



CHICAGO HOUSING AUTHORITY FAMILY SELF-SUFFICIENCY ACTION PLAN

CHICAGO HOUSING AUTHORITY DEPARTMENT OF RESIDENT SERVICES

CHICAGO HOUSING AUTHORITY | 60 E. Van Buren Chicago, IL 60605

**CHICAGO HOUSING AUTHORITY (CHA)
FAMILY SELF-SUFFICIENCY (FSS) ACTION PLAN**

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THE FAMILY SELF-SUFFICIENCY ACTION PLAN

The Chicago Housing Authority's (CHA) Family Self-Sufficiency (FSS) Action Plan establishes policies for carrying out the FSS program in a manner consistent with Department of Housing and Urban Development (HUD) requirements and local goals and objectives contained in CHA's Moving to Work Plan (MTW Plan), Admissions and Continued Occupancy Policy (ACOP) and Housing Choice Voucher (HCV) Administrative Plan. CHA periodically reviews and updates the Action Plan to reflect changes in regulations, operations, program size, etc. CHA will submit any changes to the Action Plan to HUD for approval. This FSS Action Plan is available for public review as required by 24 CFR Part 903.

CHA DEMOGRAPHICS

As reported in the CHA Quarterly Report 4th quarter 2018 the following charts detail general demographic information for CHA households.

| | Public Housing | | | HCV | Both |
|---|-----------------------|-------------------|----------------------|---------|---------|
| | All Family-Designated | Senior-Designated | Total Public Housing | | |
| OVERALL DEMOGRAPHICS | | | | | |
| Total Households | 9,187 | 5,365 | 14,552 | 48,997 | 63,549 |
| Total Residents | 23,006 | 5,953 | 28,959 | 106,065 | 135,024 |
| HOUSEHOLD SIZE | | | | | |
| Average Household Size | 2.5 | 1.1 | 2.0 | 2.2 | 2.1 |
| HEAD OF HOUSEHOLD GENDER | | | | | |
| Female | 8,088 | 2,559 | 10,647 | 38,095 | 48,742 |
| Male | 1,099 | 2,806 | 3,905 | 10,902 | 14,807 |
| RESIDENT AGE | | | | | |
| Youth (0-17) | 9,654 | 6 | 9,660 | 37,094 | 46,754 |
| Working-Age (18-54) | 9,897 | 87 | 9,984 | 45,623 | 55,607 |
| Near-Elderly (55-61) | 1,532 | 261 | 1,793 | 8,544 | 10,337 |
| Elderly (62+) | 1,932 | 5,599 | 7,522 | 14,804 | 22,326 |
| HEAD OF HOUSEHOLD RACE/ETHNICITY | | | | | |
| African American, non-Hispanic | 8,101 | 2,891 | 10,992 | 42,082 | 53,074 |
| Hispanic, any race | 925 | 699 | 1,624 | 4,216 | 5,840 |
| White, non-Hispanic | 133 | 940 | 1,073 | 2,022 | 3,095 |
| Asian, non-Hispanic | 15 | 786 | 801 | 597 | 1,398 |
| Other/Unknown race | 13 | 49 | 62 | 80 | 142 |
| DISABILITY STATUS | | | | | |
| Household with a disabled member | 3,557 | 2,652 | 6,209 | 22,713 | 28,922 |
| % of households with a disabled member | 39% | 49% | 43% | 46% | 46% |
| HOUSEHOLD INCOME | | | | | |
| % at 0-30% AMI (Extremely Low Income) | 78% | 90% | 83% | 82% | 82% |
| % at 31-50% AMI (Very Low Income) | 15% | 9% | 12% | 14% | 14% |
| % at 51-80% AMI (Low Income) | 5% | 1% | 4% | 4% | 4% |
| % at 81%+ AMI (Moderate Income) | 2% | 0% | 1% | 0% | 0% |

FSS PARTICIPATION AND PROGRAM IMPLEMENTATION

CHA maintains a voluntary FSS program that is available to up to 1,250 households receiving a subsidy through CHA's HCV, Project Based Voucher (PBV), Rental Assistance Demonstration (RAD), or PH programs. CHA does not limit the number of participants receiving a specific subsidy type; previously CHA limited participation of HCV households to 900 and PH households to 350. As of March 2019, there are 980 active participants in CHA's FSS program. The HCV FSS program began in 1996 with a target enrollment of 900 participants and the PH FSS program began in 2006 with a target enrollment of 50 participants. CHA operated the HCV and PH FSS programs separately until January 2011, when the two programs merged under CHA's Resident Services Division.

CHA provides direct oversight and administration of the FSS program. CHA contracts with an FSS service provider that is responsible for program coordination, case management and coaching, financial education, employment and supportive services. CHA hosts regular coordination meetings with the FSS service provider to identify and discuss service needs of the FSS population and to ensure the ongoing provision of services.

FSS ELIGIBILITY, SELECTION AND ENROLLMENT

CHA households in compliance with the voucher program and/or PH lease are eligible for FSS participation. All participants must sign the FSS Contract of Participation (COP) and set goals on the Individual Training and Services Plan (ITSP). FSS participation is voluntary, and FSS participants exiting the program due to graduation or unsuccessful exit will retain the right to occupancy according to their lease, and the ACOP or HCV Administrative Plan.

