

- **Job Development, Search and Placement**
 - This program has been will be offered to interested FSS participants as a mechanism for identifying individualized needs and a clear, simple mechanism for changing behavior and accomplishing personal development.
 - Relationship building with H.E.R.O. has resulted in a workshop on developing successful pathways.
 - Future partnerships will focus on area employers, on-the-job training and placement opportunities for FSS participants.
- **Parenting Skills**
 - PHA staff provides a series on successful parenting through video training, lecture, workbooks and participant sharing.
- **Financial Health**
 - Workshops taught by a successful Welfare to Work participant who recently earned their master's degree and who in the work place and through volunteering has experience and training in financial management.
 - Additionally, the Michigan State Cooperative Extension agency provides training on credit repair and budgeting.
- **Homeownership**
 - To be consistent with current practice, the Office of General Counsel has determined that participants in the Section 8 Homeownership program are ineligible to participate in FSS. To clarify, families moving toward homeownership may be in FSS, but they should be exited from the FSS program (graduation or other exit) once the voucher is being used for homeownership payments (once the home has been purchased), in accordance with FR-6300-N-04.
 - In conjunction with use of Section 8 rental assistance funds as a housing option, the PHA has been involved with a consortium of agencies including the City of Ann Arbor, Fannie Mae, University Bank, National City Bank and Community Housing Alternatives to develop and administer a Homeownership program.
 - Eligible FSS participants would be able to receiving pre-homeownership counseling through WHEP (Washtenaw Housing Education Partnership) to prepare them for eventual home purchase.
- **Anger Management & Conflict Resolution**
 - A collaborative with a local mediation and conflict resolution center will be sought to provide training and mediation services for FSS participants.

Method for identification of family support needs [24 CFR 984.201 (d)(8)]

The action plan must contain a description of how the PHA will identify the needs and deliver the appropriate support services to the participating families.

PHA Policy

Families participating in FSS will be solicited to determine his or her need and area of interest in supportive services so that appropriate assistance can be provided to the family. As much as possible, the FSS families will have a share in developing an array of services and workshops made available. In response, the PHA may develop workshops in the related topical areas. These workshops will be made available and/or expanded to include FSS participants.

Program termination; withholding of services; and available grievance procedures [24 CFR 984.201 (d)(9)]

The action plan must contain policies for terminating or withholding supportive services or FSS participation for failure to comply with the contract of participation

Deleted: housing choice voucher program assistance,

PHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by FSS program regulations, the PHA policies for the tenant-based voucher program contained in this administrative plan also apply to the FSS program and its participants.

The Contract of Participation may be terminated before expiration of the term by any of the following:

- When the Housing Commission determines that the Head or participating family member has failed to fulfill the terms of contract and any extensions thereof.
- Withdrawal of the family from the FSS program.
- Mutual consent of both parties
- By such other act as deemed inconsistent with the purpose of the FSS program.
- When the family no longer receives any federal, state, local or other public assistance for housing in accordance with page 2 of the Contract of Participation.
- By operation of law.

18-III. B. ADMINISTRATIVE FEES [24 CFR 984.302]

The administrative fees paid to PHAs for HUD-approved costs associated with operation of an FSS program are established by the Congress and subject to appropriations.

18-III. C. CONTRACT OF PARTICIPATION [24 CFR 984.303]

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA that operates the FSS program in which the family will participate. The contract of participation shall be signed by the head of the FSS family.

Form and content of contract

The contract of participation, which incorporates the individual training and services plan(s), shall be in the form prescribed by HUD, and shall set forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to, and the activities to be completed by, the head of the FSS family and each adult member of the family who elects to participate in the program.

PHA Policy

Every participant will execute a CofP, which outlines the roles, rights and responsibilities of the participants and the PHA. Only the Section 8 Head of Household may sign the CofP and is responsible for completing all requirements of the program. Switching HOH for the purpose of eligibility and rent determination after the CofP is signed will void the FSS contract unless allowed by HUD FSS regulations.

Interim goals

The individual training and services plan (ITSP), incorporated in the contract of participation, shall establish specific interim and final goals by which the PHA, and the family, may measure the family's progress toward fulfilling its obligations under the contract of participation, and becoming self-sufficient. For each participating FSS family that is a recipient of welfare assistance, the PHA must establish as an interim goal that the family become independent from welfare assistance and remain independent from welfare assistance at least one year before the expiration of the term of the contract of participation, including any extension thereof.

