

# Shelter Plus Care Program Manual

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*Department of Health  
and Human Services*

*Maine People Living  
Safe, Healthy and Productive Lives*

*Paul R. LePage, Governor*

*Mary C. Mayhew, Commissioner*

**Local Administrative Agency  
Operations Manual  
For  
Shelter Plus Care  
(LAA Manual)**

**8-1-2015**

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## Chapter 1: INTRODUCTION

### 1.1: Program Summary

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) replaced the McKinney-Vento Homeless Assistance Act. The HEARTH Act consolidated three separate McKinney-Vento homeless assistance programs (Supportive Housing Program, Shelter Plus Care (SPC) Program, and Section 8 Moderate Rehabilitation SRO program) into a single grant program known as the Continuum of Care (CoC) Program. HUD published the Continuum of Care Program interim rule in the Federal Register on July 31, 2012. The regulation took effect on August 30, 2012, and now governs the program.

The SPC program is a permanent supportive housing program (PSH) funded by the U.S. Department of Housing and Urban Development (HUD), through Maine's Continuum of Care system, designed to provide rental subsidies and supportive services to homeless individuals with disabilities. SPC is primarily administered by a Central Administrative Agency (CAA) and a network of Local Administrative Agencies (LAA) throughout the state, which have committed to providing supportive services and rental assistance. Following a Housing First model, and statewide initiatives from Maine's CoCs, SPC recipients are encouraged to accept supportive services with the goal of long-term stability in permanent housing.

The collaboration of local providers, municipalities, state agencies, the CoC, and the federal government, is the backbone of existing permanent supportive housing programs. Program participants are encouraged to work towards greater stability and self-sufficiency by developing short and long term goals with their service provider. Service providers assist individuals with various housing related needs including communication with their landlord. Participants are encouraged to pursue services such as treatment, case management, educational and job training opportunities.

## 1.2: Program Contacts

<b>Local Administrative Agents</b>		
<b>Penobscot, Washington, Hancock, Piscataquis Counties</b>	<b>Aroostook County</b>	<b>Lincoln, Sagadahoc, Waldo, Knox, Lincoln Counties &amp; Brunswick, Harpswell, Freeport</b>
Meredith Gardner Community Health and Counseling PO Box 425 Bangor, ME 04402 207-947-0366 ext. 4412	James McClay AMHC Facilities, Inc. Sky Haven 2 Airport Drive Presque Isle, ME 04769 207-764-0759	Rita De Fio Sweetser MH 329 Bath Road #1 Brunswick, Maine 04011 207-373-3049
<b>Androscoggin, Franklin &amp; Oxford Counties</b>	<b>Somerset, Kennebec Counties</b>	<b>Cumberland &amp; York Counties</b>
Karen Bate-Pelletier Common Ties 140 Canal Street PO Box 1319 Lewiston, ME 04243 207-795-6710 ext. 101	Brandi Farrington Kennebec Behavioral Health 67 Eustis Parkway Waterville, Maine 04901 207-873-2136 ext. 1241	Wendi Saracino Shalom House, Inc. 106 Gilman Street Portland, Maine 04102 207-874-1080 ext. 123
<b>Rental Assistance Manager</b>	<b>Subsidies Director</b>	<b>CAA Coordinator</b>
Chet Barnes State of Maine DHHS-SAMHS Augusta, ME 04333 207-557-5030	Virginia Dill Shalom House, Inc. 106 Gilman Street Portland, Maine 04102 207-874-1080 ext.147	Angela Sequeira Shalom House, Inc. 106 Gilman Street Portland, Maine 04102 207-874-1080 ext. 289

## Chapter 2: DEFINITIONS

### 2.1: Permanent Supportive Housing

Permanent Supportive Housing is community based housing without a designated length of stay. This housing model provides supportive services to assist homeless persons with disabilities to live independently. PSH can only provide assistance to individuals with disabilities and families in which one adult *or* child has a disability. Supportive services designated to meet the needs of the program participant must be made available to the program participants.

Maine's application to HUD targets homeless persons with mental illness, chronic substance use, dual diagnosis, and HIV/AIDS. The program will also accept and process applications with other HUD identified eligible populations.

### 2.2: Chronic Homelessness

The term 'chronically homeless' means, with respect to an individual or family, that the individual or family-

- (i). Is homeless and lives or resides in a place not meant for human habitation, a safe haven, or in an emergency shelter;
- (ii). has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least 1 year or on at least 4 separate occasions in the last 3 years; and
- (iii). has an adult head of household (or a minor head of household if no adult is present in the household) with a diagnosable substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability, including the co-occurrence of 2 or more of those conditions. [HEARTH Act of 2009]

### 2.3: Long-Term Stayer

Maine's Long Term Stayer (LTS) initiative consists of individuals/families that are homeless for 180 days or longer within a 12-month period. The LTS Homeless Initiative has been written into the HUD application. This initiative complies with HUD's goal of ending chronic homelessness. The initiative's main goal is to house individuals who are at risk of becoming chronically homeless. In addition to dedicated chronic homeless vouchers, the intention of the LTS initiative is to expedite the elimination of chronic homelessness by targeting vulnerable populations prior to becoming chronically homeless.