Household Member Eligibility

Traditionally FSS participation has been limited to the Head of Household (HOH). Pursuant to the FY2019 MTW Plan, CHA will allow adult household members other than the HOH to enroll in the FSS program according to the following criteria:

- If the HOH is enrolled/enrolling in FSS, one additional adult member of the household may enroll.
- If the HOH is not enrolled/enrolling in FSS, two adult members of the household will be permitted to enroll.
- A qualified adult member of the household must be age 18 or older and must be on the lease at enrollment and throughout participation.

CHA may choose to limit the number of adult household members participating in FSS if HOH participation is less than 50% of total participation.

At any time only two (2) members of a household may be enrolled in FSS. The HOH must co-sign the COP for any non-HOH adult member enrolling in FSS. The HOH must either attend the Information Session with the interested participant or the one-on-one with the FSS Coordinator to co-sign the COP. Being part of the COP review and co-signing the document will help to ensure that all household members are aware of the requirements for successful completion of the FSS program and to avoid issues in which household members are unable to enroll because other household members are already participating without their knowledge.

Non-HOH members are not eligible for some FSS savings pay points, described in greater detail in this Action Plan section pertaining to FSS Savings Account Maintenance and Credit, but will otherwise be engaged and held to the same program requirements as a HOH FSS participant.

Outreach and Marketing

Opportunities are provided for enrollment into the FSS program when current program participation is below the target enrollment. CHA households are informed of availability in the FSS program through the following outreach methods:

- CHA's primary website and/or social media sites;
- HCV satellite, private property management, and case management provider offices;
- information provided to resident representation (e.g. Local Advisory Council, HCV Participant Council);
- HCV newsletter and/or other resident publications;
- CHA Call Center; and
- other outreach efforts as needed.

Marketing to Family Unification Program (FUP) Eligible Households

CHA will conduct regular outreach to FUP households to provide information on the FSS program, including but not limited to: the enrollment process; a description of available services; requirements for participation and graduation; and contact information for the program. FUP families may also receive information on the FSS program and other programs and resources offered to CHA households at their admissions/initial voucher briefing.

Permissible Motivation Selection Factors

FSS applicants may be screened for interest and motivation by using permissible motivation selection factors per HUD regulations, including requiring attendance at FSS information sessions. Reasonable accommodations will be made for individuals with mobility, manual, sensory, speech impairments, mental, or developmental disabilities. In addition, if the applicant needs either childcare or transportation to be able to attend, the FSS service provider shall assist the applicant in obtaining these support services.

Prohibited Selection Factors

CHA's selection procedures ensure that individuals are selected for participation without regard to race, color, sex, disability, familial status, or national origin. CHA will not select participants based on prohibited motivation selection factors, including educational level, educational or standardized test results, previous job history or job performance, credit rating, marital status, number of children, or other factors, such as sensory or manual skills, and any factors which may result in discriminatory practices or treatment toward individuals with disabilities or minority or nonminority groups.

Enrollment of Previous Participants

There are instances in which FSS participants need to exit the program due to unanticipated circumstances or hardships that are beyond control of the participant and/or may inhibit progress toward ITSP goals. Previous participants who exit from the program voluntarily or unsuccessfully (i.e. due to non-completion of ITSP goals), may be approved for re-enrollment into the FSS program after 12 months of being exited from the program. Re-enrollment is limited to one-time per participant. Any subsequent requests for re-enrollment will need prior approval from CHA and will be reviewed on a case-by-case basis.

Previous participants are not eligible to re-enroll in FSS if:

- the FSS participant successfully completes the FSS Program; or
- the FSS participant is terminated for non-compliance pertaining to the public housing lease and/or HCV Program, or commits any fraud, bribery, or any other corrupt or criminal act in connection with any CHA housing programs.

FSS Waitlist Procedures

FSS enrollment is continuous if there are slots available in the program. The FSS service provider shall initiate and maintain an FSS waitlist when the program is at capacity. When program slots are not available, referred individuals will be placed on the FSS waitlist in the order in which the referral or inquiry is received (i.e. date of receipt). Individuals on the waitlist will be contacted in the order in which they were added to the waitlist to enroll when program slots become available. Individuals will be removed from the waitlist if they enroll in the program, decline the slot, or are non-responsive to multiple outreach attempts. CHA will not maintain an exact limit on the number of slots available on the FSS waitlist, however CHA may temporarily close the FSS waitlist if it becomes so large that those waiting significantly outnumber anticipated available slots.

Selection Preference – FUP/FSS Demonstration

In July 2016, CHA was approved for implementation of a Family Unification Program (FUP) and FSS Demonstration (FUP/FSS Demonstration) sponsored by HUD to test the effectiveness of combining housing vouchers for eligible youth lacking adequate housing under FUP with assistance from the FSS program. FUP youth participants in the FUP/FSS Demonstration are able to extend the length of their FUP housing voucher (time-limited to 36 months) through the full term of their FSS participation. To be eligible for the FUP/FSS Demonstration, the FUP participant must be certified at the time of application by the local public child welfare agency (PCWA) to be at least 18 years old and not more than 24 years old, who left foster care at age 16 or older or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act, and who does not have adequate housing. CHA will determine eligibility for voucher assistance. FUP participants will be held to all other FSS program requirements and policies as described in this Action Plan.

