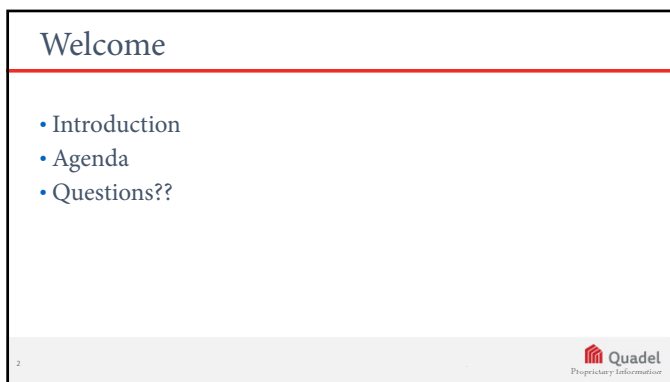
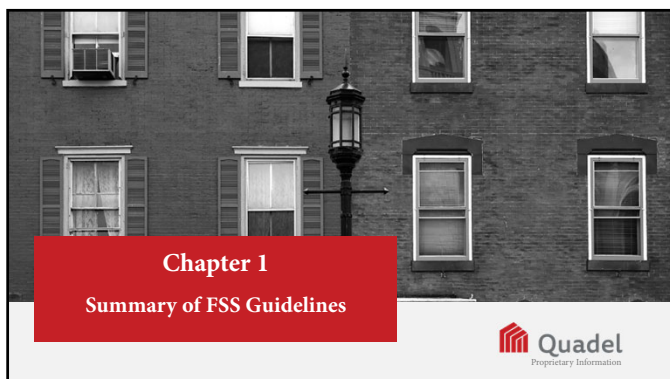




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2



3

Program History and Scope

- Created by Section 554 of the National Affordable Housing Act of 1990. Regulations in 24 CFR Part 984.
- **Purpose** is to reduce the dependency of low-income families on welfare assistance and housing subsidies.
- All HAS **receiving new** increments of HCV rental certificates and vouchers were required to implement a FSS program unless granted an exemption.
- In 2018, Congress enacted changes that were codified and published in the Federal Register on May 17, 2022 (Effective Date: June 17, 2022).
 - The Final Rule updates 24 CFR 984 and adds 24 CFR 877.

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4

Participation in the FSS Program

- FSS is Voluntary.
 - It's the family's choice whether to participate.
- FSS is available for families assisted in the following programs:
 - Section 9 Public Housing
 - Section 8(o) HCV
 - All special purpose vouchers: FUP, FYI, VASH, EHV, Mainstream, etc.
 - PBV
 - Section 8(y) Voucher Homeownership
 - Section 8 Moderate Rehabilitation
 - Moderate Rehabilitation Single Room Occupancy
 - Project Based Rental Assistance (PBRA aka Multifamily)

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5

Program Size Requirements

- **FSS Program Size is equal to:**
 - Number of allocated vouchers/units that were required to be administered in an FSS program on May 24, 2018.
- The minimum FSS program size is the number of families a PHA is required to enroll and graduate from the FSS program.
- The minimum program size for a PHA's FSS program is reduced by one slot for each family from any rental assistance program for which the PHA administers FSS under this section and that graduates from the FSS program by fulfilling its FSS CoP on or after October 21, 1998.

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Exceptions to Mandatory Program Size

- PHA may request an exception in the required minimum program size:
 - Lack of Supportive Services
 - Lack of Funding for Reasonable Administrative Costs
 - Lack of Cooperation by Units of State and Local Governments
 - Lack of Family Interest
- An exception to the minimum program size granted by HUD remains in effect for three years from the date of HUD's approval.
 - If an extension is needed beyond this time, a new request and a new certification must be submitted to HUD.

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7

PHA Option to Operate a Larger Program

- PHAs can operate larger FSS programs than the mandatory minimum program size.
- If the PHA opts to increase the size of the FSS program, the PHA must amend its FSS Action Plan
- The SEMAP measure of families with escrow accounts will be based on the total number of participating families.

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8

Program Size Requirements

- Renewals of expiring ACCs from that period are not counted in determining minimum program size.
- Units awarded as replacement housing for demolished Public Housing units are counted in determining minimum program size.
- The Final Rule replaces the complex formula for determining program size with language from the statute stating the program size must equal the number of families served as of May 24, 2018, as a starting point.

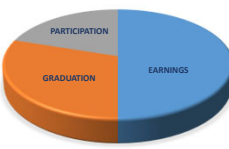
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9

Program Success

- Family Self-Sufficiency Achievement Metrics (FAM)
 - Federal Register - November 15, 2023
 - In compliance with 24 CFR 982.102
- 3 key metrics to measure success:
 - Earnings Performance (50%)
 - Graduation Rate (30%)
 - Participation Rate (20%)
- For Earnings Performance Measure & Graduation Rate, HUD will use a three-year average from similar households.



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Program Success

- HUD uses data that PHAs submit through PIC (or HIP, when implemented) to calculate FAM Scores to all FSS programs that receive FSS coordinator funding.
- At this time, FAM Scores do not apply to the following:
 - The initial 39 MTW PHAs
 - PHA-based FSS programs that do not receive coordinator funding
 - FSS programs administered by owners of PBRA housing
- The FAM Scores relies on an analysis of historical performance data; therefore new FSS programs will not initially have a FAM Score.