## 2.4: Literal Homeless

Literal homeless definition: **(1)**. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: **(i)**. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; **(ii)**. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or **(iii)**. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution; **(2)**. An individual or family who will imminently lose their primary nighttime residence, provided that: **(i)**. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance; **(ii)**. No subsequent residence has been identified; and **(iii)**. The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing; [CFR 24.91]

## 2.5: Transitional Housing for Homeless

Transitional Housing means a project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months, or a longer period approved by HUD. [24 CFR 91.5]

## 2.6: Domestic Violence

Any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions in the individual's or family's current housing situation, including where the health and safety of children are jeopardized, and have no other residence and lack the resources or support networks to obtain other permanent housing. [HEARTH Act of 2009]

## 2.7: Disability

The definition of disabled that is used as the basis for determining eligibility in the SPC program is: **(1)**. A household composed of one or more persons at least *one adult or child* has a disability. **(2)**. A person shall be considered to have a disability if such person has a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such nature that such ability could be improved by more suitable housing conditions. **(3)**. A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability, that: **(i)**. Is attributable to a mental or physical impairment or combination of mental and physical impairments; **(ii)**. Is manifested before the person attains age 22; **(iii)**. Is likely to continue indefinitely; **(iv)**. Results in substantial functional limitations in three or more of the following areas of major life activity: **(a)**. Self-care **(b)**. Receptive and expressive language; **(c)**. Learning; **(d)**. Mobility; **(e)**. Self-direction; **(f)**. Capacity for independent living; AND **(g)**. Economic self-sufficiency; AND **(h)**. Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated. [24 CFR 582.5]

## Chapter 3: ELIGIBILITY FOR ASSISTANCE

### 3.1: SPC Permanent Supportive Housing Eligibility

To meet the needs of Maine's most vulnerable homeless population and in conjunction the statewide homeless council and Continuums of Care, Maine has modified its application to HUD. Applicants must meet homelessness, disability and income criteria, as defined by the HEARTH Act. DHHS program has created a priority system for defining the vulnerability of homeless persons. Applicants' homeless status is prioritized as one of the following:

- A. Chronically Homeless
- B. Long-Term Stayer
- C. Literally Homeless
- D. Transitionally Homeless (Individuals and families coming from transitional housing must have originally come from the streets or emergency shelter)
- E. Victim of Domestic Violence Situation

This priority system is designed to award vouchers first to applicants that demonstrate the greatest severity of need. The SPC program understands that unique circumstances exist and may award reasonable accommodations, as resources permit, for vulnerable homeless persons.

The HEARTH Act outlines federal eligibility requirements for homelessness and disabilities. The program participant recordkeeping requirements and acceptable forms of evidence for homeless status, as well as disability verification are detailed in resources available on HUD Exchange. We encourage you to refer to these materials, as program participant eligibility documentation is a complex topic. Below is brief overview.

Applicant must meet the following criteria to meet SPC program eligibility:

- 1). Homeless, as defined by the McKinney-Vento Homeless Assistance Act As Amended by S. 896 HEARTH ACT of 2009 as funded by the U.S. Department of Housing and Urban Development [42 USC 11302]; **AND**
- 2). Disabled, as defined by the U.S. Department of Housing and Urban Development [24 CFR 582.5]**AND**
- 3). Income, the household's annual income at application and project entry may not exceed the very low income limits.

The following section provides a brief overview of the requirements for each situation:

#### A. Homelessness

1. Place not meant for human habitation: Certification from an outreach worker or organization on respective agency letterhead signed and dated, along with dates that

homelessness was witnessed. If unable to verify in this manner, the participant or staff member may prepare a short written statement about the participant's previous living place with dates of homelessness and have the participant and /or staff member sign the statement and date it.

- a. Suitable documentation:
  - i. Written on Letterhead.
  - ii. Duration of homelessness is dated.
  - iii. Document is signed and dated by third-party.
2. Emergency Shelter: Written, signed and dated verification from the shelter on their letterhead, stating the individual has been a resident along with dates of residency. HMIS data is acceptable third-party verification.
3. Transitional Housing for Homeless: Written, signed, and dated verification from the transitional program on their letter head stating the individual is a resident **and** homeless verification which meets the standards listed above for shelter or street living situations stating the individuals homeless status when he or she entered the program.
4. Domestic Violence: Documentation of the original incidence of domestic violence, dating violence, sexual assault, or stalking. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household. **The written referral or observation need only include the minimum amount of information necessary to document that the individual or family is fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, or stalking. HUD does not expect that the written referral contain specific details about the incidence(s) of violence that occurred proper to the victim fleeing, or attempting to flee.**

## **B. Disability**

1. Applicant disabilities will be verified using the Disability Verification Form attached to the Shelter Plus Care application (Form F22: SPC Application). This form must be completed by a qualified professional with one of the following credentials: MD, DO, LCPC, APRN-BC, NP, PA, psychologist, or another person licensed by the State of Maine to diagnose and treat the conditions listed on the Disability Verification Form.

### **C. Income**

1. Income, the household's annual income at application and project entry may not exceed the very low income limits, as established by the U.S Department of Urban Development (HUD). Income limits can be viewed at:

<http://www.huduser.org/portal/datasets/il.html>

Please note that specific URL links are updated independently from the SPC program and are subject to change.

## Chapter 4: APPLICATION INFORMATION

### 4.1: Application Introduction

The purpose of the SPC Application is to collect relevant applicant information necessary to assist in determining program eligibility. Application information is important to HUD for not only overall program eligibility, but also to prioritize the length of time homeless and severity of need. It is a program expectation that the entirety of the application is filled out completely prior to being accepted along with the following verifications:

- A.** Homeless verification must document the living situation within 14 days of application submission and upon assignment of a housing voucher.
- B.** Disability verification must be no older than within 90 days of application submission.
- C.** Household income at project entry may not exceed the very low income limits, as established by the U.S Department of Urban Development (HUD). Social Security income can be verified through the yearly statement (Form F20) or a requested statement from the Social Security office that is no older than 120 days from application submission. All other income verification must be no older than 120 days.

