

## **FAMILY SELF-SUFFICIENCY PROGRAM**

### **A. PURPOSE 24 CFR 984.101**

The purpose of the Family Self-Sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of assistance under the Housing Choice Voucher and Public Housing program with public and private resources, enable participating families to earn increased income, reduce or eliminate the need for welfare assistance, and make progress toward achieving economic independence and housing self-sufficiency. This is a voluntary program and in the event a family fails to meet obligations under the FSS Contract of Participation, MHA will not terminate housing assistance under the Housing Choice Voucher or Public Housing programs.

### **FAMILY DEMOGRAPHICS 24 CFR 984.201 (d)(1)**

Marin County residents reflect a diverse array of socioeconomic and ethnic groups. The predominant groups residing in Public Housing and participating in the Housing Choice Voucher program are single female head of households with minor children, Caucasians, African Americans, Asians predominately of Vietnamese descent, and Latinos. There is also a large and active disabled community. These groups are all represented in the PH and HCV FSS Program. Precise demographics change and are reflected in Visual Homes, MHA's Housing Information System.

### **Nondiscrimination 24 CFR 984.201 (d)(6)(ii)**

In selecting participating families, assurances will be evident that the selection was made in a nondiscriminatory manner without regard to race, color, religion, sex, family status, national origin, sexual orientation, blindness, visual handicap, physical handicap, or mental impairment in compliance with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, and Executive Order 11063.

MHA will not discriminate against otherwise qualified persons because of their disabilities. MHA will make reasonable accommodations to the person's disability to allow participation in the FSS Program. MHA may decide that an accommodation is not reasonable if it causes undue financial and/or administrative burdens.

### **B.PARTICIPANT SELECTION 24 CFR 984.201(d)(1)**

#### **Eligibility Requirements**

1. To be selected to participate in the FSS program, a resident must be a head-of-household, and either a Public Housing resident, or an active participant of the Housing Choice Voucher Program. An eligible participant must be a participant in good standing (i.e. no eviction proceedings pending for unpaid rent/charges or cause).
2. The FSS family includes everyone in the household. However; only one escrow account will be established per household.

Other members of a household (over 18) are eligible to become participants if the head of household has signed a Contract of Participation.

3. All participants must be willing to sign a Contract of Participation. The purpose of the contract is to state the rights and responsibilities of the family and MHA, the resources and supportive services to be provided to the family and the activities to be completed by the family. Basic support services are part of the contract and include but are not limited to:

**Education & Training:** Education and Literacy  
GED Classes  
Community College  
Career Guidance  
Specialized Technical Classes  
Four-Year College/University  
On-The-Job Training  
Job Placement  
Social/Life Skills Training

**Counseling:** Individual Counseling  
Family Counseling  
Group Counseling  
Outpatient Drug & Alcohol Counseling  
Residential Drug & Alcohol Treatment  
Parenting Classes  
Self-Esteem Training

**Other:** Childcare  
Transportation  
Credit Counseling  
Money Management/Budget Counseling  
Grants & Financial Aid  
Assistance with Court/Legal Matters  
Homeownership counseling

**Application and Selection Process 24 CFR 984.201 (d)(6)(i)**

Participants from each FSS program must be selected from their respective housing program. Public Housing FSS families must reside in public housing (Golden Gate Village); Housing Choice Voucher FSS families must come from Housing Choice Voucher participants.

MHA will conduct outreach on an ongoing basis. The FSS Program is marketed via inclusion of program brochures in briefing packets for new voucher holders and public housing residents. MHA staff members promote the FSS Program at the time of Annual Re-certifications, Inspections, or other case management. The program is also promoted via community partnerships with other agencies who serve our HCV

and PH Participant families, such as Cal Works, Marin Employment Connection, and Dept. of Rehabilitation.

New Public Housing residents will be notified of the FSS program at the time of lease up. In addition, FSS program information will be posted on site at each MHA office and in the offices of community based agencies and service providers.

The Housing Choice Voucher FSS program has fulfilled its mandatory slots (effective 2006; originally 107 slots). The voluntary program number will be 130. The number of Public Housing FSS program slots must be a minimum of 25.

Current Housing Choice Voucher participants and Public Housing residents who express a desire to participate in the FSS Program will be given an appointment for an Orientation.