To ensure prioritization of enrollment for FUP youth, CHA will utilize a selection preference for FUP youth applicants who elect to participate in the demonstration. If the program is at maximum capacity (1,250 participants), FUP youth applicants will be moved to the top of the FSS waitlist in the order in which the referral or inquiry is received. FUP youth enrolled in FSS through this selection preference will not exceed 50% of the total number of FSS slots occupied by HCV participants.

Once FUP youth have utilized the housing voucher to lease a unit, CHA staff and/or the FSS service provider will conduct outreach to the household to provide information on the FSS program and FUP/FSS Demonstration, including:

- the enrollment process;
- a description of available services to be provided during participation;
- the term of the program;
- requirements for participation and graduation; and
- contact information for FSS staff should they have any follow questions about the program.

FUP youth may also receive information on the FSS program and other programs and resources offered to CHA households at their admissions/initial voucher briefing.

FSS service provider or CHA staff will periodically follow up with FUP youth who do not enroll in the FUP/FSS Demonstration (i.e. quarterly or bi-annually) to provide additional marketing materials about the FSS program, including FSS success stories, and to address any questions about the program. Additional FSS workshops or information sessions specifically targeted to FUP youth may also be scheduled to inform participants of the demonstration program and services available.

SUMMARY OF FSS ACTIVITIES AND SUPPORTIVE SERVICES

CHA's FSS program enables participants to build financial assets while working toward educational, professional and personal goals such as:

- reducing debt/improving credit;
- earning a post-secondary degree or GED;
- enhancing job-related skills;
- starting a new career/job;
- starting a business; or
- becoming a homeowner.

FSS participation generally lasts five years. During this time, FSS Coordinators work directly with participants to set and monitor their personal goals, as well as provide coaching to empower participants as they work to achieve these goals. In addition to coaching and direct services, participants benefit from the FSS savings account that enables them to build financial assets. When participants meet goals and graduate from the program, they are eligible to receive a payout of the monies accrued throughout the duration of participation.

Identifying Support Needs

Upon enrollment, the FSS Coordinator will meet with the participant to conduct an FSS needs assessment. The needs assessment will inform the development of the Individual Training and Services Plan (ITSP) and determine supportive services needed and/or barriers to overcome for the participant to achieve the goals outlined in their ITSP to successfully complete the program. FSS Coordinators may also utilize various financial assessments to assist participants to develop individual financial goals and determine what types of financial education and coaching are needed. Ongoing needs and financial assessments may be administered by the FSS Coordinator through regular participant outreach and engagement activities to inform any changes that need to be made to the ITSP.

FSS Activities and Support Services

The FSS service provider delivers both direct service coordination and referrals to local public and private resources.

Education/Training

- FSS Coordinators make referrals to adult literacy and GED preparation courses if participants did not complete their high school diploma or GED, and/or need additional literacy courses prior to entering or advancing in the workforce.
- Participants who have completed their high school diploma or GED are encouraged to enroll in college or other post-secondary education and job training opportunities, including through CHA's Partners in Education program with the City Colleges of Chicago.
- FSS Coordinators encourage participants to attend digital literacy courses or training to advance their computer and/or other technological skills.

Employment Services

- FSS Coordinators assist participants with career planning, employment preparation soft-skills, placement, and retention support.
- FSS participants are referred to external partners and services within the community including American Job Centers, workforce programs such as CHA's Transitional Jobs or Hospitality training programs, job readiness training programs, and other community-based workforce services.

Financial Strength/Asset Building

- FSS Coordinators provide one-on-one coaching or group financial education opportunities on topics including household budgeting, credit repair and maintenance, tax preparation and filing, banking, savings, investments, and retirement planning.

Homeownership

- FSS Coordinators provide referrals to CHA's Choose to Own Homeownership program and/or other homebuyer program resources.

Support Services

- FSS Coordinators provide referrals for services including child care, workplace clothing or uniforms, transportation, or housing stability assistance (i.e. utility and weatherization programs).
- FSS Coordinators utilize coaching techniques and tools to assist participants in goal setting and working toward achievement of these personal goals.

Participant Engagement

Regular outreach and engagement activities (e.g. home visits, office visits, telephone check-ins) are scheduled with participants to review and/or adjust the ITSP, document progress toward goals, and provided needed services or referrals; frequent engagement may be necessary depending on the needs of the participant and the progress made toward FSS goals. FSS Coordinators attempt to engage each participant at least once each quarter of the calendar year.

Pursuant to the CHA FY2014 MTW Plan, FSS participants may be terminated due to non-engagement to open slots up to other households. For these purposes, engagement in the FSS program is defined as having at least one (1) face-to-face FSS progress meeting each calendar year ("annual face-to-face FSS progress meeting").

