




## National American Indian Housing Council

# Admissions and Occupancy



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## About NAIHC

- ▶ Founded in 1974 as a 501(c)(3) corporation
- ▶ 271 members representing 463 tribes
- ▶ 10-member Board of Directors representing nine geographical regions in the U.S.
- ▶ Advocacy
- ▶ Training (ONAP assigned)
- ▶ On-site technical assistance (ONAP assigned)
- ▶ Research
- ▶ <http://www.naihc.net/>

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## Introductions

If you could have one of these superpowers, which one would you choose?

- Be invisible whenever you want
- Superhuman Strength
- Talk to animals
- Read minds
- Be able to fly



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## Group Introductions...



- Name
- Tribe/TDHE
- Your position/years working in Indian Housing
- "I need to learn how to..."
- Expectations this week

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## Course Structure



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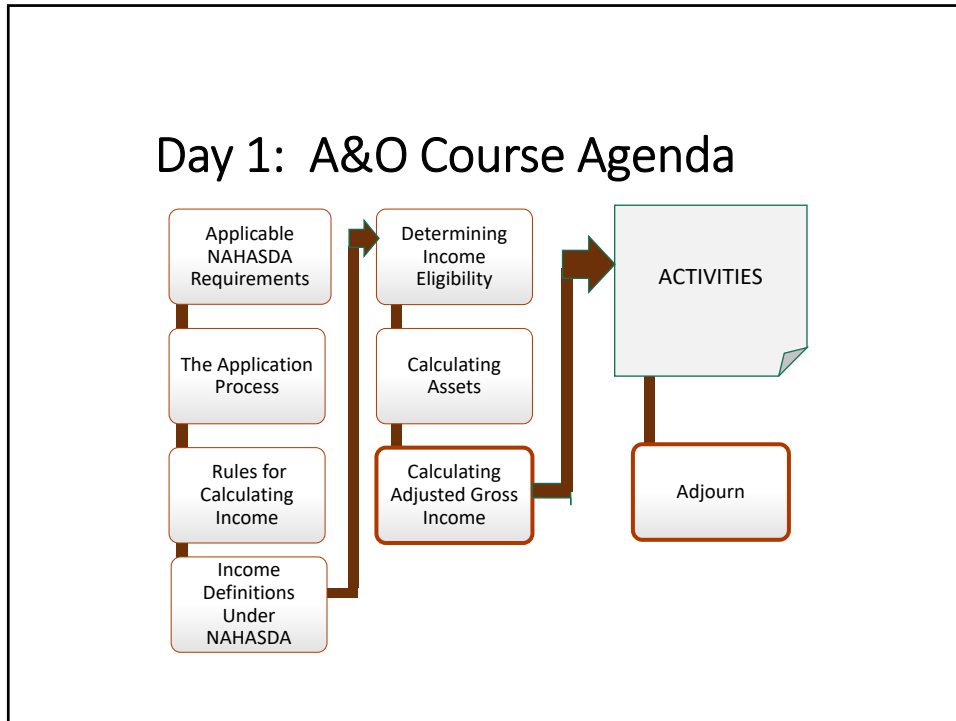
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## Course Objectives

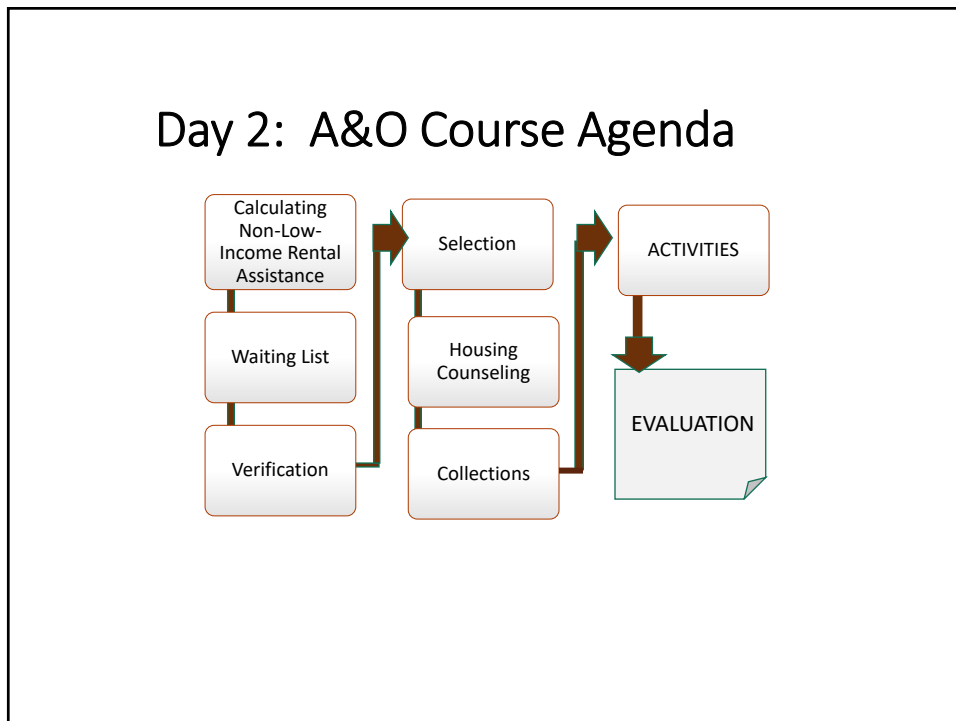
- Understand how NAHASDA, tribal housing policies, and other program requirements impact admissions and occupancy programs.
- Locate and identify the statutory citations of NAHASDA related to admissions and occupancy
- Identify eligible families and income criteria.
- Calculate gross income, adjusted gross income, and house payments for eligible families.
- Understand how criteria differs for different programs.
- Differentiate between priorities and preferences.
- Identify different types of housing counseling.

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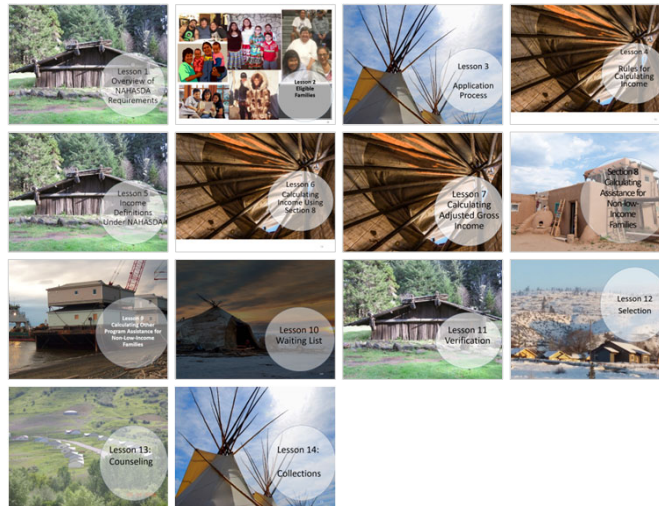
# A&O Course Lessons

1. Overview of NAHASDA Requirements
2. Eligible Families
3. The Application Process
4. Rules for Calculating Income
5. Income Definitions Under NAHASDA
6. Calculating Income Under NAHASDA
7. Calculating Adjusted Gross Income (AGI)
8. Calculating Assistance for Non-Low-Income Families
9. Calculating Other Program Assistance for Non-Low-Income Families
10. Waiting List
11. Verification Process
12. Selection
13. Housing Counseling
14. Collections

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## Summary



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## Learning Objectives

- Recognize NAHASDA requirement for establishing policies describing rent, insurance, admissions & occupancy, maintenance, inspections, conflict of interest.
- Locate regulatory citations for other compliance areas required by NAHASDA.
- Learn how family income levels and other program requirements determine eligibility for NAHASDA assistance.

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Introduction



## What Governs Your A&O Program?

- NAHASDA statute
- NAHASDA regulations
- Tribal Law
- Other funding requirements

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## NAHASDA Requirements

• Eligible Families	• Definition of Income
• Tribal Preference	• Maintenance & Inspections
• Eligible Activities	• Useful Life
• Policies	• Adjusted Gross Income
• Environmental Requirements	• Waiting List
• Insurance	• Verification
• Uniform Relocation Act	• Occupancy
• Conflict of Interest	• Recordkeeping

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**Housing Assistance Eligibility**

Generally based on:

- Family income levels
- Family status
- Geographic location

NAHASDA is intended to benefit low-income Indian families.

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**What is “Median” Income?**

- (15) MEDIAN INCOME-  
... means, with respect to an area that is an Indian area, the **greater** of--  
    (A) the median income for the Indian area, which the Secretary shall determine; **OR**  
    (B) the median income for the United States.

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# Eligibility Requirements

Mandated NAHASDA  
Eligibility  
Requirements



Gross income must be within HUD defined income limits (special exceptions apply)



Must be a Native American family (special exception applies)



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*ACTIVITY 2: Find Citation for Eligible Families*

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## Who's Eligible?

- Low-income Indian families
- Non low-income families
- Essential families
- Law enforcement officers



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## Low-Income Indian Families



Primary beneficiary of NAHASDA



Family's annual income may not exceed 80 percent of median income, either:

Area median income  
U.S. median income



Adjustments for family size



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## Housing Need for Non-Low-Income

- When family resides in inadequate housing
- When family resides in temporary housing or is homeless
- When family pays more than 50 percent of income for housing (including utilities)



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## Non-Low-Income Families

- Only 10 percent of IHBG can be used for families between 80 to 100 percent of median income
  - If under 10 percent, no HUD approval required
  - If over 10 percent, HUD approval required
- If assistance provided to family over 100 percent of median income, HUD approval required
- Must be need for housing that cannot reasonably be met without IHBG assistance



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## Essential Families



Must determine that family's housing needs cannot be met without IHBG assistance

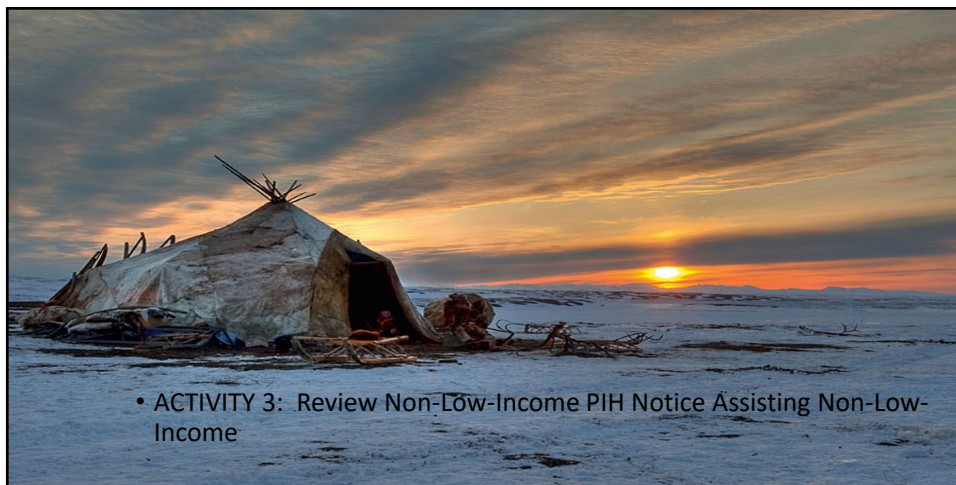


Must determine that family's presence is essential to well-being of Indian families living on reservation or in Indian area



Examples of "essential" families – teachers, health care providers, other professionals

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- ACTIVITY 3: Review Non-Low-Income PIH Notice Assisting Non-Low-Income

**HANDOUT 2: PROVIDING ASSISTANCE TO NON-LOW-INCOME FAMILIES**

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*ACTIVITY 4: Identify a "Housing Need" for Non-Low-Income Families?*

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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	

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Questions to consider

- Can they obtain suitable housing without IHBG?
- Does family have sufficient income and assets to obtain housing on their own?
- Does family qualify for a mortgage?
- Are there affordable units on the market?
- If conditions are overcrowded, is this due to family choice rather than necessity?

