

THE HOUSING AUTHORITY OF
CITY OF SLIDELL
(HACS)

**ADMISSIONS AND CONTINUED
OCCUPANCY POLICY (ACOP)
Amended and Revised**

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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

This Admissions and Continued Occupancy Policy (the "ACOP") defines the policies of the Housing Authority of City of Slidell ("HACS") for the operation for the Public Housing Program, incorporating Federal, State and local law.

The administration of this housing program meets the requirements of the Department of Housing and Urban Development and Louisiana Housing Finance Agency. Such requirements include any Applicable Public Housing Requirements, and Tax Credit Requirements. All applicable Federal, State and local laws, including Fair Housing Laws and regulations also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts 1, 5, 8, 100 and 900-966 (Code of Federal Regulations).

A. LOCAL OBJECTIVES

This Admissions and Continued Occupancy Policy is designed to achieve the following objectives:

To provide improved living conditions for very low and low income families while maintaining their rent payments at an affordable level.

To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.

To lawfully deny the admission of applicants or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood, or create a danger to HACS or its employees, contractor or vendors.

To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, religion, creed, sex, national origin, handicap or familial status.

B. PURPOSE OF THE POLICY

This Admission and Continued Occupancy Policy ("ACOP") establishes the framework within which HACS will operate. Residents must comply with the ACOP as related to the admission and continued occupancy of HACS's Public Housing Program. This Policy considers the affordable housing needs of individuals and families. It also considers the statutory purpose in developing and operating socially and financially sound housing communities, which provide a decent home and a suitable living environment while also fostering economic and social diversity.

The ACOP is governed by the requirements of the Department of Housing and Urban Development (HUD), Applicable Public Housing Requirements and Section 42 of the U.S. Government Code.

C. FAIR HOUSING POLICY

It is the policy of HACS to comply fully with all Federal, State and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. HACS will comply with all laws relating to Civil Rights, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise)
- Section 504 and the Fair Housing Amendments govern any applicable state laws or local ordinances and any legislation protecting individual rights of residents, applicants or staff that may subsequently be enacted
- Violence Against Women Reauthorization Act of 2013
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the Federal Register February 3, 2012

No person shall be discriminated because of race, color, sex, religion, familial status, disability, national origin, marital status, gender identity or sexual orientation in the leasing, rental, or other disposition of housing or related facilities. This includes land that is part of any project or projects under HACS's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, disability, marital status or sexual orientation be excluded from

participation in, be denied the benefits of, or be otherwise subjected to discrimination under HACS programs.

D. FAIR HOUSING REASONABLE ACCOMMODATIONS POLICY

It is HACS's policy to provide a Reasonable Accommodation for applicants and residents with disabilities where an accommodation is necessary to provide them with an equal opportunity to use and enjoy participation in the Public Housing program. This policy is in furtherance of HACS's goal of providing affordable housing to low income persons regardless of disability. HACS will accommodate persons with disabilities in compliance with Fair Housing laws, federal regulations, and local codes and laws.

A Reasonable Accommodation is a modification or accommodation that HACS can make for a qualified individual with a disability which would assist an otherwise eligible person to have equal opportunity to housing and participation in the Public Housing program. Under the Fair Housing Act, a reasonable modification is a structural change made to the premises whereas a reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice, or service. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. A person with a disability may need either a reasonable accommodation or a reasonable modification, or both, in order to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. A request for a reasonable modification or reasonable accommodation may be made at any time during tenancy. For purposes of this policy, a Reasonable Accommodation may mean either an accommodation or a modification.

For the purpose of this policy, a person with a disability is defined as an individual who has a physical or mental impairment that substantially limits one or more major life activities. Major life activities includes functions such as caring for one's self, performing manual tasks, walking, talking, seeing, hearing, speaking, breathing, learning, or working. A mental or physical impairment includes, but is not limited to, a physiological disorder or condition, anatomical loss, disease or condition affecting one or more of the body systems (i.e., neurological or musculoskeletal) or such conditions as cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus (HIV) infection, mental retardation, organic brain syndrome, emotional or mental illness, specific learning disabilities, drug addiction, and alcoholism. A person with a disability may have a history or record of such impairment or be a person who is perceived by others as having such an impairment.

Persons not covered by this definition include those who are currently and illegally using controlled substances or persons who pose a significant threat to the health and safety of others or damage to property, unless the threat can be eliminated by the reasonable accommodation.

It is up to the applicant or resident to actually request and/or inform HACS of the need for a reasonable accommodation. However, HACS may assist the applicant or resident

in making the accommodation request. An applicant or resident may make a verbal request for a reasonable accommodation. HACS must consider the request without a designated form, however, written authorization from the applicant or resident to verify any necessary documentation of the disability and accommodation must be completed in order to begin the verification process. A third party representative, upon presentation of appropriate authorization, may fill out and sign the Request for Reasonable Accommodation form as well as assist with the verification process for an individual with a disability.

If the applicant's or resident's disability and the need for the requested accommodation are readily apparent, obvious, or known, then HACS may certify the requestor's disability or disability related need for an accommodation without need for further verification or documentation.

HACS may require reliable documentation or verification of the disability from a medical or rehabilitation professional or expert, or a non-medical service agency whose function is to provide services to the disabled, detailing that the individual needs the accommodation, and that the accommodation is likely to provide assistance to the individual. There must be an identifiable relationship or nexus between the accommodation and the individual's disability. The requested accommodation must help to alleviate barriers caused by the disability limiting the applicant to fully enjoy use of or participation in the housing program.

The accommodation cannot pose an undue financial or administrative burden to HACS nor result in a fundamental alteration of the public housing program requirements. The determination of whether a requested accommodation constitutes an undue financial or administrative burden or a fundamental alteration in the housing program shall be made on an individual case basis, taking into consideration the circumstances and resources available at the time of the decision.

HACS is not required to:

- In an existing housing program, make each of its existing facilities accessible (24 C.F.R. '8.24(a)(1)); or make structural alterations when other methods can be demonstrated to achieve the same effect; (24 C.F.R. '8.24(b)).
- Make structural alterations that require the removal or alteration of a load-bearing structural member; (24 C.F.R. '8.32(c));
- Provide an elevator in any multifamily housing community solely for the purpose of locating accessible units above or below the grade level;
- Take any action that would result in a fundamental alteration in the nature of the housing program, activity or its services; or
- Take any action that would result in an undue financial or administrative burden on HACS.

HACS may propose an alternative accommodation if the original proposed accommodation cannot be approved and the alternative is an effective accommodation to remove barriers to a disabled person's equal housing opportunity. If there are several different accommodations that would be effective in meeting the need of the disabled person, HACS may select the accommodation which is most convenient and cost effective for HACS or the owner, provided that there is no significant detrimental impact on the disabled person which directly relates to his/her disability.

Any approval or conditioned approval of an applicant's or resident's request for Reasonable Accommodation will be communicated in writing to the applicant by HACS within 30 days after the date upon which the request is submitted or, if applicable, within 30 days after the date upon which any additional information or verification reasonably necessary for making a decision is provided. The approval or conditioned approval shall describe the accommodation that will be provided, including any terms, conditions, and performance expectations that would be subject to the applicant's or resident's agreement, and shall indicate the date for implementation.

If HACS denies the requested accommodation, the applicant or resident will be informed in writing within 30 days of receipt of the request, and the notice will include the right to request an informal hearing or informal review regarding the requested accommodation in accordance with Section 504 of the Rehabilitation Act of 1974.

HACS will ensure that applicants and residents are aware of their rights to request reasonable accommodations at all initial contacts, at eligibility screening and during their tenancy. Verifications of an applicant's or resident's disability and the need for the requested accommodation will comply with the 2008 HUD/DOJ statement that provides instructions on verification of Reasonable Accommodations. HACS will keep a log of all requests for Reasonable Accommodation and their outcomes.

HACS shall provide training on the Reasonable Accommodation process to all of its property management staff, as well as property management staff of all third party property owners and managers, which focuses on identifying, determining, and implementing appropriate reasonable accommodations for individuals with disabilities. New property management staff at HACS and third party property owners and managers shall also undertake the training within three months of the commencement of employment.

E. IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the Public Housing program.

In accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166, HACS will take affirmative steps to communicate with people who need services or

information in a language other than English. These persons will be referred to as LEP. LEP is defined as persons who do not speak English as their primary language and who also have a limited ability to read, write, speak or understand English. For purposes of this ACOP, LEP persons are applicants and resident of public housing, and family members or companions involved in making decisions regarding and individual's housing plan.

In order to determine the level of access needed by LEP persons, HACS will balance the following four factors:

- The number or proportion of LEP persons eligible to be served or likely to be encountered by the Public Housing program;
- The frequency with which LEP persons come into contact with the program;
- The nature and importance of the program, activity, or service provided by the program to people's lives; and
- The resources available to HACS and costs.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on HACS.

Oral Interpretation

Each HACS department office or location that provides direct services must provide oral interpretation upon request and at no charge to LEP persons to ensure meaningful access to HACS's direct services. HACS shall notify all applicants, residents, and participants of their ability to request an interpreter in notices from HACS for hearings, interviews, scheduled appointments, and adverse action. If necessary, appointments, interviews, hearings, or conferences may need to be rescheduled to a later date in order to provide language assistance services.

AN LEP person is not required to bring their own interpreter, and may request that a language interpreter is provided at no cost to the applicant or resident. An LEP person may request that an adult family member or friend (18 years of age or older) provide interpretation, but only if it is his/her choice. Family members, companions, or friends are not always acceptable as qualified interpreters in situations where it might invade that LEP person's privacy or impede communication of information. The employee must advise the LEP person about the availability of free language services and document in writing if the LEP person still chooses to have his/her own interpreter.

There are some situations where the use of family members or friends is not appropriate e.g., in situations involving domestic abuse, sexual assault, or in hearings related to adverse actions. In these instances, an interpreter will be provided. In situations where the HACS proposes to take adverse action against a LEP person, a qualified interpreter must provide language services.

F. FAMILY OUTREACH

HACS will publicize the availability of the Public Housing Program for extremely low-income, very low and low-income families in a newspaper of general circulation, HACS's website, minority media, or by other suitable means to ensure that all units remain leased.

HACS will inform the public and other service providers of eligibility factors for housing and guidelines on its website and through local community agencies so proper referrals for the Public Housing Program can be made.

G. PRIVACY RIGHTS

All adult applicants and participants are required to sign the form HUD-9886 for all affordable housing programs. Authorization for Release of Information and Privacy Act Notice or such equivalent form as HACS may design. The Authorization for Release of Information and Privacy Act Notice states how family information will be released and includes the Federal Privacy Act Statement.

HACS will not release applicant or resident information unless there is a: (i) signed release of information request from the applicant or resident; (ii) lawful court order or through lawful civil or criminal discovery processes; (iii) a request for cooperation or for information from other governmental agencies or regulatory bodies; (iv) as authorized by HUD regulations; or (v) as otherwise authorized by law.

"Authorization for Release of Information and Privacy Act Notice." This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.

HACS's policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

All information that would lead one to determine the nature and severity of a person's disability must be kept in a separate folder and marked "confidential."

The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. The Executive Director must approve all requests for access and granting of accommodations based on this information.

Files should never be left unattended or placed in common areas.

HACS staff will not discuss or access family information contained in files unless there is a business reason to do so. Staff will be required to disclose whether he/she has relatives living in Public Housing.

Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

H. POSTING OF REQUIRED INFORMATION

HACS will maintain a bulletin board in a conspicuous area of the Central Office which will contain:

- Statement of policies and procedures governing Admissions and Continued Occupancy Policy (ACOP) or a notice of where the policy is available
- Income limits for Admission
- Current schedule of routine maintenance charges Copy of the Lease
- Fair Housing Poster
- An Equal Opportunity in Employment poster Current Resident Notices
- Required public notices
- Security Deposit Charges
- Schedule of Utility Allowances (if applicable) Screening Criteria

Chapter 2 ELIGIBILITY FOR ADMISSION

INTRODUCTION

This Chapter defines both HUD's and HACS's criteria for admission and denial of admission to the program. HACS's Agents may employ additional criteria for admission and denial. The policy of HACS is to strive for objectivity and consistency in applying these criteria to evaluate the qualifications of families who apply. HACS or its Agent's staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made pertaining to their eligibility.

- It is the intention of HACS to implement a policy designed to: Help create and maintain a safe and drug-free community;
- Keep our program participants free from threats to their personal and family safety;
- Support parental efforts to instill values of personal responsibility and hard work;
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens; and
- Assist families in their vocational/educational goals in the pursuit of self- sufficiency.

A. QUALIFICATION FOR ADMISSION

It is HACS's policy to admit qualified applicants only. Agents are responsible for the selection of applicants in accordance with the guidelines outlined in the ACOP as well and their company policy, approved by HACS, to determine if an applicant is qualified.

An applicant is qualified if he or she meets the following criteria:

- Must be a family, as defined in this Chapter;
- Head of household, where at least one member of the household is either a citizen or eligible non-citizen;
- Has an Annual Income at the time of admission that does not exceed the low-income limit for occupancy established by HUD;
- Provides Social Security number for all family members;

- Meets or exceeds the resident Selection Criteria as set forth in this policy or the approved Agent's selection criteria, including the attendance and successful completion of pre-occupancy or resident orientation class.

Timing for the Verification of Qualifying Factors

The qualifying factors of eligibility will not be verified until the family is in a position on the waiting list to be offered a unit.

B. FAMILY COMPOSITION

Definition of Family

A family may be a single person or a group of persons. Discrimination on the basis of familial status is prohibited. Familial status includes children under the age of 18 living with parents or legal custodians, pregnant individuals, and persons securing custody of children under the age of 18. A group of persons may not be denied solely on the basis that they are not related by blood, marriage, or operation of law. For occupancy standards purposes, the applicant may claim a spousal or interdependent relationship (see chapter on Occupancy Guidelines).

HUD defines the term "family" in CFR 5.403.

The term "Family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person OR
- (2) A group of persons residing together and such a group includes, but is not limited to:
 - a. A family with or without children
 - b. An elderly family
 - c. A near-elderly family
 - d. A disabled family
 - e. A displaced family
 - f. The remaining member of a tenant family

The terms for disabled family, elderly family, and near-elderly family (per 24 CFR 5.403) are defined as:

Disabled family means a family whose head (including co-head), spouse, or sole member is a person with a disability.

Elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age.

Near-elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62.

The temporary absence of a child from the home due to placement in foster care shall not be considered in determining the family composition and family size.

Head of Household

The head of household is the adult member of the household who is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Emancipated minors who qualify under State law will be recognized as head of household if there is a court order recognizing them as an emancipated minor.

Spouse of Head

Spouse means the husband or wife of the head.

For proper application of the Noncitizens Rule, the definition of spouse is the marriage partners whom, in order to dissolve the relationship, and would have to be divorced.

Co-head

An individual in the household who is equally responsible for the lease with the Head of Household. A household may have either a spouse or co-head, but not both. A co-head never qualifies as a dependent.

Live-in Attendants

A Family may include a live-in aide provided that such live-in aide:

- Is determined by HACS to be essential to the care and well-being of an elderly person, a near-elderly person, or a person with disabilities,
- Is not obligated for the support of the person(s), and
- Would not be living in the unit except to provide care for the person(s) and may be accepted as reasonable accommodation.

A live-in aide is not considered an assisted family member and has no rights or benefits under the program:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
- Live-in aides are subject to Non-citizen Rule requirements.

- Live-in aides may not be considered as a remaining member of the resident family.
- Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

Family members of a live-in attendant may also reside in the unit, providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the family member(s) does not overcrowd the unit.

A Live-in Aide may only reside in the unit with the approval of HACS. Written verification of the need for a Live-In Aide will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. This information must be updated upon request and at every recertification.

The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly (50-61) or disabled. Verification of the need for a live-in aide must include the hours the care will be provided.

After HACS approves the addition of a live-in aide on behalf of a resident, the resident must submit a specific live-in aide's name and other information requested for approval by HACS within 30 calendar days of notification.

If the 30 calendar days expire, the resident will have to resubmit an application for approval of a live-in aide.

A specific live-in aide may only reside in the unit with the approval of HACS. The live-in aide will be subject to the agency's normal screening criteria including criminal and sex offender background checks.

The resident will be responsible for any actions of the live-in aide.

HACS has the right to disapprove a request for a live-in aide based on the "Other Eligibility Criteria" described in this Chapter.

C. MANDATORY SOCIAL SECURITY NUMBERS

Families are required to disclose Social Security numbers of all individuals applying for or participating in HUD's rental assistance programs except for those who do not contend to have eligible immigration status.

HACS must inform applicants and residents of the revisions to the SSN disclosure and verification requirements. Applicants will be required to disclose and provide verification of the SSN for **ALL** members of their household before they can be admitted. Current residents will be required to disclose and provide verification of SSNs for all members of

their household, where disclosure and verification has not occurred, at the time of their next interim or annual recertification.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members.

Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- A valid driver's license
- Identification card issued by a Federal, State or local agency
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- Benefit award letters from government agencies
- Retirement benefit letter
- Verification of benefits or SSN from Social Security Administration

New family members will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. New family members under the age of six will have 90 days to submit a social security number. HACS has discretion to allow an additional 90 days to submit a social security number for new family members under the age of six. This information is to be provided at the time the change in family composition is reported to HACS.

If an applicant or Resident is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or Resident must sign a certification to that effect provided by HACS. The applicant/Resident or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, HACS may grant an extension for an additional 60 days up to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

HACS must terminate tenancy of resident households if the regulatory requirements for SSN disclosure and documentation are not met. If the family submits falsified documents, tenancy will be denied or terminated.

D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one (1) of the six (6) immigrant categories as specified by HUD. For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families

A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

Non-Eligible Members

Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-Citizen Students

Defined by HUD in the non-citizen regulations, non-citizen students are not eligible for assistance.

Certification of Citizenship

All families must be notified of the requirement to provide certification of their citizenship status.

- New applicants must be notified when their name is pulled from the waiting list.
- New additions to a family must be notified and certified at the time the family member is added.

All family members must certify their status regardless of previous documentation received regarding each person's identity (such as birth certificates and other forms of identification).

No family member may receive assistance until at least one family member has submitted the required documentation.

E. OTHER ELIGIBILITY CRITERIA

All applicants will be processed in accordance with HUD's regulations and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

All applicants must demonstrate through an assessment of current and past behavior the ability:

- to pay rent and other charges as required by the lease in a timely manner;
- to care for and avoid damaging the unit and common areas;
- to use facilities, appliances and equipment in a reasonable way;
- to create no health or safety hazards and to report maintenance needs in a timely manner;
- not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the community of others;
- not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off HACS premises;
- to comply with necessary and reasonable rules and program requirements of HUD and HACS's ACOP and Tax Credit Requirements; and
- to comply with local health and safety codes.

Denial of Admission for Previous Debts to HACS or any other PHA or Landlord

Previous outstanding debts (debts that have not prescribed) to the HACS or any PHA or private landlord resulting from a previous tenancy in the public housing or Section 8 program or any other landlord must be paid in full prior to admission. No Payment Agreement will be accepted.

Either spouse is responsible for the entire debt incurred as a previous resident. Children of the head or spouse who had incurred a debt to the PHA will not be held responsible for the parent's previous debt.

Screening for Criminal Records and for Drug and Alcohol Abuse

All screening procedures shall be administered fairly and in such a way as not to discriminate based on race, color, nationality, religion, sex, familial status, sexual orientation, disability or against other legally protected groups, and not to violate right to privacy.

To the maximum extent possible, HACS will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be posted on HACS's or its Agent's bulletin board and copies made readily available to applicants and residents upon request.

Screening for Criminal Record

HACS will conduct a federal and/or state criminal record check for all applicants who are 18 years of age or older in the household to determine: (1) whether any member of the household is subject to a mandatory federal requirement for denial of admission, and (2) whether any member of the household has one or more criminal conviction(s) that represent a risk to the safety and well-being of the community. This record check will be conducted prior to determination of final eligibility.

For any denial based on a household member's criminal record, HACS may permit eligibility for occupancy conditioned on the exclusion of the denied family member from residency in the unit.

Federally Barred Admissions

HACS is required by federal law to deny assistance to an applicant if any of the household members:

- Is subject to a lifetime registration requirement under a state sex offender registration program
- Has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing
- Has been evicted from federally assisted housing for drug-related criminal activity during the previous three years, except if one of the following occurred:
 - The circumstances leading to the eviction no longer exist or
 - The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program.

Other Criminal Records

Except as mandated by federal law, no applicant for HACS-assisted housing will be automatically barred from receiving housing assistance because of his or her criminal background.

For applicants not barred by federal law, the applicant's criminal conviction(s) will be assessed to determine the risk the applicant poses to the safety and well-being of the community using valid written criteria, applicable laws including fair housing laws, applicable regulations, and sound management practices.

Applicants whose conviction(s) do not suggest a significant level of risk will be deemed admissible to housing if otherwise eligible.

Confidentiality of Criminal Records

HACS will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

If the family is determined eligible for initial or continued assistance, HACS's copy of the criminal report shall be destroyed as soon as the information is no longer needed for eligibility or continued assistance determination.

If the family's assistance is denied or terminated, the criminal record information shall be destroyed immediately upon completion of the review or hearing procedures and a final decision has been made.

HACS will document in the family's file that the family was denied admission or the tenancy was terminated due to findings in the Criminal History Report.

Disclosure of Criminal Records to Family

Before HACS takes any adverse action based on a criminal conviction record, the applicant and subject of record will be provided with a copy of the criminal record and an opportunity to dispute the record. Applicants will be provided an opportunity to dispute the record at a grievance hearing. Residents may contest such records at the grievance hearing or court hearing in the case of evictions.

F. SCREENING FOR SUITABILITY

It is the policy of HACS to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the community or neighborhood or on the quality of life for its residents.