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Earnings Performance Score (50%)

- Measures the extent to which FSS households see earnings growth while participating in the program. To calculate an Earnings Performance Measure, HUD
- Compares the earnings growth for three comparable FSS household based on the extent to which the comparison households are similar to the FSS household
 - Earnings as of the time of the FSS household's entry into FSS
 - Age of head of household,
 - Length of time in the voucher or public housing program,
 - Number of adults in the household,
 - Number of children in the household
 - Presence of a child with a disability
 - Presence of a non-head of household adult with a disability


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Earnings Performance Score (50%)

- The earnings measure compares the family's annual earned income at enrollment to the higher of:
 - Annual earned income as of the most recent PIC record
 - Average annual earned income since enrollment
 - 3-year average income at Annual Reexamination
- The earnings calculation:
 - Includes households enrolled in FSS 3.5 - 7.5 years prior to the end of the quarter of the PIC data extraction.
 - Allows households sufficient time to benefit (increase earnings) from the program.
 - Elderly or disabled head of households are excluded.
 - Adjusted for local economic conditions


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Earnings Performance Score (50%)

The Earnings Performance calculation measures the difference between: (a) the average earnings growth for FSS participants and (b) the average earnings growth for comparison households at the same PHA, as adjusted to account for the residual effects of local economic conditions.

3-year average

Earnings Performance

10 points: \$6,315 or higher
7.5 points: \$4,795 - \$6,314.99
5 points: \$2,383 to \$4,794.99
0 points: Below \$2,283


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FSS Graduation Rate (30%)

- Calculates the percent of FSS participants that enrolled 5-8 years ago who have graduated as of end of the quarter for the PIC extract.
- The graduation score is based on the:

The number who graduated from FSS by the PIC extraction date
divided by (+)
 The number of households that enrolled over the past three years

Graduation Rate

10 points: 42% or higher
7.5 points: 31 to 41.99%
5 points: 15 to 30.99%
0 points: Below 15%


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FSS Graduation Rate (30%)

Households not included in the graduation rate calculation:

- Households that enrolled in FSS less than 5 years ago or more than 8 years ago
- Non-graduating FSS participants who exited the HCV or Public Housing programs before the end of the analysis period
- Elderly head of households (at time of FSS enrollment) are included in the numerator but not the denominator
 - FSS Programs get credit for graduations but don't get penalized if those that don't graduate

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Graduation Rate: Example

The FAM calculation for 2022 measures the PIC data through Dec 31, 2022. The 2022 graduation measure shall include households that enrolled in FSS between Jan 1, 2015 and December 31, 2017 (five to eight years before Dec 31, 2022).

Example

If 100 households enrolled, and 45 graduated by 12/31/2022, the 2022 graduation measure is $45 \div 100 = 45\%$.

The PHA would earn 7.5 points.

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Participation Rate (20%)

- Measures the number of FSS participants a PHA serves compared to the minimum number they are expected to serve with their FSS Coordinator grant funding.
- The participation score is based on the *higher of*:
 - The ratio in the *most recent year*, and
 - The *average* ratio over the *past three years*

Participation Score

10 points: 2.20 or higher
9 points: 1.95 to 2.19.
8 points: 1.70 to 1.94.
7 points: 1.45 to 1.69.
6 points: 1.2 to 1.44.
5 points: 0.95 to 1.19.
0 points: Lower than 0.95

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Participation Rate (20%)

- Standards used to determine the minimum number of families the PHA's FSS Coordinator is required to serve:
 - 15 participants for a Part-Time Coordinator
 - 25 participants for the first Full-Time Coordinator
 - For every 50 participants, an additional Full-Time Coordinator

# of FSS participants	# of FSS Coordinator Positions
15 – 24 Families	1 Part-Time
25 – 74 Families	1 Full-Time
75 – 124 Families	2 Full-Time
125 – 174	3 Full-Time
175 – 224	4 Full-Time
225 – 274	5 Full-Time

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Participation Rate: Example

Example 2

A PHA receives funding for 2 Full-Time Coordinators and is required to serve at least 75 families.

If the program serves 80 families, the participation measure is $80 \div 75 = 1.07$

The PHA would earn 5 points.

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FAM Performance Score

- After computing individual scores for each of the three measures, HUD will aggregate each PHA's scores using the weights to develop a final FAM Performance Score.

PERFORMANCE CATEGORY	OVERALL SCORE
1	7.9 or higher
2	4.0 - 7.89
3	3.5 - 3.99
4	Less than 3.5

Highest →

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FAM Performance Score: Example

FAM PERFORMANCE SCORE = Earnings + Graduation + Participation

PERFORMANCE MEASURE	SCORE
Earnings	7.5 x 50% = 3.75
Graduation	7.45 x 30% = 2.24
Participation	5 x 20% = 1.0
TOTAL	3.75 + 2.24 + 1.0 = 6.99

A Score of 6.99 results in a FAM Performance Category of 2.


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Program Success

- Self-Assessment will be the basis of the review, consisting of:
 - General Program Implementation and Outcomes
 - Staffing
 - Grant and Financial Management
 - Grantee Reporting and Closeout
 - FSS File Review



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Section Eight Management Assessment Program

SEMAP designed to measure the performance of PHA's HCV program in 14 key performance areas.

