

ACTIVITIES

ACTIVITY 4

Create a checklist for determining if housing need “cannot reasonably be met without IHBG assistance?”

DETERMINATION OF NEED		DOCUMENTATION OF NEED	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	

ACTIVITY 4: CALCULATING INCOME ANSWERS

Directions: Using the space provided below each question, complete the calculation (s) for the problems listed using the appropriate procedure.

1. Jackson's gross earnings of \$1051.58 are paid to him twice a month. Determine his annual income and then his monthly income amount.
2. Jean works at the Tribal Health Center as a record specialist and earns \$10.25 an hour for a forty (40) hour work week. Determine her annual gross salary and then her monthly amount.
3. Sally works at the Tribal Day Care Center and is paid \$6.77 per hour. Because her hours vary from week to week, she submitted the following four pay stubs for the month of June. For week ending June 6 - \$230.18, June 13 - \$300.80, June 20 - \$266.95 and for June 27 - \$283.88. Calculate Sally's annual income and then determine her projected monthly amount of income.
4. Tom works as a seasonal construction worker for the Nez Perce Tribal Housing Authority. The season begins on April 1 and runs until October 31 each year, which is approximately 32 weeks. He is paid \$12.10 an hour for a 40-hour workweek. He also receives \$280.00 per week from unemployment. He receives \$280.00 unemployment. Find Tom's annual income and monthly income amount.
5. Marianne works for the Idaho State Department of Transportation and earns a gross amount of \$1,262.20 every pay period. She is paid on a bi-weekly basis. Determine her annual income and her monthly rate.
6. Barbara works part time as a cashier at the local Seven/Eleven (7/11) in Lewiston. She earns \$10.00 an hour and works twenty (20) hours a week. She also works three evenings a week at the Tribal Bingo Hall. She earns \$10.75 an hour and works five (5) hours per evening. Calculate Barbara's total annual income and her monthly rate.
7. Valerie is on call to work at a local Nursing Facility. She submitted the following pay stubs for verification in February. January 03 - \$235.20, January 10 - \$249.90, January 17 - \$279.30, January 24 - \$264.60 and January 31 - \$294.00. Determine Valerie's expected annual income and her anticipated monthly rate.

ACTIVITY 7

Admissions and Occupancy
Annualizing Income (Jeffersons)

Family Members	Position in Family	Age	Income Sources
George Jefferson	Head	53	Works full-time at \$7.25/hour. Also receives \$400/month from the government as a result of a settlement in the Agent Orange product liability litigation.
Eloise Jefferson	Spouse	48	Works 18 hours/week at a bank at \$7.50/hour. Also receives \$50/month from her mother to help with expenses.
Lionel Jefferson	Son	19	Full-time student at City College where he has a part-time, 15-hour/week job in the student bookstore at \$6.00/hour for the 46 weeks when classes are in session.

		ANTICIPATED ANNUAL INCOME								
Family Members	a.	Wages/ Salaries	b.	Benefits/ Pensions	c.	Public Assistance	d.	Other Income	e.	Asset Income
George										
Eloise										
Lionel										
6. Totals	a.		b.		c.		d.		e.	N/A
7.	Enter total of items from 6a. through 6e. This is Annual Income									7.

ACTIVITY 87

Admissions and Occupancy
Annualizing Income (Golden Girls)

Family Members	Position in Family	Age	Income Sources
Blanche Deverou	Head	55	Works 6 hours/night, 4 nights/week at \$5.00/hour as a waitress; also earns an average of \$55/night in tips.
Rose Nylen	Friend	58	Earns \$6.50/hour as a full-time aide in a hospital. Employer reports that her wages will increase to \$6.75/hour, 7 weeks from the effective date of this calculation.
Dorothy Spornac	Friend	61	Earns \$60/day as a substitute teacher and works an average of 3 days/week for the 40 weeks school is in session (she made \$7,200 last year). Also receives \$40/month in Food Stamps.