### 4.2: Homeless

In general, an individual or family is considered homeless under the following categories and are eligible for permanent supportive housing assistance if they are literally homeless or attempting to flee domestic violence.

More specifically, an individual or family is considered literally homeless if:

- A.** An individual or family who lacks a fixed, regular, and adequate nighttime residence;
- B.** An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- C.** An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing);
- D.** An individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided;

- E. Any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions in the individual's or family's current housing situation, including where the health and safety of children are jeopardized, and who have no other residence and lack the resources or support networks to obtain other permanent housing.

Note: Individuals being discharged from the Riverview Psychiatric Center (formerly Augusta Mental Health Institute) or Dorothea Dix Psychiatric Center (formerly Bangor Mental Health Institute) are not considered homeless. Persons cannot be discharged to homeless situations from these institutions and therefore they are not eligible for the PSH rental assistance program. DHHS Bridging Rental Assistance Program is a viable option for most persons leaving these institutions.

### 4.3: Disability

Key to the definition of disability is determining that the impairment is of **long-continued and indefinite duration** AND **substantially impedes** the person's ability to live independently. For example, drug or alcohol abuse, or an HIV/AIDS condition that does not substantially impede a person's ability to live independently **does not** qualify as a disability in the SPC Program. Written documentation that a person's disability meets the program definition must come from a credentialed psychiatric or medical professional trained to make such a determination. The possession of a title such as case manager or substance abuse counselor does not by itself qualify a person to make that determination.

The following are a list of qualified professional credentials that are acceptable on the Disability Verification Form:

- A. MD, DO, LCPC, LCSW, NP, PA, Psychologist, or any person in the state of Maine that is licensed to diagnose and treat persons with the conditions listed.
- B. An LADC credential is only acceptable for those applicants with a substance abuse disability.

The following items outline the qualifications of a disability status:

- A. If applicant has the disability it must be documented. Verification must be no older than 90 days from application submission. Acceptable documentation is the Disability Verification form attached to the Shelter Plus Care Application (Form F26).
- B. If a household member that will be residing in the unit at time of move-in has the disability it must be documented. Verification must be no older than 90 days.
- C. If the voucher holder **does not** have a disability they must still provide documentation that they were homeless within 14 days of application submission. However, a Disability Verification Form must be completed and signed by a qualified profession for the qualifying disabled household member.

**D. List of all acceptable disabilities for SPC program:**

1. Severe Mental Illness
2. Chronic Alcohol Abuse
3. Post- Traumatic Stress Disorder
4. AIDS/HIV
5. Chronic Drug Abuse
6. Brain injury
7. Physical disability
8. Developmental disability
9. Other: Specify

**E. Exceptions to the disability form only apply in the following circumstance:**

An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, maybe considered to have a developmental disability without meeting three or more of the criteria described in the above paragraphs (refer to page 4 of the SPC Application) through the definition of ~~a~~developmental disability in this section if the individual, without services and supports, has a high probability of meeting these criteria later in life.

*NOTE: If a household member has the disability and they leave the household at any point the voucher holder becomes ineligible **unless** they can provide documentation that they or another member of the household has a disability.*

#### **4.4: Income**

The household's annual income at application and project entry may not exceed the very low income limits, as established by the U.S Department of Urban Development (HUD):

<http://www.huduser.org/portal/datasets/il.html>

Please note that specific URL links are updated independently from the SPC program and are subject to change.

## 4.5: Completing the Application

This section includes descriptions on how to complete the SPC Application.

- A. ITEM 1 - 6: Demographic information - All demographic questions are expected to be filled out completely.
  
- B. ITEM 7 - 8: Contact Information - Items 7 and 8 refer to mailing address and phone number.
  
- C. ITEM 9: Correspondence:
  - (i). Payee: Indicate if the applicant has a payee. If yes, provide the name, address, and contact information.
  - (ii). Referral Service Provider: Indicate if you want correspondence shared with referral agency.
  - (iii). Case Manager: Indicate if the applicant has a case manager. If yes, provide contact information.
  - (iv). Guardian: Indicate if applicant has a guardian. If yes, the guardian must sign all paperwork in place of applicant.
  
- D. ITEM 10: Past Rental Subsidies - Indicate whether or not the Applicant has received SPC or other rental assistance in the past, and if so, indicate where, when, and the reason for leaving assistance program.
  
- E. ITEM 11: Household Information - List everyone that will **occupy the unit**, and include relationship to Applicant and Date of Birth. Indicate if anyone in the household is pregnant.
  
- F. ITEM 12: Financial Information - List all income sources and amounts received per month, as well as assistance sources received. Chapter 5: Income/Assets goes into greater detail about acceptable forms of income. ATTACH VERIFICATION FOR ALL INCOME AMOUNTS.
  
- G. ITEM 13: Current Housing - Indicate the applicant's current housing situation. Provide documentation to verify any information noted on the application.
  
- H. ITEM 14: Disabilities - Check all disabilities that have been *verified* for the applicant. Applicant must be verified by a licensed clinical professional that they meet HUD's definition of disability. THE VERIFICATION OF DISABILITY FORM MUST BE COMPLETED AND ATTACHED.
  
- I. ITEM 15: Release - Must be filled out completely or application is not valid.
  
- J. ITEM 16: Disability Verification Form - Form must be filled out and signed by a qualified professionally licensed to diagnose and treat disabilities listed on disability form. This form must be filled out for the household member with the qualifying disability.