CONTRACT OF PARTICIPATION (COP)

At enrollment, participants enter into a COP with CHA. The purpose of the COP is to state the rights and responsibilities of the participant and the CHA, the resources and supportive services to be provided to the family, and the activities to be completed by the participant (i.e. FSS goals listed in the ITSP). CHA utilizes a COP that varies from the standard HUD COP (*form HUD-52650*). CHA's COP is based on *form HUD-52650* but was modified to reflect FSS activities approved through its MTW Plans, including a modified FSS savings model and enrollment of household members other than the HOH.

Establishment of the COP

The COP is effective the first day of the month after execution. The completion date of the COP is five years from the effective date, during which the participant will engage in activities to meet FSS goals and

earn pay points credits. If the participant needs additional time to complete the FSS goals, they may be approved by CHA for a contract extension of no more than two years.

In CHA's FY2017 Moving to Work Annual Plan, CHA received authorization for an exemption from the requirement that FSS enrollment must take place within 120 days of an annual or interim recertification of income and conducts rolling enrollment regardless of the timing of a participant's most recent annual or interim re-examination of income.

Individual Training and Services Plan (ITSP) Development

In conjunction with the COP, the participant completes an ITSP that establishes the final and interim goals for participation in the program. These goals enable CHA, the FSS Coordinator, and the participant to measure the participant's progress. The ITSP is a component of the COP and thus an obligation of the participant. The ITSP may be modified by the participant and the FSS Coordinator to reflect changes in personal interests and achievable goals. CHA requires that all participants set interim goals for employment and financial education activities as detailed below, however most interim goals will vary by participant depending on their individual needs.

ITSP Required Goal – Free of Welfare Assistance

To successfully complete the program all household members must be independent from welfare assistance during that last 12-months of the COP. The FSS provider shall inform each participant of this requirement regardless of whether anyone in the household is receiving welfare assistance at the time of COP implementation and include this as a mandatory goal in the ITSP.

CHA requires a signed verification in a format approved by CHA from the participant and utilizes its system of record to determine if the participant's household meets this requirement.

ITSP Required Goal - Employment Requirement

Pursuant to CHA's FY2014 MTW Plan, CHA's FSS participants are required to maintain 12-months of continuous employment during the last 12-months of the COP to be considered for successful completion and graduation from the program. In the FSS Action Plan approved by HUD in March 2015, CHA implemented this requirement for FSS participants enrolling on or after 6/1/2015. Participants enrolling prior to 6/1/2015 are held to the previous requirement to maintain 90-days of continuous employment to complete the COP.

CHA requires one or more of the following forms of verification to determine if the participant meets this requirement:

- CHA employment verification form
- employer offer letter (that includes hire date) and current paystub
- employer letter verifying current employment and hire date
- paystub that includes hire date
- W-2 or 1099 tax forms
- self-employment tax forms

Participants who experience a lapse in employment history due to unexpected termination may still be considered to meet the employment requirement on a case-by-case basis. However, for those participants with a requirement to complete 12-months of continuous employment, new employment must be attained within 90-days of the initial termination date to maintain compliance with the

employment requirement. Similarly, lapses in employment history due to seasonal employment (i.e. employed by the local school district or related service provider) may be considered, however the participant must document intent to return to work and/or exhibit a pattern of seasonal work that show that employment will be regained within 90-days of the initial termination, or separation from employment.

ITSP Required Goal - Financial Education and Coaching Requirement

CHA requires that FSS participants engage in financial education and coaching activities to successfully complete the FSS Program. Pursuant to CHA's FY2014 MTW Annual Plan, FSS participants are required to set personal financial goals and engage in financial education activities throughout participation to increase financial literacy and progress toward self-sufficiency. CHA implemented this participation requirement for FSS participants entering into a contract with CHA 6/1/2015 or after.

CHA requires a verification of completed financial education and coaching activities, including, but not limited to:

- certificate of completion;
- sign-in sheet;
- coaching session verification form; or
- financial assessment or worksheet.

ITSP Interim Goals

Participants may also include other educational, professional, or personal goals in the ITSP, including:

- reducing debt/improving credit;
- educational advancement (e.g. GED or post-secondary);
- obtaining employment;
- career advancement;
- starting a business; and/or
- homeownership.

Unlike the required goals, interim goals may be modified at any point during participation. Interim goals must also be accomplished to successfully complete the program. Completion of these goals will be verified in a manner similar to the required interim goals through the use of verification forms, etc.

COP Completion

By regulation, the COP is considered complete, and participation in the FSS program is concluded, when one of the following occurs:

- The FSS participant/household has fulfilled the obligations of the COP (including completing all of the required and self-identified ITSP goals) on or before the expiration of the Contract term, including any extension thereof; or
- (*for HCV households only*) 30% of the monthly adjusted income of the FSS household equals or exceeds the published existing housing Fair Market Rent (FMR) for the size of the unit for which the FSS family qualifies based on CHA's occupancy standards. The COP will be considered completed and the participation in the FSS program concluded on this basis even though the COP term, including any extension thereof, has not expired, and the family members who have ITSP's have not completed all the activities set forth in their plans.

All successful FSS completers must reside in a household that is compliant with the lease and/or obligations of the PH or HCV programs, and may not owe rent to the CHA or private landlord. Upon successful completion of the FSS program, participants are invited to a graduation ceremony hosted by CHA and/or the FSS service provider.