HACS will conduct a detailed interview of all applicants. The interview form will contain questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy as well as the applicants need for a reasonable accommodation if requested by the applicant answers will be subject to third party verification.

An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent will result in denial of admission.

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either all or with assistance that they can demonstrate they have or will have at the time of admission. The availability of assistance is subject to verification

by HACS . It is not permitted for a parent or legal guardian to co-sign the Lease on the applicant's behalf if the head of household is under 18 and, under state/local law, does not have the legal capacity to enter into a legally binding contract. As a part of the final eligibility determination, each applicant household will be screened to assess their suitability as renters.

Rental history, utility and credit check will be conducted on the head and the co-head.

HACS shall rely upon sources of information which may include, but are not limited to, HACS's records, personal interviews with the applicant or resident, interviews with previous landlords, employers, family social workers, parole officers, criminal and court records, clinics, physicians or the police department, and home visits for persons who have had negative landlord reference(s) for poor housekeeping habits.

This will be done in order to determine whether the individual attributes, prior conduct, and behavior of a particular applicant is likely to interfere with other residents in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare.

Factors to be considered in the screening are housekeeping habits, rent paying habits, prior history as a resident, the ability of the applicant to maintain the responsibilities of tenancy, and whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health, safety or welfare of other residents, or the physical environment, or the financial stability of the project.

Examination of relevant information pertaining to past and current habits or practices will include, but is not limited to, an assessment of:

- The applicant's past performance in meeting financial obligations especially rent;
- Eviction or a record of disturbance of neighbors sufficient to warrant a police call, destruction of community, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other residents or neighbors;
- Any history or evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy by neighbors; and
- Any history of initiating threats or behaving in a manner indicating intent to assault employees or other residents;

The ability and willingness of an applicant to comply with the essential lease requirements will be verified and documented by HACS. The information to be considered in the screening process shall be reasonably related to assessing the conduct of the applicant and other family members listed on the application in present and prior housing.

The history of an applicant's conduct and behavior must demonstrate that the applicant family can reasonably be expected not to:

- Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare.
- Adversely affect the physical environment or financial stability of the project.
- Violate the terms and conditions of the Lease.
- Require services from HACS that would alter the fundamental nature of its program.

Screening and Reasonable Accommodations

Many applicants with disabilities will pass screening, will not need a reasonable accommodation, will not need special accessibility features, and will be admitted in exactly the same manner as applicants without disabilities.

Applicants who fail screening will receive a rejection letter. This letter must provide all applicants with information concerning the Public Housing Authority's ("PHA") informal review process and their right to request a hearing. The letter must also state that applicants with disabilities have the right to request reasonable accommodations to participate in the informal hearing process. The PHA is obligated to provide such reasonable accommodation unless doing so would result in a fundamental alteration in the nature of the PHA's program. If requested by the applicant, a PHA may consider verifiable mitigating circumstances that explain and/or overcome any prior misconduct related to a previous tenancy. If a reasonable accommodation would allow an applicant with a disability to meet the eligibility requirements for housing, a housing provider must provide the requested accommodation.

Rent Paying Habits

HACS will examine records from a prior tenancy, and will request written references from the applicant's current landlord and may request written references from former landlords for up to the past 12 months. Based upon these verifications, HACS will determine if the applicant was chronically late with rent payments, was evicted at any time during the past 12 months for nonpayment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation. HACS will undertake a balancing test that will consider: (1) amount of former rent; (2) loss of employment; (3) death or divorce from primary support; (4) illness or other circumstances beyond applicant's control. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation. The lack of credit history will not disqualify a family, but a poor credit history will, with the exceptions noted above. Where past rent paying

ability cannot be documented, the utility company(s) payment history will be used to determine whether the family has been current and timely on their payments.

Screening Applicants Who Claim Mitigating Circumstances

Mitigating circumstances are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified would indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

If unfavorable information is received about an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. In order to be factored into the screening assessment of the applicant, mitigating circumstances must be verifiable.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, HACS shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. HACS shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature.

Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

Mitigation of disqualifying information for victims of domestic violence, dating violence or stalking will be considered when negative reporting is the consequences of domestic violence, dating violence or stalking. Any inquiries related to the mitigation circumstances must be remain confidential.

A rejected applicant has a right for an informal review and a right to have a representative present.

Qualified and Unqualified Applicants

Information that has been verified by the HACS will be analyzed and a determination will be made with respect to:

- Eligibility of the applicant as a family;
- Income eligibility of the applicant with respect to maximum income limits for the property and/or unit;
- Eligibility of the applicant with respect to citizenship or eligible immigration status; and
- Any local preference to which the family is entitled.

Assistance to a family may not be delayed, denied or terminated on the basis of the family's ineligible immigration status, unless and until the family completes all the verification and appeals processes to which they are entitled under both INS, HACS, or the Agents procedures, except for a pending hearing.

Applicants who are determined to be unqualified for admission will be notified by a Notice of Denial of Admission stating the reason for the denial. The applicant shall be provided an opportunity for an informal hearing (see Chapter titled "Complaints, Grievances, and Appeals").

Applicants who have requested a reasonable accommodation as a person with a disability and who have been determined eligible, but fail to meet the Applicant Selection Criteria, will be offered an opportunity for a second meeting to have their cases examined to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the screening procedures.

Every effort will be made to accurately estimate an approximate date of occupancy. However, the date given by HACS does not mean that applicants should expect to be housed by that date.

The availability of a suitable unit to offer a family is contingent upon factors not directly controlled by HACS, such as turnover rates, and market demands as they affect bedroom sizes and project location.

Documenting Findings

An authorized representative of HACS shall document any pertinent information received relative to the following:

- **Pattern of Violent Behavior** - includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.
- **Initiating Threats** - behaving in a manner indicating intent to assault employees or other residents.
- **Abandonment of a Public Housing Unit** - without advising the Management Staff so that staff may secure the unit and protect its community from vandalism.
- **Non-Payment of Rightful Obligations** - including rent and/or utilities and other charges owed to HACS or any other PHA.
- **Intentionally Falsifying an Application for Leasing** - including providing false information about family income and size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead.

- **Record of Serious Disturbances of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior** - consists of patterns of behavior which endanger the life, safety, or welfare of other persons by physical violence, gross negligence or irresponsibility; which damage the equipment or premises in which the applicant resides, or which are seriously disturbing to neighbors or disrupt sound family and community life, indicating the applicant's inability to adapt to living in a multi-family setting.

This includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent loud parties, which have resulted in serious disturbances of neighbors.

- **Grossly Unsanitary or Hazardous Housekeeping** - includes the creation of a fire hazard through acts such as hoarding rags, papers, or other materials; severe damages to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage in halls; or serious neglect of the premises. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors.
- **Destruction of property from previous rentals.**

In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors, which might indicate a reasonable probability of favorable future conduct or financial prospects.

HACS may waive the policies prohibiting admission in these circumstances if the person demonstrates to HACS's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and has successfully completed a supervised drug or alcohol rehabilitation program.

G. HEARINGS

If information were revealed that would cause HACS to deny admission to the household and the person disputes the information, she/he shall be given an opportunity for an informal hearing according to HACS's hearing procedures outlined in the Chapter on Complaints, Grievances and Appeals.

Chapter 3 APPLYING FOR ADMISSION

INTRODUCTION

The policy of HACS is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for housing, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but HACS will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Policy.

A. HOW TO APPLY

Families who wish to apply for any of HACS's program must complete a written application form when the waiting lists are open. Applications will be made available in an accessible format upon request from a person with a disability. Beginning March 1, 2018, all applications must be completed on-line.

Persons with disabilities may call the central office to receive an application through the mail or make other arrangements to complete their pre-application when the list is opened.

Applications will be mailed to interested families upon request and must be returned within the timeline expressed in the application.

B. COMMUNITY-WIDE WAITING LIST

All waiting lists can be accessed on-line by following the tabs for "Administration." The central office will not provide this information except through its website.

The agency's preferences, i.e. Slidell residency and currently employed head of household, will impact the applicant's position on the waiting list. The elderly and disabled are exempt from references and will retain their relative positions.

If after 24 months, the applicant has not been housed due to lack of vacancy, HACS might create a new waiting list. In that case, the applicant might have to re-apply for the newly created waiting list.

C. APPLICATION PROCESS

Families wishing to apply for the Public Housing and/or Affordable programs will be required to complete an application for housing during a period in which the waiting list is open. Applications must be made on-line unless a disability requires an accommodation.

Disabled Population: HACS will take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal process. HACS will provide equal access for the disabled population.

D. NOTIFICATION OF APPLICANT STATUS

HACS will notify the family through a website link that they officially hold a position on the waiting list, and their position on that list.

E. COMPLETION OF FULL APPLICATION AFTER WAITING LIST SELECTION

Once an applicant has moved to the top of the list for the requested bedroom size and enrollment has opened, he/she will be notified by mail what information is needed including:

- Names, DOB and Social Security Number for all family members;
- Bedroom size needed;
- Permanent address and telephone numbers;
- Mailing address (if PO Box or other permanent address);
- Annual income;
- Occupation/Job Training;
- Student Status;
- Source(s) of income, assets and expenses for household members to determine preference qualification;
- Sufficient additional information to determine preference qualification Information regarding request for reasonable accommodation or for accessible unit;
- Arrests/Convictions for Drug Related or Criminal Activity;
- Questions regarding previous participation in HUD programs; and
- A Release of Information

All preferences claimed on the application or while the family is on the waiting list will be verified after the family is selected from the waiting list and prior to completing the final eligibility determination. If a preference cannot be verified, said applicant will be returned to their proper place on the waiting list and preference removed.

The qualification for preference must exist at the time the preference is verified regardless of the length of time an applicant has been on the waiting list because the preference is based on status.

Requirement to Attend Interview

If HACS requires a personal interview for additional information, the applicant will be notified in writing of the need and the date of the interview.

If an applicant fails to appear for their interview without prior approval, their application will be denied unless they can provide acceptable documentation that an emergency prevented them from calling. If the applicant is removed, he/she may re-apply and be placed on a new waiting list but will have lost his/her prior position.

Reasonable accommodation will be made for persons with a disability who requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with a disability.

If an application is denied due to failure to attend the applicant interview, the applicant will be notified in writing that he/her name will be removed from the waiting list within ten (10) working days from the date of the removal letter. Applicant will be notified that he/she is entitled to an informal hearing.

Applicants may be required to sign specific verification forms for information that is not covered by the HUD-9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and required releases.

Information provided by the applicant will be third party verified, including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full-time student status and other factors related to preferences, eligibility and rent calculation.

If HACS determines at or after the interview that additional information or document(s) are needed, HACS will request the document(s) or information in writing. The family will be given 10 working days to supply the information.

If the information is not supplied in this time period, HACS will provide the family a notification of denial for assistance.

F. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is completed, HACS will make a final determination of eligibility. This decision is based upon information provided by the family; the 3rd party verification and the resident suitability determination (see Chapter on Eligibility for Admission).

Because HUD can revise rules or regulations, or family circumstances may have changed during the review process that affect an applicant's eligibility, it is necessary to make final eligibility determination.

The household is not actually eligible for a unit offer until this final determination has been made, even though they may have been preliminarily determined eligible and may have been listed on the waiting list.

Any time after final eligibility determination, applicants must report changes in family status, including income, family composition, and address, in writing, within 10 calendar days of the change.

If the family did not report the change within the required time frame, the family will be determined ineligible and offered an opportunity for an informal hearing.

Chapter 4 RESIDENT SELECTION AND ASSIGNMENT

INTRODUCTION

Applicants will be placed on the waiting list in sequence based upon:

- factors of preference or priority including Slidell residency and employment of the head of household;
- the size and type of unit they require; and
- the date and time the application is received.

Objectives

HACS's policies will be followed consistently and will affirmatively further HUD's fair housing goals.

It is the objective to ensure that families are placed in the proper order on the waiting list so that the offer of a unit is not delayed to any family unnecessarily or made to any family prematurely. This chapter explains the policies for the management of the waiting list.

When appropriate units are available, families will be selected from the waiting list in their preference-determined sequence.

Based on turnover and the availability of appropriate sized units, families will be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be contingent upon completion of verification.

A. WAITING LIST PREFERENCES

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet HACS's Selection Criteria as defined in this policy. Every applicant must meet HACS's Selection Criteria as defined in this Policy.

The preference system will work in combination with requirements to match the characteristics for the family to the type of unit available, including units with targeted populations.

When such matching is required or permitted by current law, HACS will give preference to qualified families.

Families who reach the top of the waiting list will be contacted by HACS to verify their preference and, if verified, HACS will complete a full application for occupancy. Applicants must complete the application for occupancy, continue through the application processing, and may not retain their place on the waiting list if they refuse to complete their processing when contacted by HACS .

Among applicants with equal preference status, the waiting list will be organized by date and time.

Local Preferences

Preferences, approved by the Board, will be used to select among applicants on the waiting list.

Working Preference

It must be apparent that the employment is of a continuous, at least six (6) consecutive months immediately prior to the date of placement, opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. This preference is automatically extended to elderly families or families whose head or spouse meets the HUD/Social Security definition of disability.

Applicants will be ranked as followed:

Preference	Points
Working 30+ hours	1
Elderly/Disabled	Given preference
Slidell resident	1

B. VERIFICATION OF PREFERENCE QUALIFICATION

Upon verification of the family preference, the family will be placed on the waiting list. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list and ranked without the Local Preference.

Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. HACS will notify applicants in writing that they are required to inform Management of their preference changes.

Applicants are required to notify HACS in writing when their circumstances change. When an applicant claims an additional preference, she/he will be placed on the waiting list in the proper order of their newly claimed preference.

C. PREFERENCE DENIAL

If HACS denies a preference, the applicant will be placed on the waiting list without benefit of the preference.

HACS will notify the applicant in writing of the reasons why the preference was denied.

HACS will also inform the applicant about the available preferences and give the applicant an opportunity to show that he/she qualifies for available preferences. Applicants may exercise other rights if they believe they have been discriminated against.

Any applicant who falsifies documents or makes false statements in order to qualify for any preference will be removed from the waiting list with notification to the family.

D. FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS

Before applying its preference system, HACS will first match the characteristics of the available unit to the applicants available on the waiting lists. Factors such as unit size, accessible features, income targeting, or units in housing designated for the elderly limit the admission of families to those characteristics that match the characteristics and features of the vacant unit available.

By matching unit and family characteristics, families who are lower on the waiting list may receive an offer of housing ahead of families with lower number.

Any admission mandated by court order will take precedence over the Preference System. Other admissions required by court order will also take precedence over the preference system. If permitted by the court order, HACS may offer the family a Section 8 housing voucher.

E. INCOME TARGETING

HACS will monitor its admissions to ensure that at least 40 percent of families admitted to public housing in each fiscal year shall meet HUD's definition of an "extremely low income family" in HACS's jurisdiction.

An extremely low-income family is a family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

HACS shall have the discretion, at least annually, to exercise the "Fungibility" provision of the Quality Housing Work Responsibility Act (QHWRA) by admitting less than 40 percent of "extremely low income families" to public housing in a fiscal year, to the extent that admissions of extremely low income families to HACS's Housing Choice Voucher Program (Section 8) during its fiscal year exceeds the 75 percent minimum targeting requirement for HACS's Public Housing Program.

Low Income Family Admissions

HACS will admit only families whose incomes do not exceed 80% of the HUD approved area median income for conventional public housing units only.

F. UNITS DESIGNATED FOR THE ELDERLY

In accordance with the 1992 Housing Act, elderly families with a head, spouse or sole member at least 62 years of age will receive a preference for admission to such units or buildings covered by a HUD-approved Designated Housing Plan except for the units, which are accessible, which may be offered to persons with disabilities.

HACS will take the following action when processing families for communities designated for the elderly:

- Near elderly families are only eligible for admission to projects designated for the elderly if the PHA determines there are an insufficient number of elderly families designed elderly.
- Every applicant near elderly applicant whose is 50 to 61 years of age has a preference for an elderly designated unit.
- Families with members who require a unit with accessible features will receive preference for such units over families who do not require such features.

G. UNITS DESIGNATED FOR THE DISABLED

In accordance with the 1992 Housing Act, disabled families with a head, spouse or sole member who qualifies as a person with disabilities will receive a preference for admission to units that are covered by a HUD-approved Designated Housing Plan.

H. PROMOTION OF INTEGRATION

Beyond the basic requirement of nondiscrimination, HACS shall affirmatively further fair housing to reduce racial and national origin concentrations.

HACS shall not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations.

I. OFFER OF ACCESSIBLE UNITS

HACS has 5% of its units designated for persons with mobility, sight and hearing impairments, referred to as accessible units.

Non-mobility impaired families will not be offered these units until all eligible mobility-impaired applicants have been considered.

Before offering a vacant accessible unit to a non-disabled applicant, units will be offered as follows:

- First, to a current occupant of another HACS unit of the same community, or other public housing communities under HACS's control, who has a disability that requires the special features of the vacant unit.
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible/adaptable unit to a non-disabled applicant, HACS will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is HACS unit available for the applicant. This requirement will be a provision of the lease agreement.

HACS will make modifications to the unit in keeping with the Section 504 Transition Plan as the need arises and until the agency determines that, an adequate number of units have been rehabilitated in numbers sufficient to evidence compliance with the Plan. After such point in time, HACS may approve the family's plan to make physical modifications at the family's expense and consistent with the terms of the Authority's 504 Plan as it relates to resident modifications.

J. PLAN FOR UNIT OFFERS

HACS's tenant selection plan is posted where HACS receives applications.

Applicants are selected in sequence on the waiting list will be made two offer of a unit of the appropriate size at a site in which the applicant seeks to reside.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy and/or the one that has been ready the longest.

HACS will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

K. CHANGES PRIOR TO UNIT OFFER

Changes that occur during the period between removal from the waiting list and an offer of a suitable unit may affect the family's eligibility or Total Resident Payment. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing, when applicable.

L. APPLICANT STATUS AFTER UNIT OFFER

If an applicant rejects the unit offer, without good cause, HACS will remove the applicant's name from the waiting list.

M. TIME-LIMIT FOR ACCEPTANCE OF UNIT

Applicants must accept a unit offer within 15 calendar days of the date the offer is made. The letter postmark begins the offer period.

Applicants Unable to Take Occupancy

If an applicant is willing to accept the unit offered, but is unable to take occupancy at the time of the offer for "good cause," the applicant may not be removed from the waiting list, keeping their same place on all waiting lists.

Examples of "good cause" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

- An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing;
- Inaccessibility to source of employment or children's day care, such that an adult household member must quit a job, drops out of an educational institution, or a job-training program;
- The family demonstrates that accepting the offer will result in a situation where a family member's life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. The reasons offered must be specific to the family. Refusals due to the location of the unit alone are not considered good cause;
- A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member;
- The unit is inappropriate for the applicant's disabilities; or
- An applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc.

Applicants with a Change in Family Size or Status

Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. HACS shall not lease a unit to a family whose occupancy will overcrowd or underutilize the unit.

The family will take the appropriate place on the waiting list/in the selection, pool according to the date they first applied/date interviewed.

N. REFUSAL OF OFFER

If the unit offered is inappropriate for the applicant's disabilities, the family will retain their position on the waiting list.

If the unit offered is refused for other reasons, management will follow the applicable policy as listed in the "Plan for Unit Offers" section and the "Applicant Status after Unit Offer" section.

O. OPENING AND CLOSING WAITING LIST PROTOCOL

Opening and Closing the Waiting Lists

HACS, at its discretion, may open and close the waiting list.

When HACS opens the waiting list, the location and program for which applications are being accepted will be listed in specific newspapers, minority publications, and its website.

To reach persons with disabilities, HACS will provide separate notice to local organizations representing the interests and needs of the disabled.

The notice will contain how families may apply for public housing; timelines by which to return the application and the dates that the list will close; a statement that Section 8 participants must submit a separate application if they want to apply for Public Housing; and limitations, if any, on who may apply.

The notices will be made in an accessible format, if requested. It will provide potential applicants with information that includes the site's address and telephone number, how to submit an application and information on eligibility requirements.

Upon request from a person with a disability, additional time may be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application. HACS will view each situation on a case-by-case basis.

The waiting list may be open or close according to need based on local preference category or by bedroom size.

The decision to close the waiting list will be based on the number of applications available for a particular size and type of unit or on, the number of applicants who qualify for a local preference.

When Application Intake Closes

During the period when the waiting list is closed, HACS will not maintain a list of individuals who wish to be notified when the waiting list is open.

Closing of waiting list is announced in the same manner as opening the waiting list. The closing of the list may be included in the opening announcement of this waiting list. The open period shall be long enough to achieve a waiting list adequate to cover projected turnover over the next time limit between 12 and 24 months. When the period for accepting applications is over, HACS will not add new applicants to the list.

At the time of initial intake, HACS will advise families of their responsibility to notify the Management when mailing address or telephone numbers change.

Reopening the List

If the waiting list is closed and HACS decides to open the waiting list, the opening of the list will be publicly announced.

Any reopening of the list will be done in accordance with the HUD.

Multiple Families in Same Household

When families apply that consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit, they will be treated as a family unit.

Chapter 5 OCCUPANCY GUIDELINES

INTRODUCTION

This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes for various sized families when they are selected from the waiting list, or when a family's size changes, or when a family requests an exception to the occupancy guidelines.

A. DETERMINING UNIT SIZE

HACS does not determine who shares a bedroom, but there must be at least one person per bedroom. HACS's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person 18 years or older or an emancipated minor. All guidelines in this section relate to the number of bedrooms in the unit.