ANTICIPATED ANNUAL INCOME										
Family Members	a.	Wages/ Salaries	b.	Benefits/ Pensions	c.	Public Assistance	d.	Other Income	e.	Asset Income
George										
Eloise										
Lionel										
6. Totals	a.		b.		c.		d.		e.	N/A
7.	Enter total of items from 6a. through 6e. This is Annual Income									7.

ACTIVITY 9 – ETHEL AND FRED MERTZ

Family Members	Position in Family	Age	Family Assets	Asset Value
Fred Mertz	Head	85	Rental property	Small rental property that grosses \$6,500/year (expenses to keep up the property are \$3,400/year). The property has a fair market value of \$69,000, but they have a mortgage on the property in the amount of \$35,000. The average closing cost in a real estate transaction is 8% in the area.
Ethel Mertz	Spouse	81	Savings account	Savings of \$5,000 that earned \$179 in interest during the past year.
			Stock	100 shares of stock in "Why Buy it, Inc." with a face value of \$4.25 per share, that has not shown a dividend in years. The cost to sell the stock would be about \$76.
Federal Program's Passbook rate is 6%.				

Calculate the Mertz's asset income by completing the following chart.

ASSETS				
Note: Attach all source documents, third party verifications, and all calculations used to complete this form.				
	Relation	Asset Description	① Actual Cash Value of Assets	② Annual Income from Assets
	HEAD			
Total Cash Value of Assets			1a.	
Total Annual Income from Assets				2a□
If Line 1a is greater than \$5,000, complete lines 3 and 4.				
If Line 1a is less than \$5,000, enter \$0 in Line 3 and complete Line 4.				
LINE 3: Imputed income from assets - HUD passbook rate 6% X 1a.				③
LINE 4 TOTAL ASSET INCOME: GREATER OF LINE 3 OR 4.				④

Asset Income to be used in annual income calculation: \$ _____

ACTIVITY 10- Assets (Bunker)

Family Members	Position in Family	Age	Family Assets	Asset Value
Archie Bunker	Head	72	Checking account	\$595 average 6-month balance in a non-interest-bearing account.
Edith Bunker	Spouse	73	Savings account	\$2,695 at 3.1%
Federal Program's Passbook rate is 6%.				

Calculate the Bunkers' asset income by completing the following chart. Answers are provided below.

ASSETS				
Note: Attach all source documents, third party verifications, and all calculations used to complete this form.				
	Relation	Asset Description	① Actual Cash Value of Assets	② Annual Income from Assets
	HEAD			
Total Cash Value of Assets			1a.	
Total Annual Income from Assets				2a□
If Line 1a is greater than \$5,000, complete lines 3 and 4.				
If Line 1a is less than \$5,000, enter \$0 in Line 3 and complete Line 4.				
LINE 3: Imputed income from assets - HUD passbook rate 6% X 1a.				③
LINE: 4 TOTAL ASSET INCOME: GREATER OF LINE 3 OR 2a.				④

Asset Income to be used in annual income calculation: \$ _____

ACTIVITY 11

Anticipated Income Calculation and Eligibility Determination, adjusted
gross income and house payment

Family Members	Position in Family	Age	Income Sources
Ricky Ricardo	Head	80	Receives gross Social Security in the amount of \$625/month, receives a pension from the local musicians' union in the amount of \$25 every quarter (3 months).
Lucy Ricardo	Spouse	79	Receives gross Social Security in the amount of \$120/month. Grossed \$4,200 for giving voice lessons last year, but paid business expenses of \$1,250 from this income for equipment and sound proofing.
Ricky Ricardo II	Child	45	Earns \$330/week as an interpreter for a local nonprofit organization.

If the Low-Income Limit for a household of three is \$30,000 and the Ricardo's have no other source of income, do they qualify for assistance?

Complete the following table to calculate annual income (as defined in 24 CFR Part 5) for the household.