## Chapter 5: INCOME / ASSETS

### 5.1: Income/Assets Verification

All income received by the tenant and any household members must be verified by the Local Administrative Agency (LAA) prior to move in and at annual certification. All income benefits should always be verified at **move in** even if the tenant is claiming zero income. If the tenant and/or adult household members do not have income, a Statement of No Income Form (Form F24) must be completed for each individual. All verifications must be documented in the tenant's file. Three methods of verifications are acceptable. They are, in the order of acceptability:

- A. Source documents (e.g., most recent wage statements, unemployment compensation statements, social security, TANF, state supplement, child support, bank statements) for the assets held by the program participants and income received; **OR**
- B. To the extent that source documents are unobtainable, written statements by the relevant third-parties (e.g., employer, government benefits administrator, shelter staff) or written certification by the recipients or sub recipients intake staff; **OR**
- C. To the extent that source documents and third-party verification are unobtainable, written certification by the program participants of the amount of income that the program participants are reasonably expected to receive. See Form F21: Self-Certification of Income Form.

If a client receives the maximum SSI payment and/or the Maine State Supplement, the LAA may use Form F20 Self-Certification of Monthly Maximum Social Security Payments for verification. This form can be used at move-in and annual certifications.

*NOTE - As stated in the program eligibility section: The household's annual entry income may not exceed the very low income limit, as established by the U.S. Department of Housing and Urban Development, and the household must need the subsidy in order to qualify for initial Shelter Plus Care acceptance. Once accepted to the program under the very low income limits, a household may not be terminated for income level amounts until their adjusted rent amount covers the cost of the apartment rent and utilities.*

### 5.2: Income

#### Income Includes:

- A. The gross amount (before any payroll deductions) of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensations for personal services. See Form F4: Employment Worksheet.
- B. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An Allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in IRS regulations. Any withdrawal of cash or assets from the operation of a business or

profession will be included in income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.

- C.** Interest, dividends and other net income of any kind from real or personal property. Where a family has net family assets in excess of \$5000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD. Effective February 1, 2015, the passbook savings rate to be used for all move-in, initial, annual, and interim recertifications when a family has net assets over \$5,000 is .06%. This .06% rate must be used until Multifamily Housing publishes and makes effective a new passbook savings rate.
- D.** Periodic amounts Social Security, annuities, insurance policies, etc:
  - (i).** The gross amount (before deductions for Medicare, etc.) of periodic social security payments. Includes payments received by adults on behalf of minors or by minors for their own support. Note: If Social Security is reducing a family's benefits to adjust for a prior overpayment, use the amount remaining after the adjustment.
  - (ii).** The full amount of periodic amounts received from annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount.
  - (iii).** Lottery winnings paid in periodic payments. (Winnings paid in a lump sum are included in net family assets . not in Annual Income).
- F.** Payment in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. Any payments that will begin during the next 12 months must be included.
- G.** Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program.
- H.** Periodic and determinable allowances for child support, alimony, gifts, etc:
  - (i).** Alimony and child support, as awarded as part of a divorce or separation agreement. Income does not have to be counted if a tenant certifies the income is not being provided and the tenant takes all reasonable legal actions to collect amounts due, including filing with appropriate courts or agency responsible for enforcing payment.
  - (ii).** Regular contributions or gifts received from organizations or from persons not residing in the unit. (Includes rent or utility payments regularly paid on behalf of the tenant).
- I.** Armed Forces Income . All regular pay, special pay and allowances of a member of the Armed Forces. (Except the Armed Forces Hostile Fire Pay paid to a family member who is exposed to hostile fire.)

## **Income Does Not Include:**

- A.** Lump-sum additions to family assets, such as inheritances, cash from sale of assets; one-time lottery winnings; insurance payments (including payments under health and accident insurance and workers compensation) capital gains and settlement for personal or property losses.
- B.** Meals on Wheels or other programs that provide food for the needy; groceries provided by person not living in the household.
- C.** Lump sum income received as a result of deferred periodic payments of Social Security and SSI benefits are excluded from annual income in all housing programs.
- D.** Amounts received that are specifically for or in the reimbursement of, the cost of medical expenses for any family member.
- E.** Adoption assistance payments in excess of \$480 per adopted child.
- F.** Deferred periodic payments of SSI or Social Security benefits that are receive in a lump sum amount or in prospective monthly amounts.
- G.** The full amounts of educational scholarships or financial assistance paid directly to the student or to an educational institution.
- H.** The full amount of educational scholarships paid by the government to a veteran.
- I.** Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs.
- J.** Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit.
- K.** Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments.
- L.** Hazardous duty pay to a family member serving in the Armed Forces who are exposed to hostile fire.
- M.** Payments received under training programs funded by HUD.

- N.** Amounts received by a disabled person that are disregarded for a limited time for purposes of supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
  - (i).** Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of pocket expenses incurred (special equipment, clothing, transportation, child care) and which are made solely to allow participation in a specific program.
- O.** Temporary, non-recurring or sporadic income (including gifts).
- P.** Grants or other amounts received especially for out of pocket expenses for participation in publicly assisted programs and only to allow participation in these programs. These expenses include special equipment, clothing, transportation, child care, etc.
- Q.** Income of a live-in aide.
- R.** Compensation from State and Local employment training programs and training of a family member as resident management staff.
- S.** Reimbursement of child care to the family by persons not living in the household.
- T.** Amounts specifically excluded by Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609:
  - (i).** The value of the allotment provided to a person for Food Stamps.
  - (ii).** Payments to volunteers under the Domestic Volunteer Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparent Program, youthful offenders incarceration alternatives senior companions).
  - (iii).** Payments, rebates or credits received under Federal, Low-Income Home Energy Assistance Programs.
  - (iv).** Payments received under programs funded whole or in part under the Job Training Partnership Act of 1998 (employment and training programs for native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, State job training programs, career intern programs).
  - (v).** Payments received from programs funded under Title V of the Older Americans Act of 1965, including Older Americans Community Service Employment Program, Green Thumb and Senior Aides Program.
- U.** Employment income of children younger than 18 (including foster children) and employment income of full-time students 18 and older in excess of \$480 (except head of household and spouse).
- V.** Payments in excess of \$480 per child received for the care of foster children or foster adults (usually person with disabilities, unrelated to the tenant family, who are unable to live alone.)