Fulfillment of COP and ITSP

CHA requires participants fulfilling all obligations under the COP to spend a minimum of three-years in the program to successfully complete FSS and receive the FSS savings funds accrued. Participants requesting to graduate from the program within the first three-years of participation will be reviewed and approved on a case-by-case basis. Participants who want to successfully complete the program in conjunction with a voluntarily transition off the housing subsidy must alert FSS program staff within 30-days of the end-of-participation in the CHA housing program.

30% of HCV Household's Monthly Adjusted Monthly Income Exceeds FMR

If the COP is completed when 30% of an HCV household's monthly adjusted income equals or exceeds FMR, the FSS participant will be considered to have completed all obligations even though household members may have not completed all the activities in their ITSP. In this circumstance, the participant must certify that no household member is receiving welfare, but the requirement to have been off welfare assistance for a year does not apply. The household does not have to be free of housing assistance to complete the COP but must be compliant with the voucher program and/or PH lease.

\$0 Housing Assistant Payment (HAP) Participants

An FSS household's income may increase during participation to the point in which the household no longer receives a HAP through the HCV program ("\$0 HAP"), however the income does not qualify participants for completion due to 30% of the monthly adjusted income exceeding FMR. Participants in a \$0 HAP household, including HOH and non-HOH adult members, may be eligible for successful completion of the program despite not completing at least three-years of FSS participation or being employed for 12-months. Instead, the participant must have been in FSS for at least one-year and must be employed at completion but not for 12-months.

COP Extension

FSS participants may be granted COP extension(s) of up to two (2) years if additional time is needed to meet one or more ITSP goals (e.g. needing additional time to remain free of welfare assistance, unable to meet employment requirement due to involuntary loss of employment). The participant must request a COP extension in writing and include a description of the need for the extension and identification of the goal that needs to be met to complete the program. These requests will be evaluated by CHA and/or the FSS service provider and approved on a case-by-case basis.

COP Termination

The COP is automatically terminated if:

- the household's housing subsidy assistance is terminated due to non-compliance; or
- if the HOH FSS participant leaves the household without requesting to successfully complete the program prior to leaving and/or transfers HOH status to another household member¹; or
- if the non-HOH FSS participant leaves the household without requesting to successfully complete the program prior to leaving.

¹ If the HOH FSS participant leaves the household, CHA will not approve the new HOH to assume the COP or retain any rights to funds accrued in the previous HOH's FSS savings account.

The COP may be terminated before the expiration of the contract term due to the following:

- the participant and CHA agree to terminate the contract;
- CHA determines that the participant has not fulfilled its responsibilities under this contract, including not achieving or providing documentation to support achievement of the goals outlined in the ITSP;
- the participant voluntarily withdraws from the FSS program;
- an act occurs that is inconsistent with the purpose of the FSS program;
- the household ports-out to another PHA; or
- other actions permitted in accordance with HUD requirements.

If the COP is terminated or incomplete the participant will forfeit FSS savings earned during participation. Termination of the COP will not affect eligibility for housing subsidy; FSS households exiting the program due to unsuccessful exit will retain the right to occupancy according to their lease, and the ACOP or HCV Administrative Plan.

Modifications to the COP

If an error is found on the COP (i.e. start date/end date) the modification is initialed by the staff making the adjustment, a case note is entered into the participant file, and the participant is notified of the change in writing and provided a new copy of the COP.

FUP/FSS Demonstration – Contract Completion and Termination

Participants of the FUP/FSS Demonstration, who can extend the length of their housing voucher through the full term of their FSS participation, will no longer receive housing assistance upon completion of the COP, regardless of whether the COP is terminated due to non-compliance or successful completion of the program. If a participant in the FUP/FSS Demonstration is terminated from the FSS program prior to completion of the COP, the participant will no longer be considered a part of the FUP/FSS Demonstration. With the FSS termination, the participant is subject to the statutory time limit of 36 months, beginning from the time the first HAP contract is signed. If the participant has been assisted for more than 36 months, their housing assistance will be terminated. In accordance with CHA's HCV Administrative Plan, the participant will be eligible for an informal hearing to appeal the termination.

FSS SAVINGS ACCOUNT MAINTENANCE AND CREDIT

One of the primary incentives of FSS program participation is the opportunity to build financial assets through the FSS savings account. When participants meet goals and graduate from the program, they are eligible to receive a payout of the monies accrued throughout the duration of participation.

CHA maintains FSS savings funds in an interest-bearing depository account.

CHA provides an annual report to the participant on the FSS savings account including, but not limited to:

- balance at the beginning of the reporting period;
- amount credited during the period;
- any deductions made from the account;
- amount of interest earned on the account; and
- total in the account at the end of the reporting period.

Modified FSS Savings Model

Pursuant to CHA’s FY2018 MTW Annual Plan, CHA adopted a modified FSS savings model in which FSS participants accrue funds by achieving specific pay points – activities and goals that align with both participant goals and FSS objectives. The pay point savings model will enable participants to earn FSS savings credits based on the attainment of various goals of the program including: employment, education, financial stability, homeownership, or transition out of subsidized housing. As participants achieve their goals, a structured incentive payment is placed into an FSS savings account.