	A	B	C	D	E
Household Member	Annual Wages, Salaries	Annual Benefits, Pensions	Annual Public Assistance	Other	Income from Assets
TOTALS					
ANNUAL GROSS INCOMETOTAL A+B+C+D+E =					

Calculate the medical expense deduction given that Ricky has an annual \$3,000 medical expense. 8

ACTIVITY 12

ACTIVITY - ANNUAL INCOME – The Delgado Family

1. Calculate the annual income for the Delgado household of 6, who wish to rent a home in their tribal community. The **median income** for a household of 6 is \$61,060.

John Delgado (applicant, 41 years old): \$15.50 per hour, 40 hours per week, no overtime

Dolores Delgado (co-applicant, 42 years old): \$10.00 per hour, works 30 hours per week, for nine months per year, she also receives \$110.00 per week in unemployment for the other three months

Grandmother (64 years old): receives Social Security \$400 per month

20 year old daughter, Linda, is a full time student and has a baby. She works part time and earns \$220 per month

Son, Mike age 17 earns \$2,200 each summer from mowing lawns

What is the household's annual income?

2. Using the Annual Income calculated above, calculate the household's Adjusted Income using the following:

Medical Expenses

Grandmother –Insurance at \$150 per month

Family Insurance - \$400 per month

Grandmother's prescription - \$100 per month

Daughter - Hospital bill for infant \$75 per month

Daycare Expenses

\$700/month – infant

3. Assume that the TDHE's uses 20% to calculate the monthly house payment. Calculate the Delgado's monthly house payment.

	A	B	C	D	E
Household Member	Annual Wages, Salaries	Annual Benefits, Pensions	Annual Public Assistance	Other	Income from Assets
TOTALS					
ANNUAL GROSS INCOMETOTAL A+B+C+D+E =					

ACTIVITY 13

TIGER FAMILY

The Tiger family includes Tommy and Linda Tiger, a married couple, and their two children Anita and Sam. They also have a foster child named Tony Smith who lives with them along with Linda's brother, Mike Billie. The family is currently living in a mobile home but would like to move into a rental unit so that they have more space. Although both Tommy and Linda will each have to drive over 50 miles roundtrip to get to work, they really want to move out of the mobile home.

The family has found childcare to take care of Sam after school so they will have an additional \$75 in child care expenses per week. The housing program's Total Tenant Payment is limited to 30% of the tenant's adjusted gross income and provides for a \$100 monthly utilities allowance.

FAMILY MEMBER	NAME	AGE	INCOME
Head of Household	Tommy Tiger	62 yrs old	\$350 per week
Spouse	Linda Tiger	48 yrs old	\$500 per week
Daughter	Anita Tiger	17 yrs old	\$100 per week for part-time employment
Son	Sam Tiger	8 yrs old	
Foster child	Tony Smith	16 yrs old	\$300 per month for foster care benefit \$50 per week for part-time employment
Linda's brother	Mike Billie	36 yrs old	\$200 per week

	A	B	C	D	E
Household Member	Annual Wages, Salaries	Annual Benefits, Pensions	Annual Public Assistance	Other	Income from Assets
TOTALS					
ANNUAL GROSS INCOMETOTAL A+B+C+D+E =					

Admissions and Occupancy
Eligibility and Verification (LeBeau)

Bill LeBeau is a medical doctor working in Minnesota. He recently divorced his wife and decided he wanted to take his life into another direction and return to his tribe's reservation. He has accepted an offer to work full time as a doctor at the local tribal clinic. He has earned and will continue to earn \$1,923 a week. His son William, age 22, decided to move back to the reservation with his father and registered as a full-time student at the tribal college. He also got a job working part-time at a nearby restaurant, where he makes \$5,000 a year. William also receives per capita income of \$500 per month from his mother's tribe for oil lease proceeds.