Dwelling units will be so assigned that:

- Generally, one bedroom for two people will be assigned within the following guidelines:
- Adults of different generations, persons of the opposite sex (other than spouses), and unrelated adults will not be required to share a bedroom.
- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal or interdependent relationship and children less than 5 years). Children three and under, irrespective of gender, may share a bedroom with a single parent.
- Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.
- Live-in attendants will generally be provided a separate bedroom, but is not mandatory that live-in attendants have a separate bedroom. No additional bedrooms are provided for the attendant's family.
- Space may not always be provided for a child who is away at school but who lives with the family during school recesses.
- Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.
- Single person families shall be allocated one bedroom.

The living room will not be used as a bedroom except for purposes of reasonable accommodation or at the request of the family, or for a student away at school the majority of the year.

GUIDELINES FOR DETERMINING BEDROOM SIZE

Bedroom Size	Persons in Household: (Minimum #)	Persons in Household: (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

B. EXCEPTIONS TO OCCUPANCY STANDARDS

Exceptions from the guidelines may be allowed in cases where it is the family's request or HACS determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available may be granted. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

- Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, (as long as the unit is not overcrowded according to local codes). The family must agree not to request a transfer until their family composition changes and they have occupied the unit for 2 years.
- However, HACS will not lease a one-bedroom unit to a three-person family that includes two adults and an adolescent or teenager.

In cases such as those above, a family that voluntarily accepts a unit that is smaller than what the family is eligible for will be required to sign a statement stating that unless there is an increase in family size the family agrees that they are not eligible for transfer to a larger unit within the term of the lease.

HACS may offer a family a unit that is larger than required by HACS's occupancy standards if the waiting list is short of families large enough to fill the vacancy and/or management determines that the unit for the project is insufficient for accommodating any additional large families.

In all cases, where the family requests an exception to the general occupancy standards, HACS will evaluate the relationship and ages of all family members and the overall size of the unit.

The family may request to be placed on a larger bedroom size waiting list than indicated by HACS's occupancy guidelines. The request must explain the need or justification for a larger bedroom size, and must be verified by HACS before the family is placed on the larger bedroom size list. HACS will consider these requests.

Person with Disability

Reasonable accommodations are the only area where under-housing or over-housing situations will be employed.

HACS will grant an exception upon request as a reasonable accommodation for persons with disabilities, if the need is appropriately verified and meets requirements in the Fair Housing Reasonable Accommodations Policy section of Chapter 1.

Other Circumstances

Circumstances may dictate a larger size than the occupancy standards permit when: Persons cannot share a bedroom because of a need for medical equipment due to its size and/or function. Requests for a larger bedroom due to medical equipment must be verified in writing annually by a doctor.

Requests based on health related reasons must be verified by management and qualified professional. HACS will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

An exception will be granted if the family has submitted an "Appointment of Temporary Guardian" to HACS. If this form has been submitted, HACS will also require that the family has initiated legal proceedings for guardianship or legal custody.

HACS must approve all members of the family residing in the unit.

The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform management within 10 days.

To avoid vacancies, HACS may provide a family with a larger unit than the occupancy standards permit. The family must agree to move to a suitable, smaller unit when another HACS family qualifies for the larger unit and if there is a suitable smaller unit available.

C. ACCESSIBLE UNITS

HACS has units designed for persons with mobility, sight and hearing impairments. These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

No non-mobility-impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

D. FAMILY MOVES

When a change in the circumstances of a resident family such as a change in family composition, reasonable accommodation, and VAWA requirements requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

The unit considerations in this section should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the case should be taken to the manager who will make determination after review of the situation, the individual circumstances, and the verification provided.

Chapter 6

DETERMINATION OF TOTAL TENANT PAYMENT

INTRODUCTION

This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD Notices, Memoranda and Addenda.

COMPUTATION OF TENANT RENT

The first step in computing rent is to determine each family's TTP. If the family is occupying a unit that has tenant-paid utilities, the utility allowance must be subtracted from the TTP. The result of this computation, if a positive number, is the tenant rent. If the TTP, less the utility allowance, is a negative number, the result is the utility reimbursement, which is paid to the tenant.

TTP is the highest of:

- of adjusted monthly income; or
- of monthly income;

But,

- TTP is never less than the Minimum Rent; and
- TTP is never more than the Flat Rent, if chosen by the family

The TTP does not include charges for excess utility consumption or other charges.

A. MINIMUM RENT

The minimum rent for HACS is \$50.00. The minimum rent refers to a minimum total Tenant payment and not a minimum Tenant rent.

HACS recognizes that in some instances even the minimum rent may create a financial hardship for families.

HACS will review all relevant circumstances brought to its attention regarding financial hardship as it applies to minimum rent. The following section states that procedures and policies are in regard to minimum rent financial hardship as set forth by the QHWRA.

HUD Criteria for Hardship Exemption

In order for a family to qualify for a hardship exemption, the family's circumstances must fall into one of the following criteria:

-

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance;
- The family would be evicted as a result of the imposition of the minimum rent requirement;
- The income of the family has decreased because of changed circumstances, including:
 - Loss of employment
 - Death in the family
 - Other circumstances as determined by HACS or HUD.

Temporary Hardship

If management determines that the hardship is temporary (less than 90 days), a minimum rent will be imposed, including back payment from time of suspension, but the family will not be evicted for nonpayment of rent during the 90-day period commencing on the date of the family's request for exemption.

B. INCOME AND ALLOWANCES

Income: HUD defines the types of money that are to be used as income for purposes of calculating the TTP in federal regulations. In accordance with this definition, income from all sources of each member of the household is documented. (See Income Inclusions and Income Exclusions in the Glossary of Terms of this policy.)

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income that has been excluded by HUD. Annual income is used to determine whether applicants are within the applicable income limits.

Adjusted Income is defined as the annual income minus any HUD allowable deductions.

Allowable Deductions

HUD has five allowable deductions from Annual Income:

- Dependent allowance: \$480 each for family members (other than the head or spouse), who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
- "Elderly" allowance: \$400 per household for families whose head or spouse are 62 or over or disabled.

- Allowable unreimbursed medical expenses for all family members are deducted for elderly and disabled families.
- Childcare expenses for children under the age 13 years are deducted when childcare is necessary to allow an adult family member to work, actively seek work, or attend school (including vocational training).
- Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

C. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS

The annual income for qualified families may not be increased as a result of increases in earned income beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that occupies a dwelling unit in a public housing project, is paying income-based rent; and

- Whose annual income increases as a result of employment of a family member who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- 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 TANF provided that the total amount over a six-month period is at least \$500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least \$500 in such TANF benefits and services as one-time payments, wage subsidies, and transportation assistance.

The HUD definition of "previously unemployed" includes a person who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

Initial Twelve-Month Exclusion

During the cumulative 12-month period, beginning on the date a member of a qualified family is first employed or the family member first experiences an increase in

employment income, HACS will exclude from annual income the full amount of any increase in income of the family member as a result of employment over the prior income of that family member.

Second Twelve-Month Phase-in Exclusion

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, management must exclude from annual income of a qualified family 50 percent of any increase in income of a family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Two Year Disallowance

The earned income disallowance is limited to a lifetime 24-month period for each family member. For each family member, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 24-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 24-month period. No earned income disallowance will be applied after the 24-month period following the initial date the exclusion was applied.

Once a family member is determined to be eligible for the EID, the 24 calendar month period starts. If the family member discontinues the employment that initially qualified the family for the EID, the 24 calendar month period continues.

Applicability to Child Care and Disability Assistance Expense Deductions

The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

- Date the increase in earned income was reported by the family
- Name of the family member whose earned income increased
- Amount of the increase in earned income (amount to be excluded)
- Date the increase in income is first excluded from annual income and ending date of 12 month period of exclusion.

- Date the 12-month phase-in period will begin
- Ending date of the maximum 24 month (two year) disallowance period (24 months from the date of the initial earned income disallowance)

Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of families residing in public housing, and therefore does not apply for purposes of admission (including the determination of income eligibility or any income targeting that may be applicable).

D. AVERAGING INCOME

When Annual Income cannot be anticipated for a full twelve months, HACS will:

- Annualize current income and conduct an interim recertification, if income changes.
- If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.
- Income from the previous year may be analyzed to determine the amount to anticipate when third party or check-stub verification is not available.
- If by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so that the housing payment will not change from month to month.

The method used depends on the regularity, source and type of income.

E. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to complete a written certification every 30 days, which will be provided by management.

Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc. This income may be counted as income for calculation of the Total Tenant Payment.

Where credit reports show credit accounts open and payments current, HACS will take action to investigate the possibility of fraud or program abuse.

F. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis.

It does not include casual contributions or sporadic gifts. (See Chapter on "Verification Procedures," for further definition.) If the family's expenses exceed their known income, management will make inquiry of the family about contributions and gifts.

G. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, HACS must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

HACS will accept as verification that the family is receiving an amount less than the award if:

- If verification is received from the agency responsible for enforcement or collection;
- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.
- It is the family's responsibility to supply a certified copy of the divorce decree or other
- documentation necessary to verify the child support amount and receipt of payments.

H. LUMP-SUM RECEIPTS

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 community losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump sum payments

from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset.

Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.

In order to determine amount of retroactive resident rent that the family owes as a result of the lump sum receipt, the Lump Sum will be calculated retroactively if the receipt was not reported for 30 days of recertifications.

I. CONTRIBUTIONS TO RETIREMENT FUNDS – ASSETS

Contributions to company retirement/pension funds are handled as follows:

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

J. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

Assets disposed of for less than fair market value during the two years preceding certification or recertification must be counted.

Management will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included in calculating total assets for two years.

Assets disposed of as a result of foreclosure or bankruptcy is not considered assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation is not considered to be assets disposed of for less than fair market value.

K. CHILD CARE EXPENSES

Unreimbursed childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work, actively seek work, attend school full time, or attend full-time vocational training.

In the case of a child attending private school, only before or after-hours care can be counted as childcare expenses.

If a resident is eligible for the earned income disallowance, the amount of deduction for childcare expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, the disregarded or excluded amounts cannot be used in determining the cap for the childcare expense deduction.

Childcare expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the childcare. Examples of those adult members who would be considered unable to care for the child include the abuser in a documented child abuse situation, or a person with disabilities or elderly or disabled person unable to take care of a small child, as verified by a reliable knowledgeable source.

Childcare expenses must be reasonable. Reasonable is determined by what the average childcare rates are in HACS's jurisdiction.

Allowing deductions for childcare expenses is based on the following guidelines:

- **Childcare to work:** The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.
- **Childcare for school:** The number of hours claimed for childcare may not exceed the number of hours the family member is attending school (including one hour/other amount of travel time to and from school).
- **Amount of Expense:** HACS will survey the local care providers in the community to determine what is reasonable. HACS will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the allowance may be calculated using the guideline.

L. MEDICAL EXPENSES

Medical expense deduction is permitted ONLY for households in which the head, spouse, or sole member is at least age 62, or handicapped or disabled regardless of their age

- If the household is eligible for a medical expense deduction (i.e., is an "elderly" family), the medical expenses of all family members are counted.
- "Total medical expense" includes medical insurance premiums, and other medical expenses, which are anticipated during the period for which annual income is computed, and that are not covered by insurance or any other source.
- "Medical Expense" also includes medically needed equipment and assistive animals and the upkeep of both. Examples of equipment include hearing aids, walkers, artificial limbs, and eyeglasses.
- Allowable medical expenses are the portion of total medical expenses that is in excess of three percent (3%) of annual income.
- Three percent of annual income must first be deducted from the disability assistance expenses. Any remainder is then deducted from total medical expenses.
- If a family has both medical expenses and disability assistance expenses, a special calculation is required.

M. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter titled "Recertifications.") Applicant mixed families is entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

TTP CALCULATION FOR MIXED FAMILIES

The following methodology will be used in calculating the prorated TTP for mixed families.

- Step 1. Determine the total tenant payment in accordance with 24 CFR §5.628. Annual income includes income of all family members, including any family member who has not established eligible immigration status.
- Step 2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.
- Step 3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all members were eligible ("family maximum subsidy").
- Step 4. Divide the family maximum subsidy by the number of persons in the family (all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status ("eligible family member"). The subsidy per eligible family member is the "member maximum subsidy."
- Step 5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status ("eligible family members"). The product of this calculation is the "eligible subsidy."
- Step 6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.
- Step 7. Subtract any applicable utility allowance from the mixed family TTP.

The result of this calculation is the mixed family tenant rent. When the mixed family's TTP is greater than the maximum rent, the PHA must use the TTP as the mixed family TTP.

N. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

HACS will not reduce the public housing rent for families whose welfare assistance is reduced specifically because of fraud, failure to participate in an economic self-sufficiency program or noncompliance with a work activities requirement.

However, HACS will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment; or a situation where a family member has not complied with other welfare agency requirements.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

Verification before Denying a Request to Reduce Rent

HACS will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

The welfare agency, at the request of Management, will provide information:

- Amount and term of specified welfare benefit reduction for the family;
- Reason for the reduction and subsequent changes in term or amount of reduction.

O. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

If the cost of utilities (excluding telephone and cable) is not included in the Resident Rent, a utility allowance will be deducted from the total Tenant Payment. The Utility Allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption of utilities in an energy conservative household, not on a family's actual consumption.

When the Utility Allowance exceeds the family's Total Tenant Payment, HACS will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the utility company.

Resident-Paid Utilities

The following requirements apply to residents living in communities with resident-paid utilities or applicants being admitted to such communities:

- If a resident or applicant is unable to get utilities connected because of a previous balance owed to the utility company, the resident /applicant will not be permitted to move into a unit with resident paid utilities.
- Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

P. FAMILY CHOICE IN RENTS

Authority for Family to Select

HACS shall allow each family residing in a public housing unit to elect to pay income-based rent or flat rent. An explanation of how income based rents is determined will be provided to the family. HACS may not at any time fail to provide both such rent options for any public housing unit owned, assisted or operated by HACS.

Flat Rents

HACS will establish for each dwelling unit in public housing a flat rent amount which will be based on the market rent charged for comparable units in the private unassisted rental market. Flat rents may vary by unit size, type and development location. HACS will take into consideration location, quality, size, unit type, unit age, and any amenities.

Using the HACS approved utility allowance schedule, resident paid utilities will be deducted from the Flat Rent rate where applicable. In cases where the public housing units receive assistance from Low-Income Housing Tax Credits, the flat rent is equal to the approved tax credit rent applicable to that unit's income restrictions.

Occasionally, HUD may require HACS to update flat rent schedules in accordance with new guidance. This may require HACS to increase flat rent amounts to meet new standards. All residents will be notified 30 days in advance of any changes to the flat rent schedules.

Annual Update of Flat Rents

HACS shall review the Flat Rent structure annually and adjust the rents as needed. When a Public Housing resident chooses Flat Rent, his/her rent shall be adjusted only at the next regular recertification rather than at the Flat Rent change. HACS shall review the income of families paying flat rent not less than once every three years. Family composition will be reviewed annually for all families, including those paying flat rent.

Switching Rent Determination Methods Because of Hardship Circumstances

Families who have elected to pay flat rent are eligible to switch to a lower income-based rent, if the family has experienced a verified financial hardship such as:

- Situations in which the income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income or other assistance;
- An increase in the family's expenses because of changed circumstances for medical costs, child care, transportation, education, or similar items; or
- Such other situations as may be determined by HACS or HUD.

All hardship situations will be verified.

Once a family switches to income-based rent due to hardship, the family must wait until the next annual recertification to elect whether to pay income-based rent or flat rent.

Annual Recertification

Within 120 days in advance of the annual recertification, the family will be provided with their annual packet that must be completed and returned by the provided due date. The packet is considered received when it is deposited in the Drop Box in the central office. The tenant must sign in to document the date on which the packet was submitted. The elderly may submit their packets in the Country Gardens Drop Box.

If the PHA assisted family chooses flat rent, the family will be required to complete and return a form that certifies the family composition and authorizes criminal background checks. This form will be retained in the resident file.

Chapter 7 VERIFICATION PROCEDURES

INTRODUCTION

The factors of eligibility and Total Tenant Payment must be verified by HACS. This information may include eligibility for admission, local preferences, deductions, standards for Application Selection Criteria, and Special Programs Requirements. Applicants and program residents must furnish proof of their statements whenever required by HACS. All information provided must be as accurate as possible. This Chapter explains HACS's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. HACS will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

A. METHODS OF VERIFICATION

The purpose of HACS's Enterprise Income Verification ("EIV") System is to make integrated income data available from one source, via the Internet, for HACS's use to improve income verification during required income recertifications.

Benefits of the System

- Increases the efficiency and accuracy of income and rent determinations
- Reduces incidents of underreported and unreported household income
- Removes the barriers to verifying resident-reported income
- Addresses material weaknesses in a PHA's recertification process and program operations
- Assures that more eligible families are able to participate in the program
- Provides wage, unemployment, and Social Security Administration (SSA) benefit information through a data matching process for households covered by a HUD Form 50058.
- Allows HACS to view quarterly wage, employer information, weekly/bi-weekly unemployment benefit payments, monthly Social Security (SS) and Supplemental Security Income (SSI) benefits, and Medicare deductions and/or buy-ins for residents within the PHA's jurisdiction.
- Provides income discrepancy reports to identify families who may have substantially underreported household income.
- Provides existing Resident reports

- Helps deter housing fraud.

EIV

EIV allows HACS to access Resident income information from the Social Security Administration (SSA), the Department of Health and Human Services (HHS), and National Directory of New Hires (HDNH).

INCOME Reports Available through EIV:

- **Income Report Summary** shows income information for the list of household due for recertification in the indicated month and who currently receive or previously received SS/SSI benefits or income.
- **Income Discrepancy Report Summary** shows the list of households with income discrepancy between the Resident-provided SSA benefits information contained on Form HUD-50059 and the SSA benefits amount collected by EIV from SSA.
- **No Income Report** provides a list of the Residents, whose identity was verified by SSA based on the SSN/Last Name/ Date of Birth combination, but did not or has never received SS/SSI benefits.
- **New Hires Report** provides a list of households where at least one member has a New Hire record for the selected month or period and members in such households.

VERIFICATION Reports Available through EIV:

- **Existing Resident Search** shows basic information on the households (in PIH and MF) wherein a person may be potentially receiving subsidy.
- **Multiple Subsidy Report** shows a list of Residents who receive assistance on multiple contracts/properties in Multifamily Housing Programs or in both PIH and Multifamily Programs.
- **Identity Verification Report** shows statistics on number of households and the number of households that have been verified by SSA, which failed SSA verification and failed EIV pre-screening.
- **Deceased Residents Report** shows the basic information of the households/ household members for the households with deceased household members.

Discrepancy Report

1. Review the discrepancies with the income documentation on file. Some reasons for discrepancies:

- The data in EIV is older than the 3rd party documentation obtained during the certification process.
 - The data in EIV is for the past year and we use projected income.
 - An employer may have entered the wrong SSN when reporting a new hire.
 - The resident may have recently changed or lost their job.
2. Research the discrepancy accordingly and document the reason for the discrepancy in the file. This may mean contacting the resident or an employer.
 3. Review the report and compare it with the income information the Resident provided you in the interview.

Requirements:

HUD requires all sites to have the EIV Coordinator which is HACS and User Access Authorization Forms available for review.

- All staff that has access to EIV information MUST fill out the EIV Rules of Behavior form. This only has to be done once and kept on file. This form is valid until HUD issues a revision.
- All employees who have access to EIV information must have annual EIV training. This training can be done by Supervisory staff, but must be documented. Local housing associations and HUD training consultants offer this training as well.
- HUD requires that specific security requirements are followed with both electronic and hard copy EIV data.

Security Awareness and Privacy Act Requirements Policy

Security Awareness and Privacy Act Requirements

All Privacy Act related materials and data, e.g. EIV, third-party income, medical and other documents, collected during the certification process must be protected to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a variety of Federal laws and regulations, government bulletins, and other guiding documents.

HUD uses the term Upfront Income Verification (UIV) to describe the third party information we collect to perform resident certifications. HACS collects this information from Government systems (EIV), prior landlords, employers, physicians, etc. NCR is required to protect the confidentiality of all UIV information collected to determine program eligibility and rental assistance level regardless of its format — paper, email or computer file.

The practices and controls used by HUD and program administrators to secure UIV data that is contained in the EIV system may be grouped into three categorized safeguards:

- Administrative
- Physical
- Technical

Administrative Safeguards

Any information obtained to verify eligibility or income must be handled in accordance with the Privacy Act. The disclosure of this information for any other purpose must be prevented.

Ensure that access rights, roles and responsibilities of site staff are appropriately assigned. Unless a member of the office staff is involved in the collection or verification of UIV data, they should not have access to computer files, printouts, mail and Resident files containing UIV data.

This data should be handled in such a manner that it does not become misplaced or available to unauthorized personnel. To avoid inadvertent disclosures, UIV information should be kept separate from other information and files.

Site staff must assure that each member of the household who is 18 years of age or older has signed the HUD 9886 Verification and Consent forms along with necessary individual verifications at the initial certification and at each recertification. The original HUD 9886 must be kept in the applicant/resident file; a copy of the signed individual verification forms must be kept in the applicant/resident file. By signing these forms, the Resident authorizes HUD and HACS to obtain and verify income and compensation information from various sources including current and former employers, State agencies, Social Security Administration (SSA) and Health and Human Services (HHS).

Hard copies of UIV documents must be controlled; returning copies to files after inputting them into the computer system is the best practice. Do not leave UIV hard copies unattended.

All UIV data should be destroyed as prescribed by HACS's File Retention Policy and Procedure. In addition, paper copies of tenant personal information shall be kept or destroyed in compliance with HACS record retention procedures. All UIV originals and any documents created in association with their use should be shredded to prevent the reconstruction of the contents. It is essential that the methods used to dispose of records are thorough. Hand tearing, recycling or burying information in a landfill is an unacceptable method of disposal of UIV data.