1. To be eligible the applicant's income information must be current and within 120 days in the housing information system. MHA must conduct a new reexamination if more than 120 days have expired.
2. Applicant families that cannot be assisted immediately shall be placed on a waiting list in order of date of inquiry to participate in FSS and in order of most current effective date of re-exam in the housing information system. Applicants will be withdrawn from the Family Self Sufficiency Program waiting list if:
  - a) The applicant so requests
  - b) MHA is unable to contact the applicant
  - c) The applicant fails to respond to any MHA request for information
3. Applicants must attend the mandatory orientation session in order to be considered for the program. All participants must attend a full FSS orientation. The orientation is designed to assist the applicant in making a decision as to whether to participate in the FSS Program.

This session will include, but is not limited to, the following information:

- The needs assessment process;
- Explanation of the program requirement that the Head of Household seeks and maintains employment;
- How support services will be accessed;
- How case management works for the participant;
- The Contract of Participation and what it means;
- The Housing Choice Voucher Program and Public Housing requirements;
- The 5 to 7 year length of participation;
- The escrow account, audit process and the possible forfeiture of MHA escrow account funds.
- Mandatory Earned Income Disallowance (MEID)

4. After attending the required FSS orientation, the applicant will meet with the Program Coordinator/Case manager for an intake interview, at which time the applicant will complete the FSS application. The Program Staff will conduct a needs assessment and work with the applicant on developing a goal plan. This process may require that the applicant attend more than one meeting with the Staff member.
5. Based upon the intake interview, application and needs assessment process, the Program Coordinator/Case manager will determine whether the family is sufficiently motivated to participate in the FSS Program. If an applicant fails to show up for two appointments prior to signing the contract, without notifying the case manager, this will be deemed as lack of interest and they will be placed back on the wait list.

Applicants who are admitted to the program will be so notified and will sign a Contract of Participation.

6. Income and rent numbers to be used on the Contract of Participation may be taken from the amounts on the last re-examination or interim determination before the family's initial participation in the FSS program, unless more than 120 days will pass between the effective date of the re-examination and effective date of the Contract of Participation. If more than 120 days have passed since the last re-examination, MHA must conduct a new re-examination or interim.
7. If an interim re-examination occurs after the Contract of Participation is signed but before it has become effective, MHA may use the lower of the two figures for the Contract of Participation. Also if a re-exam has occurred prior to the signing of the FSS Contract of Participation but the earlier baseline re-exam is less than 120 days current, MHA may use the lower of the two amounts for the Contract TTP.
8. Applicants who are denied admission to the FSS Program will be so notified. Applicants who are denied may appeal MHA's action by following the grievance process outlined in this Administrative Plan.
9. If the Head of Household has previously participated in the FSS Program and cashed out its escrow account, or committed a program violation and was terminated, the Head of Household may not receive FSS assistance again. If the Head of Household previously participated and failed to meet their obligations, they may be denied future participation.
10. If the Head of Household has previously participated in the FSS Program but did not graduate, the Head of Household may reapply for participation if they meet the following criteria:
  - ◆ The family met its obligations during the period of participation;
  - ◆ The family did not earn escrow or if they forfeited their escrow;

- ◆ The family voluntarily withdrew from the program in good standing.
  - ◆ The voluntary withdrawal took place prior to the end of the COP
- Under these circumstances, a family may re-apply to the FSS Program after a twelve-month wait period after leaving the program. To re-apply, a family must submit a written request to the Program Coordinator, stating why they believe participation at the current time will offer a more successful outcome. If there is a waiting list, the family will be placed in the next available slot on the list and served when their name comes to the top. They will be required to attend an orientation as all new participants are required to do.

### **C. NEEDS ASSESSMENTS FOR THE PROGRAM PARTICIPANTS**

#### **24CFR 984.201 (d)(8)**

A comprehensive needs assessment will be conducted. An Individual Services and Training Plan (ITSP) will be completed for each family prior to signing a Contract of Participation. An Action Plan will be developed which shall include:

- 1) the family's goals, both primary and secondary;
- 2) the services the family requires to achieve their goals;
- 3) service providers with whom the family will be working;
- 4) a list of steps necessary to complete the family's Action Plan and the milestones in that Plan

The Individual Training and Services Plan which includes goals and action steps will be reviewed, monitored, and updated as necessary by the Program Coordinator/Case Manager. The Individualized plans will be reviewed at least semi-annually for both Housing Choice Voucher and Public Housing FSS participants.