Bill and his son William want to rent an apartment built by the Tribe's housing program with NAHASDA funds. It is the only housing available within 100 miles of the business center of the reservation where the clinic and tribal college are located. Because Bill has been gone from the reservation for so long, he knows he won't be able to get a land lease on which to build a home or place a mobile home for at least 5 years.

- 1. Calculate the Applicant's income for purposes of determining income eligibility. Is the family income eligible?**
- 2. List the circumstances under which the Applicant may receive consideration for housing assistance as an applicant over 100% of the median income?**
- 3. Can the Applicant receive the dependent deduction? Explain your answer.**
- 4. Assuming that a typical low-income family of 2 pays \$500 per month, calculate the Applicant's house payment.**
- 5. Identify NAHASDA references that discuss options for calculating income for essential families and moderate-income families.**
- 6. Does the family meet the requirements of an essential family? How would you determine this?**
- 7. List the verification documents you would need to determine eligibility for your housing program,**

Admissions and Occupancy

Exercise : Eligibility and Verification (LeBeau) ANSWERS

Bill LeBeau is a medical doctor working in Minnesota. He recently divorced his wife and decided he wanted to take his life into another direction and return to his tribe's reservation. He has accepted an offer to work full time as a doctor at the local tribal clinic. He has earned and will continue to earn \$1,923 a week. His son William, age 22, decided to move back to the reservation with his father and registered as a full-time student at the tribal college. He also got a job working part-time at a nearby restaurant, where he makes \$5,000 a year. William also receives per capita income of \$500 per month from his mother's tribe for oil lease proceeds.

Bill and his son William want to rent an apartment built by the Tribe's housing program with NAHASDA funds. It is the only housing available within 100 miles of the business center of the reservation where the clinic and tribal college are located. Because Bill has been gone from the reservation for so long, he knows he won't be able to get a land lease on which to build a home or place a mobile home for at least 5 years.

1. Calculate the Applicant's income for purposes of determining income eligibility. Is the family income eligible?

Dad	\$99,996 per year
William	\$6,000 lease income from trust property (Section 8-exclude first \$2,000 with remainder counting as income) (IRS-exclude all trust income)
William	\$5,000 per year part-time earned wages

Section 8 Process:

\$99,996	Dad
\$480	William- full time student, only \$480 counts
\$4,000	William-trust income, first \$2,000 is excluded
<hr/>	
\$104,476	

The family is not low-income eligible using the Section 8 and the IRS definition of income.

2. List the circumstances under which the Applicant may receive consideration for housing assistance as an applicant over 100% of the median income?

The family may be considered an "essential family", no HUD approval is necessary regardless of their income. Because the family is over 100% of the median, this is the only way they can be admitted into a NAHASDA program without HUD approval.

3. Can the Applicant receive the dependent deduction? Explain your answer.

Yes. Section 8 definition and NAHASDA allow for the head of household to receive a \$480 deduction when the dependent is a full-time student.

4. Assuming that a typical low-income family of 2 pays \$500 per month, calculate the Applicant's house payment.
5. Identify NAHASDA references that discuss options for calculating income for essential families and moderate-income families.

The answer to this depends on the recipient's policy. If the family is admitted as "essential", by regulation at 24 CFR 1000.106 and 24 CFR 100.110, the Recipient is not required to calculate the income of an essential family in a manner other than the calculation for a low income family. In addition, the essential family does NOT count against the 10% cap for non-low-income participants.

If the Recipient chooses, they can calculate the payment in the same manner as any other non-low-income participant, but the Recipient makes that decision by their policy.

References:

PIH Notice 2014-02 Essential Families. A non-low-income family may receive IHBG assistance if the recipient determines that the presence of the family is essential to the well-being of Indian families and the need for housing for such family cannot be met without such IHBG assistance. Families assisted under this provision can receive the same amount of benefits as low-income families, as provided in 24 CFR § 1000.110(e), and they do not count as non-low-income families for the purposes of the 10 percent authority even though HUD approval is not required. Guidance on documenting these determinations is covered further in this Notice. To be considered an essential family, an IHBG recipient must first determine a family is essential to the well-being of the Indian families residing in the Indian area, and determine that the need for housing the family cannot be reasonably met without IHBG assistance. The criteria and rationale for determining if a family is essential should be clearly described in the recipient's policy, and documentation must be maintained that clearly supports the determination. The recipient must make a determination about each essential family and document its determination even in cases when HUD approval is not required. The recipient may use the guidance in this Notice when determining if there is a need for housing for the family that cannot be reasonably met without IHBG assistance.