In addition to reviewing this Policy and Procedure, HACS may also provide online Security Awareness Training. All site staff that use UIV data are required to complete the Security Awareness training annually.

Physical Safeguards

At a minimum, the UIV data must be physically secured in a locked office space with limited points of entry and means of entry. A combination of methods may be used, i.e., a locked metal file cabinet within a locked room. Access to the areas where UIV data is maintained should be limited during regular working hours. This limited access may be accomplished by the use of restricted areas, a secured room, or locked office space. The restricted areas should be clearly identified by the use of prominently posted signs. For instance, a "For Authorized Personnel Only" or "Warning: Restricted Area" sign may be posted on the door or in the area.

When working with a resident file or other pieces of UIV data, lock the data up when you leave your desk or leave for the day. You can use a locked drawer, overhead bin or a storage cabinet — any place that can be locked securely.

Designated staff should establish and maintain a key control log to track the inventory of keys available, the numbers of keys issued and to whom the keys are issued. All employees who have been issued keys to secured rooms or locked spaces should complete a form acknowledging the receipt of the key. Combination locks should be changed or reset regularly, including when a staff member's employment is terminated.

Designated staff should establish and maintain the list of users who can access the restricted area. The list should indicate the type of access that the user may have to the restricted area; it should indicate which users, such as contractors, maintenance and cleaning staff, must be escorted when entering the restricted area.

The restricted area must be cleaned only during regular office hours or in the presence of an employee with authorized access

Technical Safeguards

Computer printouts must be retrieved as soon as they are generated so that UIV data is not left lying unattended in printers where unauthorized users may access them. Fax machines and printers should be placed in an area that is inaccessible to unauthorized users so printouts can be retrieved only by authorized users.

Do not have UIV data displayed on your computer screens when unauthorized users may view it. A computer should never be left unattended with UIV data displayed on the screen. When leaving the computer for any reason, close all open programs.

It is a HUD requirement that User Access to EIV must be made by a unique login and password. Staff shall not leave written passwords in the workstation area and shall

avoid creating a personal password that can be easily associated with that staff member.

There may be substantial differences between the information provided by the family and EIV-generated information. No adverse action will be taken against a family until HACS has verified the EIV information via third party and the family has been granted an opportunity to contest any adverse findings through HACS's Grievance Procedure processes.

Third party verification is required. Staff shall utilize EIV's New Hire report to determine if a member has recently obtained employment.

B. TYPES OF VERIFICATION

HACS verifies income information through various methods acceptable to HUD in the following order:

- Enterprise Income Verification (EIV) whenever available.
- Third-Party Written: First choice is a written third party verification to substantiate claims made by an applicant or resident.
- Third-Party Oral: Telephone verifications may also be used.
- Review of Documents: Review documents, when relevant, to substantiate the claim of an applicant or resident.
- Family Certification: A family self-certification will be accepted when no other form of verification is available.

If third party verification is not received directly from the source, HACS staff will document the file as to why third-party verification was impossible to obtain and another method was used, such as reviewing documents families provide.

For applicants, verifications may not be more than 90 days old at the time of a unit offer.

For Residents, they are valid for 30 days from date of receipt.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information. Verifications received electronically directly from the source are considered third party written verifications.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to document the meeting in writing for the tenant's file and in the HACS computer system noting with whom they spoke, the date of the conversation, and the facts provided. If oral third-party verification is not available, HACS will compare the information to any documents provided by the Family.

If provided by telephone, HACS shall originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within 30 calendar days, HACS will utilize documents provided by the family as the primary source, if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant's file. In cases where documents are viewed but cannot be photocopied, staff viewing the document(s) will document in writing what documents were viewed, when, and the contents of the viewed documents.

HACS will accept the following documents from the family if the document is such that tampering would be easily noted:

- Printed wage stubs
- Computer printouts from the employer
- Signed letters (provided that the information is notarized or confirmed by telephone)
- Other documents noted in this Chapter as acceptable verification
- Faxed documents
- Photocopies

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, HACS will utilize the third party verification.

C. RELEASE OF INFORMATION

All adults, and head of household and spouse regardless of age, are required to sign HUD form 9886 the Authorization for Release of Information/Privacy Act Notice.

In addition, the family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886.

Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of tenancy because it is a family obligation under tenancy to supply any information requested by HACS or HUD.

D. ITEMS TO BE VERIFIED

- All income not specifically excluded by the regulations.
- Zero-income status of household.
- Zero-income applicants and residents will be required to complete the required document at each certification/recertification interview will have to be compliant with the Community Service and Self-Sufficiency requirement unless exempted.
- Full-time student status including High School students who are 18 or over.
- Current assets including assets disposed of for less than fair market value in preceding two years.
- Child care expense where it allows an adult family member to be employed, seek employment or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.
- Legal Identity
- Citizenship/eligible immigrant status.
- Social Security Numbers for all family members or certification that a family member does not have a Social Security Number.
- Preference status, based upon HACS local preferences.

- Marital status when needed for head or spouse definition.
- Disability for determination of preferences, allowances or deductions.

E. VERIFICATION OF INCOME

This section defines the methods HACS may use to verify various types of income. Third party verification is required for all members of the applicant's household since EIV is not applicable to obtain income information for applicants or their family members.

Employment Income

Verification forms request the employer to specify dates of employment; amount and frequency of pay; date of the last pay increase; likelihood of change of employment status and effective date of any known salary increase during the next 12 months; year to date earnings; and estimated income from overtime, tips, and bonus pay expected during next 12 months.

Acceptable methods of verification include:

- Employment verification form completed by the employer.
- Check stubs (6) or earning statements that indicate the employee's gross pay, frequency of pay or year to date earnings.
- W-2 forms plus income tax return forms.
- Self-certification signed by the family may be used for verifying self-employment 4. income, or income from tips and other gratuities.

Applicants and residents may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income. Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

Social Security, Pensions, Supplemental Security Income (SSI), Disability Income

Acceptable methods of verification include:

- Benefit verification form completed by agency providing the benefits.
- Computer report electronically obtained or in hard copy.
- Award or benefit notification letters prepared and signed by the providing agency.
- Bank statements for direct deposits

Unemployment Compensation

Acceptable methods of verification include:

- Computer report electronically obtained or in hard copy, stating payment dates and amounts.
- Verification form completed by the unemployment compensation agency.
- Payment Stubs

Welfare Payments or General Assistance

Acceptable methods of verification include:

- Verification form completed by payment provider.
- Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
- Computer-generated Notice of Action.
- Computer-generated list of recipients from Welfare Department.

Alimony or Child Support Payments

Acceptable methods of verification include:

- Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- Copy of latest check and/or payment stubs from Court Trustee. HACS must record the date, amount, and number of the check.
- Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
- If payments are irregular, the family must provide:
 - A copy of the separation or settlement agreement or a divorce decree stating the amount and type of support and payment schedules.
 - A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.
 - A welfare Notice of Action showing amounts received by the welfare agency for child support.

Net Income from a Business

In order to verify the net income from a business, HACS will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

- IRS Form 1040, including:
 - Schedule C (Small Business)
 - Schedule E (Rental Community Income)
 - Schedule F (Farm Income)
- If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
- Audited or un-audited financial statement(s) of the business.
- Credit report or loan application.
- Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
- Family's self-certification/notarized statement as to net income realized from the business during previous years.

Child Care Business

If an applicant/resident is operating a licensed day care business with approval from HACS, income will be verified as with any other business.

If the family has filed a tax return, the family will be required to provide it.

If childcare services were terminated, third-party verification will be sent to the parent whose child was cared for.

HACS will conduct interim reevaluations every 90 days and require the resident to provide a log with the information about customers and income.

Recurring Gifts

The family must furnish a notarized statement that contains the following information:

- The person who provides the gifts;

- The value of the gifts;
- The regularity (dates) of the gifts;
- The purpose of the gifts.

Zero-Income Status

Families claiming to have no income will be required to complete the Zero Income Worksheet, provided in the HUD's Continued Occupancy Guidebook every month.

HACS will ensure that the residents understand their obligations to comply with the Community Service and Self-sufficiency requirement and the timeline allotted to become compliant with the policy.

Full-Time Student Status

Only the first \$480 of the earned income of full-time students 18 years of age or older, other than head or spouse, will be counted towards family income.

Verification of full-time student status must be a written verification from the registrar's office or other school official.

Verification of Income Exclusions

HACS will attempt third-party verification of income exclusions wherever possible. When third-party verification of income exclusions are not possible or practical, a review of documents or notarized/ self-certification will be obtained.

Exclusions from income include the following:

- Expenditures for business expansion.
- Amortization of capital indebtedness as deductions in determining net income of a business.
- Withdrawals of cash or assets from a professional or business operation if the withdrawal is a reimbursement for cash or assets invested in the operation by the family.
- Allowance for business asset depreciation, based on straight-line depreciation, as provided in the Internal Revenue Service (IRS) regulations.
- Income from employment of children or foster children under 18 years old.
- Earnings in excess of \$480 for each full-time student 18 years old or older (excluding head or household and spouse).
- Earned income disallowance.

- Amounts earned by temporary Census employees; terms of employment may not exceed 180 days for the purposes of the exclusion.
- Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by the resident for performing a service for HACS, on a part-time basis, that enhances the quality of life in the communities.
- Stipends to reimburse residents for expenses for serving as members of HACS's governing board or commission.
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- The full amount of military pay of any family member other than the head and spouse. If other family members are away from home in the military, HACS may remove their name from the lease and exclude their income.
- Other military pay specifically excluded by law (e.g. Desert Storm active duty).
- Income of a live-in aide, as defined by 24 C.F.R. 5.403.
- Earnings and benefits from employment training programs funded by HUD.
- Reimbursement for out-of-pocket expenses while attending a public assisted training program.
- Incremental earnings and benefits from participation in qualifying state and local employment programs.
- Payments to volunteers under the Domestic Volunteer Services Act.
- Payments received under programs funded in whole or in part under the Workforce Investment Act (WIA) (formerly known as the Job Training Partnership Act (JTPA)).
- Earnings and benefits to any family member from an employment training and supportive services program during the exclusion period.
- The exclusion is applicable only if the family was admitted to the qualifying program prior to October 1, 1999.
- 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.

- Food stamps.
- Annual Imputed Welfare Income if the family was not an assisted resident at the time of sanction.
- Non-recurrent, short-term benefits under TANF assistance that:
 - Are designed to deal with a specific crisis situation or episode of need;
 - Are not intended to meet recurrent or ongoing needs; and
 - Will not extend beyond four months.
- Purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- Deferred periodic amounts from Social Security benefits that the family member received in a lump sum amount or in prospective monthly amounts.
- Childcare arranged or provided under the Child Care and Development Block Grant Act.
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- Payments received under the Alaska Native Claims Settlement Act.
- Income derived from certain sub-marginal land or the United States that is held in trust for certain Indian tribes.
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians.
- The first \$2000 of per capita shares from judgment funds awarded by Indian Claims.
- Payments received under the Maine Indian Claims Settlement Act of 1980.
- Payments received by Indian Claims Commission to the Confederate Tribes and Bands of the Yakima Indian Nation, The Apache Tribe of the Mescalero Reservation.

- The first \$2000 of income received by individual Indians derived from interests or trust or restricted land.
- Payments received for the care of foster children or foster adults (usually persons
 - with disabilities, unrelated to the resident family, who are unable to live alone).
- 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 community losses.
- Full amount of student financial assistance and paid directly to the student or to the educational institution.
- Temporary, nonrecurring or sporadic income (including gifts).
- 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.
- Adoption assistance payments in excess of \$480 per adopted child.
- Refunds or rebates under state or local law for community taxes paid on dwelling unit.
- 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.
- Payments or allowances under DHHS' low-income home energy assistance program (LIHEAP).
- Federal scholarships funded under Title IV of The Higher Education Act of 1965, including awards under the Federal work study program or under the Bureau of Indian Affairs student assistance program.
- Payments received from programs funded under Title V of the Older Americans Act of 1965.
- Payments received on or after January 1, 1989 from the Agents Orange Settlement Fund or any fund established pursuant to the settlement in the In Re Agents Orange product liability litigation.

- Earned Income Tax Credit refund tax payments.
- Any allowance paid under provisions of 38 U.S.C. 1805 to a child suffering from spinal bifida who is a child of a Vietnam Veteran.
- Any amount of crime victim compensation that the applicant (under the Victims Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims Crime Act because of the commission of a crime against the applicant.

F. INCOME FROM ASSETS

Acceptable methods of verification include:

Savings Account Interest Income and Dividends Will be verified by:

- Account statements, passbooks, certificates of deposit, or HACS verification forms completed by the financial institution.
- Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
- IRS Form 1099 from the financial institution, if HACS must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution is required stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)

Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from property owned by Family

- IRS Form 1040 with Schedule E (Rental Income).
- Copies of latest rent receipts, leases, or other documentation of rent amounts.
- Documentation of allowable operating expenses of the community: tax statements, insurance invoices, and bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

- Lessee's written statement verifying rent payments to the family and family's notarized statement as to net income realized.

G. VERIFICATION OF ASSETS

Family Assets

HACS will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

- Verification forms, letters, or documents from a financial institution or broker.
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stockbroker or realty Agents as to net amount family would receive if they liquidated securities or real estate.
- Real estate tax statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal community held as an investment.
- Family's Notarized Statement describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date Of Certification Or Recertification

For all Certifications and Recertifications, HACS will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification or certification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third-party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

Written verification from the person who receives the payments is required. If the childcare provider is an individual, he/she must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care providers name, address, telephone number, the names of the children cared for, the number and schedule of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical and Disability Assistance Expenses

Families who claim medical expenses or expenses to assist a person(s) with disabilities will be required to submit a certification as to whether any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist,
- of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

- A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.
- Attendant has written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses.

HACS may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

HACS will use mileage at the IRS's rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

In All Cases:

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member or disabled person to be employed will be required.
- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
- Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, HACS will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of **legal identity for adults**. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers
- Church issued baptismal certificate
- Current, valid Driver's license
- Department of Motor Vehicles Identification Card
- military discharge (DD 214)
- Passport

Documents considered acceptable for the **verification of legal identity for minors** may be one or more of the following:

- Certificate of Birth
- School records
- Adoption papers
- Health and Human Services ID

Verification of Marital Status

- Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.
- Verification of a separation may be a copy of court-ordered maintenance or other records.
- Verification of marriage status is a marriage certificate.

Split Households: Domestic Violence

- Verification of domestic violence when assessing applicant split households includes:
- Shelter for battered persons, Police reports, District Attorney's office, victim Self-Certification form (HUD FORM 5382 or its successors).

Verification of Permanent Absence of Adult Member

- If an adult member who was formerly a member of the household is reported permanently absent by the family, HACS will consider any of the following as verification:
- Husband or wife instituted divorce action.

- Order of protection/restraining order obtained by one family member against another.
- Proof of other home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
- Statements from other agencies such as social services that the adult family member is no longer living at that location.
- If no other proof can be provided, HACS will accept a Notarized Statement from the family or a Family self-certification.
- If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition

HACS may verify changes in family composition (either reported or unreported) through letters, utility records, inspections, landlords, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under 42 U.S.C. Section 423(d) (1) (A) of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(8) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format. HACS may also request verification of a disability before providing an accessibility unit or accommodation.

Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Family members must declare their status once; additions to the family must verify their status. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the hearing is pending.

- Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.
- Eligible Immigrants who are 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.
- Noncitizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents, which are copied front and back and returned to the family.

HACS will verify the status through the INS SAVE system. If this primary verification fails to verify status, HACS shall request within ten days that the INS conduct a manual search.

Family members who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending members signed by the head of household or spouse.

- Noncitizen students on student visas are ineligible members even though they are in the country lawfully. Although they may be part of a “Mixed Family” paying a pro-rated rent if at least one family member is a citizen or eligible immigrant. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

Failure to Provide. If an applicant or resident family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Extensions of Time to Provide Documents. HACS will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (1-551)
- Alien Registration Receipt Card (1-151) Arrival-Departure Record (1-94)
- Temporary Resident Card (1-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

HACS will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members. If there is a new addition to the household who is under the age of six and has no SSN, that child has 90 calendar days to provide a SSN to HACS. The agency

may allow one extension of an additional 90 days if failure to comply was outside the control of the tenant/applicant.

Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- A valid driver's license
- Identification card issued by a Federal, State or local agency
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- Benefit award letters from government agencies
- Retirement benefit letter
- Verification of benefits or SSN from Social Security Administration.
- Military ID

Copies of these documents must be placed in the tenant's file.

If an applicant or Resident is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or Resident must sign a certification to that effect provided by HACS . The applicant/Resident or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, HACS may grant an extension for an additional 60 days up to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

Medical Need for Larger Unit

Verification of Medical Need for Larger Unit

A written certification that a larger unit is necessary from a licensed physician or other health professional must be submitted annually.

J. VERIFICATION OF SUITABILITY FOR ADMISSION

Sources to be used to determine suitability include but are not limited to:

- Criminal History Reports for all adult member in the household.

- Criminal history reports will be useable as a valid verification for no longer than six (6) months from date of receipt.
- Prior landlord references for previous 6 months
- Physicians, social workers, and other health professionals
- HACS or Private Landlord (to whom the family may owe debt)
- Credit checks
- Housekeeping
- HACS may obtain references from prior landlords for the previous 12 months to determine acceptable housekeeping standards. Upon acceptance of a unit, Applicants will be required to attend pre-occupancy classes as a condition of admission.

Chapter 8 TRANSFER POLICY

INTRODUCTION

The transferring of families is a very costly procedure, both to HACS and to the families. HACS allows intra-site transfers under certain circumstances. The transfer policy will be carried out in a manner that does not violate fair housing.

A. GENERAL STATEMENT

It is the policy of the HACS to require or permit resident transfers, within and/or between its public housing communities for the following reasons:

- Emergency;
- Mandatory;
- Reasonable Accommodations;
- Over housed or Under housed;
- Non-threatening Medical (verified by physician);
- Resident convenience; or
- Exceptional Circumstances.

B. ELIGIBILITY FOR TRANSFER (24 Month Residency Period Will Be Evaluated).

Except in emergencies, transfers are not allowed when the family is:

- Delinquent in its rent; more than 4 delinquent payments in the last two (2) years
- Not in good standing with HACS due to Lease violations;
- More than four (4) total violations of any section of the resident obligations section of the lease;
- Failure to report income in a timely matter;
- Criminal or any activity which result in an arrest or conviction within the last two years; and/or
- Poor house-keeping: more than two (2) unsatisfactory violations cited in any area.

C. PRIORITY OF TRANSFERS

Transfers are prioritized in the following manner:

- Emergency — takes priority over all other transfer requests.
- Mandatory
- Reasonable Accommodations
- Over-housed or Under-housed
- Non-threatening Medical (verified by physician), and
- Resident convenience
- Over-Income, income exceeding 140% of AMI if appropriate size unit is available to transfer the resident.

D. EMERGENCY TRANSFER

Emergency transfers are transfers that are implemented when unit or building conditions pose an immediate threat to resident's life, health, or safety as determined by HACS or a governing body with jurisdiction over such matters, or a federal, state or local court.

Examples include:

- Medical problems of a life threatening nature;
- The resident's unit has been damaged by fire, flood or other causes to such a degree that the unit is not habitable, provided that, although the damage was a result of carelessness or negligence of the resident or a member of the resident's household, the resident has, in writing, accepted the responsibility for such damage and has agreed to make restitution to HACS for the expense of repairing such damage up to a ceiling cost of \$5000;
- To abate dangerous and/or substandard living conditions;
- To abate emergency life-threatening living conditions caused by third-party criminal activity.
- Emergency transfers under the VAWA policy.

The following procedures will govern emergency transfers:

- HACS is not required to give minimum notice of an emergency transfer but will make every effort to provide as much notice as permitted under the circumstances.
- HACS cannot guarantee a desired location for emergency transfers but an attempt will be made to meet the resident's location preference when possible.
- Refusal to comply with an emergency transfer may be grounds for lease termination.
- Upon request by the resident, emergency transfers may be used to alleviate verified medical problems of a life threatening nature or when household members need protection from attack by a criminal element in a particular community or neighborhood based on a threat assessment by a law enforcement agency (example: witness protection program, domestic violence). Supporting documentation for a special circumstance transfer includes, but is not limited to a statement from a prosecutor, victim service provider, or a social worker.

E. MANDATORY TRANSFER

Mandatory transfers are transfers required by HACS or purposes such as closing a building; implementing redevelopment or building rehabilitation activities; achieving vacancy consolidation; and, adjusting for over-housed living conditions.

If there is a reasonable fear of direct violence against the resident, HACS may permit a transfer. These transfers are handled on a case-by-case basis. Such transfer requests may include a fear of retaliation for witnessing an incident, or providing testimony or evidence in an eviction or criminal proceeding, or fear of being the victim of a hate crime.

- To the extent possible and subject to any rights of return, HACS will make every effort to allow residents in good standing to select the communities to which to transfer when implementing mandatory transfers for redevelopment or rehabilitation of units.
- The conditions for good standing are:
 - no repayment agreement or unpaid balance at any time in the past year; good credit history with utility companies (when applicable);
 - no criminal activity or history of disturbances that resulted in Lease violations or violations as defined in HACS's One Strike Policy as indicated by notices of lease violation in the resident's file; and a good housekeeping record, as indicated by housekeeping inspection reports in the resident's file.

- HACS will provide written notice, a minimum of 30 days, in advance of the transfer date for mandatory transfers. For transfers subject to the Uniform Relocation Act (URA), HACS will provide notice in accordance with URA standards.
- Over-Income, income exceeding 140% of AMI, Internal Revenue Code Section 42(g) (2) (D) (ii) states that if the income of the occupants of a low income unit increases above 140% of the income limitation applicable, the unit shall cease to be treated as a low income unit if ANY UNIT in the building (of comparable size or smaller than such unit) is occupied by a new resident whose income exceeds such income limitation. In this case, when applicable, the resident will be asked to transfer.
- Refusal of a mandatory transfer can be grounds for lease termination.