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Law Enforcement

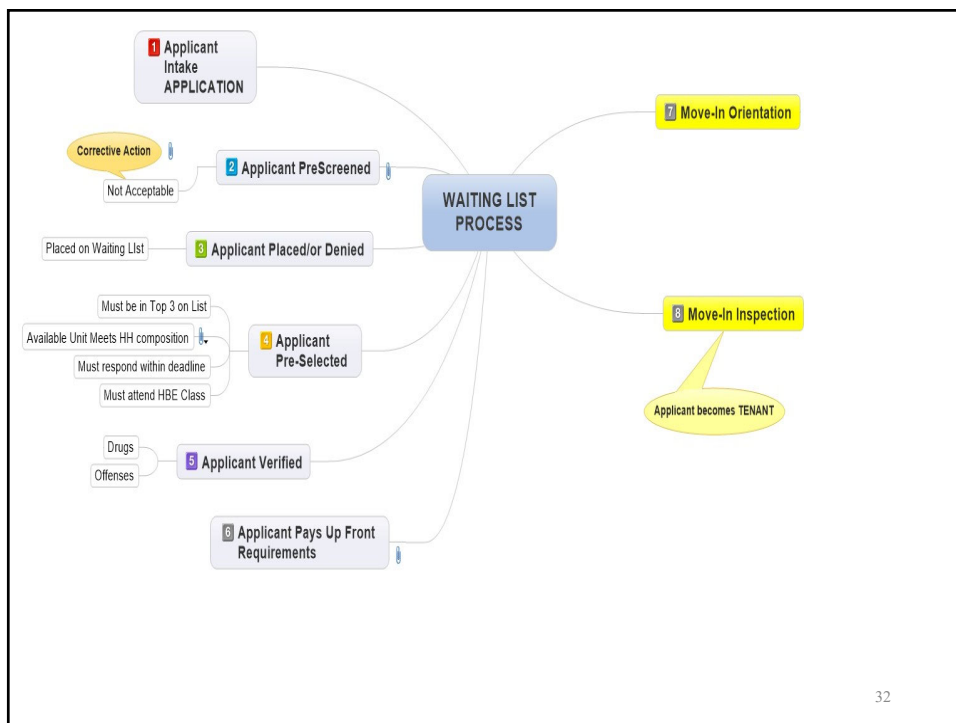
- Must be employed full-time by federal, state, county, tribal, or other unit of local government
- Must be sworn to uphold and make arrests for violations of law
- Must be determined that presence of law enforcement officer may deter crime

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## Polling Questions

Do interviewers review all types of income with families?  
For *all* family members?



Do interviewers ask about excluded income? For *all* family members?



Do interviewers review all types of assets with families?  
For *all* family members?

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## Calculating Income Methods

- Families have a variety of pay schedules and sources of income.
- Identify the client's pay schedule for each source of income.
- Select the appropriate rate calculation based on the pay frequency (hourly, bi-weekly or bi-monthly) for each source of income.
- Calculate each source of income.
- Add the results from each source to determine a family's gross annual income.

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## Reminder: Annualizing Income

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Hourly wages X 2,080

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Weekly wages X 52

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Bi-weekly wages X 26

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Semi-monthly (paid twice/month) X 24

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Monthly X 12

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Gross Monthly Income		
Pay Schedule	Calculation for Gross Monthly Income	Example
Hourly	Total hourly pay before deductions × hours per week × 52 weeks per year ÷ 12 months	\$10/hr × 35 hrs × 52 weeks ÷ 12 months = \$1,517
Weekly	Total weekly pay before deductions × 52 ÷ 12	\$750 × 52 weeks /12 months = \$3,250
Bi-Weekly	Total bi-weekly pay before deductions × 26 ÷ 12	\$1,000 × 26 ÷ 12 = \$2,167 monthly
Semi-Monthly	Total semi-monthly pay before deductions × 2	\$1,200 × 2 = \$2,400 monthly
Monthly	Total monthly pay before deductions	No calculation
Self-Employed	Average <b>adjusted gross income</b> , or AGI, from tax returns and/or Profit and Loss Statement, or P&L, ÷ by the number of months of income counted	\$70,587 ÷ 24 = \$2,941 monthly

HO 3 – Overview of Methods to Calculate Income

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## Example

Ms. Smith (applicant)  
 $\$10/\text{hour} \times 32 \text{ hours/week} \times 48 \text{ weeks/year} \longrightarrow = \mathbf{\$15,360}$

Mr. Adams  
 $\$9/\text{hour}, 40 \text{ hours/week}, 52 \text{ weeks/year} \longrightarrow = \mathbf{\$18,720}$

Ms. Jones  
 $\$7.50/\text{hour}, 25 \text{ hours/week}, 52 \text{ weeks/year} \longrightarrow = \mathbf{\$9,750}$

**= \$43,830**

What is the annual income for the household?

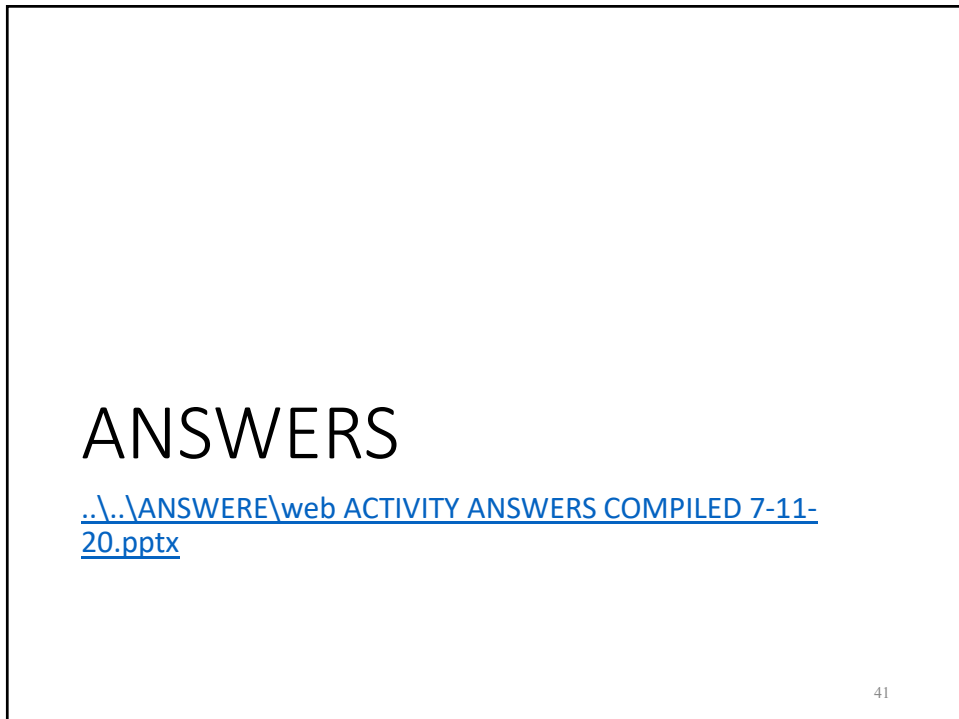
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ACTIVITY 6: You Do the Math

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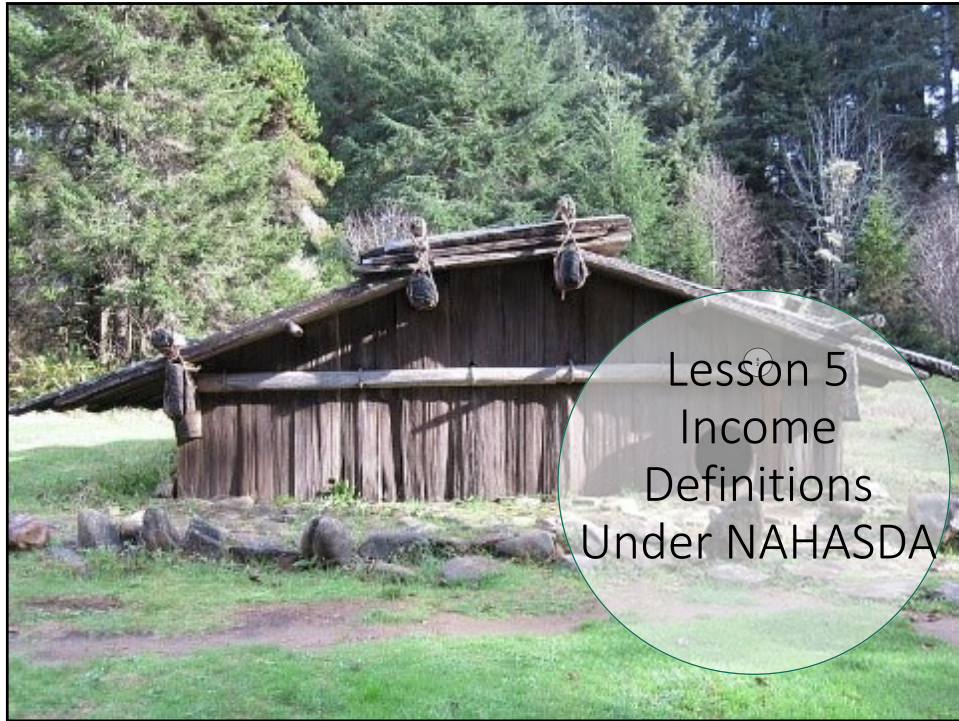
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## Objectives

- Learn definitions of income allowed by NAHASDA.
- Apply rules to calculate gross annual income.

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## Steps to Tackling Income

NAHASDA references

Definitions of income

How to calculate income using Section 8

Calculating income for eligibility

HO 4: Program Guidance Calculating Income to Determine Eligibility

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## Qualifying as Affordable Housing

- When the family is low-income at the following times:
  - Rental housing, at the time of the family's initial occupancy;
  - A contract to purchase existing housing, at the time of purchase;
  - A lease-purchase agreement for existing housing or for new construction, time agreement is signed; and
  - A contract to purchase housing to be constructed, at the time the contract is signed.