Following is a chart detailing CHA’s FSS pay points and associated amounts.

| Category | Pay Points | Eligibility | Amount |
|--|--|----------------------|---------------------|
| Education/ Training | Completion of training/certification program | one-time | \$500 |
| | Completion of GED | one-time | \$500 |
| | Completion of Associates degree | one-time | \$750 |
| | Completion of Bachelor’s degree | one-time | \$1,000 |
| | Completion of Master’s or Doctorate degree | one-time | \$1,250 |
| Employment | Obtain new employment ² | one-time | \$250 |
| | Employment retention for 12-months | one-time per year | \$500 |
| Engagement | Completion of annual face-to-face FSS progress meeting | one-time per year | \$250 |
| | Successful completion of the FSS program | one-time | \$1,000 |
| Financial Stability/Asset Building | Engagement in Financial Education and Coaching Activities | one-time per year | \$250 |
| | Improvement of credit score | one-time | varies ³ |
| | Open and maintain a new checking or savings account ⁴ | one-time | \$200 |
| | Increase personal savings by at least \$200 | one-time | varies ⁵ |
| Housing/ Homeownership | Engagement in homeownership preparation activities ⁶ | one-time | \$500 |
| | Purchase of home | one-time | \$2,500 |
| | Transition off of the housing subsidy ⁷ | one-time | \$2,500 |
| | Transition off of the housing lease ⁸ | one-time | \$1,000 |

² May include new employment at a company or organization, self-employment defined by receipt of a 1099, or starting a self-owned business.

³ Pay point amount is double the amount of the number of points the credit score increases in 50-point intervals. 50-point increase = \$100, 100-point increase = \$200, 150-point increase = \$300.

⁴ Account must be opened at least 12-months prior to completion of the program.

⁵ Pay point amount will match up to \$1,000 of personal savings accrued over the term of participation.

⁶ Includes completion of pre-purchase counseling and mortgage qualification or lender pre-approval. Participant is eligible for this only if they have not purchased a home and are not eligible for the purchase a home pay point.

⁷ Open to HOH participants who become ineligible for CHA housing subsidy due to increased income (i.e. \$0 HAP) or who voluntarily terminate the housing subsidy due to moving into the private market or homeownership. Only graduates will be eligible for the pay point, but a previous graduate can request this pay point w/in 120 days after graduation if the transition of housing subsidy is not aligned with graduation.

⁸ Open to co-head and household member participants who are voluntarily removed from the housing lease and family composition, or who reside in a household that becomes \$0 HAP but the HOH is not in the FSS program and eligible for the Transition off of the housing subsidy pay point. Only graduates will be eligible for the pay point.

HOH participants are eligible for all of the pay points, while co-head and non-HOH participants are eligible for all pay points with the exception of the following:

- Engagement in homeownership preparation activities;
- Purchase of home; and
- Transition off of the housing subsidy.

Prior to 2018, CHA followed the traditional FSS savings model in which credits were calculated based on increases in the household's total tenant payment resulting from increases in earned income. See previous CHA FSS Action Plans for more detail on the traditional FSS savings model.

Savings Accrual and Verification

FSS participants work with FSS Coordinators to document achievement of the pay points. According to a schedule approved by CHA, the FSS service provider will submit a request form in a CHA approved format for specific escrow credit(s) to be applied, and verifications maintained in the participant file in the FSS CMTS.

CHA will apply credits at least quarterly for the following pay points:

- Completion of training/certification program;
- Completion of GED;
- Completion of Associate's, Bachelor's or Master's Degree;
- Obtaining new employment;
- Employment retention for consecutive 12-months;
- Completion of required annual face-to-face meeting;
- Engagement in Financial Education & Coaching; and
- Purchase of home.

CHA will apply credits upon successful completion of the program for the following pay points:

- Successful completion of the FSS program;
- Improvement of credit score;
- Open and maintain a new checking or savings account;
- Increase personal savings by at least \$200;
- Engagement in homeownership preparation activities; and
- Transition off the housing subsidy.

Pay points may be applied retroactively at any point during participation in the program, with the exception of those pay points that are only applied upon successful completion of the program. For example, if a participant earns an Associate's Degree in May, but does not have an annual face-to-face FSS progress meeting and provide documentation of completion of the goal to the FSS Coordinator until the following December, the pay point can still be applied to the account. However, interest on the pay point will not be applied retroactively, instead it will be accrued after the pay point is verified and credited to the FSS savings account.

Traditional FSS Savings Model

When CHA moved to the modified FSS savings model, some participants requested to remain on the traditional savings model because they were currently accruing a significant amount of monthly credits under the traditional model. CHA approved 20 participants to remain on the traditional model through the end of their COP term and will calculate their FSS savings based on increases in the household's total

tenant payment resulting from increases in earned income. Participants on the traditional savings model will still need to provide verification of activities and goal completion for the purposes of completing the COP.