F. REASONABLE ACCOMMODATIONS

These transfers are made when a resident needs to move to a different unit as an accommodation to a resident's documented disability. This kind of transfer may be requested for a variety of reasons, including but not limited to: the resident needs to be moved to a ground floor unit because his disability prevents him from climbing stairs; the resident needs a unit with certain physical features and they cannot be provided in his current unit without undue financial and administrative burden to HACS.

G. OVER-HOUSED OR UNDER-HOUSED

A transfer may occur to accommodate families who are determined to be over or under housed by virtue of their family size.

H. NON-THREATENING MEDICAL (verified by physician)

When the transfer request is due to medical reasons that have been determined to **not** be life threatening, written physician verification of the need for a transfer is required.

I. RESIDENT CONVENIENCE TRANSFER

Resident requested transfers are transfers for the convenience of the residents and transfer fee in the amount of \$250 will apply. Resident requested transfers would be initiated for residents who desire to live in another HACS community or other type of community for which they qualify, or a resident wishes to move to address situations such as neighbor disputes, which are not criminal but interfere with the peaceful enjoyment of the unit or common areas.

J. MOVING COSTS

The resident will pay all moving costs related to the transfer; in addition to a transfer fee, except when the transfer is due to un-inhabitability and reasonable accommodations, through no fault of the resident, or when the transfer is due to the need of HACS.

K. SECURITY DEPOSITS

The security deposit will be transferred to the unit in which the family is transferring.

L. PROCESSING TRANSFERS

Transfers will be processed as follows:

- The resident's records will show a continuous residence in public housing in one community or the other, but not in both projects at the same time. Both losing and gaining communities involved must have a definite agreement as to when the losing community will move the resident out and the gaining community will move the resident into the unit.
- For intra community transfers, HACS will give the resident at least a 30-day notice of when the new unit is projected to be ready for occupancy. The resident will be kept updated on any changes to the projected date of occupancy. Upon receipt to the keys of the new unit, the resident must vacate the unit and surrender the key to the losing community for the unit within 72 hours.
- All residents must pay all outstanding debts before being transferred in the computer system, including all damages to unit due to neglect or abuse.
- A transfer between units will not be considered a move-out.

M. TRANSFER REQUEST PROCEDURE

Residents applying for a transfer will have to complete a transfer request form stating the reason a transfer is being requested.

The Site will evaluate the request to determine if a transfer is justified.

Residents applying for a transfer will be interviewed to determine the reason for the request and to determine whether a transfer is justified.

If the interview reveals that there is a problem at the family's present site, HACS will address the problem and until solved to the Executive Director's satisfaction, the request for transfer will be denied.

The approved request for transfer form will be kept in a file arranged in chronological order and on the computer by bedroom size. If the request is approved, the family will be sent a copy of the approved transfer form.

If the request is denied, the family will be sent a copy of the transfer form stating the reason for denial.

If the transfer is a Resident Convenience transfer, and the resident refuses a unit offered, the resident will not be permitted to request a subsequent transfer for a period of one year from the date of refusal of the unit offered.

Residents who wish to dispute for good causes are permitted to use the approved grievance procedures. Examples of good cause are listed in Chapter 4, Resident Selection and Assignment Plan, but are not only limited to those listed.

NOTE: A transfer will require good coordination and communication between the gaining and losing communities' manager and resident.

Chapter 9 LEASING

INTRODUCTION

It is HACS's policy that all units must be occupied pursuant to a dwelling Lease Agreement that complies with HUD's regulations. This Chapter describes pre-leasing activities and HACS's policies pertaining to Lease execution, security deposits, other charges, and additions to the Lease.

A. LEASE ORIENTATION/UNIT INSPECTION

Upon execution of the Lease, HACS will provide a lease orientation to the family head and spouse. The orientation may be conducted with more than one family.

The family must attend an orientation before taking occupancy of the unit and within 30-calendar days after execution of the Lease. This orientation includes at a minimum a review of the Lease and the Family Obligations.

B. LEASE REQUIREMENTS

The initial term of the Lease will be for 12 months. The Lease will renew automatically for 12-month terms except for noncompliance with the community service requirement or for reasons that include restrictions stated in the Regulatory and Operating Agreement and Tax Credit Requirements.

Because the Lease automatically renews for terms of 12 months, an annual signing of the Actual Lease process is not required.

The Lease will contain a provision providing that if the family has violated the requirement to perform community service, HACS may not renew the Lease.

C. EXECUTION OF LEASE

The Lease shall be executed by the head of household, spouse, and by an authorized representative of HACS, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head. The terms of the Lease should be discussed with the signatory.

An appointment will be scheduled for the parties to execute the Lease. One executed copy of the Lease will be given to the resident and HACS will retain one in the resident's file. The Lease is incorporated into this policy by reference and is attached hereto. The Lease document will reflect current HACS policies as well as applicable Federal, State, and local law.

The following provisions govern Lease execution and amendments:

- A Lease is executed at the time of admission for all new residents.
- A new Lease is executed at the time of the transfer of a resident from one housing community unit to another (with no change in recertification date).
- If, for any reason, the head of household ceases to be a member of the household, HACS will consider executing a Lease with the remaining family member(s).
- Lease signers must be persons legally eligible to execute contracts.
- The names and date of birth of all household members are listed on the Lease at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.
- Whenever there is a change in the family composition or income, a new Lease will be executed.
- Changes to resident rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by HACS, which becomes an attachment to the Lease. Documentation will be included in the resident file to support proper notice.
- Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the Lease and is not entitled to housing assistance, with the exception of occupancy while serving as the attendant for the participant family member. Only one additional bedroom may be assigned to a Live-In Attendant to accommodate the Live-In Attendant only.

HACS may modify its form of Lease from time to time, giving residents an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A resident's refusal to accept permissible and reasonable Lease modifications, or those modifications required by HUD, is grounds for termination of tenancy.

D. ADDITIONS TO THE LEASE

HACS must approve requests for the addition of a new member of the household, prior to the actual move-in by the proposed new member(s), except for births, adoptions, and court-awarded child custody.

Following receipt of a family's request for approval, HACS will conduct a preadmission screening, including the Criminal History Report, of the proposed new member. A SSN

for every new member must be provided. Only new members approved by HACS will be added to the household.

Factors determining household additions:

- All Household additions are subject to screening.
- If the addition is a minor:
 - HACS will request that the public housing resident provide HACS with a signed consent form from the parent(s) or legal guardian allowing HACS to check the records of the child.
 - Sources to be checked may include school records (attendance/behavior) and/or police records.
- In such cases where the addition of a new member other than by birth, adoption, court-awarded custody, or an approved live-in attendant will affect the bedroom size required by the family, according to HACS's occupancy standards, HACS will not approve the addition unless it has granted exceptions from the occupancy standards.
- Residents who fail to notify HACS of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the Lease. Such persons are considered unauthorized occupants, and the entire household will be subject to eviction.
- Family members age 18 and over who move from the dwelling unit to establish new households shall be removed from the Lease. The resident must notify HACS of the move-out within 10 calendar days of this occurrence. These individuals may not be readmitted to the unit if they fail the screening criteria or over-crowd the unit.
- In making determinations under this paragraph, HACS may consider medical hardship or other extenuating circumstances.
- The resident may not allow visitors to stay overnight for more than 14 consecutive days without HACS approval.
 - If the resident is currently in the process of adding a visitor to their household, and the process will take HACS longer than 14 days at no fault of the resident, the visitor may remain in the household until the decision to admit them has been made. Approval must be granted by HACS in writing for this extension.
 - Visitors who remain beyond the authorized period shall be considered trespassers, and their presence constitutes a breach of the Lease.

- If an individual other than a leaseholder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.
- Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.
- Residents are not permitted to allow a former resident of HACS who has been evicted to occupy the unit for any period of time.
- Residents must advise HACS when they will be absent from the unit for more than 7 days and provide a means for HACS to contact the resident in the event of an emergency.
- Failure to advise HACS of extended absences is grounds for termination of the Lease.

E. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES

Before offering a vacant accessible unit to a non-disabled applicant, HACS will offer such units:

- First, to a current occupant of another unit of the same community, or other public housing communities under HACS's control who has a disability that requires the special features of the vacant unit.
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

HACS will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the non-disabled applicant.

F. UTILITY SERVICES

Residents responsible for direct payment of utilities must abide by all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a Lease violation and grounds for eviction.

Transferring of utilities in residents name must be done when the lease is signed.

G. SECURITY DEPOSITS

Security Deposit

New residents must pay a security deposit to HACS upon lease signing and prior to occupying unit.

The amount of the security deposit depends on the size of the dwelling. The security deposit must be paid at the time that the Lease is signed.

HACS will hold the security deposit in a designated account for the period of time the resident occupies the unit.

HACS will refund to the resident the amount of the security deposit, less any amount needed to pay the cost of:

- Unpaid Rent;
- Damages listed on the Move-Out Inspection Report that exceeds normal wear and tear; or
- Other charges under the Lease.

HACS will refund the Security Deposit less any amounts owed, within 30 calendar days after move out and resident's notification of new address. If the unit is abandoned without prior notice or the tenant is evicted by Court order, the tenant forfeits the security deposit.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to HACS . All keys to the unit must be returned to the HACS central office upon vacating the unit.

HACS will not apply the security deposit for payment of rent or other charges while the resident is living in the unit.

If the resident transfers to another unit, HACS will transfer the security deposit to the new unit. The resident will be billed for any maintenance or other charges.

Pet Deposit

See chapter on Pet policy.

H. RENT PAYMENTS

Rent is due and payable on the first day of each month. Charges to the resident for maintenance and repair beyond normal wear are also due the first of the month after the notice of said charges has been delivered to the resident.

Rent Collection Policy for HACS Managed Sites

All rent is due on the 1st of the month and late after the 5th day of the month. If rent is late, the tenant will be charged a \$25 late fee for every month in which the rent is late. Unless there are HACS-approved extenuating circumstances, no rent will accepted after the 10th of the month, and eviction proceedings will be instituted.

Written notice of the late fee will be hand-delivered to each resident once due or by the 6th day of the month. The 14-day notice of eviction for non-payment, when rent is not paid timely, will run concurrently with the late fee notice.

Residents must make their payments in the rent drop box at the central office or at Country Gardens drop box.

The notice described in this paragraph shall constitute a notice of adverse action and shall meet the governing requirements including due process under the Grievance Policy.

The notice will list the balance due and will be consistent with Louisiana landlord/tenant law. Late charges shall be due and payable in accordance with the provisions as stated above. The Late Notice must also advise residents of their right to request an informal hearing.

A Notice to Vacate will be served in accordance with state law.

HACS will only accept rent payment with money orders or cashier's checks. Only Country Garden residents may pay with a personal check. Cash payments and/or partial payments are not acceptable.

I. FEES AND NONPAYMENT PENALTIES

If the resident fails to make payment by the 5th day of the month, a late fee of \$25 will be charged on the 6th or the next business day following the 6th of the month.

HACS will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account. HACS will not accept rent payment by personal checks from any Country Garden resident for a period of 12 months from the date of the second NSF check.

Any rent payment received will be applied to the oldest rent charges in the resident's account. Any fees paid will be applied to the month in which the fees were incurred.

J. SCHEDULES OF SPECIAL CHARGES

Schedules of special charges for services, repairs, utilities, rules, and regulations, which are required to be incorporated into the lease by reference, shall be publicly posted in a conspicuous manner in the Leasing office, and they will be provided to applicants and residents upon request.

K. MODIFICATIONS TO THE LEASE

Schedules of special charges and rules and regulations are subject to modification or revision. Residents will be provided at least thirty days written notice of the reason(s) for

any proposed modifications or revisions, and they will be given an opportunity to present written comments.

Comments will be taken into consideration before any proposed modifications or revisions become effective. A copy of such notice shall be posted at the community management office.

After the proposed changes have been incorporated into the Lease and approved by the Board, each family will be notified of the effective date of the new Lease. Any modifications of the Lease must be accomplished by a written addendum to the Lease and signed by both parties.

L. CANCELLATION OF THE LEASE

Cancellation of the resident's Lease is to be in accordance with all federal and state law, the provisions contained in the Lease agreement, and as stated in this policy.

M. INSPECTIONS OF PUBLIC HOUSING UNITS

Move-In Inspections

HACS and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by management and the resident, will be kept in the resident file.

Any adult member may sign the inspection form for the head of household.

Move-Out Inspections

Residents are required to return unit keys to the community office upon move-out. When a resident returns the unit keys upon vacating a unit, a move-out inspection will be conducted with the resident, management, and maintenance staff. If the keys are not returned during the move-out, the move-out inspection will occur upon discovery of the vacant unit.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. HACS will determine if there are resident caused damages to the unit. Resident caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists HACS in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next resident.

The resident is encouraged to participate in the move-out inspection. HACS will obtain, whenever possible, a forwarding address.

If the resident fails to participate in the inspection, resident loses the right to a grievance because grievance regulations only apply to current residents. By not participating in the inspection, the resident agrees to the charges, if any, assessed by HACS.

If notice is not a 30-day to vacate, the resident will forfeit their security deposit.

UCPS Inspections

HACS and HUD will inspect a sample of units utilizing the Uniform Physical Condition Standards (UPCS) inspection standards.

All inspections will include a check of all smoke alarms, carbon monoxide detectors, and fire extinguishers to ensure proper working order. Citations will be issued to residents who purposely and for convenience disengage the unit's smoke detector. Since this is a health and safety violation, repeated citations will result in Lease termination. Additionally, all costs associated with repair or replacement of a smoke detector will be charged to the Resident.

HACS will repair required corrections within 10 days of the inspection date. An independent contractor will repair required corrections within 20 days of the inspection date.

Housekeeping Inspections

Housekeeping inspections will be conducted quarterly and the residents will be provided advance notice. When possible, the resident should be in attendance for the inspection. If not, HACS will conduct the inspection and leave notice for the resident that the inspection took place.

Residents will be issued a copy of the housekeeping inspection report with required corrections, which may constitute a separate inspection. Any resident who fails the housekeeping inspection will be given 10 days to correct deficiencies. If those deficiencies are not corrected, the resident may be evicted for violation of the Lease.

Damages beyond "normal wear and tear" will be billed to the resident in accordance with the maintenance charge schedule.

Once notified of maintenance charges due to damages beyond normal wear and tear, the resident will be given an opportunity to dispute charges under the Grievance policy.

Residents who are in violation of their lease due to repeated failed inspections will be scheduled for a Lease violation conference.

Other Inspections

The HACS inspector will periodically conduct walk-through inspections to determine whether there may be Lease violations, adverse conditions, or local code violations. Building exterior and grounds inspections are conducted at all public housing properties to determine hazardous conditions as well as to assist in budget preparation.

Emergency Inspections

HACS may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit or on a public housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter.) Repairs should be completed within 24 hours from the time the work order is issued.

Emergency Repairs to be Completed in Less than 24 Hours

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

- Broken lock, which affects unit security
- Broken window glass, which affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)
- Escaping gas
- Plumbing leaks that can cause flooding or damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage or flooding
- Electrical hazard
- Units with elderly residents in which the HACS installed air conditioner or heater (seasonal) or refrigerator is inoperable
- Inoperable smoke detectors. Residents who disengage smoke detectors for convenience purposes will be cited.

There may be a charge for these services if determined the emergency was the direct result of the resident or the resident's neglect.

Entry of Premises Notices

HACS will give prior written notice for non-emergency inspections that specifies the purpose for non-emergency entry. Non-emergency entries to the unit will be made during reasonable hours of the day.

HACS will provide the family with 48-hour notice prior to entering the unit for non-emergency reasons, specifying the purpose of the non-emergency entry. An adult family member must be present in the unit during the inspection. If no person is at home, the inspector will enter the unit and conduct the inspection.

If no one is in the unit, the person(s) who enters the unit will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

Reasons HACS will enter the unit are:

- Inspections and maintenance;
- To make improvements and repairs;
- To show the premises for leasing; or
- In cases of emergency.

The family must call HACS at least 24 hours prior to the scheduled date of inspection to reschedule the inspection, if necessary.

HACS will reschedule the inspection no more than once unless the resident has a verifiable medical reason that has hindered the inspection. Management may request verification.

Repairs requested by the family will not require prior notice to the family. Residents are notified in the lease that resident-requested repairs presume permission for HACS to enter.

Non-Inspection Emergency Entry

HACS staff will allow access to the unit to proper authorities when issues of health or safety of the resident is concerned. Health and safety concerns may include but not limited to fire, smoke, flood, electrical, and gas or water leaks.

Family Responsibility to Allow Inspection

HACS must be allowed to inspect the unit at reasonable times with reasonable notice. A 48-hour written notice is considered reasonable in all cases.

The resident is notified of the inspection appointment by hand delivered notices and, in some cases, by mail.

Resident Damages

“Beyond normal wear and tear” is defined as items that could be charged against the resident's security deposit under state law or court practice.

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated Lease violations and may result in Lease termination.

Chapter 10

PET POLICY — GENERAL OCCUPANCY (FAMILY) COMMUNITIES

A. GENERAL STATEMENT

HACS does not allow pets or allow residents to routinely feed outdoor animals that could be considered pets. The only exception is for the residents of Country Garden who are allowed to keep pets 25 pounds or less.

B. POSSESSION OF PETS AS A REASONABLE ACCOMMODATION

HACS pet restrictions do not apply to animals that are used to assist persons with disabilities and are necessary as a reasonable accommodation. The animal must perform the assistance or provide the benefit needed by the person with a disability. Assistance animals are exempt pet deposits or monthly pet fees.

However, all reasonable Lease provisions relating to health and safety apply to assistance/service animals such as maintaining the premises in a clean and sanitary condition and must meet all of the following:

- Residents shall provide management a color photo of the pet(s) listed on the pet application and the name and address of the pet's veterinarian.
- Residents must submit annual proof for the need of a service animal from a licensed professional.
- Residents must submit proof that pets have been vaccinated by a licensed veterinarian with anti-rabies vaccine with the initial pet application and each year at the time of pet registration.
- Residents must provide copies of the annual municipal license number for pets at the time of initial application and annual registration.
- Every pet must wear a tag evidencing the municipal license number and the owner's name, address and telephone number. This tag must be attached to a collar or harness of the pet at all times while on HACS property.
- The resident is responsible for cleaning all pet waste inside the residence and on HACS property.
- Every service animal must be on a leash when outside on HACS property. Animals may not be tethered to anything when outdoors for more than a few minutes.

C. POSSESSION OF PETS IN COUNTRY GARDENS

The possession of pets in Country Gardens is limited as follows:

- Pets shall be limited to companion animals, which are defined as domestic household pets such as dogs, cats, small caged birds, guinea pigs, gerbils, hamsters, rabbits and fish. Reptiles, exotic animals and birds of prey are not considered household pets.
- Only one pet may be kept in any one dwelling unit.
- No wild or exotic animal may be kept as a pet at any time. This means any monkey (or other non-human primate), raccoon, skunk, wolf, squirrel, fox, leopard, panther, tiger, lion, lynx, or any other warm blooded animal, poisonous or constricting snake or tarantula which can normally be found in the wild, or any member of crocodilian, including but not limited to alligators, crocodiles, caimans or gavials.
- No aggressive or vicious animal may be kept as a pet at any time. Vicious animal means any animal that by virtue of its size, temperament, natural environment or present circumstances is capable of threatening the safety of a living being or one that may be prone to extreme fierceness, unrestrained violence or brutality. Aggressive animal means any animal, which will commit an unprovoked attack or threat. An animal shall be determined as threatening if any of the following occurs: it bites a person or another domestic animal; chases or approaches a person in a public area in a menacing fashion; or it injures any person authorized to enter the owner's premises, including Housing Authority and its Agent's personnel.
- The mature size of newly acquired pets shall be limited to the following: dogs shall not exceed 25 pounds; a maximum of two birds; and in the case of fish, no more than one aquarium with a 20-gallon capacity.

D. INITIAL AND ANNUAL REQUIREMENTS

Residents of Country Gardens must complete a pet application prior to initial possession of a pet. Each year thereafter, at the time of the annual re-examination of income, residents must register with the Site Manager of their community, all pets governed by this policy.

HACS will grant written approval for the pet to be maintained in the dwelling unit based upon compliance with all provisions of this policy. Additional requirements as follows must be met to receive approval for a pet to be maintained in the dwelling unit.

- A non-refundable one-time pet deposit of \$250.00 will be paid when the Lease is signed or when the pet is acquired. HACS must be notified at least five days before a pet moves into the residence. If the initial pet is replaced with another pet that meets all HACS requirements, a second deposit will not be required.
- Residents shall provide management a color photo of the pet(s) listed on the pet application and the name and address of the pet's veterinarian.
- Residents must submit proof that pets have been vaccinated by a licensed veterinarian with anti-rabies vaccine with the initial pet application and each year at the time of pet registration.
- Residents must provide copies of the annual municipal license number for pets at the time of initial application and annual registration.
- Every pet must wear a tag evidencing the municipal license number and the owner's name, address and telephone number. This tag must be attached to a collar or harness of the pet at all times while on HACS or its Agent's property.
- The resident must provide the name of the individual who will be responsible for the animal in the event the resident can no longer care for the animal.
- Female dogs and cats over six months old must be spayed and males over six months old must be neutered. If for any reason this procedure would be detrimental to the animal's health, residents must submit a letter from a licensed veterinarian stating the medical reasons why such action would be harmful to the pet. Proof of these procedures shall be submitted at the time of initial application or prior to the first year registration, if the pet is too young for the procedure at the time of initial application.