## **W. Loans**

- X.** Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
- Y.** Income earned from qualified employment training programs in which there are clearly defined goals and objectives, a limited period is determined in advanced, and it is clearly an employment training program. Compensation from State or Local employment training programs and training of a family member as resident management staff.
- Z.** Reparation payments from foreign governments in connection with the Holocaust.
- AA.** Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.
- BB.** Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- CC.** The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care under the Child Care and development Block Grant Act of 1990.
- DD.** Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- EE.** The first \$2,000 for per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interest of individual Indians in the trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interest held in such trust or restricted lands.

## **5.3: Assets**

### **Assets Include:**

- A.** Current amounts in savings accounts and the average balance for the last six months for checking accounts. Also include cash held at home or in a safe deposit box.

- B.** Cash value of revocable trusts. A revocable trust can be changed by the grantor at any time and is therefore counted as an asset.
- C.** Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset.
- D.** Stocks, bonds, Treasury Bills, certificates of deposit, money market funds.
- E.** IRA, Keogh and similar retirement savings accounts, even though the withdrawal would result in a penalty.
- F.** Some contributions to company retirement/pension funds. Include contributions while an individual is employed, count only the amount the family can withdraw without retiring or terminating employment. After retirement or terminating, count as an asset any amount the employee elects to receive as a lump sum.
- G.** Surrender value of whole life or universal insurance policy.
- H.** Personal property held as an investment (such as jewelry or antiques).
- I.** Inheritances, lottery winnings, capital gains, insurance settlements and other lump sum amounts are considered assets.
- J.** Mortgages or deed of trust held by a family member. The value of the asset is determined by calculating the unpaid principal at the end of the 12-month period following certification. Each year this balance will decline as more principal is paid off.

**Assets Do Not Include:**

- A.** Personal property not held as an investment.
- B.** Assets that are a part of an active business or farming operation. Note: Rental properties are considered personal assets held as an investment rather than business assets unless real estate is the tenants main occupation.
- C.** Assets a tenant legally owns but are not accessible by the tenant (e.g., a battered spouse owns a home with her husband, but because of the domestic situation, she receives no income from the asset and cannot convert it to cash).
- D.** Assets that are not effectively owned by the applicant (i.e., when asset is held in tenant name).  
But:
  - (i).** Asset and income from the asset accrue to someone else, and
  - (ii).** That other person is responsible from paying taxes on the income.

(iii). Not to be confused with joint ownership.

E. Value of life insurance policies.

F. Interest in Indian trust lands.

G. Equity in cooperatives in which the family lives.

#### **5.4: CHILD SUPPORT**

Annual child support income will be determined by annualizing the amount awarded as part of a divorce or separation agreement. The documentation for this income may be either divorce or separation document or court document ordering a specific garnishment of the non-custodial parent's income. In the case of informal separations a self-certification document signed by both parties will be considered.

*Example: Court documents show \$100 will be paid weekly to custodial parent.*

*Calculation:  $\$100 \times 52 = \$5,200$   $\$5,200/12 = \$433$  monthly child support income*

*Child support income does not have to be counted if a tenant certifies that no child support income is received anytime throughout the recertification year. In order to invoke the exclusion of child support income the tenant must take all reasonable legal actions to collect amounts due, including filing with appropriate courts or agency responsible for enforcing payment.*

If a tenant begins receiving child support payments after an income certification they must report this income to the LAA within 10 working days.

#### **5.5: DEPENDENT ALLOWANCE:**

\$480 is allowed for each household member for each household member who is 17 years or younger, disabled, or is a full-time student. The head spouse, foster child, adult live-in attendant, unborn child or child that has not joined the family are never counted as dependents.

A full-time student is defined as an individual carrying a full-time course load and is enrolled in a certificate or degree program at an institution.

#### **5.6: CHILD CARE & SUPPORT EXPENSES:**

Anticipated expenses for care of children 12 and younger may be deducted if:

A. Care is necessary to allow a family member to go to work or school,

- B.** No adult household member capable of providing care is available,
- C.** Expenses are not paid to a family member living in the unit,
- D.** The expense is not reimbursed by an agency or individual outside the household, **AND**
- E.** Amount deducted reflects reasonable child care expenses and does not exceed the amount earned by a working family member.

Child care allowances attributable to the work of a full-time student (except for the head spouses and co-head) is limited to \$480 since the employment income of full-time students in excess of \$480 is not counted in the annual income.

**Child support payments** to guardians or estranged partners or child care payments on behalf of a minor who is not living in the applicant household cannot be deducted.

## Chapter 6: HOUSEHOLD DEFINITION AND UNIT SELECTION

### 6.1: Household Definition

A household is all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. In calculating annual household income, income from each adult member of the household is to be considered.

### 6.2: Household Composition

SPC applicants must identify on their initial program application all persons expected to reside in the household. Upon entry into the SPC program, all persons expected to reside in the household will be confirmed by the LAA and their information will be documented through the completion of program Move-In forms.

Any changes in household composition must be reported by the tenant to the LAA. The additions or subtraction of household members may affect the unit income level and eligible unit size; therefore a new rental calculation form must be completed.

In addition, a Move-In (Form F13) or Move-Out (Form F14) must be completed for each new or existing person regardless of their age.