#	SEMAP Indicator	Possible Points
1	Selection from the Waiting List	15, 0
2	Reasonable Rent	20, 15, 0
3	Determination of Adjusted Income	20, 15, 0
4	Utility Allowance Schedule	5, 0
5	HQS Quality Control Inspections	5, 0
6	HQS Enforcement	10, 0
7	Expanding Housing Opportunities	5, 0
8	Payment Standards	5, 0
9	Annual Re-examinations	10, 5, 0
10	Correct Tenant Rent Calculations	5, 0
11	Pre-contract HQS Inspections	5, 0
12	Annual HQS Inspections	10, 5, 0
13	Lease-Up	20, 15, 0
14	Family Self-Sufficiency Enrollment	10, 8, 5, 3, 0
	Bonus Deconcentration	5, 0

FSS →

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Indicator 14: FSS Enrollment & Escrow


Performance Standard

- 2 components
 - Required number of families in the program
 - Percentage of FSS participants with escrows
- 80% of required slots or more of FSS participants, 30% with escrow = 10 points
- 60-79% of required slots filled with 30% escrow = 8 points
- 60-79% of required slots filled and less than 30% escrow=3 points



Confirmation

- PIC report indicating enrollees and escrow amounts


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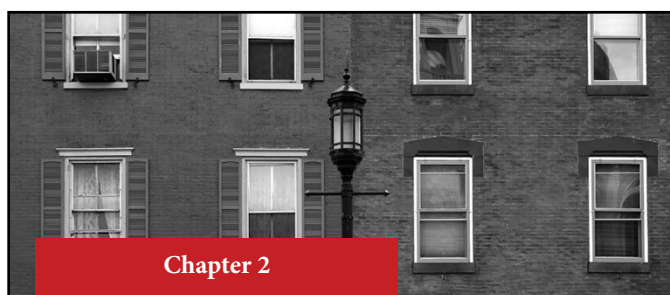
Indicator 14: FSS Enrollment & Escrow

FSS PROGRAM SUCCESS


- Does the PHA have a strong recruitment program to engage potential enrollees?
- Does the PHA have strong marketing materials that effectively explain the program and its benefits?
- Does the PHA engage current enrollees, celebrate successes and maintain close contact with them in order to encourage continued participation?
- Does the PHA have strong partners and a community presences that provides FSS with the support they need to obtain education and better employment so that they can have escrow accounts?

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Chapter 2
Elements of a FSS Program



27

Program Coordinating Committee (PCC)

- PHAs are required to establish PCC.
- Membership must include representatives of the PHA and HCV participants or HA tenants and must include at least one FSS Program Coordinator.
- PHAs operating a public housing FSS must include a member from the city-wide resident organization, if one exists
- PHAs may use the same PCC for both public and HCV FSS programs and two neighboring PHAs can use the same PCC
- Committee members should be selected from a diverse group of service, civic, governmental and other community organizations

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PCC Membership

PCC members will be selected for their expertise in various areas

- Local government
- Local Workforce Development Partner Agencies
- Other service organizations
- Private businesses and employers
- Public and private education or training institutions
- Empowerment organizations

PCC **MUST** include one or more FSS Program Coordinators and one ore more participants from each program

Pg 2-1.2



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PCC Membership

- Approaches to recruiting qualified members include:
 - Send letters of invitation (possibly with the mayor's signature).
 - Ask individuals with influence in the service community to be a member.
 - Outreach to individuals affiliated with educational or training institutions.
 - Ask already committed PCC members to help recruit others.
- Potential members need to know:
 - Enough about the program and structure to make an assessment of its value
 - The role the PCC will pay in the program
 - The frequency of the PCC meetings, amount of time required for service and specific activities membership will involve
 - Look for individuals with the power to allocate resources to the program and that will have time to devote to the work
- Look for individuals with the power to allocate resources to the program and that will have time to devote to the work



Pg 3-2.3



30

The Role of the PCC

- The PCC must adopt the Action Plan
 - Request critical feedback by providing the Action Plan in advance of the scheduled committee discussion so that it can be carefully reviewed
- FSS Coordinators should structure the meetings in order for the PCC to provide input on potentially needed policy or program structure changes as the program evolves
- Some PCCs take on administrative duties such as:
 - Locating a specific service for a FSS family
 - Reviewing ITSP to approve proposed goals
 - Reviewing family progress to determine if adequate progress has been made
 - Approving family requests to move out of the jurisdiction
 - Approving requests for early partial payments
 - Authorizing release of the FSS account
 - Determining if a family should be terminated

Pg. 3-4-7



31

Action Plans

- **FSS Action Plan** that describes the policies and procedures for the local operation of the program.
 - The Action Plan must now be updated to incorporate all the new provisions of the Final Rule (Effective Date: June 17, 2022),
- FSS enrollment cannot not begin until HUD approves the updated Action Plan
- PHAs which do not have the capacity to operate an FSS program and wish to operate a joint program may combine their resources to deliver supportive services under a HUD-approved joint Action Plan that will carry out a combined FSS program

Pg. 2-2



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Action Plan Minimum Requirements

- Family demographics of expected participants;
- Estimate number of families that can be reasonably served based on available resources;
- Estimate of families from other self-sufficiency programs who will participate;
- Incentives offered to encourage participation;
- PHA outreach efforts to recruit families;
- Description of activities and services to be provided;
- The method of identifying family needs and delivering services

Pg. 2-3



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Action Plan Minimum Requirements

- Assurance that a family's decision not to participate in the FSS program will not affect the family's admission to or occupancy rights under the HCV or public housing programs; and
- Timetable for implementing the FSS program
- Certification that the development of services has been coordinated with proper programs
- The PHA must describe all FSS policies over which the PHA has discretion in its Action Plan

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Optional Additional Information

- Policies related to the modification of the goals in the ITSP;
- Circumstances in which an extension of the COP may be granted;
- Policies on the interim disbursement of escrow, including any fund limitations;
- Policies regarding eligible uses of forfeited escrow funds by families in good standing;
- Policies regarding the re-enrollment of previous FSS participants, including graduates and those who left the program without graduating;
- Policies on requirements for documentation for goal completion;
- Policies on documentation of the household's designation of the "Head of Household;"
- Policies for providing an FSS selection preference for porting families