E. PET RULES

Once an application for possession of a pet has been approved, residents must comply with the following rules at all times in order to maintain the pet:

- While outside the dwelling unit, all dogs must be confined within an enclosure or kept on a secured leash. No animal may be tethered outdoors for more than an hour. The animal must be accompanied by a person who is able to control it.
- Pets are not allowed in management offices, community buildings, maintenance areas or other areas of the community dedicated for special purposes.

- The owner of every pet is responsible for picking up the waste (feces) left by the pet on HACS property and disposing of it in a proper receptacle.
- No pet may make excessive noise, which disturbs the peaceful enjoyment of the premises by other residents.
- Residents must furnish the name, address and phone number of the person(s) responsible for the care of the pet in case of an emergency.
- All places where animals are kept (kennels, pens, cages, and general dwelling space) must be kept clean and wholesome by removal of all odors, urine and other offensive matters and by suitable cleansing as often as may be necessary.
- Cruelty to animals is strictly prohibited and any person committing such crime shall immediately be reported to Louisiana Society for the Prevention of Cruelty to Animals and/or the Police Department. Cruelty of animals means the intentional or negligent mistreatment of any animal by any act or omission whereby pain, suffering or death is caused to such animal.
- No resident shall hold, operate, sponsor or in any way further a contest that pits animals against each other. The training of any animal to act in a vicious or ferocious manner is strictly prohibited.
- Residents shall not cause an animal to engage in any unnatural behavior, to wrestle or fight, to be physically or mentally harassed or encourage any animal to perform through the use of any chemical, mechanical, electrical or manual devices that will cause injury or suffering to the animal.
- Pets shall not be allowed on the premises by visitors or other persons not listed on the Residential Lease Agreement. Such animals shall be considered trespassing and action will be taken to remove these animals from HACS property.

F. ASSISTANCE AND REMEDIES

This policy constitutes a provision of the Residential Lease Agreement ("Lease") as if fully incorporated into such agreement. At the time of signing the Lease, residents shall be provided with a copy of this policy and required to sign an acknowledgement contained in the Lease that such policy was received. Assistance will be provided for any residents with special needs.

Violations of this policy shall be handled in accordance with the provisions of the Residential Lease Agreement. Residents shall be entitled to all remedies permitted under federal, state and local law, including but not limited to utilization of the Grievance Policy and Procedures.

Chapter 11 RECERTIFICATION

INTRODUCTION

HUD requires that HACS offer all families the choice of paying income-based rent or flat rent at least annually. Families who choose to pay flat rent are required to complete a recertification of income, deductions and allowances at least once every three years.

To determine the amount of income-based rent, it is necessary for HACS to perform a recertification of the family's income. At the annual recertification, families who choose to pay income-based rent must report their current household composition, income, deductions and allowances. Between regular annual recertifications, HUD requires that families report all changes in household composition, but HACS decides what other changes must be reported and the procedures for reporting them. This Chapter defines HACS's policy for conducting annual recertifications. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ELIGIBILITY FOR CONTINUED OCCUPANCY

Residents who meet the following criteria will be eligible for continued occupancy:

- Qualify as a family as defined in this policy;
- Are in full compliance with the obligations and responsibilities described in the dwelling Lease;
- All family members have submitted their Social Security numbers unless exempt; and
- Whose family members have submitted required citizenship/eligible immigration status/non-contending documents.

B. ANNUAL RECERTIFICATION

The terms annual recertification and annual re-examination are synonymous.

In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition. Submitting erroneous or incomplete information may result in termination of the Lease.

Families who choose flat rent are to be recertified every three (3) years.

Any family on fixed income will be recertified every three years. Examples of fixed income include SSI, SS, or a pension/annuity.

For families who move in on the first of the month, the annual recertifications will be completed within 12 months of the anniversary of the move-in date, (i.e. if family moves

in August 1, the annual recertification will be conducted to be effective on August 1, the following year effective by the 1St of the month).

For families who move in during the month, the annual recertifications will be completed no later than the first of the month in which the family moved in, the following year. (Example: If family moves in August 15, the effective date of the next annual recertification is August 1.)

Recertification Notice to the Family

All families will be notified of their obligation to recertify by hand delivered notices, certified mail, and/or first class mail. The notification shall be sent at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, HACS will provide the notice in an accessible format. Management will also mail the notice to a third party, if requested, as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

If the family chooses flat rent, no recertification appointments will be necessary unless the family has paid the flat rent for three (3) years.

If the family has fixed income or is an elderly and/or disabled head of household, recertification appointments will only be necessary every three (3) years. If the family composition or family income changes, a recertification may be conducted.

Persons with Disabilities

Persons with disabilities, who are unable to come to HACS's office will be granted an accommodation of conducting the interview at the person's home upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information

The head of household must supply requested information timely. HACS will enter the information provided by the family on the recertification form.

Failure to Respond to Notification to Recertify

All information must be supplied by the deadline provide in the Recertification Notice. Additional time may be allowed with advanced HACS approval for extenuating circumstances. If complete and accurate information is not provided by the deadline, and no prior extension has been requested and approved, the Lease may be terminated.

Documents Required from the Family

In the notification letter to the family, HACS will include instructions for the family to bring the following completed documents that will be provided with the notice:

- Form 9886 Authorization for Release of Information
- Client Consent for Release of Information Forms 9887 & 9887A

- Supplemental Application Form 92006
- Third Party Verification of Income
- Request for Reasonable Accommodations
- Signed Fraud Penalties Statement
- Request for Criminal History Information
- Student Verification, when applicable
- Disclosure of any family member employed by HACS
- Birth Certification and SSN for any new family member
- Previous participation in any HCVP or Public Housing program
- Picture Identification (Louisiana driver's license or Louisiana State Identification card)
- Social Security card for any new household members (despite age)
- Signed Statement of Family Obligations

HACS also will require recent utility bills, the most current 4 or more pay stubs, proof that any school aged children residing in the unit are enrolled in school and the address of the school, and proof of any changes in the household or employment status.

If the family does not provide the above referenced documents at the scheduled interview, the recertification cannot be completed and the Lease will not be renewed.

Verification of Information

All information which affects the families, continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 120 days old. All verifications will be placed in the family's file.

When the information has been verified, it will be analyzed to determine:

- the continued eligibility of the resident as a family or as the remaining member of a family;
- the unit size required by the family; and
- the amount of rent the family should pay.

Changes in the Resident Rent

If there is any change in rent, including change in family's choice in rent, the lease will be amended, a new Lease will be executed, or a Notice of Rent Adjustment will be issued.

Resident Rent Increases

If the resident's rent increases or changes, a thirty-day notice will be mailed to the family prior to the anniversary date.

Resident Rent Decreases

If the resident's rent decreases, it will be effective 30 days after the resident receives the Rent Adjustment notice.

If the family causes a delay so that the processing of the recertification is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the recertification processing by HACS.

If the resident rent decreases and the resident reported the change within a month prior to the annual recertification anniversary date or between the annual recertification anniversary date and the effective date of the annual recertification, the change will be treated as an interim.

The change will be effective the first of the following month that the family reported the change. If necessary, HACS will run another HUD 50058 as an annual recertification.

Families must report all changes in household composition to HACS between annual recertifications in writing within ten (10) days of the change. This includes additions due to birth, adoption and court-awarded custody. The family must obtain management's approval prior to all other additions to the household.

When there is a change in head of household or a new adult family member is added, HACS will complete an application for continued occupancy and re-verify, using the same procedures that would use for an annual recertification, except for effective dates of changes. In such case, the Interim Recertification Policy would be used.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified prior to the approval by HACS of the family member being added to the lease.

C. INTERIM RECERTIFICATION POLICY

Families electing to pay income-based rent must comply with the following requirements between regularly scheduled recertifications of family composition and income:

- Between annual recertification, residents must report increases in income in writing to HACS within 10 calendar days of the occurrence. An increase in income will result in a recalculation of resident rent. If the rent

increases, a thirty-day Rent Adjustment notice will be mailed to the family prior to the effective date of the increase.

- Failure of the resident to report the change in writing timely may result Lease termination.
- Any reported decrease in income will result in a recalculation of resident rent, and if applicable, resident rent will be decreased effective the first of the month following the month in which the decrease was reported.
- Residents with seasonal or part-time employment of a cyclical nature will be asked for third party documentation of the circumstances of their employment including start and ending dates. Income from these sources will be annualized for determination of rent based on average earnings during the prior periods.
- HACS may process an interim adjustment in rent if at an annual or interim re-certification a resident misrepresents the facts upon which the rent is based.
- Complete justification and verification of the circumstances applicable to rent adjustments must be documented by the resident and approved by HACS.

Interim recertifications for families paying flat rent will be conducted based on the following:

- The family may at any time request and be permitted to convert from paying a flat rent to an income-based rent if the family is unable to pay the flat rent due to a financial hardship, defined as follows:
- The family has experienced a decrease in income because of changed circumstances, including the loss or reduction of employment, death in the family or a reduction in other assistance; or
- The family has experienced an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education or similar items.

HACS will complete the interim recertification within 30 days from the date of the family's request to convert from the flat rent to income-based rent. The flat rent will become effective the first of the month following the request.

Increases in Income to Be Reported

Families paying flat rent are not required to report any increases in income or assets.

Families not paying flat rent must report all increases in income/assets of all household members to HACS in writing within 10 calendar days of the occurrence.

Increases in Income and Rent Adjustments

Rent increases (except those due to misrepresentation) require 30 days' notice.

Decreases in Income and Rent Adjustments

Residents **may** report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of the Total Tenant Payment. HACS will process the rent adjustment unless HACS confirms that the decrease in income will last less than 30 calendar days.

D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

Noncompliance with other welfare agency requirements.

Definition of "Covered Family":

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program, as outlined in the Code of Federal Regulations.

Definition of "Imputed Welfare Income":

This is defined as the amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction (see below), that is included in the family's income for purposes of determining rent. It includes:

- The amount of imputed welfare income is determined by HACS, based on written information supplied to HACS by the welfare agency, including:
- The amount of the benefit reduction;
- The term of the benefit reduction;
- The reason for the reduction; and/or
- Subsequent changes in the term or amount of benefit reduction

Imputed welfare income will be included at annual and interim recertifications during the term of reduction of welfare benefits.

The amount of imputed welfare income will be offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed income will be reduced to zero.

If the family was not an assisted resident of public housing when the welfare sanction began, imputed welfare income will not be included in annual income.

Specified welfare benefit reduction

This is a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

“Specified welfare benefit reduction” does not include a reduction or termination of welfare benefits by the welfare agency:

- at expiration of a lifetime or other time limit on the payment of welfare benefits;
- because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
- because a family member has not complied with other welfare agency requirements.

Verification before Denying a Request to Reduce Rent

HACS will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

HACS will rely on the welfare agencies written notice regarding welfare sanctions.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and HACS denies the family's request to modify the amount, HACS will provide the resident with a notice of denial, which will include:

- An explanation for HACS's determination of the amount of imputed welfare income;
- A statement that the resident may request a grievance hearing;
- A statement that the information received from the welfare agency cannot be disputed at the grievance hearing, only HACS's determination of the amount of imputed welfare income may be disputed; and
- A statement that if the resident requests a grievance hearing, the resident will not be required to pay an escrow deposit for the portion of resident rent attributable to the imputed welfare income.

HACS is not responsible for determining that a reduction of welfare benefits was correctly determined by the welfare agency.

HACS is not entitled to reply on the welfare agency notice to the PHA of the agency's determinations of a specified welfare benefit reduction.

E. OTHER INTERIM REPORTING ISSUES

If HACS makes a calculation error at admission to the program or at an annual or interim recertification, an interim recertification will be conducted to correct the error, but the family will not be charged retroactively.

F. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

Standard for Timely Reporting of Changes

HACS requires that families report interim changes in writing within ten (10) days of when the change occurs. Any information, document or signature needed from the family that is needed to verify the change must be provided by the family for the change to take effect.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 10 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by HACS) it will be considered untimely reporting.

Procedures When the Change is Reported in a Timely Manner

HACS will notify the family of any changes in Resident Rent to be effective according to the following guidelines.

Increases in the Resident Rent will not occur between recertifications but may trigger an Interim Recertification if the following changes are reported timely:

- A person with income joins the household;
- Resident can verify a change in his/her circumstances that would justify a reduction in rent;
- It is found that Resident has misrepresented the facts upon which the rent is based, so the rent Resident is paying is less than the rent that he/she should have been charged;

- Resident has no income and later secures an income and meets the protocol related to income disallowance. See income disallowance for further details;
- Federal law or regulation changes rent formulas or procedures; and HACS will apply an increase in rent retroactive the first of the month following the month in which the misrepresentation occurred.

All changes in family composition must be reported to HACS in writing within 10 days of the occurrence. Failure to report within the 10 days may result in termination of the Lease.

Families electing to pay flat rents will be recertified for family composition only at least annually. A recertification for family income shall be completed at least every three years.

The family may at any time request that they be permitted to convert from paying a flat rent to an income-based rent, if the family is unable to pay the flat rent due to financial hardship.

Under both program the flat rent will remain the same for the three-year period.

Decreases in the Resident Rent are effective the first of the month following the month in which the change is reported.

The change may be implemented based on documentation provided by the family, pending third-party written verification.

Procedures When the Resident Does Not Report the Change in a Timely Manner

If the family does not report the change as described under "Timely Reporting," the family will have caused an unreasonable delay in the interim recertification processing and the following guidelines will apply:

- Increase in Resident Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any underpaid rent, and may be required to make a lump sum payment or sign a repayment agreement for no more than twelve months.
- Decrease in Resident Rent will be effective on the first of the month following completion of processing by HACS and not retroactively.
- HACS may begin the eviction process for untimely reporting.

Procedures when the Change is Not Processed by HACS in a Timely Manner

"Processed in a timely manner," means that the change goes into effect on the date it should when the family reports the change in accordance with their lease.

If the change cannot be made effective on that date, HACS does not process the change in a timely manner. Therefore, an increase will be effective after the required 30-day notice prior to the first of the month after completion of processing by HACS.

A decrease in rent will be applied retroactively based on the date the family reported the change.

G. REPORTING OF CHANGES IN FAMILY COMPOSITION

HACS must approve all members of the family residing in the unit.

The family must inform HACS and request approval of additional family members other than additions due to birth, adoption, marriage, court-awarded custody, with proper legal documentation, before the new member occupies the unit.

All changes in family composition must be reported in writing within 10 working days of the occurrence.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household that the member (who may be the head of household) is removed permanently.

Increase in Family Size

HACS will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

- Addition by marriage/or marital-type relation.
- Addition of an approved live-in attendant.
- Addition due to birth, adoption or court-awarded custody.

Families who need a larger sized unit because of voluntary additions will have lower priority on the Transfer List than other families who are required to change unit size.

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

Definition of "Temporarily/Permanently Absent"

HACS must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. HACS will evaluate absences from the unit in accordance with this policy.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, HACS will terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.

Families are required to notify HACS in writing before they move out of a unit in accordance with the lease and to give HACS information about any family absence from the unit.

Families must notify HACS if they are going to be absent from the unit for more than seven consecutive days. A person with a disability may request an extension of time as an accommodation.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is, absent from the unit, HACS may:

- Conduct a home visit;
- Write letters to the family at the unit;
- Telephone the family at the unit;
- Interview neighbors;
- Verify if utilities are in service;
- Check with the Post Office for a forwarding address; and
- Contact the provided emergency contact.

If the entire family is absent from the unit, without HACS's permission, for more than seven (7) consecutive days, the unit will be considered vacant and HACS will terminate tenancy.

As a reasonable accommodation for a person with a disability, HACS may approve an extension.

During the period of absence, the rent and other charges must remain current.

Families who are absent from the unit due to domestic violence because of entrance to a shelter or other safe location, obtains a protective order, or has other circumstances that cause the family to flee, may be reinstated if the family provides verification of the reason why they left without notice. During the period of absence, the rent and other charges must remain current.

Absence of Any Member

Any member of the household will be considered permanently absent if he/she is away from the unit for six consecutive months except as otherwise provided in this Chapter. If

the family member returns, he/she must follow the HACS procedures to add them to the family.

Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, HACS will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent.

If the verification indicates that the family member will return in less than 30 consecutive days, the family member will not be considered permanently absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with HACS's "Absence of Entire Family" policy.

Absence Due to Incarceration

If the sole member is incarcerated for more than 30 consecutive days, he/she will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if he/she is incarcerated for 30 consecutive days. The rent and other charges must remain current during this period.

If HACS determines that the reason for incarceration is for drug-related or criminal activity, which would threaten the health, safety, and right to peaceful enjoyment of the dwelling unit by other residents, that individual may not be allowed to return.

Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, HACS will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six months from the date of removal of the child, the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with HACS's occupancy guidelines.

Absence of Adult

If no parent remains in the household or the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, HACS will treat that adult as a visitor for the first 30 calendar days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Resident Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, HACS will secure verification from social services staff or the attorney as to the status.

HACS has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

When HACS approves a person to reside in the unit as caretaker for the child(ren), the income of the caretaker should be counted pending a final disposition.

HACS will work with the appropriate service agencies to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 30 days, the person will be considered permanently absent.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

Visitors (See Chapter on Leasing)

Any person not included on the HUD 50058 who has been in the household for more than 14 consecutive days without written consent from HACS will be considered as living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

Statements from neighbors and/or HACS staff will be considered in making the determination. HACS will consider:

- Statements from neighbors and/or HACS staff;
- Vehicle license plate verification;
- Driver's license verification;
- Law enforcement reports; and
- Credit reports.

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and HACS will terminate the family's lease since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 30 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household according to the specifications in the court order, the minor may be considered an eligible visitor and not a family member.

If both parents reside in public housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

H. REMAINING MEMBER OF RESIDENT FAMILY - RETENTION OF UNIT

To be considered the remaining member of the resident family, the person must have been previously approved by HACS to be living in the unit.

A live-in attendant, by definition, is not a member of a family and will not be considered a remaining member of the Family.

The remaining family member, based on the death of a family member, is eligible to remain in the unit but must pay rent based on income. In this case, eligibility of the remaining family member, as defined by the death of the family member, is not reviewed.

In order for a minor child to continue to receive assistance as a remaining family member, HACS has to verify that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

A minor child who has been judicially emancipated to become head of household may remain in the unit.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

I. CHANGES IN UNIT SIZE

HACS shall grant exceptions from the occupancy standards if the family requests and HACS determines the exceptions are justified according to this policy.

In general, HACS will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage or court-awarded custody, or a live-in attendant. If an exception is granted, the family will be transferred to a larger unit when one becomes available, in accordance with HACS policy, including the priority order for transfers.

HACS will consider the size of the unit and the size of the bedrooms, as well as the number of bedrooms, when an exception is requested.

When an approvable change in the circumstances in a resident family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List. (Reference chapter on Occupancy Standards)

J. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

Under the Noncitizens Rule, "Mixed" families are those families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

- The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND
- The family does not include any ineligible immigrants other than the head or spouse, or parents or children of the head, co-head or spouse.

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

If a mixed family does not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance (See Chapter titled "Factors Related to Total Tenant Payment Determination"). HACS may no longer offer temporary deferral of termination (see Chapter on "Lease Terminations").

Chapter 12 LEASE TERMINATIONS/NON-RENEWALS

INTRODUCTION

HACS may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (l)(2)], and the terms of the Lease. This Chapter describes HACS's policies for notification of lease termination and provisions of the lease.

A. TERMINATION BY RESIDENT

The resident may terminate the Lease by providing HACS with a written 30 days (plus one day) advance notice as defined in the lease agreement.

B. TERMINATION BY HACS

Termination of tenancy will be in accordance with the Lease, HACS policy, and state and federal law.

HACS's written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and this policy.

Notices of lease termination shall be in writing and delivered to the resident or adult member of the household by hand delivery, U.S. Mail, and/or certified mail. The return of the certified mail receipt, whether signed or unsigned, shall be considered to be proof that the resident received proper notification. The notice shall contain a statement describing the resident's right to meet with HACS staff to discuss the possible Lease termination.

If HACS terminates the Lease, written notice will be given at least 30 days prior to termination for lease violations or at least 14 calendar days prior to termination in the case of failure to pay rent.

Terminations for Lease Violations

The Lease may be terminated by HACS at any time by giving written notice for serious or repeated violation of material terms of the Lease, such as, but not limited to the following:

- Nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent;
- Failure to provide timely and accurate statements of income, assets, expenses, and family composition at Admission, Interim, Special or Annual Rent Recertifications;
- Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;

- Use of the premises for purposes other than solely as a dwelling unit for the Resident and Resident 's household as identified in the Lease, or permitting its use for any other purposes;
- Violation of the Pet Policy;
- Imposing of Regulatory and Operating Agreement mandates and other Tax Credit Requirements;
- Failure to abide by necessary and reasonable rules made by HACS for the benefit and wellbeing of the housing project and the Residents;
- Failure to abide by applicable building and housing codes materially affecting health or safety;
- Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;
- Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;
- Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities, equipment, or common areas;
- Failure to attend HACS's mandatory meetings/trainings;
- Failure of a family member to comply with community service provision, as grounds only for non-renewal of the Lease and termination of tenancy at the end of the 12-month lease term;
- Discovery, after admission, of facts that make the resident ineligible for program participation;
- Violation of the HACS No Smoking policy;
- Discovery of material false statements or fraud by the Resident in connection with an application for assistance or with recertification of income; or
- Failure to accept HACS's offer of a Lease revision to an existing Lease that is on a form adopted by HACS in accordance with HUD regulations,

with written notice of the offer of the revision at Least 60 calendar days before the lease revision is scheduled to take effect; and with the offer specifying a reasonable time limit within that period for acceptance by the family.