### 6.3: Unit Size

The following factors will be considered in determining the unit size:

- A. Number of persons
- B. Relationship of persons
- C. Need to avoid overcrowding, maximize the use of space, and minimize the subsidy costs where possible

Rules for children:

- A. All children expected to reside in the unit must be counted (e.g. unborn children, children in the process of being adopted, children who are subject to a joint custody agreement and live in the unit at least 50% of the time). A copy of the custody agreement or other equivalent document must be retained in the tenant file.

- B.** Live-in attendants, foster children, and children who are temporarily absent due to placement in a foster home are also counted when determining unit size
- C.** Children who are away at school, who live with the family when school recesses, may be counted
- D.** Adult children on active military duty and permanently institutionalized family members are not included in the bedroom count

At least one bedroom or living/sleeping room for every two persons; however, in general, no more than two persons are required to occupy a bedroom.

The maximum number of bedrooms allowed is:

- A.** 1BR for head of family/spouse/partner.
- B.** 1BR for multi-generation member or other adult not covered in above bullets.
- C.** 1BR for approved live-in aides.

The number of bedrooms allowed for children is: Children may share a bedroom with a parent, if the parent so wishes. In addition, children must not be required to occupy the same bedroom or living/sleeping room if the parent so chooses.

A participant may request to be assigned a larger unit as a reasonable accommodation. Such requests must be made in writing to the LAA and approved by DHHS. In all cases, local, state, or federal rules, regulations, or ordinance will take precedence over the above stated policies should a conflict arise.

#### **6.4: SRO**

An individual who is offered a Single Room Occupancy may also opt to go on a waiting list for a 1BR upgrade. When a 1BR slot becomes available on the grant in which the tenant is housed, it is first offered to those tenants who are residing in a room and then to others who qualify for that unit size

#### **6.5: Live-in Aide**

A live-in aide is a person who resides with an elderly, handicapped or disabled person who:

- A.** Is determined essential to the care and well-being of the person; **AND**
- B.** Is not obligated for the financial support of the person; **AND**

**C.** Would not be living in the unit except to provide the necessary supportive services.

Verification that the live-in aide is essential to the care or well-being of the tenant is required. A live-in aide qualifies for occupancy only so long as the individual needs support services and may not qualify for continued occupancy as a remaining household member. The income of a live-in aide is not counted as a part of the household income.

## **Chapter 7: HOUSING QUALITY STANDARDS (HQS)**

### **7.1: Move-In Inspection**

The LAA shall have on staff an individual who holds a valid certificate as a Housing Quality Standards Inspector, as covered under 24 CFR Part 982. An HQS inspection must be conducted by an HQS trained inspector or co-signed by an HQS trained inspector prior to a tenant moving into a unit. A Housing Assistance Payments (HAP) Contract (Form F6: HAP Contract) will not be entered into between the landlord and LAA for units that fail to meet HQS at Move-In inspection.

All initial inspections should be conducted with the landlord or management agent present.

The HQS Long Form 52580-A must be utilized on initial inspections (Move-In and Unit Transfer inspections). See Form F10.1 HQS Long Form.

### **7.2: Annual Inspection**

At least annually, HQS inspections must be conducted for all SPC subsidized units. If the unit fails the annual HQS inspection, the landlord or tenant will be given 30 days to correct the deficiencies. The landlord, tenant and service providers will be given written notification of any deficiencies and a re-inspection must be scheduled prior to the 30<sup>th</sup> day to determine compliance. If deficiencies represent an immediate danger (life threatening) to the household's health and safety, the failed item(s) must be corrected within 24 hours. The HAP will not be paid for units that fail to meet HQS unless the owner corrects any deficiencies and the LAA verifies that all deficiencies have been corrected within 30 days from the date of the inspection. If the deficiency is a life-threatening condition and is not corrected within 24 hours, the LAA must withhold the HAP. The HAP must be withheld on the first of the month following the failure to comply. If the deficiency(ies) has not been made by the 60<sup>th</sup> day following the annual inspection, the tenant must find another unit which meets HQS to continue on the program (See Section 10.1: Extensions for the policy on extensions).

The HQS Short Form 52580 (Form F9) may be utilized after the initial inspection, that is, on subsequent annual inspections. The short form should also be utilized for re-inspections resulting from special HQS inspection requests made by persons including but not limited to: the SPC recipient, landlord, caseworkers, or other service and/or housing providers.

### **7.3: Move-Out Inspection**

An HQS inspection must be conducted to determine the condition of the unit as soon as possible after a tenant moves out of a unit. This will aid in determining if the unit sustained damage since the move-in or last annual HQS inspection, or if the unit has sustained wear and tear beyond what would be considered normal for the period of time the tenant occupied the unit. The determination of normal

wear and tear should be based upon the condition of the unit at time of move-in or improvements made to the unit during the tenancy. See Form F10: Move-Out Inspection.

#### **7.4: Lead Paint**

Lead is a toxin that can be especially harmful to children under the age of 6. Before the risk to young children was known, it was used in many products (ex. before 1978 it was found in paint). Paint bought today does not have lead in it; however older houses often still have old lead paint. Lead dust from old paint is the most common way children get lead poisoning. See Appendix 11: *Protect Your Family in your Home* Brochure.

To learn more about Lead Paint and what you can do about it please visit the Maine Center for Disease Control & Prevention website:

<http://www.maine.gov/dhhs/mecdc/environmental-health/eohp/lead/>

Also, visit HUD's Office of Lead Hazard Control and Healthy Homes (OLHCHH):

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/healthy\\_homes](http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes)

Please note that specific URL links are updated independently from the SPC program and are subject to change.