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**Defining Annual Income**

- Three methods of defining “income:”
  - HUD Section 8
  - U.S. Census
  - Internal Revenue Service
- Housing policies must specify which method adopted – can use method most beneficial to the family
- HUD Section 8 method is most common

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**General Requirements**

- Whose income to count?**
  - Generally all adult household members
- Anticipating income**
  - Grantees are required to project a household’s income – “snapshot” of current circumstances
  - Grantees should assume that current circumstances will continue for next 12 months
  - Exception is when documentation is provided that current circumstances are about to change

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Whose  
Income  
Counts?

MEMBERS	EMPLOYMENT INCOME	OTHER INCOME
Head	YES	YES
Spouse	YES	YES
Co-head	YES	YES
Other Adult	YES	YES
Dependents	NO	YES
Child under 18	SEE NOTE	YES
Foster child	NO	YES
Foster adult	YES	YES
<u>NON-MEMBERS</u>		
Live-in aide	NO	NO

NOTE: The earned income of a full-time student 18 years old or older who is not the head, co-head, or spouse is excluded to the extent that it exceeds \$480.

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## Calculating Annual Gross Income

Income From  
Self-  
Employment

- Cash assets withdrawn or salaries paid to household members from business must be counted
- Negative net income from business is not counted

Assets

- No asset limitation
- Income from assets is recognized as part of annual income

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## Census Long Form Definition

Has inclusions and exclusions

Income to be counted

- Similar to Section 8 Part 5 definition of income
- Includes income of minors 15 years and over

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## Census Long Form Definition cont.

Treatment of Assets - Primary difference between Part 5 and Census definitions

Asset calculation is unique to the Part 5 definition, but certain assets must still be considered when using the Census definition:

Interest

**Dividends**





Profit from royalties  
or real estate

Income from  
payments from an  
estate  
or trust fund

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## IRS Definition

- 
Use IRS Form 1040 Series for individual federal annual income tax purposes
- 
Certain kinds of income are added together to get gross income
- 
Certain deductions are then taken to arrive at adjusted gross income figure
- 
Adjusted gross income is used to determine program eligibility

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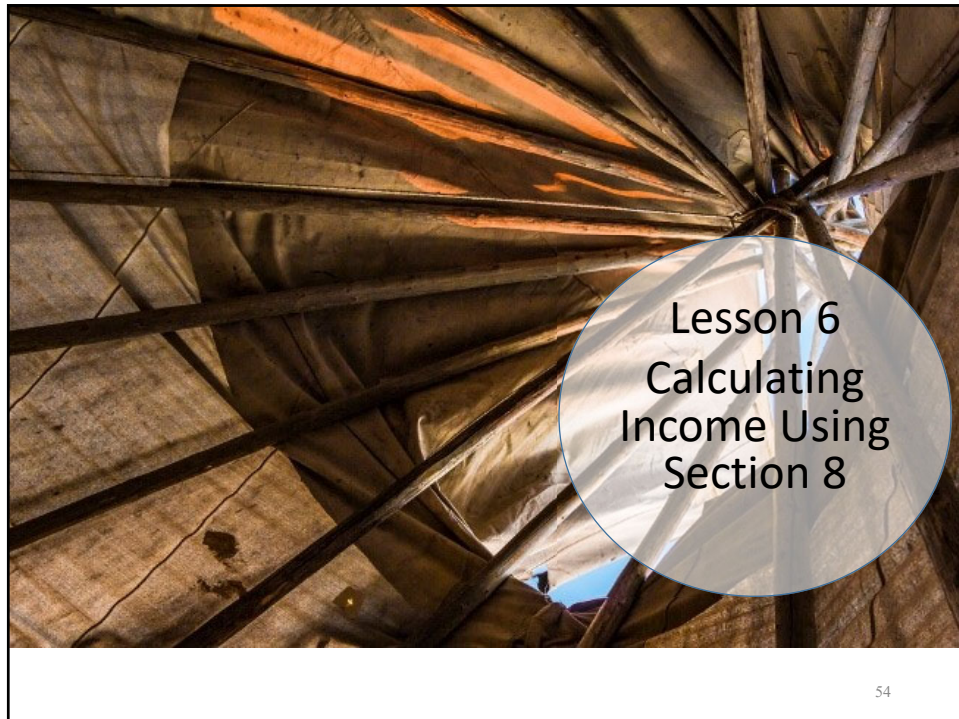
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## Comparison of Income Definitions

SECTION 8	CENSUS	IRS
<b>Earned income age 18 + Unearned income less than age 18</b>	Income age 15+	Income all ages depending on amount and type
<b>Requires special asset computation</b>	Assets calculation included	Assets calculation included
<b>Child support counted as income</b>	Child support counted as income	Child support excluded as income
<b>Inheritance counts as asset</b>	Inheritance doesn't count	Inheritance doesn't count

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## Objectives

- Understand what income is included and excluded and whose income counts.
- Apply income limits to determine income eligibility.
- Learn to use Program Guidance on Calculating Annual Income for Purposes of Eligibility under NAHASDA

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## Review

[HANDOUTS\HO 4 Calculating Annual Income 2013-05.pdf](#)

[HANDOUTS\HO 5 Updated Part 5 Income Exclusions.pdf](#)

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ANTICIPATED ANNUAL INCOME					
A Family Members	B Wages, Salaries	C Benefits, Pensions	D Public Asst.	E Other Income	F Asset Income
	\$18,200				0
	\$26,000				0
	\$10,400				0
1. TOTALS	B \$54,000	C \$	D \$	E \$	F \$0
TOTAL ANNUAL INCOME EQUALS: B + C + D + E + F				\$54,000	

HO 6: Income calculation worksheet

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## EXERCISE 7

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.

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**ACTIVITY 8**

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.

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## Calculating Annual Income

### Assets

- No asset limitation
- Income from assets is recognized as part of annual income

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## What is an Asset?


INCLUDED	EXCLUDED
<ul style="list-style-type: none"> <li>• Savings Accounts</li> <li>• Checking Accounts</li> <li>• Money Market Accounts</li> <li>• 401k</li> <li>• IRAs</li> <li>• Real Estate Ownership</li> <li>• Mutual Funds</li> <li>• Whole Life Insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Personal property (vehicle used on a regular basis, jewelry, furniture, clothes, etc.)</li> <li>• Interest in Indian Trust Land</li> <li>• Assets lost in divorce, foreclosure or bankruptcy</li> <li>• Assets disposed of for fair market value</li> <li>• Term life insurance</li> <li>• Assets not accessible by the applicant</li> </ul>

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## Assets

- Assets cash value is the market value less reasonable expenses required to convert the asset.
  - Penalties or Fees for Converting Financial Holdings
  - Costs for Selling Real Property received from the asset in the 12Actual Income from Assets
  - Income generated from asset, not the value of the asset, is counted
  - Income included should be the anticipated income-month period



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## Two Rules for Assets

- Asset produces little or no income: an “imputed” income can be calculated based on a Passbook Rate that is applied to the cash value of all assets.
- Assets disposed of at less than market value: The amount to be included as an asset is the difference between the cash value of the asset and the amount that was actually received (if any) in the disposition of the asset

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## Assets Example

- Shaw Family
  - \$3,000 (average balance over 6 months) in a non interest-bearing checking account
  - \$5,500 in an interest-bearing savings account
  - \$150 interest on the savings account
- Recipient counts either: imputed income based on Passbook Rate or actual earnings:
  - Imputed income ( $\$8,500 \times .06$ ) = \$510
  - Actual income = \$150
  - Included in annual income = \$510

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## Calculating Assets

Head of Household		Address		
Property Name:		Unit#	# of Bedrooms:	
<b>ASSETS</b>				
Note: Attach all source documents, third party verifications, and all calculations used to complete this form.				
	<b>Relation</b>	<b>Asset Description</b>	<b>① Actual Cash Value of Assets</b>	<b>② Annual Income from Assets</b>
	HEAD	non-interest bearing account	3,000	0
		non-interest bearing account	5,500	0
		savings account interest income	1,000	150
<b>Total Cash Value of Assets</b>			<b>1a.</b>	<b>\$8500</b>
<b>Total Annual Income from Assets</b>			<b>2a</b>	<b>\$150</b>
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.				<b>③ \$510</b>
LINE: 4 TOTAL ASSET INCOME: GREATER OF LINE 3 OR 2a.				<b>④ \$510</b>

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## ACTIVITY 9: Fred & Ethel

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.

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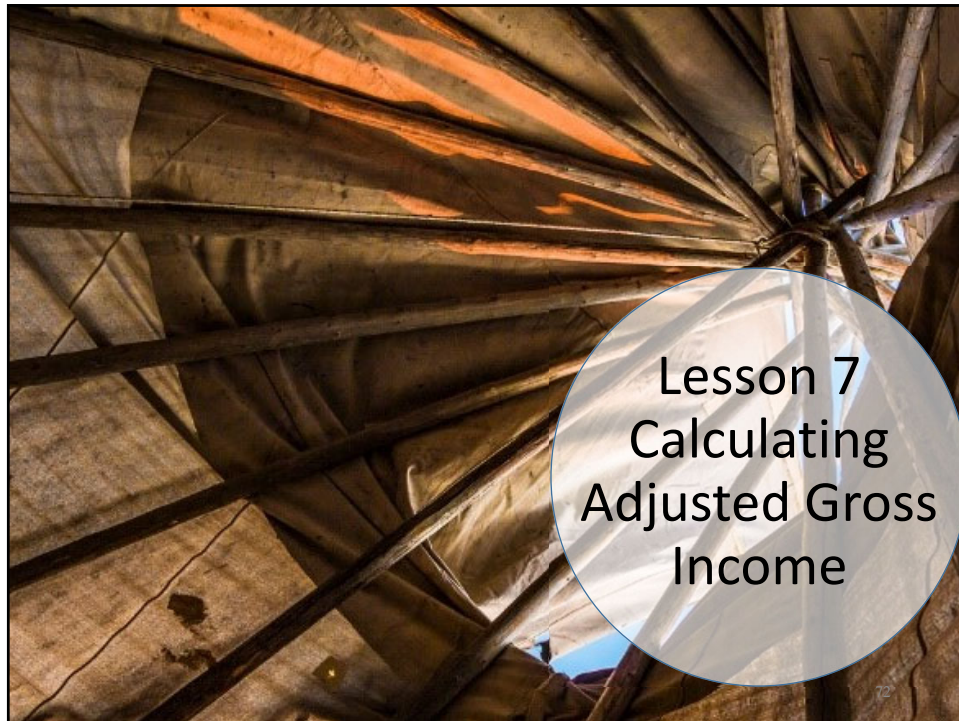
## ACTIVITY 10: Archie & Edith

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.

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## Objectives

- Identify NAHASDA deductions and allowances allowed by family type.
- Calculate adjusted income and determine total tenant payment (TTP).

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## Calculating Monthly Payments

- Monthly house payment
- Rental assistance
- Etc.