### **D. CASE MANAGEMENT**

Case management is a key factor in ensuring comprehensive service delivery. Case management establishes a systematic, continuous process in which families are actively involved in planning the steps they can take to improve their lives and in evaluating the results. Case management is not merely service brokering, but a problem-solving partnership among practitioners and clients. MHA employs a Program Coordinator and a Case Manager who fulfill the following functions:

- 1) Assist in briefing of applicants;
- 2) Provide information and referral services to participants;
- 3) Assist in identifying and utilizing appropriate community resources;
- 4) Coordinate services for participants with various Health and Human Services/Social Services agencies, and other non-profit groups;
- 5) Monitor participant's progress in meeting goals;
- 6) Work with other agencies' case managers;

- 7) Provide services-up to one year after the family graduates from the FSS program.

## **E. PARTNERING AGENCIES**

### **Employment/Training and Education**

The Marin Employment Connection will work with Program Staff to coordinate employment training, education, and employment referrals for participating families. Services in this component will include: educational assessment, education for completion of high school, and job training, preparation, and placement.

### **Other Support Services**

Marin Housing has developed a strong network with various Marin County and Bay Area social service agencies that are willing to provide services for participants of the FSS Program. These agencies are:

- ACORN Housing
- Canal Community Alliance
- Catholic Charities
- College of Marin
- Community Action Marin
- Community Child Care Council
- Department of Rehabilitation
- Family Service Agency of Marin County
- Lao Family Services
- Marin Abused Women's Services
- Marin Adopt A Family
- Marin County Community Mental Health Services
- Marin County Office of Education
- Marin Education Fund
- Marin Employment Connection/EDD
- Marin Family Action
- Marin Jobs and Career Services
- Marin Services for Women
- Ritter Center
- Prosperity Partners of Marin
- Regional Occupational Program (ROP)
- WISE (Women's Initiative for Self Employment)
- Women Helping All People
- YWCA

**F. INCENTIVES TO ENCOURAGE PARTICIPANTS 24 CFR 984.201(d)(5)**

1. Marin Housing will establish an interest bearing escrow account for participating families who have an increase in earned income during the time of participation, resulting from achievement of the Contract of Participation Goals. Escrow accounts will be established and administered according to the regulations set for the FSS Final Rule (24CFR 984.305)

2. The FSS Staff will work in coordination with community partnerships to provide periodic workshops on topics related to credit repair, financial literacy, preparation for homeownership, and asset building. These workshops will be widely advertised, open to both current and prospective FSS participants in both the HCV and PH programs.

3. Marin Housing will provide additional asset building opportunities through partnership with community based organizations and the federal government in establishing IDA programs.

**G. PROGRAM COORDINATING COMMITTEE 24CFR 984.202**

The role of the Program Coordinating Committee is to help secure commitments of public and private resources and to prepare and implement the FSS program action plan. The Program Coordinating Committee will meet at least once per year.

**H. CONTRACT OF PARTICIPATION 24 CFR 984.303**

The Contract is an agreement between MHA and the Head of Household. It sets forth the provisions of the program, specifies the resources and appropriate support services necessary to assist the participant family in achieving economic independence and self-sufficiency, and the responsibilities and obligations of the participating family. The contract shall provide that MHA may terminate or withhold supportive services if the family fails to comply with the requirements of the Contract of Participation (COP). The COP specifies that the family must comply with all obligations under the HCV and PH programs.

An Individual Training and Services Plan must be completed for the FSS Head of Household.

- The contract shall specify that each participating family will be required to fulfill the obligations to which the family has committed itself under the contract within 5 years of entering into the contract. MHA can extend the term of the contract for up to an additional 2 years for a participating family that requests an extension if MHA finds good cause exists for granting the extension. Good cause exists if the circumstances that prevented completion of the contract were beyond the control of the family, such as a serious illness or involuntary loss of employment, or additional time to become independent

of cash aid welfare assistance. The Mandatory Earned Income Disallowance alone is not considered allowable cause for an extension.

- The person designated as the head of household shall be required under the contract to seek and maintain suitable employment following completion of a job training program if required as a condition of the contract.
- “Seek employment” means that the head of household provides documented proof that he/she is actively looking for a job, applying for work, going on job interviews, and otherwise following up on employment opportunities.
- If the head of household does not seek and maintain employment as specified in the FSS Contract of Participation, or never finds employment during the contract’s 5 year term, the family will not have met its obligations and MHA may terminate the family’s participation in the FSS Program.
- The head of household may attend school only as a precondition to seeking employment, but after completion of the contracted course of study the head of household must seek and maintain a suitable job. School may not be substituted for employment.
- MHA has the ultimate responsibility for determining if the head of household’s employment is deemed “suitable” for FSS purposes. This decision must be made in conjunction with the head of household, and it must be based on the person’s skills, education, and the available job opportunities within MHA’s jurisdiction. The overall objective should include employment that will propagate self-sufficiency. MHA may delegate this responsibility to the FSS Program Coordinator on recommendations from the Program Coordinating Committee.