Pg 2-4,5



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Selection of Participants

- Eligible families are defined as current HCV program participants, including participants in a Welfare-to-Work or other local self-sufficiency programs, and public housing residents.
 - The Final Rule expands eligibility to any adult member designated by the family
- PHAs may give selection preference for up to 50% of its FSS slots indicated in its Action Plan:
 - Percent of FSS preference slots
 - Program(s) which qualify for selection preference
 - Procedure for choosing applicants on the waiting list with the same preference status


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Selection of Participants

- For families selected without preferences, PHAs must adopt and describe in its Action Plan an objective selection system such as:
 - A lottery
 - The length of time living in subsidized housing
 - The date the family expressed interest in FSS
- PHAs may screen families for interest and motivation such as requiring attendance at FSS orientation, assignin tasks which indicate willingness to meet obligations, etc.




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Contract of Participation (COP)

- FSS requires a contract of participation (HUD 52650) outlining obligations of both PHA and participant
- Individualized Training and Services Plan (ITSP) are attached to the contract
- Interim goals for families receiving welfare must indicate their required independence from TANF for at least one year before contract expiration
- Contract is effective the first of the month after contract execution.



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Terms of the Contract

- Before the Final Rule: End date was 5 years after the effective date of the CoP.
- After the Final Rule: No later than 5 years after the first re-examination of the income after the execution of the CoP
- PHA may grant an extension for "Good Cause," which means:
 - Circumstances beyond the control of the FSS family
 - Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of extension
 - Any other circumstances that the PHA or owner determines warrants an extension.
- The contract is completed when:
 - The family has fulfilled its obligations under the contract.
 - Final Rule removed provision that automatically completes the FSS contract when 30% of the family's adjusted monthly income equals or exceeds FMR.

Pg 2-6.7

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Individual Training and Services Plan (ITSP)

- Every contract must include an ITSP for the head of the family (or other member identified as head of household).
- ITSP should include clearly stated goals with specific deadlines.
 - Services provided to the participant
 - Activities and the steps that he or she will take
 - Estimated, agreed-upon completion dates for services and activities
- All participants must include two goals in their ITSP:
 - All household members: To be independent of income assistance from federal or state welfare programs at the time of graduation.
 - Head of FSS Family only: To seek and maintain suitable employment.

Pg. 2-6



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Contract Modifications

- FSS programs must include policies on modification of the Contract in the FSS Action Plan
- The PHA may modify the contract by agreement to:
 - Modify the ITSP (FSS goals)
 - Extend the contract term
 - Change the head of the family
- All modifications to the Contract must be made in writing and signed by both the PHA and the family member.

Pg. 2-8



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Graduating from FSS

- FSS participants are eligible to graduate when:
 - The family has completed all of its obligations under the Contract of Participation before the expiration of the contract and they achieve the required goals.
 - Independence from welfare cash assistance for all household members
 - Suitable employment for Head of FSS Family
 - As well as any additional goals stated in the ITSP.
- FSS graduates can continue to receive housing assistance for as long as they continue to be eligible.

Pg. 2-8



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Termination of FSS Contract

- The FSS contract may be terminated:
 - By mutual consent
 - Failure of the family to honor the terms of the contract
 - Family's withdrawal from the FSS program
 - The family becomes a Non-Public Housing Over Income Family following 24 months of over income status
 - Other acts deemed inconsistent with the purpose of FSS
 - Operation of law
- The family's contract may be nullified if services essential to its progress become unavailable

Pg 2-8.9



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Termination from FSS Program

- PHA may terminate HCV assistance for families who fail to comply with terms of the contract.
- Policy for termination from the FSS program must be in the FSS Action Plan and include grievance procedures.
 - Families must be offered an opportunity for an Informal Hearing.
- FSS participants may not lose their housing assistance as a result of failing to comply with the FSS program requirements.
- PHA may allow re-enrollment.

Pg 2-8.9



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FSS Escrow Accounts



- FSS program escrow accounts become available to the family upon meeting the terms of its contract of participation and certifying that no family member is receiving TANF
- The amount of the escrow credit is based on the increased earned income for the family.
- Annual income, earned income and Family rent are included in the contract of participation.
- The Final Rule eliminates the previous standard of establishing escrow from a recertification effective no more than 120 days before the contract effective date of the interim recertification.

Pg 2-8.10



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FSS Escrow Accounts

- If a family has income disregarded, that income is INCLUDED in the baseline. This doesn't change the amount the family has to pay in rent. It just sets the baseline so the escrow doesn't start until they are paying the full income-based rent and THEN the increase begins.
- The Final Rule accounts for utility allowances and flat rent. The baseline is as follows:
 1. The FSS family's TTP, as of the effective date of the FSS contract, for families paying an income-based rent as of the effective date of the FSS contract; or
 2. The amount of the flat or ceiling rent (which includes the applicable utility allowance), and including any hardship discounts, as of the effective date of the FSS contract, for families paying a flat or ceiling rent as of the effective date of the FSS contract.

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Escrow Account Credit Calculations

- As a family's earned income increases during the annual reexamination and at interim, the PHA calculates rent and the family pays increased rent.
 - **HOTMA Note:** The PHAs discretionary HOTMA policy allows an interim for increased earned income following an interim during the same reexamination period for reduced income
- The PHA deposits to an escrow account the FSS credit, based on the lower of the following:
 - i. Thirty (30) percent of one-twelfth (1/12) (i.e., two and a half (2.5) percent) of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income; or

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Escrow Account Credit Calculations

- ii. The increase in the family's monthly rent. The increase in the family's monthly rent shall be the lower of:
 - a. The amount by which the family's current monthly rent exceeds the family's baseline monthly rent;
 - b. For HCV families, the difference between the baseline monthly rent and the current gross rent or the payment standard, whichever is lower; or
 - c. For PBV, Mod Rehab, including Mod Rehab SRO, and PBRA families, the difference between the baseline monthly rent and the current gross rent. One of two formulas, one for very low-income families and one for low-income families.