Individual Training and Services Plan (Plan)

PHA Policy

Every participant will execute a Plan that outlines each goal, its activities, responsible parties and target dates, as referenced in the CofP. Each participant will sign this agreement, in testament to having reviewed, understood and accepted each goal reviewed as part of the Plan, at the time of development and quarterly thereafter. The Plan will contain eight mandatory goals:

- Comply with the family obligations under the HCV programs.

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Deleted: Abide by PHA rules, guidelines and procedures.

Deleted: <#>Work cooperatively with the Case Manager, which includes but is not limited to prescribed face-to-face contacts & phone calls and progress toward the completion of goals.¶

- The FSS family is to comply with the terms and conditions of the respective Section 8-assisted lease.
- All household members must be independent of cash assistance from federal or state welfare programs for at least the last 12 months of their participation in the program. The requirement applies solely to ongoing cash assistance. Food stamps, Medicaid, or short-term non-recurring payments (such as a one-time payment of emergency assistance to help a family avoid eviction or meet a medical expense) are not considered income assistance.
- The Head of Household must seek and maintain suitable employment. The AAHC, after consulting with the head of the family, will determine what qualifies as suitable employment for the participant in the ITSP. This determination will be based on the skills, education, and job training of the participant and the available job opportunities within the jurisdiction served by the AAHC. This determination may take into consideration a variety of factors, including the number of hours worked per week, the nature of employment (self-employed, contracted or commission employment, etc.) and whether the employment is verifiable and wages meet or exceed the state or federal minimum wage.
- _____
- Must be in compliance with any debt owed to the PHA or landlord for the Section 8 assisted unit.
- Financial planning in conjunction with the Case Manager with regard to the Escrow Account balance.
 - a) Completion of the workshop requirement, with an emphasis on financial skills building; PHA has discretion to provide referral pertaining to this requirement.
- FSS participants enrolling September 1, 2014 or later must have a checking and savings account at the time of program graduation.
- If the FSS family participates in the PHA HCV Homeownership program, the family must comply with the PHA written policies (see Homeownership Chapter) regarding initiation of home ownership counseling for participants who have identified home ownership as a goal.

Deleted: <#>Free of welfare assistance (FIP) for all household members assistance at least one year before the expiration of the term of the contract of participation, including any extension thereof¶

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Deleted: <#> an ITSP with case manager within first six months of FSS enrollment.¶
<#>a) Any FSS participant unemployed 3 months or longer must revisit the ITSP at the next face-to-face meeting.¶

The Plan will provide for the development of additional, family-specific goals that can further enhance a positive outcome, as appropriate; this is done in conjunction with the FSS Program Coordinator and/or the Case Manager. While participating in the case management process, personal goals are open to revision, in keeping with the participant's goals and circumstances. If the participant requests graduation due to "completion of goals," personal goals included in the current plan must likewise be completed or sufficiently underway, if the goal is longterm.

A goal may be discontinued by the participant in consultation with the Case Manager, but the change must occur at least six months prior to graduation.

The Plan shall be reviewed by the participant and the Case Manager at least quarterly to ensure ongoing adherence and appropriateness. Revisions to the Plan must be made in writing and

Release of Information

Each participant will sign this Release of Information, giving permission for the PHA, the FSS Program and the assigned Case Manager to release and obtain appropriate information between the parties. This Release expires upon graduation or termination from the Program

Employment obligation

Head of family's obligation. The head of the FSS family shall be required under the contract of participation to seek and maintain suitable employment during the term of the contract and any extension thereof. Although other members of the FSS family may seek and maintain employment during the term of the contract, only the head of the FSS family is required to seek and maintain suitable employment.

- Seek employment. The obligation to seek employment means that the head of the FSS family has applied for employment, attended job interviews, and has otherwise followed through on employment opportunities.
- Determination of suitable employment. A determination of suitable employment shall be made by the PHA, [after consulting with the head of the family](#), based on the skills, education, and job training of the individual that has been designated the head of the FSS family, and based on the available job opportunities within the jurisdiction served by the PHA.

PHA Policy

Employment is defined as receiving a paycheck or self-employment income, which can be for actual work done, vacation, sick or other paid leave from the employer. Participants receiving a paycheck, which can include vacation and/or sick leave, or receiving self-employment income can be considered for graduation.