Expedited Terminations for Criminal Activity

The Lease may be terminated by HACS at any time by giving written notice for serious or repeated criminal activity committed by the resident, family member, guest, or other persons under the control of the resident, such as, but not limited to the following:

- Conviction of manufacturing or producing methamphetamine by the resident, household members, or guests on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
- Being subject to a lifetime registration requirement under a state sex offender registration program.
- Engaging in drug related criminal activity on or off the premises by the resident, members of the household, or guests, or on the premises by any other person under the resident's control. The term "drug related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with the intent to manufacture, sell, distribute, or use, a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802)).
- Engaging in any criminal activity on the premises by the resident, members of the household, guests, or any other person under the resident's control that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents, employees of HACS, or any persons residing in the immediate vicinity of the premises. Included among the crimes considered a threat to the health, safety, or right to peaceful enjoyment are crimes of violence (e.g. murder, battery, assault, stalking, harassment, domestic violence); crimes against property (e.g. vandalism, arson); and crimes that involve peace disturbance (e.g. fighting, public intoxication, illegal gambling, loud noise and music resulting in police reports).
- Any resident, any household member, or guest fleeing to avoid prosecution, custody, or confinement after conviction for a crime or is in violation of probation or parole imposed under Federal or State or local Law;
- Any resident or any household member is violating a condition of probation or parole imposed under Federal or State law.
- Any resident or any household member is harboring a tenant previously evicted due to criminal activity. Such discovery subjects the entire household to eviction.
- Storing or in the possession of weapon(s) or illegal drug(s) seized in a unit by law enforcement officers.

- Illegal use of a controlled substance or abuse of alcohol in a way that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where HACS determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

The head(s) of household is responsible for the actions of the household members, guests, and other persons under the family's control. HACS will terminate a lease for criminal activity if it determines that the head of household, household member, guest, or person under the household's control has engaged in criminal activity, based on sufficient evidence that the individual(s) engaged in the conduct. HACS will use evidence such as police reports detailing the circumstances of an arrest, witness statements, video recordings, and other relevant documentation to assist them in making a determination that the criminal conduct occurred. An arrest record alone will not be used for lease termination, however an arrest or conviction record is not required for HACS to terminate a lease for criminal activity as long as there is reasonable evidence that the conduct occurred.

HACS shall make any arrest or conviction report used as the basis for a lease termination available to the head of household to review for accuracy and relevance of the record to the proposed termination prior to a court hearing.

Lease terminations which involve drug related criminal activity or criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the public housing premises by other residents or employees of HACS are expedited by the use of a Five (5) Day Notice to Vacate provided under state law. Residents will be given due process through the court hearing provided by the eviction process. The grievance policy and procedures will not apply in these instances.

HACS may notify the Post Office that mail should no longer be delivered to the person who was evicted for criminal activity, including drug-related criminal activity.

C. RECORD KEEPING

A written record of every termination and/or eviction shall be maintained by HACS and contain the following information:

- Name of resident, number and identification of unit occupied;
- Date of the Notice of Lease Termination and any other notices required by State or local law; these notices may be on the same form and will run concurrently;
- Specific reason(s) for the Notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the Notices described in detail, including documentation used to determine that criminal conduct occurred for cases of evictions for any criminal activity;

- Date and method of notifying the resident;
- Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.

HACS will keep records for persons whose leases were terminated for any reason indefinitely.

D. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

If HACS determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis, the family's assistance will be terminated. This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any pro-ration of assistance provided for the family.

Chapter 13 Violence Against Women Act (VAWA)

Applicants who otherwise qualify for assistance or admission will not be denied admission on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. VAWA does not limit HACS's authority to deny assistance to an individual or family that is not otherwise qualified or eligible for assistance.

Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control will not be the basis for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

Incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed either as serious or repeated violations of the lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.

Notwithstanding the foregoing, HACS may exercise its authority to terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.

Further, HACS retains its authority to terminate the tenancy of any tenant if HACS concludes that there is an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not terminated from assistance.

A. VAWA DOCUMENTATION

Victim Documentation

If an applicant or resident claims that the cause of an unfavorable history or lease violation is that a member of the applicant or resident family is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, HACS will request documentation demonstrating the connection between the abuse and the unfavorable history or lease violation. Permissible documentation may include:

- HUD form 5382 which acts as certification of domestic violence, dating violence, sexual assault, or stalking against you;
- A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom you have sought assistance relating to domestic violence, dating violence, sexual

assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD's regulations at 24 CFR 5.2003.

- A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Perpetrator Documentation

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

- A signed statement 1) requesting that the perpetrator be removed from the application and 2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit or
- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. An employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse must sign the documentation.

The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

Time Frame for Submitting Documentation

Applicants and residents will have 14 business days to submit required certified documentation upon receipt of written request from HACS. In instances of eviction, the Notice of Lease Termination will serve as the written request to provide VAWA documentation.

The 14-day deadline may be extended at HACS's discretion.

If the individual does not provide the required certification and supporting documentation within 14 business days, or within the approved extension period, HACS may proceed with denial, eviction, or termination of assistance.

If HACS can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, HACS will bypass the standard process and proceed with the immediate termination of the family's assistance.

B. HACS CONFIDENTIALITY REQUIREMENTS

All information provided to HACS regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure is:

- Requested or consented to by the individual in writing;
- Required for use in an eviction or termination proceeding; or
- Otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, HACS will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

C. VAWA DEFINITIONS

The definitions applicable to VAWA are:

Domestic Violence: The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Dating Violence: The term dating violence means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship;
- The type of relationship; and
- The frequency of interaction between the persons involved in the relationship.

Stalking:

- To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
- To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and

- In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

Affiliated individual:

- A spouse, parent, brother or sister, or child of that person, or an individual
- to whom that person stands in the position or place of a parent; or
- Any individual, tenant, or lawful occupant living in the household of that individual.

D. NOTIFICATION TO APPLICANTS AND TENANTS REGARDING PROTECTIONS UNDER VAWA

HACS will provide applicants and tenants with the notifications described in this section of their protections and rights under VAWA.

HACS will include in all notices of denial a statement explaining the protection against denial provided by VAWA.

HACS will include in all lease termination notices a statement explaining the protection against termination provided by VAWA.

HACS acknowledges that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history (i.e., a poor credit history, non-payment of rent, a record of previous damage to an apartment/Public Housing unit, a prior/current arrest record) that would warrant denial or termination under HACS's policies. Therefore, if HACS makes a determination to deny admission to an applicant family or terminate assistance to a resident family, HACS will include in its notice of denial/termination:

- A statement of the protection against denial provided by VAWA;
- A description of HACS confidentiality requirements; and
- A request that an applicant/head of household wishing to claim this protection submit to HACS documentation meeting the specifications outlined in this ACOP with a request for an informal review or hearing, whichever is applicable.

E. TERMINATING TENANCY OF A DOMESTIC VIOLENCE OFFENDER

This section does not provide protection for perpetrators of domestic violence, dating violence or stalking. HACS may terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. This authority supersedes any local, State, or other Federal law to the contrary. However, if HACS chooses to exercise this authority, HACS will follow any procedures prescribed by HUD or by applicable local, State, or Federal law regarding termination of assistance.

When the actions of a participant or other family member result in a decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, HACS will request that the victim submit the required certification and supporting documentation in accordance with the stated timeframe.

If the certification and supporting documentation are submitted within the required timeframe, or any approved extension period, HACS will terminate the offender's assistance. If the victim does not provide the certification and supporting documentation, as required, HACS will proceed with termination of the family's assistance.

If HACS can demonstrate, an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, HACS will bypass the standard process and proceed with the immediate termination of the family's assistance.

F. TRANSFERS UNDER VAWA

In accordance with VAWA, HACS allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.

The ability of HACS to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HACS has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan for emergency transfers under VAWA identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L, is eligible for an

emergency transfer if the tenant reasonably believes that there is a threat of imminent harm from further violence if he/she remains in the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in writing in accordance with the procedures described in this plan. Tenants who are not in good standing due to serious lease violations from incidents of domestic violence, dating violence, sexual assault, or stalking may still request an emergency transfer if they meet the eligibility requirements in this section. Tenants may not be eligible for transfer if they have serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking.

Emergency transfer in public housing may be limited by the size of the development.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall submit a written request for a transfer to the Case Manager. HACS will determine whether there is a suitable and safe unit is available for transfer.

HACS will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

- A certified statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HACS's program; or
- A certified statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

HACS, at its discretion, may ask for documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking, if this has not already been provided by the victim.

Confidentiality

HACS will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives

HACS written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant.

Emergency Transfer Timing and Availability

HACS cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. HACS will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HACS may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit or units within the same complex.

If the tenant who needs an emergency transfer is not eligible for any unit that is available and deemed safe, HACS will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request,

HACS will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Removing the Abuser or Perpetrator from the Household

If the abuser or perpetrator of the domestic violence, dating violence, sexual assault, or stalking is a member of the victim's household, HACS may divide (bifurcate) the household's lease in order to evict the individual or terminate the assistance of the individual who has engaged in the criminal activity directly relating to the occurrence(s). If HACS chooses to remove the abuser or perpetrator, it will not take away the rights of the remaining and eligible tenants to the unit or punish the remaining tenants. HACS will follow all Federal, State, and local eviction procedures.

Safety and Security of Tenants

Before processing the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

A local resource for domestic violence victims is LA Statewide Hotline: 1-800 411-1333.

Chapter 14 COMPLAINTS, GRIEVANCES AND APPEALS

INTRODUCTION

HACS provides residents of federally-subsidized Public Housing with the opportunity of an effective and efficient hearing of a grievance to settle a dispute which the resident may have with respect to HACS's action, or failure to act, in accordance with the Residential Lease Agreement and other HACS policies, rules, and regulations, provided that such action or failure to act adversely affects the individual resident's rights, duties, welfare, or status. This policy shall be provided to all Residents upon execution of a Residential Lease Agreement and shall be incorporated as part thereof.

This policy shall apply to all individual grievances unless otherwise stated herein. This policy does not in any way prohibit any individual resident from seeking other remedies, which may be available under federal, state and/or local laws.

Disputes Not Subject to the Grievance Policy

The U.S. Department of Housing and Urban Development (HUD) has issued a due process determination for eviction proceedings for the State of Louisiana. According to state law, Louisiana residents are given the opportunity for a hearing in a court before eviction from a dwelling unit, which provides the basic elements of due process.

Therefore, this Grievance Policy shall not apply to any termination of tenancy or eviction due to the following lease violations:

- Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by residents, HACS employees;
- Any drug-related criminal activity on or off such premises violent criminal activity on or off the premises violations of the VAWA Act; or
- Any activity resulting in a felony conviction of any member of the household.

The Grievance Policy shall not be applicable to disputes between residents not involving HACS or to class action disputes. Furthermore, the Grievance Policy is not a forum for initiating or negotiating policy changes between a group or groups of residents and HACS's Board of Commissioners. Therefore, individuals acting as Hearing Officers in accordance with the procedures outlined below will have no authority to change any provision of the Residential Lease Agreement, the Grievance Policy or any other related operational policy of HACS.

When HACS rejects an applicant for their public housing programs, HACS will provide an informal meeting which is not a grievance hearing. The purpose of the informal meeting is to permit the applicant to discuss reasons for rejection, present contrary evidence, additional proof of eligibility, and claim mitigating circumstances if available.

A. INFORMAL SETTLEMENT OF GRIEVANCES

The first required step in the grievance process is to attempt an informal settlement. Grievances always originate with a resident, who shall present the grievance in writing at HACS's central office. It may be deposited in the Drop Box, and the tenant must sign in to document the date on which the grievance was submitted. The resident must file the grievance within 10 business days of the aggrieved event.

HACS shall contact the resident within 10 business days of receipt of the grievance, to meet and discuss the issue informally and to attempt to settle the grievance if possible. A summary of such discussion shall be prepared within 10 days of the informal hearing, and one copy shall be given to the tenant and one retained in the tenant's file. The summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefor.

If the resident is not satisfied with the outcome of the informal meeting, he or she may submit a written request for a formal Grievance Hearing to HASC within 10 business days of the date of receiving the results of the informal review.

If the resident does not request a hearing within 10 business days, HACS's disposition of the grievance in the informal settlement meeting shall become final. The resident's failure to request a hearing shall not constitute a waiver by the resident of his or her right to contest the Housing Authority's action in any subsequent judicial proceeding.

B. HEARING OFFICER

The formal grievance hearing shall be conducted by an impartial Hearing Officer. No person shall be appointed as a Hearing Officer in a matter if that person made or approved the action being grieved or has some interest in the matter under review, or lacks impartiality.

C. GRIEVANCE HEARING

The resident who has requested the hearing shall be afforded a fair hearing which shall include:

- The opportunity to examine before the hearing any HACS documents, including records and regulations related to the adverse action. The resident shall be allowed to copy, at the resident's expense, any document(s) available. If HACS does not make any available and requested document available for examination, then HACS may not rely on such document at the hearing;
- The right to be represented by counsel or other person chosen by the resident;

- A private hearing unless the resident requests a public hearing;
- The right to present evidence and arguments in support of the complaint, to controvert evidence relied upon by HACS, and to confront and cross-examine all HACS witnesses; and
- A decision based upon the facts presented at the hearing.

A request to examine any HACS documents, including records and regulations related to the adverse action, must be received no later than three (3) business days prior to the scheduled Grievance Hearing. An appointment to examine the documents shall be scheduled with HACS for a time convenient to both parties. The documents shall be made available at the management office. No resident will be allowed to "borrow" such documents for review or to otherwise take such documents out of the management office.

Requested copies of any documents shall be provided as soon as is reasonably possible. Payment for copies shall be due upon receipt.

The rules of evidence of a judicial proceeding shall not apply in Grievance Hearings and both oral and written evidence will be permitted. All hearing participants must conduct themselves in an orderly fashion. The Hearing Officer may exclude any disorderly party from the proceedings and grant or deny relief as appropriate. All hearings will be tape recorded.

HACS shall provide reasonable accommodations to allow persons with disabilities to participate in the hearing:

- Reasonable accommodation may include, but shall not be limited to, a qualified sign language interpreter, reader, accessible location, or attendant.
- For residents who are visually impaired and have given advanced notice to HACS of such impairment, notices required under this policy and procedure shall be in an accessible format.

D. FAILURE TO APPEAR

If the resident or HACS's representative fails to appear at a scheduled hearing, without prior notice or explanation, the Hearing Officer shall dismiss the hearing and declare default, denying the relief requested by the party not appearing. With prior notice or explanation, the Hearing Officer may, at his or her discretion, make a determination to postpone the hearing for no more than five (5) business days.

E. GRIEVANCE HEARING DECISION

The Hearing Officer shall render the final hearing decision. The Hearing Officer shall issue a written decision within ten (10) business days following the hearing and state the reason(s) for the decision. The decision of the Hearing Officer shall be final and HACS shall take no actions inconsistent with the decision unless HACS's Board of Commissioners determines, and promptly notifies the resident of its determination, that:

- The grievance does not concern HACS's action or failure to act in accordance with or involving the resident's lease or HACS regulations, which adversely affect the resident's rights, duties, welfare, or status; or
- The decision of the hearing officer is contrary to applicable Federal, State, or local law, or HUD regulations or requirements.

A decision by the Hearing Officer shall not constitute a waiver of, nor affect in any manner, any rights the resident may have in any later judicial proceedings.

Chapter 15
FAMILY DEBTS TO THE HOUSING AUTHORITY OF NEW ORLEANS

INTRODUCTION

This Chapter describes HACS's policies for the recovery of monies that have been underpaid by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is HACS's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support HACS's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family or other interested parties. HACS's Grievance Policy applies.

A. COLLECTIONS

When families owe money to HACS, it will make every effort to collect it. HACS will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Collection agencies
- Credit bureaus
- Income tax set-off programs

B. PAYMENT AGREEMENT FOR FAMILIES

HACS does not allow scheduled repayment plans. All fees, fines or other payments due and owing must be paid in a one-time payment.

Late Payments

A payment will be considered to be in arrears if the payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's repayment agreement is in arrears, HACS:

- Require the family to pay the balance in full by the HACS-provided date;
- Pursue civil collection of the balance due; or
- Terminate tenancy.

C. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead.

Family Error/Late Reporting

Late reporting or failure to report a change of income in writing within ten (10) days will result in Lease termination.

Program Fraud

Families who owe money to HACS due to program fraud may be referred for criminal prosecution.

Chapter 16

COMMUNITY SERVICE and SELF-SUFFICIENCY

A. IMPORTANT NOTICE

The Community Service and Self-Sufficiency requirements of the U.S. Department of Housing and Urban Development (HUD) and HACS have been amended to include a Working Requirement as a part of the self-sufficiency program. There are several exemptions under the law for adult residents who are unable to participate in either the Community Service and/or the Self-Sufficiency requirements. The exemptions are as follows:

- Age 62 years or older;
- Blind or disabled;
- Residents engaged in work activities may be exempted from completing the Community Service requirement;
- Meet the requirements for being exempt from the Community Service Requirement due to being engaged in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work program; or
- Members of a family receiving assistance, benefits, or services under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work program and has not been found by the State or other administering entity to be in noncompliance with such program.

In order for an individual to be exempt from the community service and/or self-sufficiency requirements because he/she is "engaged in work activities," the person must be participating in an activity that meets one of the following definitions of "work activity" in section 407(d) of the Social Security Act (42 U.S.C. 607(d)):

- Subsidized private-sector employment;
- Work experience (including working associated with the Refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
- HACS approved job-training;

- Job-search and job-readiness assistance;
- Vocational educational training (not exceed 12 months);
- Job-skills training directly related to employment;
- Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency; or
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate.

A resident must work a minimum 30 hours per week to meet the work activity as described in Section 407(d) of the Social Security Act and implementing regulations 45 CFR Section 261.31(1)(a)(1).

The Community Service requirement is a monthly contribution of 8 hours per month or 96 hours for the year that residents must participate unless otherwise exempted.

It must be apparent that employment is of a continuous, as opposed to a temporary nature, and the head of household and all adult members must anticipate such continuous employment after the date of placement. Self-employed individuals could qualify for this preference if the head of the household was able to demonstrate self-employment for, at least, three (3) months immediately prior to the date of the placement.

B. NON-RENEWAL OF LEASE FOR NON-COMPLIANCE WITH THE COMMUNITY SERVICE REQUIREMENT

In the event that Resident household does not meet the requirement of Community and Self-Sufficiency Requirements, the Resident will be notified in writing of the noncompliance. The resident will still have the opportunity to correct the non-compliance by providing documentation of compliance with the Community Service requirement.

Noncompliance with the community service is a violation of this policy and is grounds for non-renewal of the lease at the end of a 12-month lease term, but not for termination of tenancy during the course of the 12-month lease term. However, non-renewal of lease is ultimately grounds for eviction. If the Resident fails to comply with the request for additional documentation or the resident fails to request a deferment within the timeline set forth in the notice of non-compliance, the HACS may elect not to renew the Resident's lease. This non-renewal information shall be contained in the Lease.

PHA Addendum-1 PROGRAM INTEGRITY ADDENDUM

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental subsidy than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits that exceed their legal entitlement. HACS is committed to assure that the proper level of benefits is paid to all residents, and that housing resources reach only income-eligible families so that program integrity can be maintained.

HACS will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Chapter outlines HACS's policies for the prevention, detection and investigation of program abuse and Resident fraud.

PHA Addendum-2 CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will HACS undertake an inquiry or an audit of a resident family arbitrarily. HACS's expectation is that resident families will comply with HUD requirements, provisions of the Lease, and other program rules. HACS staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, HACS has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor resident s' Lease obligations for compliance and, when indicators of possible abuse come to HACS attention, to investigate such claims.

HACS will initiate an investigation of a resident family only in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. HACS will follow up on referrals from other agencies, companies or persons, which are received by mail, by telephone or in person, which allege that a resident family is in non-compliance with, or otherwise violating the Lease or the program rules. Such follow-up will be made providing that the referral contain at least one item of information that is independently verifiable. A copy of the allegation will be retained in the resident file.

Internal File Review. A follow-up will be made if HACS staff discovers (as a function of a [re]certification, an interim re-determination, or a quality control review), information or facts which conflict with previous file data, HACS's knowledge of the family, or is discrepant with statements made by the family.

Verification or Documentation. A follow-up will be made if HACS receives independent verification or documentation, which conflicts with representations in the resident file (such as public record information or credit bureau reports, reports from other agencies).

PHA Addendum-3

STEPS THE HOUSING AUTHORITY WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The management and occupancy staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and resident families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by resident families.

Things You Should Know. This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify HACS's expectations for cooperation and compliance.

Program Orientation Session. Mandatory orientation sessions will be conducted by the Site Manager for all prospective residents either prior to or upon execution of the Lease. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. HACS will routinely provide resident counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

Review and explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

Resident Certification. All family representatives will be required to sign a "Resident Certification" form, as contained in HUD's Resident Integrity Program Manual.

PHA Addendum-4
STEPS TAKEN TO DETECT PROGRAM ABUSE AND FRAUD

HACS will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, each resident file will be reviewed. Such reviews shall include, but are not limited to

- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file Documents.
- Ratio between reported income and expenditures.
- Review of signatures for consistency with previously signed file documents.

Observation. HACS will maintain high awareness of circumstances, which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Public Record Bulletins may be reviewed by Management and Staff.

State Wage Data Record Keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the resident) in the following circumstances:

- At the time of final eligibility determination;
- When HACS receives an allegation wherein unreported income sources are disclosed; or
- When a resident's expenditures exceed his /her reported income and no plausible explanation is given.

PHA Addendum-5
HACS'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

HACS will encourage all resident families to report suspected abuse to HACS management. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the resident file.

