on its performance in achieving housing stability outcomes for beneficiaries (the number of households in stable living situations) and assess variations in planned performance and, as applicable, document and report program adjustments? [24 CFR91.525(a)] and 24 CFR 574.520]	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<b>Describe Basis for Conclusion:</b>	

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Housing Opportunities for Persons With AIDS (HOPWA) Program

D. ON-SITE REVIEW OF PROJECT SPONSORS/SUBRECIPIENTS BY HUD

**Instructions:** Sample a selected group of project sponsors and subrecipients to review on-site as a way of determining the effectiveness of the program participant’s monitoring efforts during the year under review. Review the program participant's monitoring reports for the organizations selected. One form should be completed for each organization reviewed. Attach additional sheets as necessary to reflect the results.

To select a sample, request a list of the project sponsors and subrecipients which were using HOPWA funds during the operating year under review and any associated information on the program participant’s monitoring of these entities (e.g., records and review dates, any concerns or findings identified by the program participant).

Name of HOPWA project sponsor or subrecipient:

Program or Project Name:

Records/Data Reviewed:

Concerns/Findings (identified by program participant, if any):

28.

<p><b>[OS]</b> a. Did the program participant monitor this project sponsor or subrecipient on-site? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330, and 24 CFR 91.525(a)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b></p>
--	--

**Describe Basis for Conclusion:**

b. If “yes,” provide the date of the most recent monitoring.

**Describe Basis for Conclusion:**

Housing Opportunities for Persons With AIDS (HOPWA) Program

29.

<p><b>[OS]</b> Based on your review, does there appear to be any significant differences between actual performance and the reported performance submitted by this project sponsor or subrecipient to the program participant? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330, 24 CFR 91.525(a)]</p>	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<p><b>Describe Basis for Conclusion:</b></p>	

30.

<p><b>[OS]</b> In reviewing the activities and costs charged by the project sponsor or subrecipient to the HOPWA program, are there any costs that:</p>	
<p>a. appear clearly unreasonable? [24 CFR 85.22 or 24 CFR 84.27 per 24 CFR 574.605]</p>	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<p><b>Describe Basis for Conclusion:</b></p>	

<p>b. warrant further documentation, review and analysis?</p>	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<p><b>Describe Basis for Conclusion:</b></p>	

31.

<p><b>[OS]</b> In interviewing the project sponsor or subrecipient staff, do they appear to possess an adequate understanding of HOPWA rules and other applicable regulations such that compliance with these rules is likely? [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330 and 24 CFR 91.525(a)]</p>	<input type="checkbox"/> <input type="checkbox"/> <b>Yes No</b>
<p><b>Describe Basis for Conclusion:</b></p>	

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32.

<p><b>[OS]</b> If this project sponsor or subrecipient was monitored by the program participant, did your review detect any problems or findings that were previously unknown to the program participant?                  [24 CFR 574.500, 24 CFR 91.230, 24 CFR 91.330, and 24 CFR 91.525(a)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>  <b>Yes No N/A</b></p>
<p><b>Describe Basis for Conclusion:</b></p>	

E. SUMMARY OF HUD REVIEW

33.

<p>Based on the results of your review, does the program participant demonstrate that its management and oversight of its project sponsors and subrecipients is sufficient to provide reasonable assurance that funded activities comply with HOPWA program requirements?                  [24 CFR 574.500]</p>	<p><input type="checkbox"/> <input type="checkbox"/>  <b>Yes No</b></p>
<p><b>Describe Basis for Conclusion:</b></p>	

34.

<p>Does your review indicate any recommended actions to address project sponsor and subrecipient management deficiencies?</p>	<p><input type="checkbox"/> <input type="checkbox"/>  <b>Yes No</b></p>
<p><b>Describe Basis for Conclusion:</b></p>	

35.

<p>Does your review indicate that the program participant needs technical assistance for its project sponsor/subrecipient oversight?</p>	<p><input type="checkbox"/> <input type="checkbox"/>  <b>Yes No</b></p>
<p><b>Describe Basis for Conclusion:</b></p>	

**SAMPLE CLIENT FILE CONTENTS CHECKLIST****HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS****Note: Not all forms apply to every HOPWA program**

	<b>Client Name: (optional)</b>
	<b>Client Code #:</b>
	<b>Case Manager:</b>
	Completed Intake/Assessment form (including client data, i.e. contact info., demographics & information reported to funder)
	Signed Authorization to Release and Obtain Information (ROI), <b>Annually updated</b>
	HIV Verification (signed by certified health practitioner/testing site (only at intake):
	Completed Household Income Verification: (Attach Income/Budget Worksheet form or Verification of No Income form) and supporting documents (pay stubs, tax returns) <b>Annually updated</b>
	Completed Gross Annual Income Worksheet
	Completed Adjusted Income /Resident Rent Calculation Worksheet
	Date of First Contact:
	Date Assistance Started:
	Type of Assistance:
	Housing Plan and/or Individual Case Management Service Plan
	21-Week Tracking Sheet for STRMU assistance (if applicable)
	Shared Housing Rent Calculation Worksheet (if applicable)
	Expense Verification form and supporting documents (copies of bills for childcare, medical expenses, telephone and utility charges)
	Fair Market Rent (FMR) and Utility Allowance Charts (if applicable)
	Income Exclusions list
	Landlord rental agreement
	Copies of checks paid to landlord
	Program service agreement
	Housing Inspection Performed – Habitability or HQS form attached, <b>Annually updated</b>
	Tenant Inspection Checklist Form Attached
	Earned Income Disregard Information and calculations (if applicable)
	Lead Based Paint Acknowledgement Form Attached, if housing assistance includes children under 6 years old or pregnant women
	Smoke Detector Certification
	Grievances filed, including follow-up and outcomes
	Grievance/Termination Policy Signed and Attached
	Termination Sheet Attached, if Applicable
	<b>Note Other Forms Attached:</b>
	Grievance and Termination Policy – <b>Signed as received</b>
	Termination Form, if applicable
	<b>CASE NOTES:</b>

Sample Form

Updated November 2005