- Participants receiving other paid leave such as short-term disability or workers' compensation must have met maintaining suitable employment requirements prior to going on leave to be considered for graduation.
- Participants on long-term paid leave without a return to work date must provide verification that they have a right to return to work.
- Participants who are on unpaid leave and still have time left on their contract must return to work and meet the definition of "Maintaining" employment (counting time on the job prior to unpaid leave) before being considered for graduation. If insufficient time remains on the FSS contract an extension may be granted under the program's policy.
- Participants on unpaid leave at the end of the FSS contract cannot be considered for graduation, but may be granted an extension under the program's policy.

Self-Employment

PHA Policy

All self-employed FSS participants must develop a record keeping system for their small business. This system must at least show gross income and expenses with supporting documentation.

- Supporting documentation for gross income and expenses must be provided.

Deleted: Suitable employment is defined as annual earned income equal to or exceeding minimum wage times 2080 hours. This level of income must be obtained and maintained for at least the last 3 months prior to graduation. Appropriate verification will always be required.¶
This limit may be waived for disabled participants whose doctor completes the programs disability form that verifies the participant is working at full capacity.¶
¶
"Maintaining" employment is defined as:¶
Continuously employed for at least 1 year prior to graduation¶
Participants completing educational milestones within the last 18 months of the FSS contract can meet "Maintaining" employment as follows:¶
Certification program – 9 months employment in the certified field¶
Associate's Degree – 6 months employment in a related field¶
Bachelor's Degree – 3 months employment in a related field¶
Participants completing educational milestones in the first 3 ½ years of the FSS contract must be continuously employed at least 1 year prior to graduation¶
Participants relying on a second job to meet "Suitable" employment must have started that job at least 6-months prior to graduation¶
Length of employment required may be shorter if TTP exceeds payment standard (Section 8), adjusted gross income exceeds lower-income limit (Section 8), TTP exceeds gross rent (Section 8) or participant purchases a home and is no longer served by AAHC.¶
At the time of graduation, the balance of funds in the Escrow Account is disbursed to the participant.¶

- c) Employment verification proposals are due as soon as an FSS participant begins self-employment. For participants who are self-employed at the time this new policy takes effect, proposals are due within 60 days.

Disability and FSS Graduation

PHA Policy

All FSS participants regardless of ability are required to be active in the program. This includes regularly attending workshops, enrollment in education, actively pursuing employment or working. Any FSS participant who is not active will be terminated.

- Disability upon entering FSS is defined as receiving SSI/SSD or having answered the initial assessment question “Do you have a health issue that limits or prevents you from working” as yes.
- FSS participants who enter the program disabled must meet all program requirements to graduate. Suitable employment level may be lowered due to disability.

FSS participants who become disabled and unable to work after FSS enrollment must have been employed while in the FSS program and FSS supervisory staff determines there was a reasonable expectation of meeting maintaining suitable employment requirements prior to becoming disabled.

- a) Participants must be FIP free, in good standing with case management and housing and have completed all required workshops in order to be submitted for graduation.
- b) Participants have up to six months to complete these requirements after becoming disabled.

FSS participants who become disabled after enrollment, but who can still work, must meet the graduation requirements.

Consequences of noncompliance with the contract

The contract of participation shall specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract of participation, which includes compliance with the Section 8-assisted lease, the PHA may:

- Withhold the supportive services;
- Terminate the family's participation in the FSS program; or

Deleted: <#>For the Section 8 FSS program, terminate or withhold the family's Section 8 assistance, except in the case where the only basis for noncompliance with the contract of participation is noncompliance with the lease, or failure to become independent from welfare assistance.¶
<#>However, failure to become independent from welfare assistance because of failure of the head of household to meet the employment obligation, or failure of the FSS family to meet any other obligation under the contract of participation, except the interim goal concerning welfare assistance, is grounds for the PHA to terminate or withhold Section 8 assistance.¶

Contract term

The contract of participation shall provide that each FSS family will be required to fulfill those obligations to which the participating family has committed itself under the contract of participation no later than 5 years after the effective date of the contract.

PHA Policy

The initial term of the CofP is a 5-year period, beginning on the first day of the month following the month in which the CofP is signed and ends on the last day of the 60th month, unless the CofP is signed on the first day of the month. While the term of the CofP is 5 years, that in no way should be interpreted that participants must stay in FSS for the full five years.