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## Statutory Deductions

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**\$480 for children under 18, persons of disabilities over 18, and full-time students over 18**

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**\$400 for elderly or disabled family**

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**Medical and attendant expenses over 3% of income**

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**Statutory Deductions cont.**

- Child care expenses that enable family members to work or go to school
- Earned income of minors under 18
- Travel expenses, not to exceed \$25 per family per week
- Other exclusions provided in the local housing policies

*These exclusions are applicable regardless of which method of calculating annual income is used.*

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**Adjusted Gross Income**

- Adjusted income is derived by subtracting any of five deductions (or allowances) that apply to the household from the household's annual (gross) income.
- Household's eligibility for deductions depends, in part, on the type of household.
- Not all households are eligible for all deductions.

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## Type of Households

TYPE OF DEDUCTION PERMITTED	ELDERLY OR DISABLED	FAMILY
<b>Elderly or disabled household</b>	✓	
<b>Dependent</b>	✓	✓
<b>Child Care</b>	✓	✓
<b>Medical Expenses</b>	✓	
<b>Disability Assistance Expenses</b>	✓	✓

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## Qualifying as a Dependent

- Those in the household who are under the age of 18
- A full-time student over the age of 18

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**Does not Qualify as a Dependent**

The head of the family, the spouse, and the co-head may never qualify as dependents.

A foster child, an unborn child, a child who has not yet joined the family or a live-in attendant may never be counted as a dependent.

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## Family Sharing Custody Deduction

Who gets the deduction when two families claim the dependent deduction for a child?

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**Elderly  
Disabled  
Deduction**

- A \$400 elderly or disabled family deduction should be allowed ONLY if the head, co-head or spouse is age 62 or older, or a person with disabilities.

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A disabled household is one in which the head, spouse or sole member is a person with disabilities.

Two or more persons with disabilities living together and one or more persons with disabilities living with one or more live-in aides also qualify as disabled households.

**Disabled Household**

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A slide with a light gray background on the left and a dark gray background on the right. A white box with a black border is centered in the light gray area, containing the word "Elderly". To the right, in the dark gray area, is a bulleted list defining the term. A small number "84" is in the bottom right corner of the slide.

Elderly

- Any household in which the head, spouse or sole member is 62 years of age or older; two or more persons who are at least 62 years of age live together; or one or more persons who are at least 62 years of age live with one or more live-in aides.

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A slide with a light gray background. On the left, the text "Medical & Attendant Expenses Deduction" is written in blue, stacked vertically. A vertical line separates this text from a bulleted list on the right. A small number "85" is in the bottom right corner of the slide.

Medical  
&  
Attendant  
Expenses  
Deduction

- Medical expenses are deductible for elderly and disabled families only to the extent that the gross annual income of the family is exceeded by three percent of the gross annual income.

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## Example: Medical Expense Deduction

The Cloud family has anticipated annual income of \$25,000 and anticipated medical expenses of \$3,000 (not covered by insurance).

$\$25,000 \times 3\% = \$750$

$\$3,000 - \$750 = \$2,250$  deduction

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## Expenses Include

Medical expenses, in the case of an elderly or disabled family;


Reasonable attendant care & auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed.

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## Eligible Deduction Only If . . .



They are paid out-of-pocket by the family and not reimbursed by an outside source such as insurance, Medicare, or grants by a state agency or charitable organization.



They are anticipated to be paid by the household in the 12 months following the date of certification/recertification.

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### Special Calculation for Families Who Are Eligible for Disability Assistance and Medical Expense Deductions

Head (retired/disabled) — SS/pension income		\$16,000
Spouse (employed) — employment income+		<u>\$4,000</u>
<b>Total Annual Income</b>		<b>\$20,000</b>
Total disability assistance expenses		\$500
Total medical expenses		\$1,000

**Step 1:** Determine if the disability assistance expenses exceed 3% of the family's total annual income.

Total disability assistance expenses		\$500
Minus 3% of total annual income (.03 x \$20,000)		<u>-\$600</u>
		(\$100)

*No portion of the disability expenses exceeds 3% of the annual income; therefore, the disability assistance deduction is \$0.*

**Step 2:** Calculate if the medical expenses exceed the balance of 3% of the family's total annual income.

Total medical expenses		\$1,000
Minus the balance of 3% of total annual income		- <u>\$100</u>
<b>Allowable medical expenses deduction</b>		<b>\$900</b>

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*Activity 11: Calculating Medical Expenses Ricky Ricardo*

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## ACTIVITY 11: Ricky & Lucy

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.

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

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## Child Care Expenses

Enables a family member to be gainfully employed, the amount deducted should not exceed employment income.

Amount is not paid or reimbursed

Child care expenses incurred to permit a family member to work must not exceed the amount earned by the family member made available to work during the hours for which child care is paid.

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Travel Expenses

- Must be reasonable and ***may not exceed \$25 per week*** for the entire household, not per traveler.

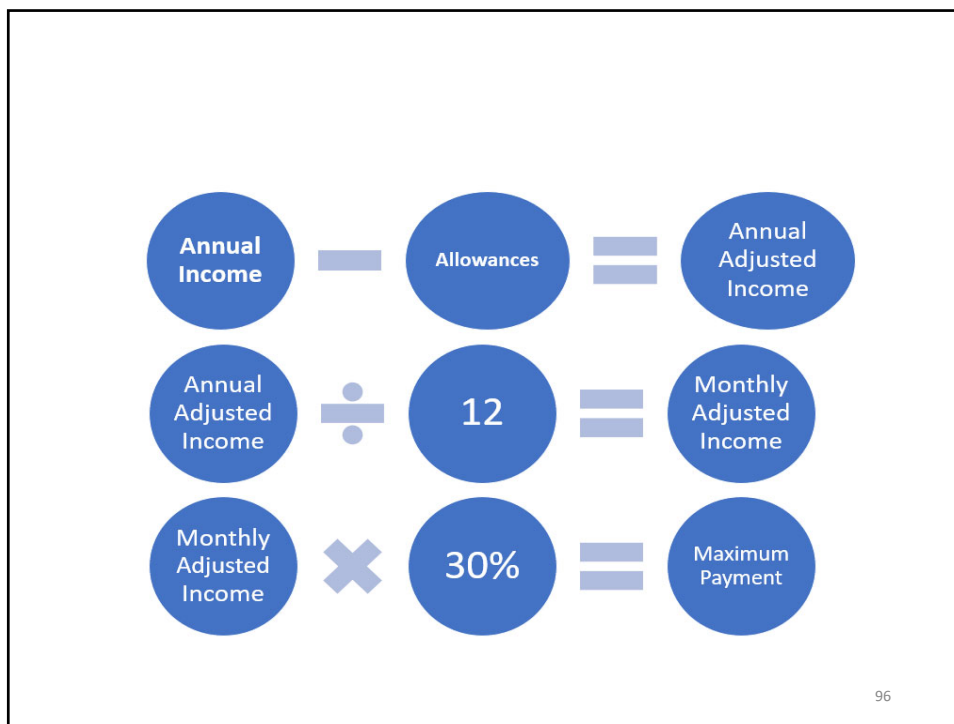
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### Total Tenant Payment (TTP)

Amount a tenant is expected to contribute for rent	Based on percentage of adjusted gross income
For NAHASDA programs, can't exceed 30% of adjusted gross income	Utility Allowances are not required by NAHASDA, but maybe required by the Recipient

95



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## Annualizing Income

A teacher's assistant works 9 months annually and receives \$1,300 per month. During the summer recess, the teacher's assistant works for the Parks and Recreation Department for \$600 per month. The owner may calculate the family's income using either of the following two methods:

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## Calculation for Slide 96

1. Calculate annual income based on current income: \$15,600 (\$1,300 x 12 months).
  - The owner would then conduct an interim recertification at the end of the school year to recalculate the family's income during the summer months at reduced annualized amount of \$7,200 (\$600 x 12 months). The owner would conduct another interim recertification when the tenant returns to the 9-month job.
2. Calculate annual income based on anticipated changes through the year:
  - \$11,700 (\$1,300 x 9 months)
  - + 1,800 (\$ 600 x 3 months)
  - \$13,500
  - Using the second method, the owner would not conduct an interim re-examination at the end of the school year. To use this method effectively, history of income from all sources in prior years should be available

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## Counting Child Support

Wendy has a court order requiring her ex-husband to pay \$200 per month in child support. Wendy has pursued collection through the local child support enforcement agency which provides a printout showing what she has received for the last 6 months:

- Jan-\$50    Mar-\$75    May-\$100    Feb-\$25    Apr-\$25

- How is the income from the child support calculated?

**Step 1: Total amount received for 6 months:**

**Step 2: Determine monthly average**

**Step 3: Annualize the monthly average**

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## QUIZ: Monthly Payment Computation

1.	How payments are calculated must be included in policies.	TRUE	FALSE
2.	Monthly rent or homebuyer payments can't exceed 30% of monthly adjusted income for low-income families.	TRUE	FALSE
3.	Non low-income families can be charged more than 30% of monthly adjusted income	TRUE	FALSE

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## ACTIVITY 12: Delgado Family

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.

1. John Delgado (applicant, 41 years old): \$15.50 per hour, 40 hours per week, no overtime
  2. 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
  3. Grandmother (64 years old): receives Social Security \$400 per month
  4. 20-year old daughter, Linda, is a full-time student and has a baby. She works part time and earns \$220 per month
  5. Son, Mike age 17 earns \$2,200 each summer from mowing lawns
- 

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## ACTIVITY 13: Tommy Tiger

- 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.