Interim Disbursement of Funds

CHA permits FSS participants to withdraw FSS savings funds prior to the completion of the COP if the funds are needed for meeting a goal in the ITSP, including, but not limited to:

- purchasing a car or making repairs if a vehicle is required for work;
- tuition and/or supplies for enrollment in adult basic education courses, college, graduate school, or job training;
- start-up expenses for small business development; or
- down payment toward the purchase of a home (e.g. independently or through participation in CHA's Choose to Own Homeownership Program)

Interim withdrawal of FSS savings funds will not be approved for payment of back rent, household expenses, household bills, credit card debt, or other non-FSS goal related expenses. Participants may also consider requesting smaller amounts of funds (\$250 or less) from the FSS participant grant fund.

Participants must submit an interim disbursement request in writing, along with supporting documentation to their FSS Coordinator. Supporting documentation should include an explanation and verification of need in relation to meeting an ITSP goal. Participants must also submit a price estimate/invoice that is no more than 30-days old. Interim disbursements may not be more than 50% of the current balance of the participant's FSS savings account unless for the purposes of homeownership.

CHA FSS staff may request an in-person or telephone meeting with the participant and FSS Coordinator to review the interim disbursement request, ask any follow-up questions related to the request and/or to collect additional documentation from the participant. If requested, this meeting will take place within 10 business days of the submitted request. A determination to approve or deny the request for an interim disbursement will be sent to the FSS Coordinator within two (2) business days of the meeting.

Requests for interim disbursement will be considered on a case-by-case basis.

Within 30 days of receipt of the interim disbursement, participants must submit a receipt, bill of sale and/or account balance statement to verify the disbursement was used for its intended purpose. Failure to provide this documentation or misuse of funds may result in termination from the FSS program and/or an investigation by CHA's Office of the Inspector General. If the participant receives an interim disbursement and the participant does not complete the COP, the participant is not required to repay CHA unless the advance payment was provided based on fraudulent information from the participant.

| Interim Payout Type | Examples of Price Estimates | Examples of Proof of Purchase |
|-------------------------------------|---|--|
| vehicle purchase | <ul style="list-style-type: none"> • sales advertisement • dealership invoice • statement of loan | bill of sale |
| vehicle repairs | <ul style="list-style-type: none"> • Invoice or signed estimate of repairs from mechanic/repair shop | receipt |
| tuition and/or educational supplies | <ul style="list-style-type: none"> • tuition invoice or statement from institution • invoice for exam fees • printout from school webpage/book store with supply costs | receipt |
| business start-up expenses | <ul style="list-style-type: none"> • lease agreement, invoice for expenses/supplies | receipt |
| down payment for home purchase | <ul style="list-style-type: none"> • initial loan estimate | closing disclosure or settlement statement |

Final Disbursement of FSS Savings Funds

A participant is eligible to receive a full disbursement of their FSS savings account balance upon successful completion of the COP and completion of the ITSP goals. FSS participants have no income tax liability for funds held in the account or for payments made at the completion of the COP. All FSS savings disbursements are made directly to the FSS participant.

Forfeiture of FSS Savings Funds

The funds accrued by the participant will be forfeited if the COP is terminated due to non-compliance or non-completion of the ITSP, or the household uses their housing voucher to port-out to another PHA that does not administer an FSS program and the participation in CHA’s program is ended.

Earned Income Disregard

Pursuant to CHA’s FY2014 MTW Annual Plan, FSS participants have the option of eliminating EID to take advantage of FSS savings accrued by gaining new employment. With the implementation of the modified pay points model, eliminating EID is no longer a benefit to the participant for the purposes of FSS savings accrual.

FSS PARTICIPANT GRANT FUND

Pursuant to CHA’s FY2019 MTW Annual Plan, CHA will discontinue applying interest earned from the FSS savings account to individual participants and will instead utilize the accumulated interest to create a participant grant fund available to participants on a first come first serve, as needed basis. The FSS participant grant fund will enable participants to access support funds throughout the program, leaving their FSS savings accounts intact. All interest earned prior to March 2019 will remain with the participant.

The participant grant fund is not an emergency fund, as it may take up to 60 days from the participant’s initial request to the FSS Coordinator for receipt of the grant funds. Rather, CHA permits FSS participants to request participant grant funds if the funds are needed for meeting a long-term goal in the ITSP, including, but not limited to:

- tuition and/or supplies for enrollment in adult basic education courses, college, graduate school, or job training;

- assistance in resolving debt owed to City Colleges of Chicago if attempting to re-enroll in a training or degree program;
- assistance in resolving debt owed to the City of Chicago for parking or speeding tickets if the participant’s vehicle is required to maintain employment; or
- start-up expenses for small business development.

The FSS participant grant funds cannot be used for payment of back rent, household expenses, household bills, credit card debt, or other non-FSS goal related expenses. The limit for any grant request is \$250 and is only available to a participant one-time during participation in FSS.

Participants must submit a grant request in writing, along with supporting documentation to their FSS Coordinator. Supporting documentation should include an explanation and verification of need in relation to meeting an ITSP goal. Participants must also submit a price estimate/invoice that is no more than 30-days old.

CHA FSS staff may request an in-person or telephone meeting with the participant and FSS Coordinator to review the grant request, ask any follow-up questions related to the request and/or to collect additional documentation from the participant. If requested, this meeting will take place within 10 business days of the submitted request. A determination to approve or deny the request for grant funds will be sent to the FSS Coordinator within two (2) business days of the meeting.