Baseline Income

HUD is removing the requirement to do a new rental re-exam if more than 120 days have elapsed between the last re-exam and the effective date of the contract of participation. This requirement is found in the instructions for the FSS Contract of Participation, form HUD-52650. The grant agreement pursuant to NOFA FR-6300-N-04 will remove this requirement and instruct that PHAs use the information on the last certification, reexamination or interim determination before the family's initial participation in the FSS program.

PHA Policy

In an effort to ease barriers to participation for new families enrolling in the FSS Program in 2019, the income and rent amounts to be used in the "Program Contract of Participation" shall be taken from the amounts on the last certification, reexamination or interim determination before the family's initial participation in the FSS program.

The PHA will complete certification in accordance to Chapter 11: Reexaminations and Chapter 14: Program Integrity.

Contract extension

The PHA shall, in writing, extend the term of the contract of participation for a period not to exceed two years for any FSS family that requests, in writing, an extension of the contract, provided that the PHA finds that good cause exists for granting the extension. The family's written request for an extension must include a description of the need for the extension. "Good Cause" means circumstances beyond the control of the FSS family, as determined by the PHA, such as a serious illness or involuntary loss of employment. Extension of the contract of participation will entitle the FSS family to continue to have amounts credited to the family's FSS account in accordance with § 984.304.

PHA Policy

An extension is allowable at the request of the participant and the Case Manager, for "good cause" at the sole discretion of PHA. PHA only considers loss of employment through no fault of the participant or reduction in work hours or pay through no fault of the participant, as outlined below, as "good cause" for the purpose of granting an extension.

- Participants meeting graduation criteria may not receive an extension.
- Reduction of work hours or pay through no fault of the participant must occur during the final year of the FSS contract and be involuntary with no projected end date for

If the unavailable services are: Determined not to be integral to the FSS family's advancement toward self-sufficiency, the PHA shall revise the individual training and services plan to delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services; or

Determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall declare the contract of participation null and void. Nullification of the contract of participation on the basis of unavailability of supportive services shall not be grounds for termination of Section 8 assistance.

Modification

The PHA and the FSS family may mutually agree to modify the contract of participation. The contract of participation may be modified in writing with respect to the individual training and services plans, the contract term, and designation of the head of the family.

Completion of the Contract

The contract of participation is considered to be completed, and a family's participation in the FSS program is considered to be concluded when one of the following occurs:(1) The FSS family has fulfilled all of its obligations under the contract of participation on or before the expiration of the contract term, including any extension thereof; or (2) 30 percent of the monthly adjusted income of the FSS family equals or exceeds the published existing housing fair market rent for the size of the unit for which the FSS family qualifies based on the PHA's occupancy standards.

The contract of participation will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans.

Termination of the contract

The contract of participation is automatically terminated if the family's Section 8 assistance is terminated in accordance with HUD requirements. The contract of participation may be terminated before the expiration of the contract term, and any extension thereof, by:

- Mutual consent of the parties;
- The failure of the FSS family to meet its obligations under the contract of participation without good cause, including in the Section 8 FSS program the failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA;
- The family's withdrawal from the FSS program;
- Such other act as is deemed inconsistent with the purpose of the FSS program; or
- Operation of law: The PHA may terminate or withhold Section 8 housing assistance, the supportive services, and the FSS family's participation in the FSS program, if the PHA determines, in accordance with the hearing procedures provided in 24 CFR 982.555 that the FSS family has failed to comply without good cause with the requirements of the contract of participation.

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A participant and the Case Manager must request that the participant be graduated from the FSS Program, when they believe any of the four following set of conditions are met:

Completion of All Goals

This includes all mandatory program goals, as noted in the ITSP as well as personal goals established by the participant

If eligible, FSS graduates may continue to receive a housing subsidy.

Completed maximum months allowed at Zero (\$0) HAP

Participant has been FIP-free (as defined for this Program's purpose) for 12 months or 6 months at \$0 HAP, whichever comes first

Participant meets suitably employed income level

Participant has met definition of maintaining employment or employed during 6 months at \$0 HAP, whichever comes first

Participant has met all other mandatory goals

30% of the family's monthly adjusted income equals or is greater than the Fair Market Rent/Payment Standard amount for the unit size for which the family qualifies

Participant is currently FIP-free (as defined for this Program's purpose)

The participant meets suitably employed income level

The participant has met all other requirements

30% of the family's monthly adjusted income equals or is greater than the lower- income limit for that family size

Participant is currently FIP-free (as defined for this Program's purpose)

The participant meets suitably employed income level

The participant has met all other requirements Participants who

meet all graduation requirements may graduate early.