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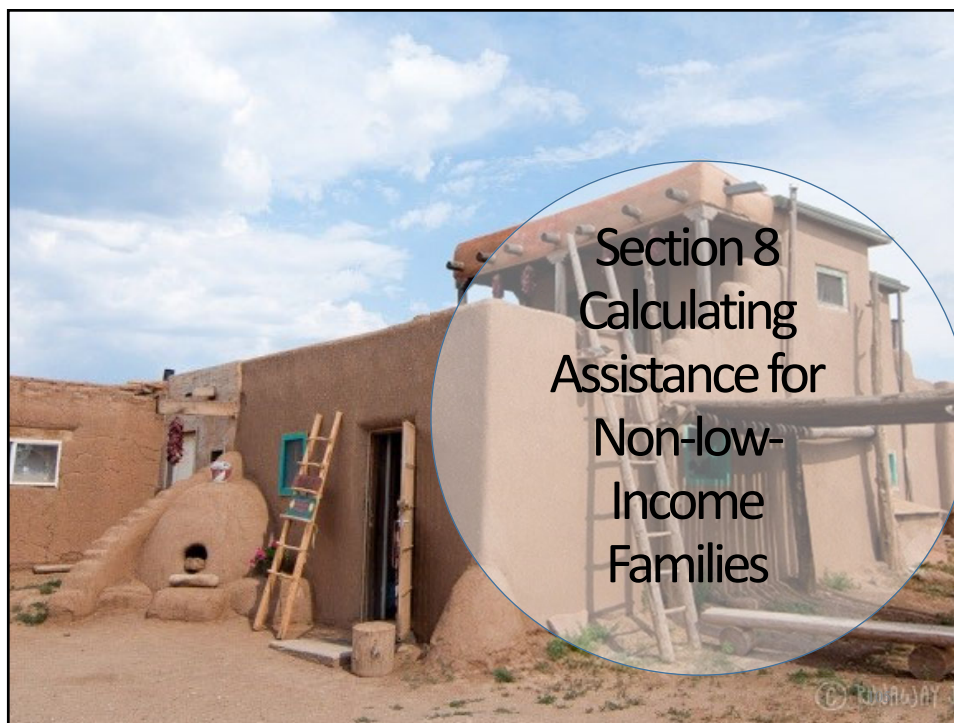
103

## Tiger continued

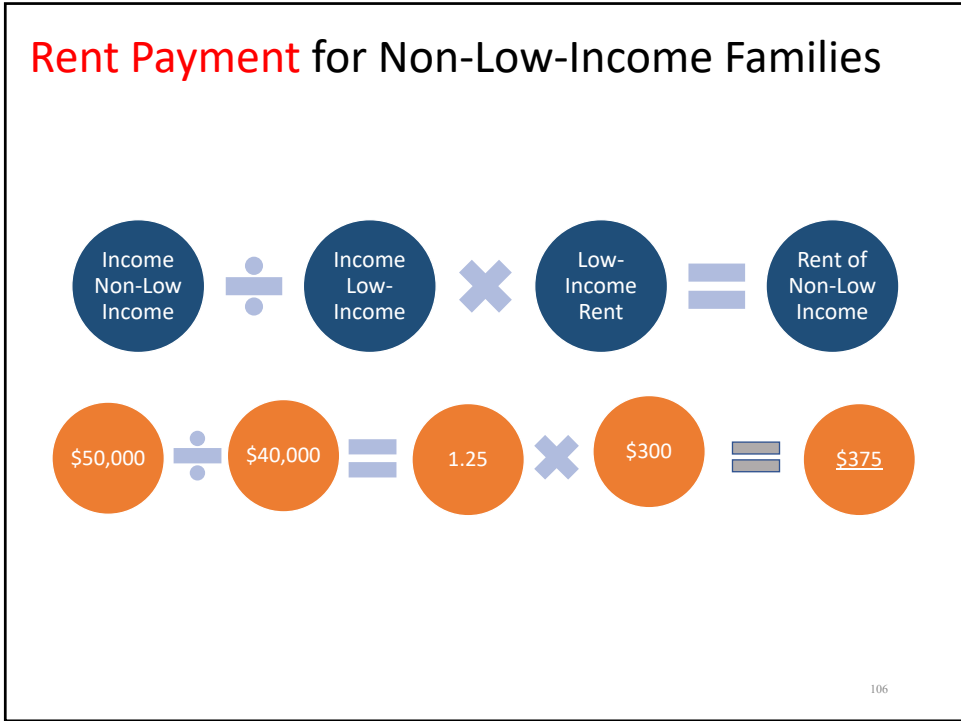
FAMILY MEMBER	NAME	AGE	INCOME
Head of Household	Tommy Tiger	62 yrs old	\$350 per week
Spouse	Linda Tiger	48 yrs old	\$500 per week
Daughter	Anita Tiger	17 yrs old	\$100 per week for part-time employment
Son	Sam Tiger	8 yrs old	
Foster child	Tony Smith	16 yrs old	\$300 per month for foster care benefit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

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### Non-Low-Income Rental Payment Requirements

- The rent (including homebuyer payments under a lease purchase agreement) to be paid by a non-low-income family cannot be less than [income of non-low-income family/income of family at 80 percent of median income] × [rental payment of family at 80 percent of median income], but need not exceed the fair market rent or value of the unit.

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## Non-Low-Income Family Rent Payments

To calculate rental payment for non low-income family, divide their income by 80% of median income

Multiply that number by amount of monthly rent for low-income family

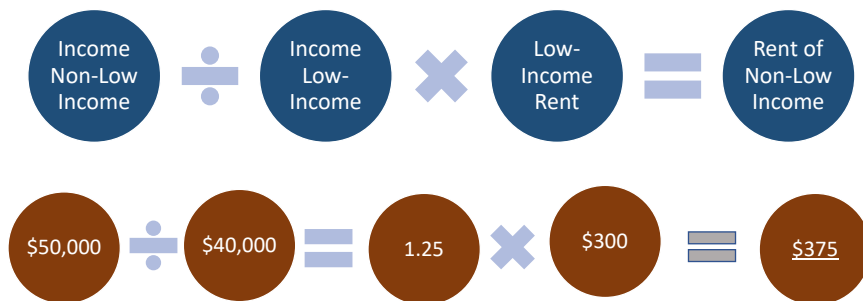
This amount is *minimum monthly payment*.

These procedures should be addressed in policies.

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## Rent Payment for Non-Low-Income Families



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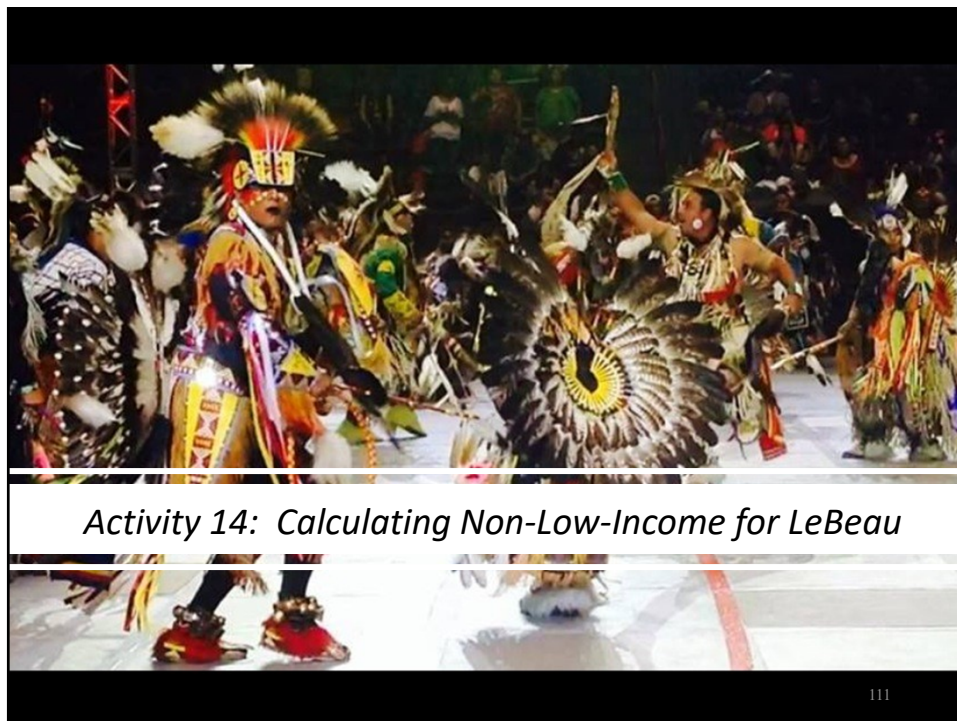


## Calculating Rent for Non-Low-Income

- Eighty percent of the median income for a family of four in Fairbanks is \$75,04
- Rental Payment for a family at 80 percent of median income is \$1200 per month.
- FMR 3-bedroom = \$1,793 per month
- A non low-income Indian family of four • \$88,000

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## ACTIVITY 14: Bill 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.

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## LeBeau continued

- 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?**
- List the verification documents you would need to determine eligibility for your housing program**

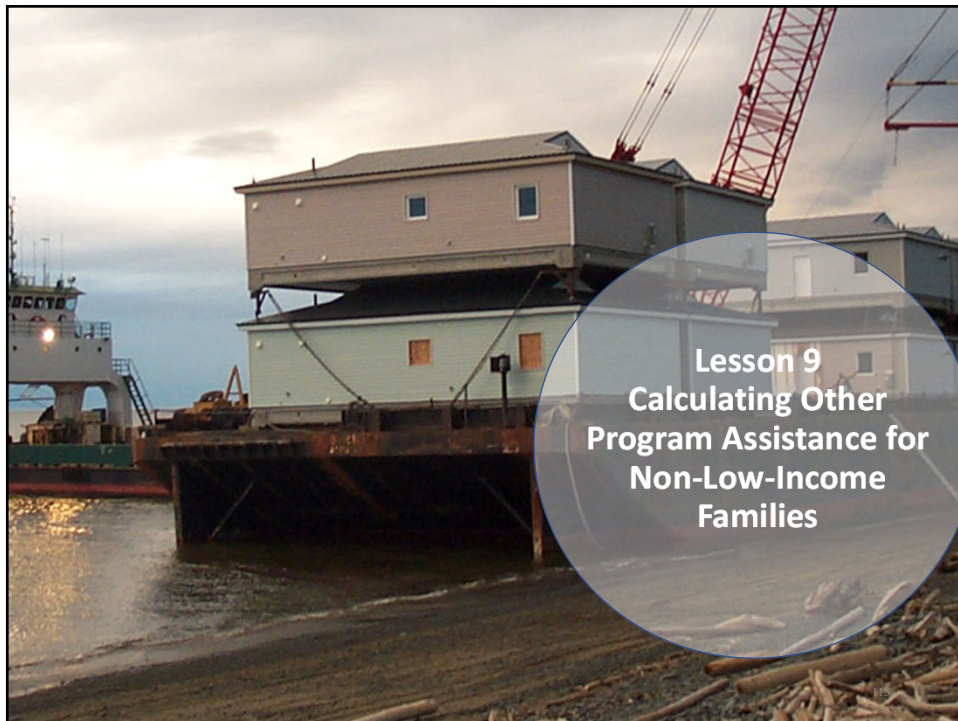
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[ANSWERS\web ACTIVITY](#)  
[ANSWERS COMPILED 7-11-](#)  
[20.pptx](#)

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<p><b>Non-Low-Income Other Assistance Payment Requirements</b></p>	<ul style="list-style-type: none"><li>• Other assistance, including down payment assistance, to non-low-income families, cannot exceed [income of family at 80 percent of median income/income of non-low-income family] × [present value of the assistance provided to family at 80 percent of median income].</li></ul>
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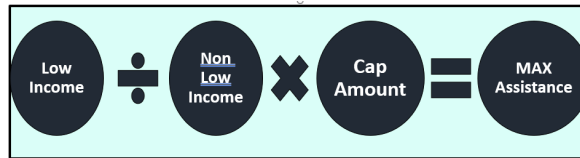
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<p><b>Calculating Down Payment Assistance for Non-Low-Income</b></p>	<hr/> <p>Eighty percent of the median income for a family of four in Fairbanks is \$75,040.</p>
	<hr/> <p>Down Payment Assistance is capped at \$10,000 for a family at 80 percent of median income</p>

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## Non-Low-Income Other Assistance Payment Formula

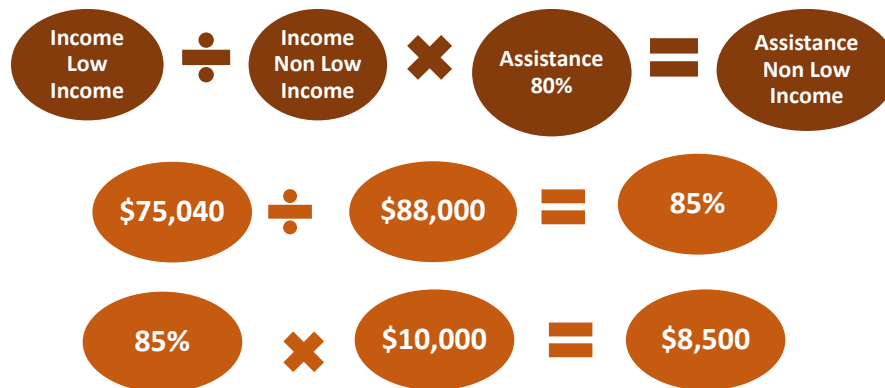
- Other assistance, including down payment assistance, to non-low-income families, cannot exceed [income of family at 80 percent of median income/income of non-low-income family] × [present value of the assistance provided to family at 80 percent of median income].