#### **7.5: Radon**

Radon, a colorless, odorless gas, is the second leading cause of lung cancer. High levels of radon gas occur naturally in Maine soil and water, and can move up into a house from the ground. The house then traps the radon in the air inside. Radon gas can also dissolve into well water, which is then released into the air when you use the water. Simple air and well water tests can show whether home radon levels meet state and national safety guidelines.

For more information about Radon and what you can do to protect yourself, please visit the Maine Center for Disease Control & Prevention's website on Radon:

<http://www.maine.gov/dhhs/mecdc/environmental-health/rad/radon/hp-radon.htm>

Please note that specific URL links are updated independently from the SPC program and are subject to change.

Appendix A13: Radon FAQ is also a resource that can be used for information on Rental Building Radon Testing.

## 7.6: Carbon Monoxide

Carbon monoxide, or CO, is a gas that can cause sickness, coma or death when it builds up in enclosed spaces. It is not seen, does not smell and cannot be tasted. Warning signs of poisoning include headache, nausea, vomiting, dizziness, drowsiness, and confusion, but no fever. Carbon monoxide exposure results in over 100 emergency department visits each year in Maine. Every home in Maine should have a carbon monoxide detector - about half of Maine homes do not have a carbon monoxide detector. For more information about Carbon Monoxide please visit [www.maine.gov](http://www.maine.gov). The following websites are helpful resources:

<http://www.maine.gov/dhhs/mecdc/environmental-health/eohp/air/co.htm>

AND

<http://www.maine.gov/dhhs/mecdc/environmental-health/eohp/air/documents/cotipsheet.pdf>

Please note that specific URL links are updated independently from the SPC program and are subject to change.

## Chapter 8: RENT REASONABLENESS

### 8.1: Rent Reasonableness

Shelter Plus Care funding is based on Fair Market Rents (FMRs) as established by the U.S. Department of Housing and Urban Development (HUD) and which are updated on an annual basis. FMR schedules are published annually by HUD and are widely available from your local Public Housing Authority, administrative agent, or the Maine State Housing Authority. Visit HUD's website to view yearly FMR documentation:

<http://www.huduser.org/portal/datasets/fmr.html>

Rents for units leased with SPC assistance must meet a "rent reasonableness" test. This section describes this standard for rents and how a reasonable rent is documented

SPC program operators must determine whether the rent being charged for an assisted unit is both:

- A. Reasonable in relation to rents being charged for comparable unassisted units with similar features and amenities; **AND**
- B. Not more than rents currently being charged by the same owner for comparable unassisted units. [See Section 582.305(b)]

The SPC utilizes [Socialserve.com](http://socialserve.com) Rent Comparison to determine and survey what rents are considered reasonable for the different regions of the state. [Socialserve.com](http://socialserve.com) is an online tool containing the most recent inventory and pricing for apartments throughout Maine. Each LAA must utilize this tool, through password protected access. Additional passwords can be obtained from socialserve.com as necessary.

The Rent Comparability Worksheet must be completed and printed from [Socialserve.com](http://socialserve.com) for each unit at time of rent-up and whenever the rent changes. This documentation must be kept in project files for the full period SPC assistance is provided.

## Chapter 9: PRIORITIZATION

### 9.1: Introduction

In an ongoing effort to best serve the most vulnerable and those experiencing chronic homelessness, each LAA is expected to manage a client prioritization spreadsheet. The SPC program has a prioritization protocol to aid the strategic allocation of resources to end chronic, family, veteran, and youth homelessness. The homelessness component of resource allocation is prioritized in the following order:

- A. Chronically Homeless
- B. Long Term Stayer
- C. Literally Homeless
- D. Graduating from Transitional Housing
- E. Fleeing Domestic Violence

The definition of each priority listed above can be found within Chapter 2: Definitions.

All LAAs must submit their updated prioritization spreadsheet to the CAA on a weekly basis. If an applicant meets the program requirements, LAAs are expected to document the applicant on the prioritization spreadsheet.

The prioritization spreadsheet (See F23: SPC Prioritization Spreadsheet) is a tool used to collect applicant information and track the housing status of all eligible applicants, as well as manage how applicants are prioritized and how resources are distributed. The spreadsheet contains information reflecting current housing situation, duration of homelessness, and applicant's documented disabilities. The information in the prioritization spreadsheet is compiled by the CAA into a prioritization matrix to be used for resource allocation and as a census tool for reporting purposes to DHHS.

## Chapter 10: VOUCHERS

### 10.1: Extensions

The applicant has thirty (30) days from the time of approval to use the assigned housing voucher. If the assigned housing voucher is not utilized, the applicant or their agency service provider(s) may request up to three (3) thirty (30) day extensions. Applicants must request an extension before the expiration date of each 30-day period. Extensions must be submitted in writing by the applicant or applicant's representative to the LAA. The LAA shall grant extensions to applicants based on funding availability.

A current tenant moving between units shall have thirty (30) days to find a new unit. If the voucher is not utilized, the applicant or their service provider(s) may request up to three (3) thirty (30) day extensions. Extensions must be submitted in writing to the LAA. Extensions shall be granted to applicants by the LAA.

A current tenant approved for a slot upgrade and unable to lease up a new unit will not be terminated from the program. Tenants may keep their current slot after the slot-upgrade time period has expired. The upgrade slot will then be re-assigned. Tenant is given an initial 30-day period after which they can request up to three 30-day extensions.

### 10.2: Slot Portability / Transfers

The process by which a household obtains a voucher from one LAA and uses it to lease a unit in the jurisdiction of another LAA is known as portability. The Portability Request Form should be used for processing transfers (Form F16). The first LAA is called the *initial LAA*. The second is called the *receiving LAA*. If a participant or family is currently housed on the program and elects to move from their location, the LAA must verify with the CAA. The CAA will be responsible for determining that the desired location is part of the grant jurisdiction and for resource allocation.