Formatted: Bullets and Numbering

If the head of household leaves the family or becomes medically unable to work during the term of the Contract of Participation, and the remaining family members continue participation in the Housing Choice Voucher or Public Housing program, the Contract of Participation must be revised to designate a new head of household who must seek and maintain employment. The head of household must be at least 18 years of age.

- The Program Coordinator/Case Manager shall provide counseling for the participating family with respect to seeking, securing, and maintaining affordable rental (and as appropriate, home ownership) opportunities in the private housing market. This counseling shall include information on an individual’s rights under the Fair Housing Act.
- The Program Coordinator/Case Manager may continue to offer a participating family support services if: (1) the family has completed its contract; (2) the

Revised 11/09

head of household becomes employed; and (3) the continuation of support services would strengthen the efforts of the family to become or remain self-sufficient.

The services may only continue for one year after the family leaves the program.

The parties to the contract may mutually agree to make changes to the contract, provided the terms of the changes are acceptable to all parties and the changes are consistent with the goals of the program.

#### **I. TERMINATION OF THE CONTRACT OF PARTICIPATION 24CFR 984.303 (2)(h)**

MHA may terminate the Contract of Participation if:

- 1) The participating family has successfully completed the contract and achieved self-sufficiency; or
- 2) MHA and the participating family mutually consent to termination. Reasons for mutual consent can include, but are not limited to:
  - the necessary support services are not available;
  - the family leaves the area
- 3) The participating family chooses to leave the FSS Program and forfeits their escrow account;
- 4) The participating family has failed to meet the FSS obligations;
- 5) The participating family member is involved in illegal activities including drug-related activities or violent criminal activities or allows a visitor or guest to engage in illegal activities;
- 6) The family fails to meet its obligations under the Housing Choice Voucher Program or Public Housing Program; including but not limited to :
  - failure to report income or changes in family composition;
  - failure to allow inspections of dwelling unit;
  - Failure to provide requested information.
7. The participant has committed any fraud in connection with any federal housing assistance program;
8. The participant has violated any obligation under the Housing Choice Voucher or Public Housing Program;
9. The family commits such other act as is deemed inconsistent with the purpose of the FSS Program.

#### **J. Hearing**

The participating family is entitled to a hearing if a decision to deny or terminate the FSS Contract of Participation or housing assistance is made. Hearings will be conducted in accordance with the procedures outlined in the Public Housing ACOP and HCV Administrative Plan.

#### **K. ESCROW ACCOUNTS 24CFR 984.305**

The FSS program provides for the establishment of an escrow account. A portion of the increase in the family's rent because of increases in earned income will be credited to the escrow account in accordance with HUD requirements.

The amount of the escrow credit is based on increases in the family's total tenant payment resulting from increases in the family's earned income during the term of the FSS contract.

The family may request an interim be processed for an increase in rent in order to contribute to the escrow account. An interim will be processed as a courtesy to the family even if the increase in income is lower than may be required for increasing the rent according to Housing Choice Voucher and Public Housing lease procedures

As the family's income increases, MHA calculates rent and the family pays increased rent, as does any other resident. MHA then makes deposits to an escrow account in the appropriate amount based on one of two formulas, one for very low-income families and one for low-income families.

For very low-income families, the amount of the monthly escrow credit is the lesser of:

(1) 30% of the current monthly adjusted income increases since execution of the Contract of Participation, or (2) current family contribution less the family contribution when the Contract of Participation was executed. For low-income families, the amount is one-half of the amounts calculated according to the computation system used for very low-income families. There is no escrow credit for families in excess of 80% of median income.

In Public Housing the family pays the tenant rent directly to MHA. The escrow credit is deducted from the rent payment and put in the Public Housing Escrow Account.

Public Housing residents and HCV Participants must pay their rent on time and all charges or repayment agreements should be current for the escrow account to be credited. If a participant fails to pay their rent on time, considered to be the close of business on the 7<sup>th</sup> or the first business day after the 7<sup>th</sup>, (in the PH program) the escrow account will not be credited for that month.

MHA can hold the escrow amount until the Contract of Participation expires (or five years). However, if the additional time will not increase the family's ability to pay an unsubsidized rent, MHA may terminate the contract and release the escrow funds.