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## Down Payment Assistance for Non Low-Income Families




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*ACTIVITY 14: Calculating House Payments for Non-Low-Income*



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Lesson 10  
Waiting List

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## Waiting List Purpose



Establishes order of assistance to qualified candidates



Implements preference/priorities systems



Ensures fair and equitable treatment



Serves as source of data about need and demand for units by size, type, and location

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## Preferences and Priorities

- Preferences affect the order of selection for tribal members f
- Priorities are program specific criteria and are usually point-based

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Priority #	Priority
1	Families who can achieve mortgage readiness immediately.
2	Families who can achieve mortgage readiness within 1 to 6 months.
3	Families who can achieve mortgage readiness within 7 to 12 months.
4	Families who can achieve mortgage readiness within 13 to 18 months.
5	Families who can achieve mortgage readiness within 19 to 24 months.
6	Families who can achieve mortgage readiness within 25 to 30 months.
7	Families who can achieve mortgage readiness within 31 to 36 months.
8	Families who can achieve mortgage readiness within 37 to 42 months.

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## CYU: PREFERENCES/PRIORITIES

<ul style="list-style-type: none"> <li>• One head of household (single) and children of applicant are enrolled members.</li> <li>• Applicant enrolled member married to Native enrolled in federally recognized tribe with all children enrolled members of applicant tribe.</li> <li>• Applicant enrolled member married to non-Indian with all children enrolled members of applicant tribe.</li> <li>• Married couple who are enrolled members with no children.</li> <li>• Applicant enrolled member married to Native enrolled in federally recognized tribe with n</li> </ul>	YES	NO
	YES	NO
	YES	NO
	YES	NO
	YES	NO
	YES	NO
	YES	NO

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## Review

[HANDOUTS\HO sample Selection Rating.pdf](#)

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## Examples of Waiting List Priorities

- Income targeting – admission of certain percentage of families within certain income range
- Creditworthiness
- Mortgage readiness
- Elderly
- Disabled family
- First time homebuyer
- Veterans

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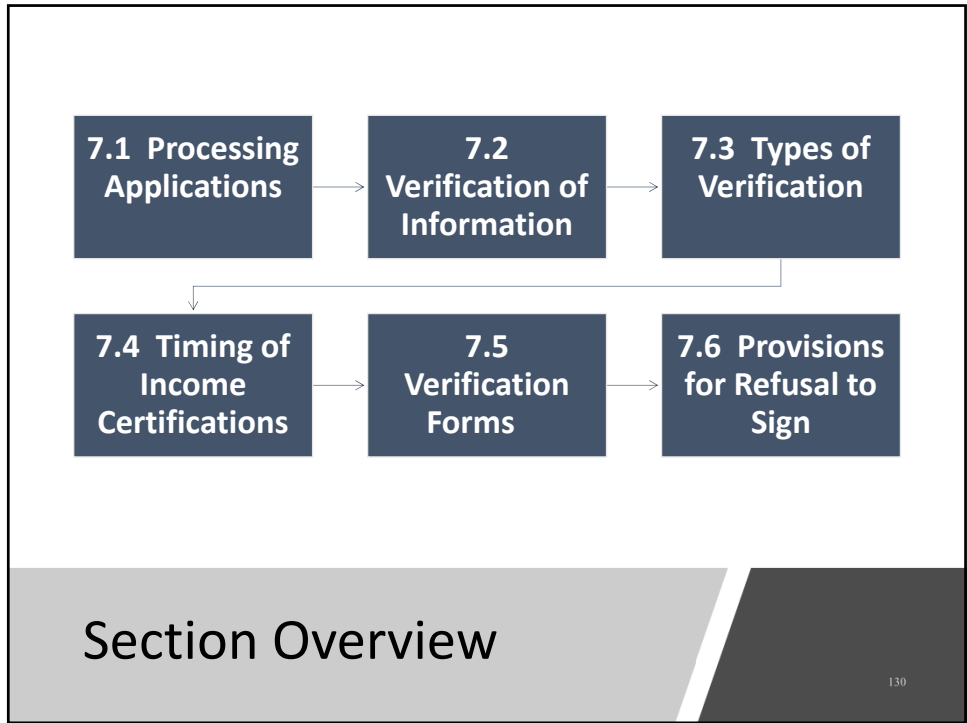
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**Verification Forms**

- Should be comprehensive, but not complicated
- Should ask secondary questions (are expenses reimbursed, etc)
- Should include a “false statement” statement
- Must include a signed authorization for release of information

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## Verification Forms

-  Should capture name, position, telephone number of information provider
-  Should capture current and anticipated earnings and fluctuating pay rates and hours
-  May want to consider including self-addressed stamped envelope with each verification form mailed out

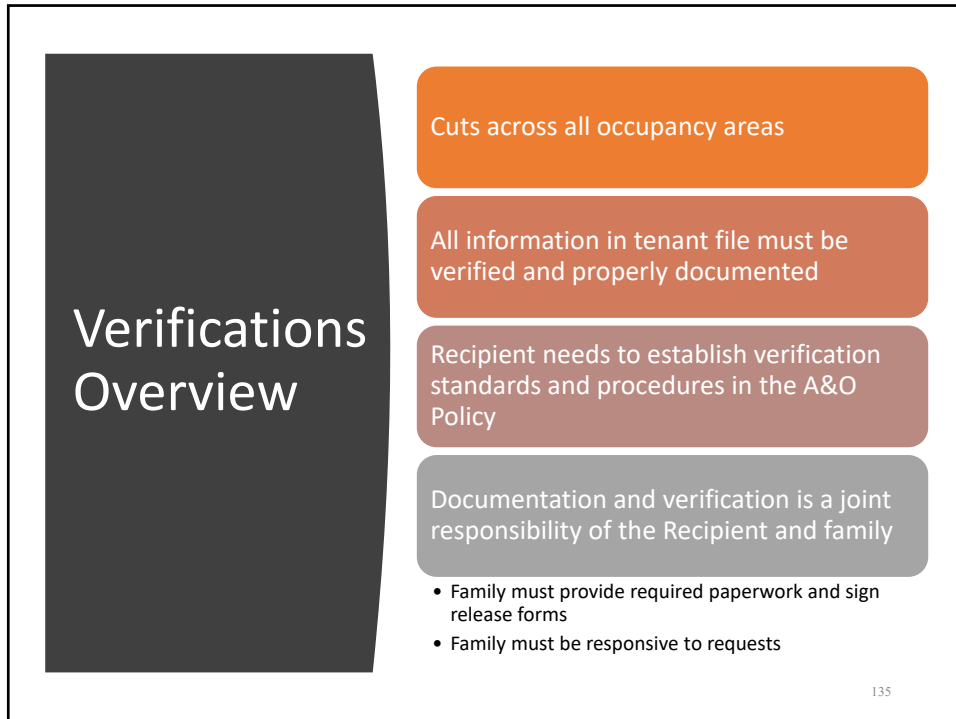
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## Standard Verification Forms

- Consent to Release Information
- Verification of Employment
- Verification of Income
- Verification of Trust Income
- Verification of Savings
- Verification of Pensions
- Landlord Verification

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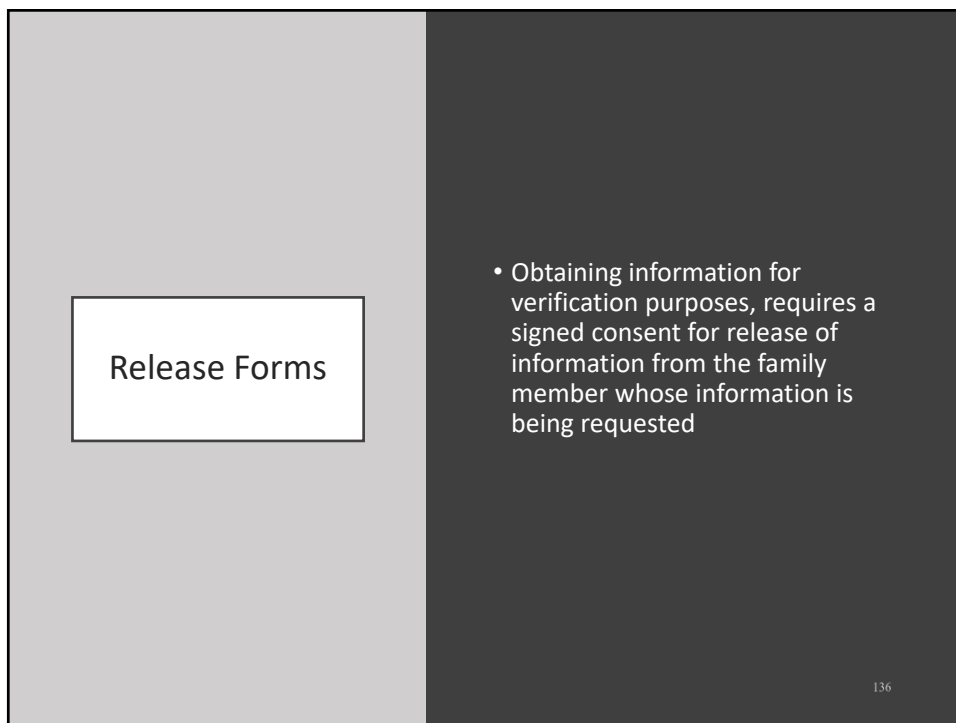


**Verifications Overview**

- Cuts across all occupancy areas
- All information in tenant file must be verified and properly documented
- Recipient needs to establish verification standards and procedures in the A&O Policy
- Documentation and verification is a joint responsibility of the Recipient and family
  - Family must provide required paperwork and sign release forms
  - Family must be responsive to requests

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**Release Forms**

- Obtaining information for verification purposes, requires a signed consent for release of information from the family member whose information is being requested

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## Authorization for Release of Information/ Privacy Act Statement (form HUD-9886)



All adult family members & spouse must sign



Can be used between regular re-exams to verify unreported income



Applicant's certification that income & other information is accurate and complete