Pg 2-10.11



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HOTMA Impact on FSS

- **24 CFR 5.609 definition of income:** Income earned on amounts placed in a family's FSS account is excluded from the family's calculation of annual income.
- Interim re-examination for an increase of income: PHAs may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased unless the family has previously received an interim reduction during the same reexamination cycle.
- PHA may not perform an interim reexamination of annual income when enrolling a family in the FSS program unless the family experienced a change in annual adjusted income that meets the threshold for conducting an interim reexamination under the HOTMA final rule.
 - Families for whom their first reexamination of income does not occur until their regularly scheduled annual reexamination will not have the opportunity to begin escrowing their increased earnings until that time and may have fewer escrow increases over the life of the 5-year contract.

Pg 2-11



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Earned Income

- All increases in earned income determined at the annual reexamination (or pursuant with PHA's interim reexamination policy) are included in the escrow calculation.
 - **Exception:** During the time an HCV family is in the process of moving to a new unit and is not under a lease.
- Earned income is defined as:
 - The gross amount, before payroll deductions, of wages/salaries, commissions, fees, tips and bonuses, etc.
 - The net income from the operation of a business or profession
 - All regular pay, special pay and allowances of a member of the Armed Forces.
- There is no longer a cap on increases in escrow monthly savings for families making between 50% and 80% of AMI.

Pg 2-11.12



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FSS Escrow Accounts

The FSS escrow account is an account maintained by the PHA or owner that grows as the earnings of FSS participants increase.

- FSS participants pay rent based on a percentage of their household income.
- When their household income rises, the amount they must pay toward rent also rises. FSS participants, however, have the opportunity to convert increases in rent due to increases in earned income into savings.
- The PHA will deposit an amount generally equal to the increase in rent due to the family's increased earnings into the FSS escrow account.
- This allows FSS participants to build savings automatically over time.

Pg 2-13



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Establishing Escrow Accounts

- PHAs and owners are required to deposit all escrow funds for all FSS participants into a single, interest-bearing depository account and to account for these funds through a subsidiary ledger that records the balance of each FSS participant's individual account value (within the single account).
- PHAs are required to credit interest to each family's ledger at least once per year.
- PHAs are also required to report to the family at least once per year on the family's escrow account ledger balance

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Interim Disbursement from Escrow Account

- FSS programs may allow participants to make interim withdrawals from their escrow accounts.
- To qualify for an interim escrow disbursement, a participant must have completed a specific interim goal set out in the participant's Contract of Participation and have a need for some of the escrow funds for purposes consistent with their goals.
 - Pay for education or training or to purchase
 - Repair a vehicle to get to work
- PHAs have discretion to decide whether—and under what circumstances—interim withdrawals are allowed.
 - The policy should be specified in the FSS Action Plan.

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Escrow Payments to Successful Families

- Families may receive escrow funds prior to the expiration of the contract term if the family has fulfilled its obligations under the contract of participation
- The head of the family must certify that no family member is receiving TANF
- TANF, for FSS program purposes only, includes income assistance from federal or state welfare programs, and only case maintenance payments designed to meet a family's ongoing basic needs

Pg 2-14



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Payments to Successful Families

- PHAs may disburse a portion of the family's escrow account early if:
 - The family has fulfilled certain interim goals established in the contract of participation
 - Needs a portion of the funds for "purposes consistent with the contract of participation"
 - Examples include completion of college or graduate school, job training, or to meet the start-up expenses involved in the creation of a small business
- PHAs may not restrict a family's use of FSS escrow account funds once they have been paid to the family **except** when a portion of the funds are disposed early for a specific purpose.

Pg 2-15



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Termination with Escrow Disbursement

- The CoP will be terminated with FSS disbursement when:
 - Integral services are unavailable
 - The head of the FSS family becomes permanently disabled
 - An FSS family in good standing moves outside the jurisdiction of the PHA.

Pg 2-16



56

Forfeiture of Escrow Accounts

- A family may forfeit its escrow account if:
 - The contract of participation is terminated
 - The family is still receiving welfare at the time of graduation
- Forfeited escrow now must go into an account to be used for the benefit of the FSS families, such as:
 - A. Including, but not limited to, transportation, child care, training, testing fees, employment preparation costs, and other costs related to obligations outlined in the CoP;
 - B. Training for FSS Program Coordinator(s); or
 - C. Other eligible activities determined by the Secretary
- A future PIH notice will be issued on how to do accounting for this new pot of funds.


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Reporting Requirements Updates

- **PIH 2011-65 & PIH 2016-08:**
 - Three report categories for FSS Addendum:
 1. Enrollment
 2. Progress
 3. Exit
 - Enrollment, Progress and Exit reports must be submitted within 60 days of the effective date of the FSS action reported in 17C or 23c, respectively
 - A Progress report must be completed at least annually during each family's participation in the program
- Information submitted on the 50058 is used to verify SEMAP certification for the PHA's FSS Program




Pg 1-5

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
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Portability

- HCV FSS participants who port out of their jurisdiction can continue to participate in the FSS program (either at the initial PHA or receiving PHA) and maintain their escrowed funds.
 - Join the receiving PHA's FSS if the receiving PHA absorbs or administers the voucher
 - Continue participating in the initial PHA's FSS program if the receiving PHA is administering the voucher, but not if the receiving PHA absorbs the voucher and does not have an FSS program.
- The Admin Plan should address the PHA's policy toward FSS families wishing to relocate **into** the PHA's jurisdiction.