All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. HACS will not follow up on allegations, which are vague or otherwise non-specific. They will only review allegations, which contain one or more independently verifiable facts.

File Review. An internal file review will be conducted to determine if the subject of the allegation is a resident of HACS and, if so, to determine whether the family had previously disclosed the information.

HACS will determine if it the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, HACS management will initiate an investigation to determine if the allegation is true or false.

PI Addendum-6

HOW HACS WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If HACS determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below.

In all cases, HACS will secure the written authorization from the program participant for the release of information.

- **Credit Bureau Inquiries.** In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity, which conflicts with the reported income of the family.
- **Verification of Credit.** In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.
- **Employers and Ex-Employers.** Employers or ex-employers may be contacted to verify wages, which may have been previously undisclosed or misreported.
- **Neighbors/Witnesses.** Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to HACS's review.
- **Other Agencies.** Investigators, caseworkers or representatives of other benefit agencies may be contacted.

- **Public Records.** If relevant, HACS will review public records kept in any jurisdictional courthouse. Examples of public records, which may be checked, are real estate, marriage, and divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.
- Interviews with Head of Household or Family Members. HACS will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate HACS office. The HACS staff who conducts such interviews will maintain a high standard of courtesy and professionalism. Under no circumstances will management tolerate inflammatory language, accusation, or any unprofessional conduct or language. If possible, an additional staff person will attend such interviews.

PHA Addendum-7

DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY HACS

Documents and other evidence obtained by HACS during the course of an investigation will be considered "work product" and will be kept either in the resident file, or in a separate "work file." In either case, the resident file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed between HACS Staff unless they are involved in the process, or have information, which may assist in the investigation.

CONCLUSION OF HACS 'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, HACS will review the facts to determine:

- The type of violation. (Procedural, non-compliance, fraud.)
- Whether the violation was intentional or unintentional.
- What amount of money (if any) does the resident owe.
- If the family eligible for continued occupancy.

PHA Addendum-8

ACTION PROCEDURES FOR VIOLATIONS, WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, HACS will propose the most appropriate remedy based upon the type and severity of the violation.

Procedural Non-compliance

This category applies when the resident "fails to" observe a procedure or requirement of HACS, but does not misrepresent a material fact, and there is no retroactive rent owed by the family. Examples of non-compliance violations are:

- Failure to appear at a pre-scheduled appointment.
- Failure to return verification in time period specified by HACS.

Warning Notice to the Family.

In such cases, a notice will be sent to the family, which contains the following:

- A description of the non-compliance and the procedure, policy or obligation, which was violated.
- The date by which the violation must be corrected, or the procedure complied with.
- The action, which will be taken by HACS if the procedure or obligation is not complied with by the date specified by HACS.
- The consequences of repeated (similar) violations.

PHA Addendum-9

OTHER PROCEDURAL LISTINGS

Procedural Non-compliance - Retroactive Rent

When the resident owes money to HACS for failure to report changes in income or assets, HACS will issue a Notification of Underpaid Rent. This Notice will contain the following:

- A description of the violation and the date(s).
- Any amounts owed to HACS.
- A 10-day response period.
- The right to disagree and to request an informal hearing with instructions for the request of such hearing.

Resident Fails to Comply with HACS's Notice. If the Resident fails to comply with HACS's notice, and a material provision of the Lease has been violated, termination of tenancy will be initiated.

Intentional Misrepresentations

When a resident falsifies, misstates, omits or otherwise misrepresents a material fact, which results (or would have resulted) in an underpayment of rent by the resident,

HACS will evaluate whether or not actions were wrong, and that the resident willfully violated the Lease or the law. If so, the Lease will be terminated .

Knowledge that the action or inaction was wrong.

This will be evaluated by determining if the resident was made aware of program requirements and prohibitions. The resident's signature on various certifications, briefing certificate, Personal Declaration, Family Obligations, Fraud Statement, and/or Things You Should Know are adequate to establish knowledge of wrongdoing and that the resident willfully violated the law.

Any of the following circumstances will be considered adequate to demonstrate willful intent:

- An admission by the resident of the misrepresentation.
- That the act was done repeatedly.
- If a false name or Social Security Number was used.
- If there were admissions to others of the illegal action or omission.
- That the resident omitted material facts, which were known to them (e.g., employment of self or other household member).
- That the resident falsified, forged or altered documents.
- That the resident uttered and certified to statements at a rent (re)determination which were later independently verified to be false.

The Resident Conference for Serious Violations and Misrepresentations

When HACS has established that material misrepresentation(s) have occurred, a Resident Conference will be scheduled with the family representative and the HACS staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by HACS. The purpose of such conference is to review the information and evidence obtained by HACS with the resident, and to provide the resident an opportunity to explain any document findings, which conflict with representations in the resident file. HACS will take any documents or mitigating circumstances presented by the resident into consideration. The resident will be given 10 days to furnish any mitigating evidence.

A secondary purpose of the Resident Conference is to assist HACS in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, HACS will consider:

- The duration of the violation and number of false statements.

- The resident's ability to understand the rules.
- The resident's willingness to cooperate, and to accept responsibility for actions The amount of money involved.
- The resident's past history
- Whether or not criminal intent has been established.
- The number of false statements.

Dispositions of Cases Involving Misrepresentations

In all cases of misrepresentations involving efforts to recover monies owed, HACS may, at its discretion, pursue one or more of the following actions:

- Criminal Prosecution: If HACS has established criminal intent, and the case meets the criteria for prosecution, HACS may:
 - Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.
 - Refer the case to HUD's 01G, and terminate rental assistance.
- Administrative Remedies: HACS may:
 - Terminate tenancy and demand payment of restitution in full.
 - Terminate tenancy and execute an administrative repayment agreement in accordance with HACS's Repayment Policy.
 - Terminate tenancy and pursue restitution through civil litigation.
 - Continue assistance at the correct rent upon repayment of restitution in full in 30 days.
 - Permit continued occupancy at the correct rent and execute an administrative repayment agreement in accordance with HACS's repayment policy.

Notification to Resident of Proposed Action

HACS will notify the resident of the proposed action no later than 10 days after the resident conference by certified ma

GLOSSARY

I. GLOSSARY OF HOUSING TERMS

ACCESSIBLE DWELLING UNITS. When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical handicaps. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is "accessible" within the meaning of this paragraph.

ACCESSIBLE FACILITY. All or any portion of a facility, other than an individual dwelling unit used by individuals with physical handicaps.

ACCESSIBLE ROUTE. A continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

ADAPTABILITY. Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types and degrees of disability.

ADMISSION. Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

DESIGNATED HOUSING PLAN. The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

ANNUAL INCOME. See section (TERMS USED IN DETERMINING RENT)

APPLICANT (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

ASSISTANCE ANIMAL is an animal that is needed as a reasonable accommodation for persons with disabilities. An assistance animal is not considered a "pet" and thus, is not subject to the PHA's pet policy. Assistance animals are animals that work, provide assistance, perform tasks for the benefit of a person with a disability or provide emotional support that alleviates one or more identified symptoms or effects of a person's disability.

AUXILIARY AIDS. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs and activities.

CEILING RENT. An amount that reflects the reasonable market value of the housing unit, but not less than the sum of the monthly per-unit operating costs and a deposit to a replacement reserve. The family pays the lower of the ceiling rent or the formula Resident rent.

CO-HEAD. An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a Co-head or Spouse, but not both. A co-head never qualifies as a dependent.

COVERED FAMILIES. The statutory term "covered families" designates the universe of families who are required to participate in a welfare agency economic self-sufficiency program and may, therefore, be the subject of a welfare benefit sanction for noncompliance with this obligation. "Covered families" means families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

CRIMINAL ACTIVITY such as crimes of physical violence to persons or community and other criminal acts including drug-related criminal activity that would adversely affect the health, safety, or welfare of other residents or staff or cause damage to the unit or the development.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or older.

DESIGNATED FAMILY. The category of family for whom the PHA elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 housing Act. (24 CFR 945.105)

DISABILITY ASSISTANCE EXPENSE. Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

DISABLED FAMILY. A family whose head, spouse, or sole member is a person with disabilities. A disabled family may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

DISABLED PERSON. See Person with Disabilities.

DISABLED FAMILY. A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together or one or more persons with disabilities living with one or more live-in aides.

DISALLOWANCE. Exclusion from annual income.

DISPLACED FAMILY. A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

DOMICILE. The legal residence of the household head or spouse as determined in accordance with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY. Term means: Drug-trafficking; or Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell, or distribute a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, any other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). See the definition of work activities at Sec. 5.603(c). The new definition of the term "economic self-sufficiency program" is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes welfare benefits reduced because of family failure to comply with welfare agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

ENTERPRISE INCOME VERIFICATION. EIV is a web-based system used by HACS that provides income and employment information of individuals that participate in HUD rental assistance programs.

ELDERLY FAMILY. A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with one or more live-in aides.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBLE FAMILY. (Family). A family is defined by the PHA in the Admission and Continued Occupancy Plan.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889, which exceeded 25% of the Annual Income. It is no longer used.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly families only in excess of 3% of Annual Income, which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

EXTENDED USE AGREEMENT. An Extended Use Agreement is a Restrictive Covenant that must be recorded in the appropriate court in the locality where the community is located. This Agreement must stay in place for a minimum of 30 years with very limited exceptions). It is the primary enforcement mechanism for project characteristic elected by the owner in the tax credit application. The Extended Use Agreement is an agreement between the Partnership and the HFA; the IRS is not a part to the Agreement.

FAMILY. The applicant must qualify as a family as defined by HACS.

FAMILY OF VETERAN OR SERVICEPERSON. A family is a "family of veteran or serviceperson" when:

- The veteran or serviceperson (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.
- The veteran or serviceperson, unless deceased, is living with the family or is only temporarily absent unless he/she was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support he/she is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that he/she was a family member at the time of hospitalization and there remain in the family at least two related persons.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by HACS to promote self-sufficiency of assisted families, including the provision of supportive services.

FLAT RENT. Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the PHA could lease the public housing unit after preparation for occupancy.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis.

FULL-TIME STUDENT RULE (SECTION 42). A unit shall not fail to be treated as a low-income unit because it is occupied by an individual who is a) a student and receiving assistance under title IV of the Social Security Act or b) enrolled in a Job Training Partnership Act or under other similar Federal, State or local laws or c) single parent and their children and such parents and children are not dependents of another individual or d) married and file a joint return.

HANDICAPPED ASSISTANCE EXPENSES. Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members, which enable a family member (including the handicapped family member) to work.

HANDICAPPED PERSON. [Referred to as a Person with a Disability]. A person having a physical or mental impairment, which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability, could be improved by more suitable housing conditions.

HEAD OF HOUSEHOLD. The person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PLAN. A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant

Program and approved by HUD. A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

HUD. The Department of Housing and Urban Development or its designee.

HURRA. The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or recertification.

IMPUTED INCOME. HUD passbook rate times the total cash value of assets, when assets exceed \$5,000.

IMPUTED WELFARE INCOME. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income. This amount is included in family annual income and, therefore, reflected in the family rental contribution based on this income.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME-BASED RENT. The Resident rent paid to the PHA that is based on family income and the PHA rental policies. The PHA uses a percentage of family income or some other reasonable system to set income-based rents. The PHA has broad flexibility in deciding how to set income-based rent for its residents. However, the income-based Resident rent plus the PHA's allowance for Resident paid utilities may not exceed the "total Resident payment" as determined by a statutory formula.

INCOME FOR ELIGIBILITY. Annual Income.

INCOME TARGETING. The HUD admissions requirement that PHA's not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency either established by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

INVOLUNTARILY DISPLACED PERSON. Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

LANDLORD. Either the legal owner of the community or the owner's representative or managing Agents as designated by the owner.

LEASE. A written agreement between an owner and an eligible family for the leasing of a housing unit.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

- Is determined to be essential to the care and well-being of the person
- Is not obligated for the support of the person.
- Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families without regard to their date and time of application.

LOW-INCOME FAMILY. This definition replaces a previous statutory reference. Generally, "low-income" designates a family whose income does not exceed 80 percent of area median income, with certain adjustments.

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses anticipated during the period for which Annual Income is computed, and which is not covered by insurance. (Only Elderly Families qualify) The allowances are applied when medical expenses exceed 3% of Annual Income.

MINIMUM RENT. An amount established by the PHA between zero and \$50.00.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances.

MONTHLY INCOME. 1/12 of the Annual Income before allowances.

NEAR-ELDERLY FAMILY. A family whose head, spouse, or sole member is at least 55, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

NET FAMILY ASSETS. The net cash value of equity in savings, checking, IRA and Keogh accounts, real community, stocks, bonds, and other forms of capital investment. The value of necessary items of personal community such as furniture and automobiles is excluded from the definition.

PUBLIC HOUSING MAXIMUM RENT. Public housing maximum rent shall be determined by HUD using the 95th percentile rent for the housing authority. The result is the maximum subsidy for which the family could qualify if all members were eligible.

REGULATORY OPERATING AGREEMENT. A Regulatory and Operating Agreement between HACS and the owner of a Signature Community, in the form approved as an evidentiary document by HUD, as it may be amended subject to any approvals required thereunder."

PARTICIPANT. A family that has been admitted to the PHA program, and is currently assisted in the program.

PERSON WITH DISABILITIES

- A person who has a disability, as defined in 42 U. S. C. 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
- A person who has a developmental disability as defined in 42 U.S.C. 6001.
- An "individual with handicaps", as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities
- Does not exclude persons who have AIDS or conditions arising from AIDS

Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes)

PREMISES. The building or complex in which the dwelling unit is located including common areas and grounds.

PREVIOUSLY UNEMPLOYED. Includes a person 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.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals based on need, which are made under programs, funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA).

QUALIFIED FAMILY. A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 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 PHA in consultation with the local TANF agency and Welfare to Work programs. TANF includes income and benefits & services such as one-time payments, wage subsidies & transportation assistance, as long as the total amount over a 6-month period is at least \$500.

QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998. The Act, which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

RECERTIFICATION. Sometimes called recertification. The process of securing documentation of total family income used to determine the rent the resident will pay for the next 12 months if no interim changes are reported by the family.

RECERTIFICATION (Section 42). Unless granted a waiver by the IRS, every low-income resident must be recertified on an annual basis. In the following manner: HFA guidance must be followed; the same verification procedures used at move-in must be utilized; if resident has given notice or is in the process of being evicted, recertification is not required; if the resident does not cooperate in the process, move to terminate lease. Families, who selected Flat Rent under PHA regulations, must also recertify annually.

REGULATORY OPERATING AGREEMENT. Agreement between HACS and the owner of a Signature Community, in the form approved as an evidentiary document by HUD, as it may be amended subject to any approvals required thereunder."

REMAINING MEMBER OF RESIDENT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RESIDENCY PREFERENCE. A local preference for admission of persons who reside in a specified geographic area.

RESIDENT. The person or a person who executes the lease and leases the dwelling unit.

RESIDENT RENT. The amount payable monthly by the family as rent to the PHA.

RESPONSIBLE ENTITY. For the public housing, Section 8 Resident-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA (HACS) administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount, which can be collected from the family by the owner upon termination of the lease and applied to unpaid rent, damages or other amounts, owed to the owner under the lease according to State or local law.

SERVICE PERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone who is not disabled, elderly, or displaced or the remaining member of a resident family.

SPECIFIED WELFARE BENEFIT REDUCTION. Those reductions of welfare agency benefits (for a covered family) that may not result in a reduction of the family rental contribution. "Specified welfare benefit reduction" means a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

SPOUSE. The marriage partner of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association), which receives the benefit of subsidy in the form of:

- Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
- Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
- Direct loans pursuant to Section 202 of the Housing Act of 1959; or
- Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;
- Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;
- A Public Housing Project.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

TAX CREDIT REQUIREMENTS. All federal and state requirements in connection with the Project's eligibility to receive low-income housing tax credits in accordance with the terms and provisions of the Operating Agreement pursuant to Section 42 of the IRS Code, the regulations promulgated thereunder, applicable policies, procedures and administrative rules of the Internal Revenue Service and LHFA, the Credit Reservation or Credit Allocation (as defined in the Operating Agreement) and the Extended Use Agreement (as defined in the Operating Agreement).

TOTAL RESIDENT PAYMENT (TTP). The total amount the HUD rent formula requires the resident to pay toward rent and utilities.

UNIT/HOUSING UNIT. Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

UTILITIES. Utilities mean water, electricity, gas, other heating, and refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE. The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

UTILITY ALLOWANCE (SECTION 42). Resident must be given an allowance, for any utilities that they are required to pay and that allowance must be deducted from rent. If the allowance changes and the gross rent calculation exceed the maximum allowable, rents must be reduce within 90 days of the increase in the allowance.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Resident Payment for the family occupying the unit.

VERY LOW INCOME FAMILY. A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area based on its finding that such variations are necessary because of unusually high or low family incomes.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released there from under conditions other than dishonorable.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or community of another.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy that are waiting for subsidy to become available.

WELFARE ASSISTANCE. Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. "Welfare assistance" means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.

The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crises. For FSS purposes, the following do not constitute welfare assistance food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.

II. TERMS USED IN DETERMINING ANNUAL INCOME (24 CFR 5.609)

Annual income in now defined as all amounts, monetary or not which go to or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member, and are based on, at the time of admission or recertification actual income being received (project forward from a 12 month period) or past actual income received or earn within the last 12 months of determination date, as HUD may prescribe in applicable administration instructions when:

- The family reports little or no income
- Past processing entity is unable to determine annual income due to fluctuations in income (e.g., seasonal or cyclical income).

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

Annual income includes:

- The full amount before any payroll deductions, of wages and salaries, overtime pay, commissions' fees, tips and bonuses, and other compensation for personal services.
- The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business.
- Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.
- Interest, dividends, and other net income of any kind from real or personal community. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income.
- An allowance for the straight-line depreciation of real or personal community is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the community.
- When 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.
- The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.

Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.

All welfare assistance payments received by or on behalf of any family member. (24 CFR 913.106(b) (6) contains rules applicable to "as-paid" States).

Periodic and determinable allowances, such as alimony and childcare support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.

All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

EXCLUSIONS FROM ANNUAL INCOME (24 CFR 5.609)

Annual income does not include the following:

- Income from the employment of children (including foster children) under the age of 18 years;
- Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);
- Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal community losses;
- Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.
- Income of a live-in aide provided the person meet the definition of a live-in aide.
- The full amount of student financial assistance paid directly to the student or the educational institution;
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and childcare vouchers for the duration of the training;
- Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS);
- Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses

incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program;

- 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 family members 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;
- Temporary, non-recurring, or sporadic income (including gifts);
- Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and recertifications of income on or after April 23, 1993.);
- Earnings in excess of \$480 for each full-time student 18 years old or older, (excluding the head of household and spouse);
- Adoption assistance payments in excess of \$480 per adopted child;
- The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988 (42 U.S.C. 1437 et seq.), or any comparable Federal, State or local law during the exclusion period.

For purposes of this paragraph, the following definitions apply:

- Comparable Federal, State or local law means a program providing employment training and supportive services that: (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; and (4) has as its objective to assist participants in acquiring job skills.
- Exclusion period means the period during which the resident participates in a program as described in this section and 18 months from the date, the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937.
- If the resident is terminated from employment without good cause, the exclusion period shall end.

- Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment-training program or subsequent job.
- Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts;
- Amounts received by the family in the form of refunds or rebates under state or local law for community taxes paid on the dwelling unit;
- Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; and
- 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 the United States Housing Act of 1937.(A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.

Federal Statute as of August 3, 1933 excludes the following benefits:

- The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;
 - Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:
 - The Retired Senior Volunteer Program (RSVP) Foster Grandparent Program (FGP)
 - Senior Companion Program (SCP)
 - Older American Committee Service Program
- National Volunteer Antipoverty Programs such as:
 - VISTA
 - Peace Corps
 - Service Learning Program
 - Special Volunteer Programs

- Small Business Administration Programs such as: National Volunteer Program to Assist Small Businesses Service Corps of Retired Executives;
- Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)];
- Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e];
- Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)];
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b));
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540);
- The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior;
- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 up] Examples include Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships;
- Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayors, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb;
- Payments received after January 1, 1989 from the Agents Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation;
- The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. (42 USC 9858q);

- Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32)(j); and
- Living allowances under Aerators Program (Nelson Diaz Memo to George Latimer 11/15/94)

ADJUSTED INCOME

Annual income, less allowable HUD deductions.

Note: Under the Continuing Resolution, PHA's are permitted to adopt other adjustments to earned income for residents of Public Housing, but must absorb any resulting loss in rental income.

All Families are eligible for the following:

Child Care Expenses: A deduction of amounts anticipated to be paid by the family for the care of children less than 13 years of age for the period for which the Annual Income is computed. Childcare expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.

Dependent Deduction. An exemption of \$480 for each member of the family residing in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, handicapped, or a full-time student.

Handicapped Expenses. A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for handicapped family members where such expenses are necessary to permit a family member(s), including the handicapped/disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work. Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually handicapped, and equipment added to cars and vans to permit use by the handicapped or disabled family member.

For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.

For elderly families with medical expenses: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, (provided the

amount does not exceed earnings) plus medical expenses as defined below.

For Elderly and Disabled Families Only:

Medical Expenses: A deduction of unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and nonprescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills.

To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

For elderly families without handicapped expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.

For elderly families with both handicapped and medical expenses: The amount of handicapped assistance is calculated first, and then medical expenses are added.

Elderly/Disabled Household Exemption: An exemption of \$400 per household.

III. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

CHILD. A member of the family other than the family head or spouse who is under 18 years of age.

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents, which must be submitted to evidence citizenship or eligible immigration status.

PHA. A housing authority- either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

MIXED FAMILY. A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

NATIONAL. A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

NONCITIZEN. A person who is neither a citizen nor nation of the United States.

PHA. A housing authority that operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.