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## Authorization for Release of Information/ Privacy Act Statement (form HUD-9886)



HUD-9886 MAY ONLY BE USED FOR VERIFICATION SOURCES LISTED ON THE FORM



VALID FOR 15 MONTHS FROM DATE OF SIGNATURE

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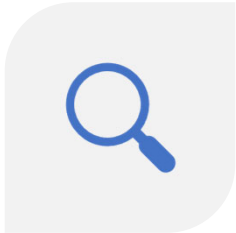
What Must Be Verified

- Income, assets and asset income
- Income exclusions
- Allowances and deductions
- Family composition
- Social security numbers

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## Verifying Annual Income




RECIPIENTS NEED A THOROUGH UNDERSTANDING OF WHAT CONSTITUTES INCOME


RECIPIENT SHOULD NOT MAKE ASSUMPTIONS ABOUT WHETHER SOMEONE MAY OR MAY NOT HAVE A PARTICULAR TYPE OF INCOME

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## Zero Income Families



A family budget or statement of financial responsibility should be required



Use up-front verification, for example:  
IRS 4506-T  
Credit report

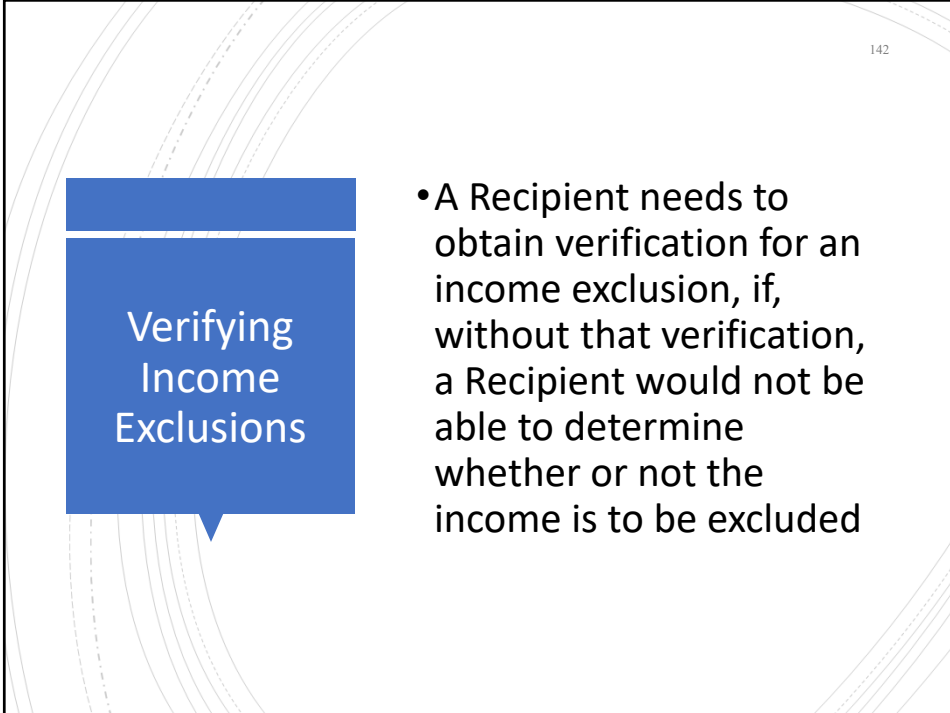


Recipient must attempt to determine the source of income when the family's regular expenditures conflict with their claim of zero income

### HANDOUT: ZERO VERIFICATION

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## Verifying Income Exclusions

- A Recipient needs to obtain verification for an income exclusion, if, without that verification, a Recipient would not be able to determine whether or not the income is to be excluded

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## Verifying Income Exclusions

For example, payments received under Title V of the Older Americans Act of 1985

- The Recipient would have to, at minimum, verify the source of that income

The wages of a child under 18 would be the same situation

Verify age - verification of amount is not necessary for wages


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## Verifying Income Exclusions

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- There are also situations where it would be necessary to obtain 3<sup>rd</sup> party of both the source and the amount of the income in order to calculate appropriately, for example;
  - Qualifying Local training program income

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**Verifying Allowances and Deductions**

- Recipient must also take into account all anticipated deductions from annual income to obtain accurate adjusted annual income

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**What Must Be Verified**

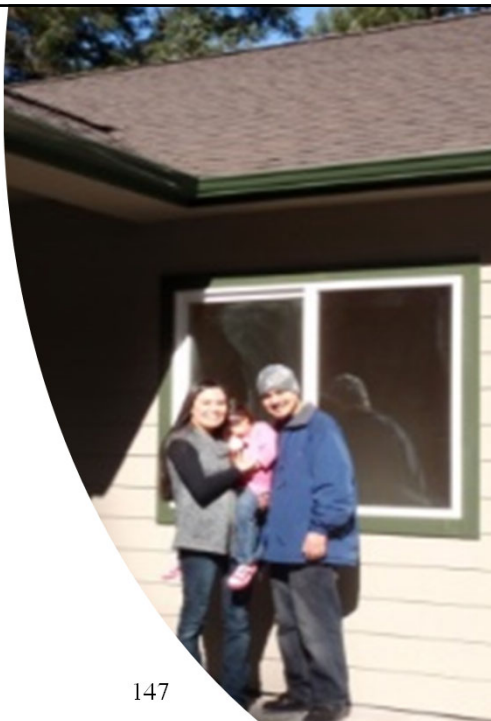
- Deductions, such as;
  - Family members under 18
  - Age or disability of head or spouse
  - Disability of other family members
  - Full time student status
  - Child care costs
  - Disability assistance expense
  - Unreimbursed medical expenses

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## Third Party Written Verification and Documentation

- To the maximum extent feasible, Recipients should utilize third party verification sources
  - IRS 4506t is very helpful
- Must not be hand carried by the family
- Independent, directly from third party by mail, fax, or other reliable means



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## Third Party Oral Verification and Documentation

- Use where third party written is impossible to obtain or not timely (follow up with written)
- Phone or interview by Recipient staff
- Recipient records information
  - Date/time of contact
  - Name and source of information
  - Recipient staff name/signature
  - Summary of information
  - Rationale for using oral verification



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## Verification and Documentation

Establish timeframes for receipt of third party verification (i.e.: 2 weeks and follow up, 4 weeks, 21 days, 30 days, etc.)

↓

Must document in the case file why third party was not available

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### Verification and Documentation

The Recipient is the final judge of what constitutes adequate and credible verification and documentation

If there is doubt about reliability of information, staff should pursue additional information	Recipient should have reasonable confidence that documentation is accurate
--	--

↓

Recipient staff are not required to accept information, simply because it is offered

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## Verification and Documentation

- Generally, documentation that is more than 90 days old should be considered “not timely” (obtain new documentation)
- Not applicable to date of birth, SSNs



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## First party Verification

May be used when:

Information doesn't require certification • Birth certificate, Social Security card	Third-party verification is impossible or delayed	Income is derived from cash transactions	Need to document lack of income
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Housing employee should include memo to file documenting when third-party verification is not available

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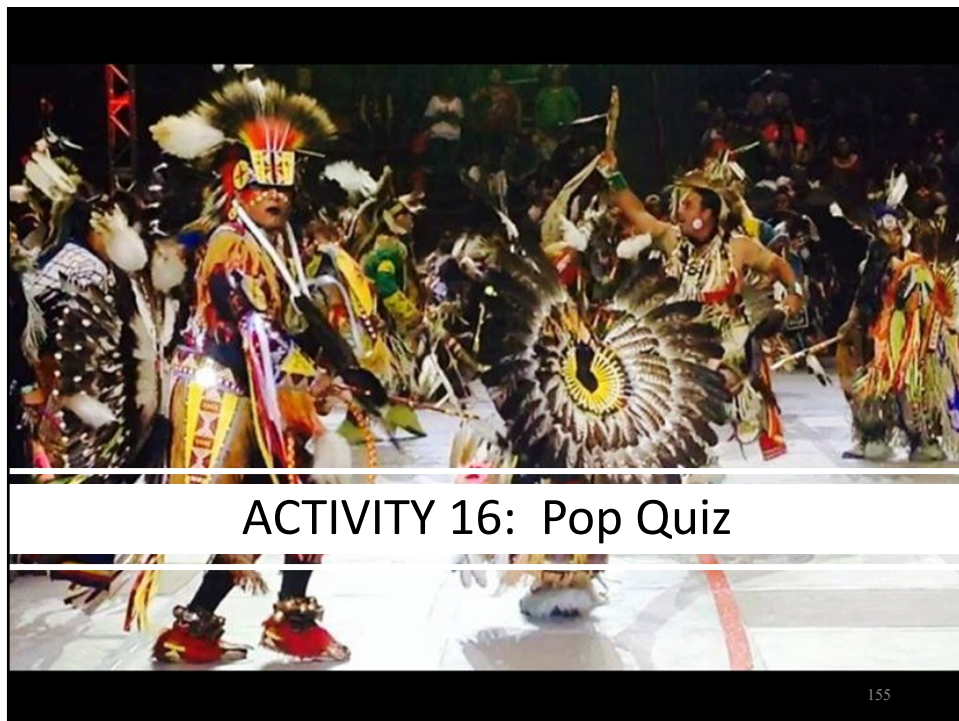
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## Tenant Consent

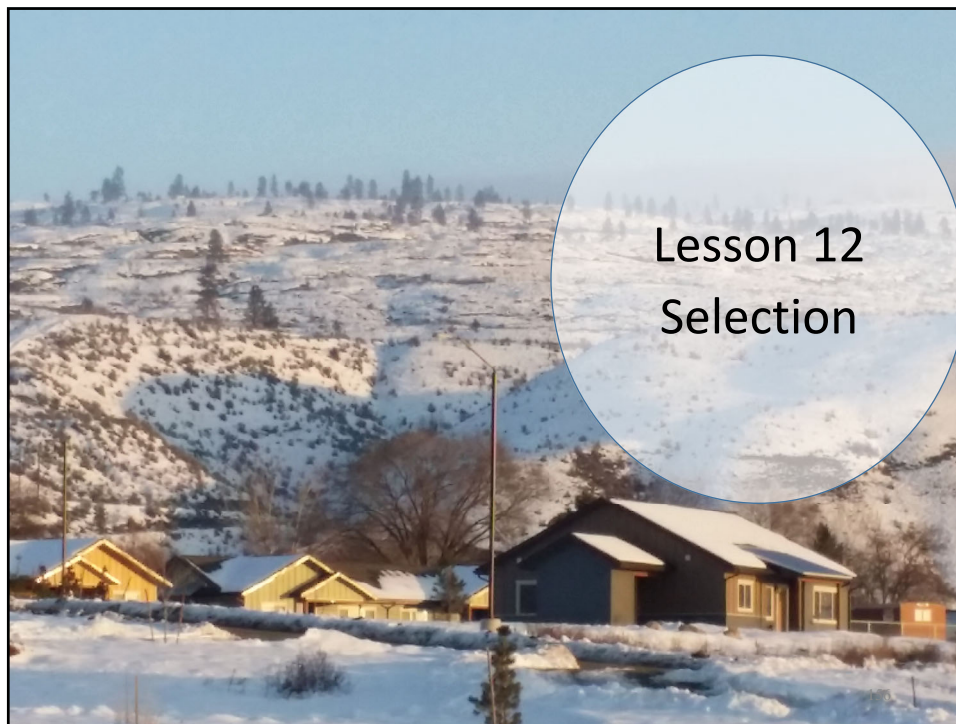
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- Recipient is always required to obtain signature of all family members 18 yrs and older on a consent form authorizing release of information
- Recipient should review their consent forms to ensure that various methods to verify income are included

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## Selection Process

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Applicant completes preliminary application to be determined eligible and placed on waiting list.