Requests for use of participant grant funds will be considered on a case-by-case basis, and are limited to the funds available at the time of request.

Within 30 days of receipt of the grant disbursement, participants must submit a receipt, bill of sale and/or account balance statement to verify the disbursement was used for its intended purpose. Failure to provide this documentation or misuse of funds may result in termination from the FSS program and/or an investigation by CHA’s Office of the Inspector General. If the participant receives a grant and the participant does not complete the COP, the participant is not required to repay CHA unless the advance payment was provided based on fraudulent information from the participant.

| Participant Grant Type | Examples of Price Estimates | Examples of Proof of Purchase |
|--|---|-------------------------------|
| vehicle repairs | <ul style="list-style-type: none"> • Invoice or signed estimate of repairs from mechanic/repair shop | receipt |
| tuition and/or educational supplies | <ul style="list-style-type: none"> • tuition invoice or statement from institution • invoice for exam fees • printout from school webpage/book store with supply costs | receipt |
| debt owed to re-enroll in a training or degree program | <ul style="list-style-type: none"> • invoice or printout of amount owed • verification of payment plan, or agreement to enter payment plan | receipt |
| debt owed for parking or speeding tickets | <ul style="list-style-type: none"> • documentation of amount owed • verification of payment plan, or agreement to enter payment plan | receipt |
| business start-up expenses | <ul style="list-style-type: none"> • lease agreement, invoice for expenses/supplies | receipt |

HCV PORTABILITY

Port-Out to Another PHA

If an FSS household ports-out to another PHA, they will be terminated from CHA's FSS program. CHA will not transfer the COP or any accrued FSS funds to the receiving PHA.

Port-In to Another PHA

CHA will not take on the COP and accept an FSS household porting-in from another PHA into its FSS program due to the unique requirements for completion of CHA's FSS program and the modified FSS savings model. However, the port-in household may enroll in CHA's FSS program under a new COP.

Conflict of Interest Clause

If a CHA HCV FSS participant is identified to have a conflict of interest (i.e. an FSS HOH or family member is employed by an HCV Contract Administrator) CHA will handle the case in line with current policy and procedure according to the HCV Administrative Plan and/or policy advisories.

GRIEVANCE PROCEDURES

CHA utilizes a progressive method of addressing complaints and/or grievances from participants related to the FSS program. If a participant believes that they have received unfair treatment or disagree with a decision made by the FSS service provider or CHA staff as it relates to their FSS program participation⁹, they should follow these steps:

Step #1 – FSS Service Provider

The participant may bring the complaint/concern to the FSS service provider Supervisor, Manager, and/or Director per the FSS service provider's policy. If the participant's complaint has been escalated and addressed by the FSS service provider's Director and the participant does not feel a resolution has been achieved the participant may move onto step #2.

Step #2 – CHA FSS Staff

The participant submits their complaint/concern in writing to CHA FSS staff at fss@thecha.org. CHA FSS staff will review the complaint/concern along with relevant information submitted by the participant or contained in the participant's file. Within 10 business days of receipt of the complaint, a written determination will be provided by CHA staff to the participant. Unless otherwise requested, all responses will be sent via email to the participant.

Step #3 – Resident Services Management Committee

If the participant does not accept the determination by CHA FSS staff, they may request a face-to-face meeting with representatives from CHA's Resident Services department. The face-to-face meeting is an opportunity for the participant to present their case in-person to a committee of two or more management-level representatives from CHA's Resident Services department. A determination will be made by the Resident Services committee and provided to the participant in writing via email, unless otherwise requested, within three business days of the face-to-face meeting.

⁹ Examples include denial of graduation/program completion, denial of extension of the COP, denial of interim escrow payout, etc.

Step #4 – CHA Grievance Policy

If the participant does not accept the determination of the Resident Services committee they may request an informal hearing or formal hearing per the grievance and hearing policies and procedures adopted for the PH and HCV programs in CHA's ACOP and HCV Administrative Plan, respectively. Formal hearings are coordinated through CHA's Legal Department. Participants should consult the ACOP or HCV Administrative Plan for the process and will not go through the FSS program.

PROGRAM COORDINATING COMMITTEE (PCC)

CHA hosts various PCC groups and meetings to oversee general coordination and operation of the FSS program, including updating the FSS Action Plan, coordination of services between various CHA departments and vendors (e.g. FSS service provider, and voucher administration contractors), and developing and coordinating local resources. CHA's PCC groups include representatives from various CHA departments, contracted vendors, social service program partners, representatives from the City of Chicago and/or sister agencies, and individuals from the HCV program and PH population, including current and/or past FSS participants. CHA's PCC groups meet at various points each year. These PCC meetings are coordinated by FSS staff in CHA's Resident Services division and/or the FSS service provider, and includes representatives from various stakeholder groups depending on the type of meeting and topics to be discussed.

CERTIFICATION OF COORDINATION

To avoid duplication of services, CHA certifies the services and activities associated with its FSS program have been coordinated with HUD, local public agencies including the City of Chicago and Chicago Cook Workforce Partnership, and private and non-profit service providers, including members of the PCCs, to avoid duplication of services and activities.