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Portability

- A participating family must lease a unit in the jurisdiction issuing the voucher for at least 12 months after the effective date of the contract of participation
- PHAs may not adopt policies that prevent or limit a FSS family's ability to move to another jurisdiction with its voucher.
 - Families may continue the FSS program with the initial PHA and others may be admitted to the FSS program at the receiving PHA



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Portability

- If the family fails to fulfill its obligations, the PHA that executed the contract may terminate the family from the FSS program and has the option to terminate HCV assistance.
- When FSS participation is not possible, families may be allowed to receive the full balance of accrued escrow.
 - PHA must clearly discuss the options, which may include:
 - Modification of the FSS Contract
 - Termination with FSS escrow disbursement
 - Termination of the FSS Contract and forfeiture of escrow
 - Locating a receiving PHA that administers an FSS program

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How to Handle the FSS Escrow

- The initial PHA will maintain the escrow account unless the receiving PHA absorbs it into its voucher program.
- If participants cannot continue participation in the FSS program and the family is in good standing, they may be allowed to receive the full balance of accrued escrow.
 - If participants cannot continue participation in the FSS program and family is not in good standing or there is not good cause, they may be required to forfeit the accrued funds in their escrow account.
- If FSS is terminated because of Portability, the initial PHA would consider the escrow forfeited unless:
 - There is good cause for the move;
 - The family has met its contractual responsibilities; and
 - The PHA requests a waiver of 24 CFR 984.305c

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Transmitting the HUD-50058 for Portability

- Two HUD 50058 submissions are required when a family moves:
 - A 50058 submission from the initial PHA using action code 5 (Portability Move Out). Once the move-out or move in 50058 is processed, the initial PHA will no longer be able to make any updates to the FSS information; and
 - A 50058 submission from the receiving PHA using action code 4 (Portability Move In).
- Whether the family leaves or stays in the initial PHA's FSS program, the receiving PHA is responsible for entering the progress report and exit record for the participant.

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RAD Conversion and FSS Processing

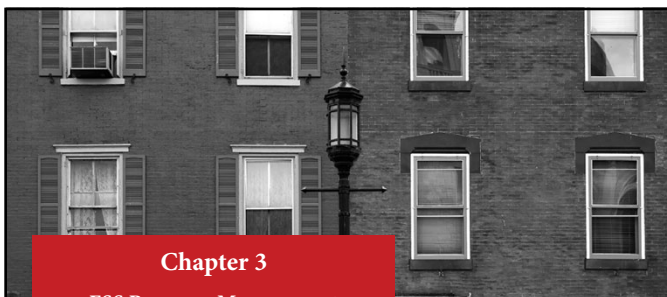
- General reporting requirements once the project has converted require the PHA to:
 - If converting to the PBRA program, submit FSS exit report. IMS/PIC has no reporting requirements for conversion to multifamily housing's PBRA. There is no exit code for this situation so for now just use the Portability Move Out.
 - If converting to PBV, submit a FSS progress report (Action Code 8).
 - Submit an EOP record for Public Housing.

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Chapter 3

FSS Program Management

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Implementing a FSS Program

- Establish a Program Coordinating Committee (PCC)
- Conduct a local needs assessment
- Develop and build local partnerships
- Prepare and submit an Action Plan to HUD
- Conduct outreach, selection and enrollment of FSS participants
- Develop and refine Individual Training and Services Plan with participants
- Execute contracts of participation
- Set up escrow accounts
- Develop a system for monitoring family progress
- Develop a system for monitoring activity of service providers



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FSS Staff Functions

- FSS Staff functions fall into three categories:
 - Program coordination;
 - FSS Case Management; and
 - Job Development
- FSS Key Positions
 - FSS Coordinator – all three key functions
 - FSS Social Service – Case Management and/or job development
 - Outside Agencies – Case Management and/or job development
 - Housing Specialist – calculate rent & escrow

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FSS Staff Functions

- FSS Program Coordinator activities include:
 - Performing Outreach
 - Goal setting and case management/coaching
 - Working with the community
 - Tracking program performance
 - Planning and scheduling FSS activities
 - Working with the PCC
 - Informing PHA administration of FSS progress and issues/problems
 - Ensuring the program is conducted in compliance with HUD requirements and the HUD approved Action Plan
 - Calculating escrow credits
 - Maintaining, monitoring and reporting on FSS accounts (normally in conjunction with the fiscal department)

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FSS Staff Functions

- Case management activities include:
 - Assessing family service needs
 - Developing Individual Training and Service Plans (ITSP)
 - Identifying and mobilizing community resources responsible to participant needs
 - Monitoring progress of participants
 - Holding participants accountable for complying with the contract of participation
 - Providing ongoing support and expertise, maintaining regular contact with participants, and adjusting goals and activities as appropriate

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FSS Staff Functions

- Job development activities include:
 - Obtaining information about the local job market and future local employment prospects
 - Identifying appropriate jobs for FSS participants
 - Contacting potential employers and enlisting their cooperation
 - Negotiating specific job opportunities for participants

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Responsibilities of Non-FSS Staff

- Housing specialists may be assigned responsibility for calculating escrow credits
- Accounting staff may be assigned responsibility for maintaining FSS account and subsidy ledgers
- Executive director must participate in building and maintaining the PCC committee members commitments
- Executive director's participation in special FSS functions, such as graduations or social events, where public recognition to participants, volunteers and staff can be important