§1000.104 What families are eligible for affordable housing activities?

The following families are eligible for affordable housing activities:

- (a) Low income Indian families on a reservation or Indian area.
- (b) A non-low-income family may receive housing assistance in accordance with §1000.110.
- (c) A family may receive housing assistance on a reservation or Indian area if the family's housing needs cannot be reasonably met without such assistance and the recipient determines that the presence of that family on the reservation or Indian area is essential to the well-being of Indian families.

§1000.106 What families receiving assistance under title II of NAHASDA require HUD approval?

(a) Housing assistance for non-low-income families requires HUD approval only as required in §§1000.108 and 1000.110.

(b) Assistance for essential families under section 201(b)(3) of NAHASDA does not require HUD

approval but only requires that the recipient determine that the presence of that family on the reservation or Indian area is essential to the well-being of Indian families and that the family's housing needs cannot be reasonably met without such assistance.

§1000.110 Under what conditions may non-low-income Indian families participate in the program?

(a) A family that was low-income at the times described in §1000.147 but subsequently becomes a non-low-income family due to an increase in income may continue to participate in the program in accordance with the recipient's admission and occupancy policies. The 10 percent limitation in paragraph (c) of this section shall not apply to such families. Such families may be made subject to the additional requirements in paragraph (d) of this section based on those policies. This includes a family member or household member who takes ownership of a homeownership unit under §1000.146.

(b) A recipient must determine and document that there is a need for housing for each family that cannot reasonably be met without such assistance.

(c) A recipient may use up to 10 percent of the amount planned for the tribal program year for families whose income falls within 80 to 100 percent of the median income without HUD approval. HUD approval is required if a recipient plans to use more than 10 percent of the amount planned for the tribal program year for such assistance or to provide housing for families with income over 100 percent of median income.

(d) Non-low-income families cannot receive the same benefits provided low-income Indian families. The amount of assistance non-low-income families may receive will be determined as follows:

(1) The rent (including homebuyer payments under a lease purchase agreement) to be paid by a non-low-income family cannot be less than: $(\text{Income of non-low-income family} / \text{Income of family at 80 percent of median income}) \times (\text{Rental payment of family at 80 percent of median income})$, but need not exceed the fair market rent or value of the unit.

(2) Other assistance, including down payment assistance, to non-low-income families, cannot exceed: $(\text{Income of family at 80 percent of median income} / \text{Income of non-low-income family}) \times (\text{Present value of the assistance provided to family at 80 percent of median income})$.

(e) The requirements set forth in paragraphs (c) and (d) of this section do not apply to non-low-income families that the recipient has determined to be essential under §1000.106(b).

6. Does the family meet the requirements of an essential family? How would you determine this?

Yes. There is no available housing within 100 miles, and the Head of Household is a doctor who is needed in the area and whose presence will benefit the well-being of the Indian families in the area.

Admissions and Occupancy
Problem Solving

1. **PAUL PAST DUE.** Your resident Paul Past Due has been behind on his rent for four months. Until now, he has always paid his rent on time and was a model tenant. You heard through the grapevine that he got laid off last year and that his adult son Peter and his girlfriend recently returned to live with him because his son flunked out of college in Phoenix. You schedule a meeting with Paul and his son to discuss the family's situation with the goal of getting Paul current on his rent. Your housing program has a very strong Resident Services department with job training and education services.