---

Applications updated annually.

---

When unit is available, top two applicants notified and asked to be interviewed.

---

Staff verifies applicant information.

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After verification, eligibility confirmed, offer extended, and unit assigned.

A photograph of a woman in a military-style jacket shaking hands with a man in a light blue polo shirt in front of a white door with a "HOME CLOSED" sign. The woman is on the left, wearing a dark green jacket with a name tag. The man is on the right, wearing a light blue polo shirt and blue jeans. They are standing in front of a white door with a sign that says "HOME CLOSED (Call for info)". The background is slightly blurred, showing a window with blinds.

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Should be established by admissions policies

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Examples:

Ability to make monthly payments	Comments from prior landlord	Credit references	Housekeeping habits	Criminal background check	Disability accommodations
----------------------------------	------------------------------	-------------------	---------------------	---------------------------	---------------------------

Selection Criteria TAB

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### TERMS AND CONDITIONS TAB

Once determination is made, housing staff provides written notice with:

- Description of determination
- Time frame for receipt of response from family
- Description of hearing appeals process

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## Polling: Criteria Need to be . . .

Tenant/Homebuyer Selection criteria need to be a policy that is

Required by NAHASDA	<b>TRUE</b>	<b>FALSE</b>
In writing	<b>TRUE</b>	<b>FALSE</b>
Supported by a policy	<b>TRUE</b>	<b>FALSE</b>
Adopted by the BOC or the tribal council	<b>TRUE</b>	<b>FALSE</b>

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## Learning Objectives

- Types of one-on-one counseling
- Define one-on-one counseling
- Discuss focus of housing counseling

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## POLLING

*I DO THE FOLLOWING TYPES OF COUNSELING*

...

1.	PREQUALFYING	YES	NO
2.	DEBT MANAGEMENT	YES	NO
3.	FINANCIAL LITERACY	YES	NO
4.	CREDIT	YES	NO
5.	BUDGETING	YES	NO

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## Various Types of Counseling Programs

- Pre-occupancy
- Pre-purchase
- Credit counseling
- Budget counseling
- Post purchase
- Default counseling
- Advocacy

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## One-on-one Counseling Focuses

- Affordability
- Debt
- Credit
- Down payment assistance
- Recognizing predatory lending practices
- Understanding fair lending
- Avoiding foreclosure
- Resolving a financial crisis

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## Counseling Barriers

- Slow payment
- Credit issues
- Insufficient income
- High Debt or Slow Payment
- Low savings
- Employment stability
- Trust property



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## Budget Counseling Involves . . .

- Short- and long-term goals
- Budgeting - a tool to achieve goals
- Thoroughly explain the budget creation process

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## Debt Management

- The ***PowerPay® Debt-Reduction System*** developed by F. Dean Minor, Jr. and Judy L. Harris of Utah State University addresses the issue of excessive debt.
  - used by housing counselors to help their clients achieve an acceptable debt-to-income ratio for mortgage-loan qualification by applying the most strategic and effective repayment methods for accelerated debt reduction.

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## Making Power Payments Work...

- Power payments can get you out of debt faster and save you money.
  1. Make a commitment (stop borrowing, charging and increasing debt)
  2. Determine how much money you have to repay debts
  3. Use power pay
  4. Use the roll over method
  5. Consider adding lump sums....



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## Purpose of Collections Policy

- Inform**
  - Inform residents of guidelines for rent collection, house payments, housing services, and payment of work orders
- Ensure**
  - Ensure continuation of adequate housing services while providing for safety and well-being of residents
- Promote**
  - Promote fairness and due process



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## Essential Elements of Collections

- Required monthly payment should be in lease

Definition of delinquent account



Process for:

- Extensions Counseling
- Payback Agreements
- Due Process
- Termination

"As we're running late for lunch, I'm going to dispense with the case for the defence, and go straight to sentencing."

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# Eviction

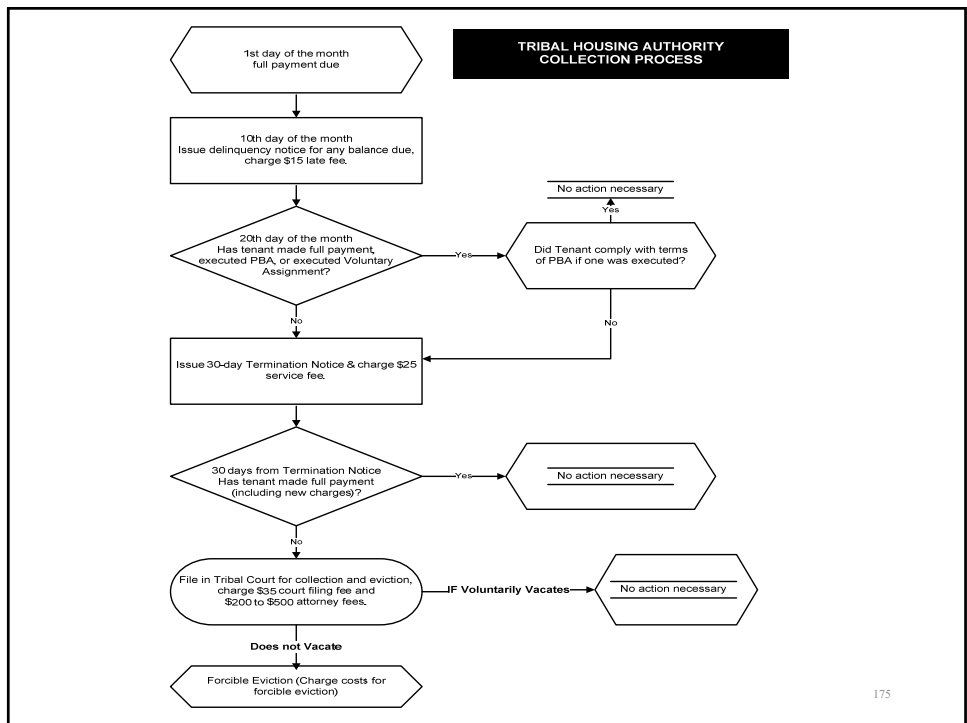
Provides remedy of last resort

Tribe or housing authority may file civil action against resident in appropriate legal jurisdiction

Premised on breach of agreement arising from non-payment or other just cause

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## Why Collecting is Critical

NAHASDA allows the Recipient to tailor monthly payment amounts to community needs and affordability

Failure to collect payments hurts future housing assistance

Legal and other collection costs take away from other affordable housing activities

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## Housing Program Design Considerations

Is the program in line with the needs and wants of the community?

Can the tribal housing program and families afford the program?

Will the families pay for the program?

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IHBG Subsidy			
	Using Maximum	Generous IHA	Very Generous IHA
Average Adjusted Monthly Income	\$2,000	\$2,000	\$2,000
Percentage Used	30%	20%	10%
Monthly Gross Rent	\$600	\$400	\$200
Utility Allowance	\$ -0-	\$100	\$200
Net Rent Payment	\$600	\$300	\$-0-
Units	100	100	100
Monthly Revenue	\$ 60,000	\$ 30,000	\$ -0-
Annual Revenue	\$ 720,000	\$ 360,000	\$ -0-
Annual Expenses	(\$900,000)	(\$900,000)	(\$900,000)
IHBG Subsidy Needed	\$ 180,000	\$ 540,000	\$ 900,000

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## Collections Recommendations

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Everyone has a role in collections and compliance.



Everything you do can have an impact on the program's success.

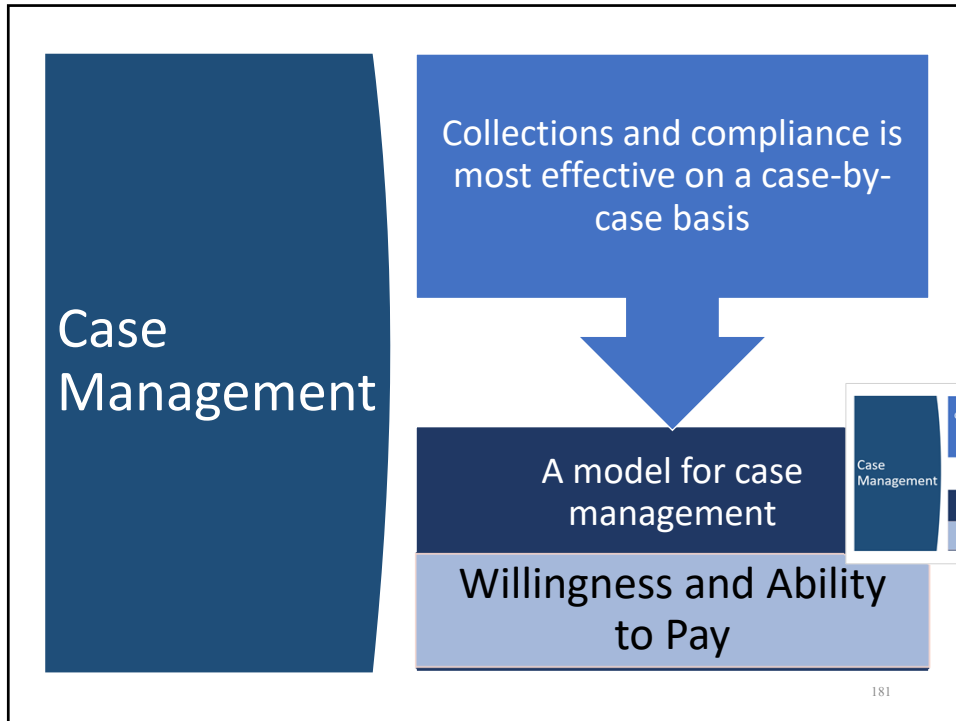


Make all the efforts for collection and compliance positive and constructive.

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- ## Collection Tips
- Establish ability and willingness to evict.
  - Match policies with your practices.
  - Follow up.
  - Use receipts and remember to say "thank you."
  - Recognize a participant of the month – emphasize positive payment history.
  - Aggressively offer job placement services. Promote self-sufficiency.
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## Collection Tips *cont.*

Address	the toughest cases in monthly staff meetings.
Revisit	incentives for prompt payment.
Communicate	with both spouses and other family members, if appropriate.
Develop	skills in using the appropriate court system.

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**Questions  
Comments?**

**THANK  
YOU!**

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