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Monitoring the Delivery of Services

- Monitoring contract service providers is done to:
 - Determine that FSS participants are attending and using the services according to their ITSPs
 - Know when FSS participants complete a service to identify openings for other families
 - Assess the timeliness and quality of services



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Monitoring the Delivery of Services

- Effective monitoring should be based on a plan that outlines what facts should be gathered, when they should be gathered, who will gather the data, and who will conduct the analysis
- Information to be gathered should include:
 - Quantity of service provided to the participants, i.e. total number of counseling hours
 - Timeliness of service such as agency's delays in enrolling participants
 - Quality of service requires sophisticated methods and resources to collect. One measure of quality is evidence the eservice has enabled participants to achieve their goals

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Measuring Effectiveness of Economic Independence

- Most information needed to determine effectiveness comes from the ITSP.
- Another measure of success is a change in the amount and types of income.

Pg. 3-14



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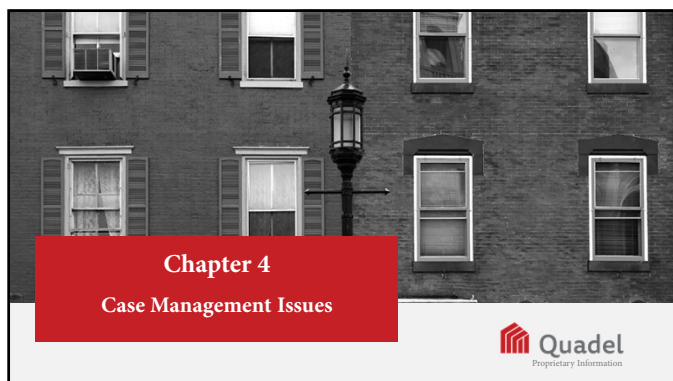
Effectiveness in Coordinating Community Services

- Effectiveness can be measured by:
 - 1) The extent and variety of services that are provided to participants
 - 2) The extent to which partners and representatives of the community are actively involved in the PCC or other FSS activities.
- PHAs should develop a system that catalogs all services available and their status.

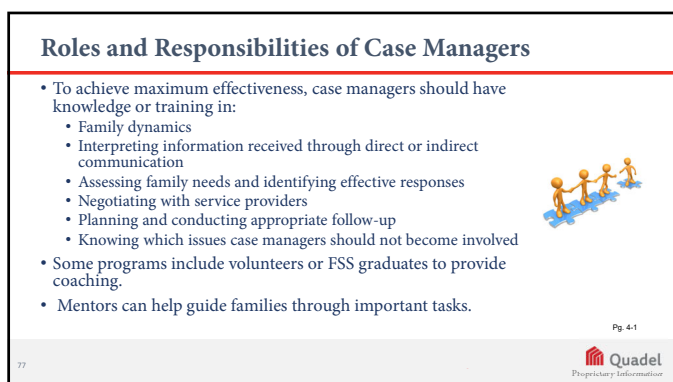
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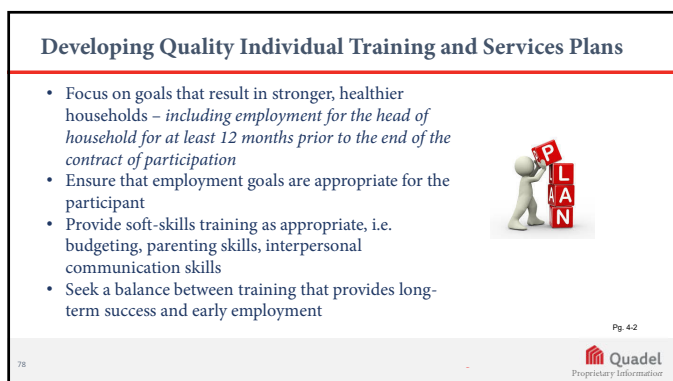
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Coordinating with Local Welfare-to-Work Plans

- Many local jurisdictions have established welfare-to-work programs to help families meet welfare reform requirements
- HAs should coordinate family FSS goals with those required in the state's welfare-to-work plan
- The welfare-to-work program provides vouchers to certain categories of TANF-eligible applicants from the PHA waiting list for whom housing assistance is critical to the family's ability to obtain and maintain employment



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Supportive Services Referrals

- To assist FSS Program participants in fulfilling their ITSP goals, FSS staff must refer participants to agencies and organizations that can provide necessary services.
- Typical agency referrals include:
 - Social Service agencies
 - Welfare-to-work/Job development
 - Mental Health agencies
 - Emergency assistance agencies
 - Charitable organizations
 - Child Care organizations
- LG • Charitable organizations services and allow individuals to access multiple agencies in one place



Pg. 4-4

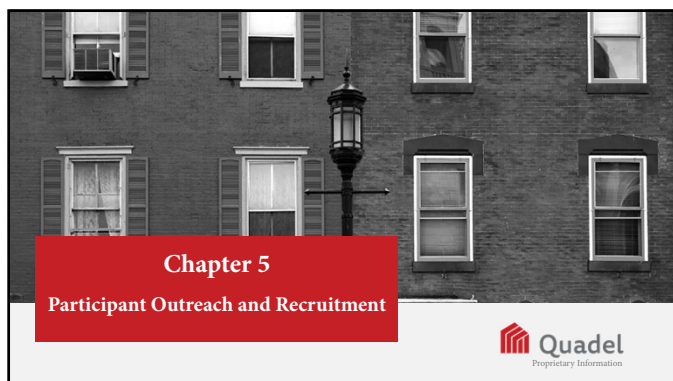
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Tracking Participant Progress