Characters: Occupancy Specialist, Paul Past Due, and Peter

2. **WENDY and WENDELL WINDOWS.** The Windows family just moved into the new housing subdivision on your reservation last year and has been nothing but trouble. Wendy and her husband Wendell have three teenage boys and a daughter. The parents work long hours and often work double shifts at your tribe's resort, leaving their children unsupervised for long periods of time. The sons are all very athletic and aspire to become professional baseball players. The daughter recently got connected with a local gang and often instigates mischief with her brothers. She challenged them to a game to see if her brothers could pitch their baseballs into their neighbors' front windows. This has been going on for several weeks and your maintenance crew complains to you. You schedule a meeting with the Windows to try to reach a resolution.

Characters: Occupancy Specialist, Wendy Windows, and Wendell Windows

3. **EDDIE EXTRA.** Eddie Extra lives in a rental community with his elderly mother and girlfriend who are all listed on his lease. Over the past few months, you've noticed a higher incidence of complaints from his neighbors about noise and increased visitors to his unit. You discretely ask around and learn that his cousin who is a suspected drug dealer moved in with Eddie. Your housing polices have a zero tolerance for drugs and very strict prohibitions on unauthorized occupants. You schedule a meeting with Eddie to find out what's going on.

Characters: Occupancy Specialist and Eddie Extra

4. David Dog Lover. You are the Occupancy Specialist in your housing program that handles all resident complaints. Lately, you've received lots of calls complaining about the dogs near one of your mutual help units occupied by David Dog Lover. Apparently, David's backyard has grown from one family dog to sort of a dog kennel because he has a soft spot for dogs and has adopted every rez dog that roams the neighborhood. He feeds them all so the dogs continue to congregate near his unit and have become a nuisance to his neighbors. Your housing policies include a dog ordinance and the Mutual Help Occupancy Agreement restricts the number of pets you can keep on the premises. David feels since he owns his home, he can do whatever he wants. But his neighbor Annoyed Alice can't stand the noise (and the smell) and is demanding that the housing program take action. She has been leaving nasty phone message on David's answering machine and threatening to shoot the dogs. You invite both David and Alice to your office to negotiate a solution.

Characters: Occupancy Specialist, David Dog Lover and Annoyed Alice

5. Alfred Alcohol. Your rental tenant Alfred Alcohol has always been a loner. His is on disability and unable to work so he hangs out on his front porch all day. He has started to become friendly with some of the kids in the neighborhood and realized that he could have company to hang out with if he offered to buy alcohol for the kids who are all minors. You didn't know anything about Alfred's actions, but you've noticed a higher level of vandalism and under-age drinking offenses on the tribal police reports for that subdivision. You investigate further and learn that Alfred is the root of the problem. Apparently, he doesn't care that the kids are getting arrested and engaging in vandalism when they are drunk. He's just happy to have some "friends." You feel sorry for Alfred and don't want him to get arrested or evicted so you schedule a meeting with him.

Characters: Occupancy Specialist and Alfred Alcohol

ACTIVITY 13

Anticipated Income Calculation and Eligibility Determination (Spears)

Household Members	Position in Family	Age	Income Sources
Britney Spears	Head	55	Works 6 hours/night, 4 nights/week at \$5.00/hour as a waitress; also earns an average of \$55/night in tips, also receives \$50/month from her son to help with expenses
Madonna Spears	Friend	58	Earns \$6.50/hour as a full-time aide in a hospital; employer reports that her wages will increase to \$6.75/hour, 7 weeks from the effective date of this calculation.
Brendan Frasier	Friend	61	Earns \$60/day as a substitute teacher, and works an average of 3 days/week for the 40 weeks school is in session (she made \$7,200 last year); also receives \$40/month in Food Stamps.

	A	B	C	D	E
Household Member	Annual Wages, Salaries	Annual Benefits, Pensions	Annual Public Assistance	Other	Income from Assets
TOTALS					
7 ANNUAL GROSS INCOMETOTAL A+B+C+D+E =					