After satisfactory completion of all program requirements and a thorough audit of the account participants will receive their escrow account payment within 30 days.

### **Establishing Escrow Accounts**

FSS escrow funds must be deposited into a single, interest-bearing depository account. The accounting for these funds will be supported through a subsidiary ledger that records the balance of each individual FSS participant's account.

MHA will report to the family at least annually on the escrow account including:

- The balance at the beginning of the reporting period,
- The amount credited during the period,
- Any deductions made from the account for amounts due MHA before interest was distributed,
- The amount of interest earned on the account, and
- The total in the account at the end of the reporting period.

### **Disbursement of FSS Account Funds**

Disposition of the escrow accounts shall be as follows:

- 1) Amounts in the escrow account, in excess of any amount owed to MHA, may be withdrawn by the participating family only after the family certifies that it is no longer a recipient of any Federal, State, or other public assistance; excluding housing assistance.
- 2) If the family fails to meet its obligations under its Contract of Participation, it makes the contract voidable and the escrow account will be forfeited.
- 3) The family terminates its participation in the Housing Choice Voucher or Public Housing Program even though the TTP is below the amount that is required to meet the unit's gross rent, below the FMR or Payment Standard, or otherwise appears to be insufficient to pay an unsubsidized rent, as long as all the other terms of the Contract of Participation have been met; the escrow money can be paid to the family.
- 4) If the family requests an early graduation from FSS, prior to the end of the COP, this may be granted if certain conditions are met. The family must have met their final goal, have been independent of public assistance for the prior twelve months and be employed at the time. The escrow money can then be paid to the family.
- 5) If the family is purchasing a home prior to the completion of the FSS contract either through the HCV Homeownership Program or without subsidies, they may receive their escrow.

Formatted: Bullets and Numbering

- 6) In the event a debt is owed to MHA through a repayment plan or rental deposit loan, this will be deducted from the escrow balance prior to final disbursement to the FSS family. (CFR 984.305)
- 7) A thorough audit of the account will be made prior to final disbursement.

#### **Interim Disbursement of Escrow Funds**

MHA does not provide interim escrow withdrawals.

#### **K. PORTABILITY OF ASSISTANCE 24CFR 984.306**

In order to participate in the FSS Program, families must live in the initial jurisdiction for not less than one year before the family will be considered for a move under portability. MHA has the authority to approve a family's request to move during this period.

After one year a family can choose to continue to participate in the FSS Program but move to another jurisdiction with the following conditions:

- 1) The family must demonstrate to the satisfaction of MHA that it will be able to fulfill its responsibilities under the original (or a modified) Contract of Participation in the receiving jurisdiction.
- 2) If a participating family moves and is unable to fulfill its obligations under the Contract of Participation (or a modification thereof), MHA will:
  - a) terminate the participating family from the FSS Program; and
  - b) The family will forfeit its escrow account.
3. If the family is participating in the FSS Housing Choice Voucher or Public Housing program and moves outside the MHA jurisdiction MHA may transfer the balance of the family's escrow account to another housing authority's HCV FSS program.
4. All other provisions of portability remain the same under the FSS Program.

Effects of escrow accounts for families who move to other jurisdictions are:

- 1) If a family moves and the receiving HA absorbs and issues their own Voucher, the receiving HA sets up an escrow account. MHA will close out the family's escrow account and forward the balance to the receiving HA.
- 2) If the participating family moves, and the receiving HA decides *not* to absorb (to administer and bill), the family must demonstrate they can

continue in MHA's FSS Program. MHA will maintain the escrow account. The receiving HA must provide MHA with a breakdown of employment income versus other income in order to enable MHA to calculate escrow account deposits. Failure of the receiving HA to provide such information will result in MHA holding the receiving HA's reimbursement payments.

If the family completes the Contract of Participation, the receiving HA will notify MHA and certify that the family is no longer receiving housing assistance. MHA will then pay out the escrow account to the family.

If the family does not complete the Contract of Participation when it expires, the receiving HA shall notify MHA and the escrow account is forfeited and reverts to MHA.

FSS families who request to port to MHA from another jurisdiction may transfer their FSS Contract of Participation to MHA , provided they contact MHA FSS staff within 120 days of leasing up. If they fail to contact MHA FSS staff within 120 days, they may be placed on a wait list.

**L. REPORTS 24CFR 984.401**

- 1) MHA shall submit required reports as requested by HUD and outlined by the most current NOFA.