- Monitor family progress to:
 - Determine how the family is progressing
 - Identify any gaps in supportive or other services that may be needed
 - Contribute to overall program monitoring
- Basic steps for monitoring participant progress can include:
 - Getting to know family members
 - Regularly reviewing ITSPs with participants to identify obstacles and formulate solutions
 - Confering with participants/providers about services provided and needed adjustments
 - Collecting participant and program information
 - Monitoring the activities of mentors, if applicable


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Building Interest among Potential Participants



- PHAs report that engendering interest among current HCV participants is their greatest FSS challenge
- Word of mouth is most effective, but it takes more time
- Build on the enthusiasm and contributions of successful participants
- Effective public relationships are important – seek press attention prior to your initial FSS application process
- Publicize program successes including participant success and grant awards
- Host orientation sessions for potential participants


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Incentives to Participate

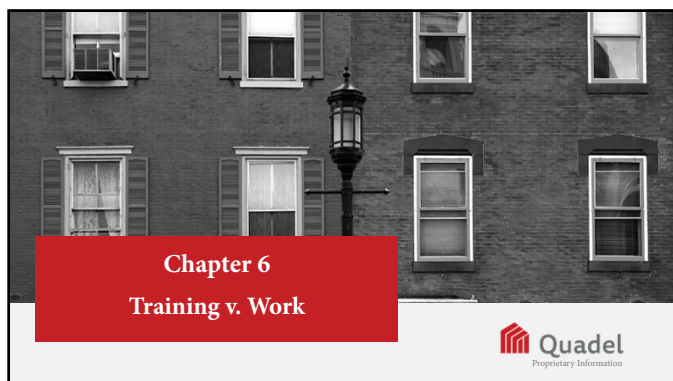
- Efforts to “sell” the program should focus on long-term benefits
- Small interim rewards help families maintain their enthusiasm and effort while waiting for the escrow funds
- Families may have less disposable income after joining the program. FSS staff should look at ways to help families through this difficult time
- Possible incentives include:
 - Individual Development Accounts (IDAs)
 - Homeownership Programs



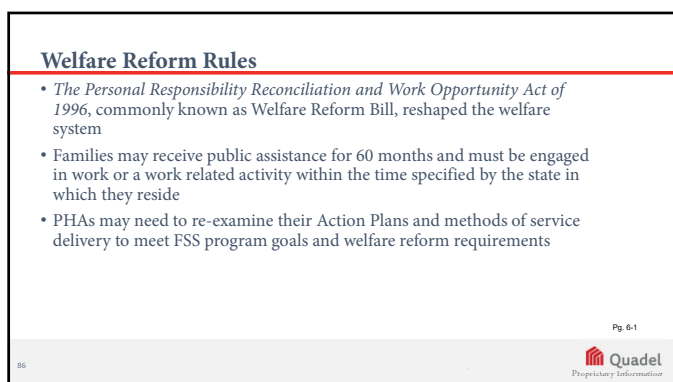
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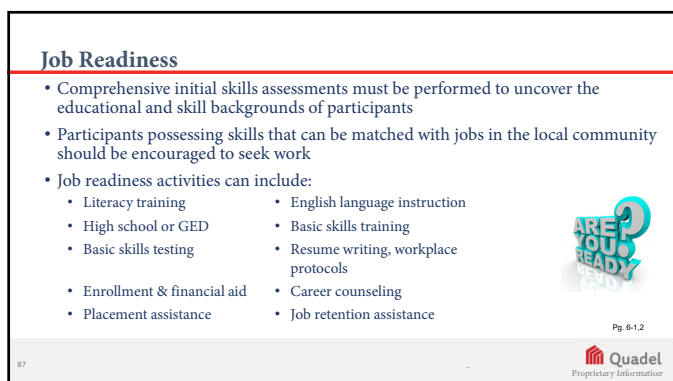
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Career Exploration

- Case managers should explore a variety of career options for FSS participants; including non-traditional career choices including:
 - Electronic or computer technicians
 - Court reporters
 - Correctional officers
 - Skilled tradesmen (carpenter, plumbers, welders)
 - Commercial drivers
 - Health technicians (x-ray, respiratory, laboratory)
 - Culinary Arts (chef, pastry chef)
 - Horticulturist (landscaper, floral design)




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Job Placement


- PHAs should use local resources to assist with job development and placement for participants. Reliable sources include:
 - JOBS programs
 - JPTA
 - State employment offices
 - Colleges and university placement offices
 - One-stop centers
 - Internet postings, i.e. Indeed, Glassdoor, CareerBuilder, etc.
- PHAs should negotiate with local businesses to fill internships and positions with FSS participants
- FSS staff should remain aware of new business developments that could lead to opportunities



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Chapter 7


Increasing FSS Program Capacity

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Building Community Partnerships

- Have PCC members help obtain commitments from public and private groups for services, funding or other resources
- Make a list of potential organizations in your community that have mutual needs or interests. Contact the organizations that are most promising with information about the FSS program and a clear request for assistance
- Confirm commitments through Memorandums of Understanding (MOUs) that should include a written description of the service, quality of the service, and agreed upon reporting requirements



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Program Sustainability

- HUD does not provide direct funding for FSS programs, except for FSS Coordinators for HAs with less than 1,000 certificates or vouchers
- HAs must rely on other funding sources to operation the FSS program
- Resources can include:
 - HCV administrative fee from forfeited escrow accounts
 - Community resources, i.e. grants, donations
 - In-kind contributions, i.e. equipment, services
- Check into:
 - Community Development Block Grant funding, if applicable
 - Private foundations




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