Program participants who have been a victim of domestic violence, dating violence, sexual assault, or stalking may retain rental assistance and move to a different CoC for safety.

If a portable household is already participating in the voucher program, income eligibility is not re-determined.

### 10.3: Portability Procedures

#### Porting Out

- A. Initial LAA will meet with the family to discuss the process that must take place to exercise portability. Initial LAA will complete Portability Request Form (Form F16) and submit it to the CAA.
- B. Once porting out is approved, Initial LAA will send to receiving LAA the original application, current Rent Calculation form, current household income, and debt information.

- C.** Initial LAA will advise the family how to contact and request assistance from the receiving LAA.
- D.** Initial LAA must contact the receiving LAA on the family's behalf.
- E.** Initial LAA will, within five (5) calendar days, notify the receiving LAA to expect the family.

### **Porting In**

- A.** The family must submit a request for tenancy (Form F18: Request for Tenancy Form) approval to LAA during the approved terms of LAA's voucher.
- B.** Receiving LAA will promptly notify the initial LAA and CAA within five (5) working days when the family has leased a unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit.
- C.** In order to provide rental assistance for portable families, LAA will perform all housing functions, such as reexaminations of family income and composition.

## Chapter 11: SECURITY DEPOSIT / DAMAGE PROTOCOL / DEBT

### 11.1: Security Deposit

SPC may pay the full security deposit on a unit in the amount equal or up to one month's unit contract rent. A security deposit will be issued on behalf of eligible participants who do not owe previous debt to any DHHS administered housing subsidy program. (See Section 11.3: Debt for definition of debt)

No more than one security deposit may be granted for any participant at a given point in time. A new security deposit cannot be paid for at a new unit until the LAA has received 100% payment for the previous security deposit from either the Landlord or Tenant. A Tenant may move into a new unit before the security deposit is returned to LAA by Landlord, but the LAA is not responsible for a security deposit in the new unit.

Tenant acknowledgement of security deposit payment by the LAA should be documented on the Security Deposit Acknowledgement Form (Form F19).

A security deposit paid by LAA should not be considered debt until LAA has approved a landlord submitted damage claim. Payments by tenants for security deposits paid by LAA are not required during the tenant's tenancy.

Under extenuating circumstances, a second security deposit may be required to maintain housing stability prior to receiving the original security deposit back from the previous Landlord. If all other options have been exhausted, a second security deposit may be issued in a new unit under these circumstances:

- A. Lead paint issues with children under the age of 6.
- B. HQS failure after 30 days of original inspection due to landlord inaction (*This does not apply to deficiencies resulting from the action of the tenant*).
- C. Household composition changes due to minor children leaving/joining that requires a unit size change.
- D. Condemned building as documented by a Code Enforcement Officer or Town Official.
- E. Landlord foreclosure without identification of a successive owner.
- F. Unlawful retention of security deposit including but not limited to landlord not submitting itemized list or charging for unwarranted damages.

The U.S. Department of Housing and Urban Development (HUD) has developed Housing Quality Standards (HQS) that define the minimum health and safety criteria which must be met in order for a

housing unit to PASS inspection and thereby permit a household to take occupancy under the SPC program.

## **11.2: Damage Claims**

When a participant vacates a unit, the Landlord must request a Move-Out Inspection (Form F10) prior to repairs being made to the unit. At the move out inspection, the LAA will review the Damage Claim Protocol with Landlord.

If the security deposit is not sufficient to cover amounts the tenant owes, the owner may collect the balance from the tenant. Upon receipt of written documentation of such claims and demonstration of proof of attempts to collect such debt from tenant, the owner may request reimbursement from the LAA.

The Landlord may claim reimbursement from the DHHS Subsidy Program by completing a written itemized damage claim request and submitting it to the LAA. The landlord may request unpaid rent payable by the tenant, any damages to the unit beyond normal wear and tear or any other amounts that the tenant owes under the lease. The claim must include documentation and the amount of each item and must be submitted in the timeframe as established by State of Maine law. The LAA shall review the request and make a determination as to whether the damages meet the criteria established above. If the LAA determines that damage is incurred, the landlord will receive compensation from the program.

Damages requested may not exceed two-months contract rent minus any security deposit paid for the unit by any party. After deducting the amount, if any, used to reimburse the owner, the owner must promptly refund the full amount of the unused balance to the party who paid the security deposit.

LAA will notify the tenant in writing to their last known mailing address regarding such damages, retention of security deposit, documentation of tenant rent owed, or any other lease violation(s) resulting in debt owed by the tenant. The tenant letter will include an attachment of the DHHS Subsidy Appeals Procedure (See Section 15.2: Appeals).

Tenants will not be held responsible for the repayment of a security deposit if it is shown that is being unlawfully withheld. The LAA, with support from the CAA, must make a good faith attempt to recover the security deposit from the landlord.

### 11.3: Debt

Program debt is defined as:

- A. Damage Payment(s)
- B. Tenant HAP owed to program for income not reported

LAA staff will complete a Payment Contract Form (Form F15: Payment Contract Form) with tenant for any money owed to the program.

Current program tenants must pay 100% of all debt prior to moving into a new unit. Former participants who are applying to re-enter a program must either:

- A. Repay 100% of any debt owed before a voucher is awarded **OR**;
- B. In lieu of 100% payment of debt, a tenant may establish themselves with a legally assigned Representative Payee and complete a documented payment plan not to exceed 12 months **OR**;
- C. Charges may be adjudicated through the DHHS Appeals Procedure (See Section 15.2: Appeals or DHHS Grievance Process (See 15.3: Grievances).

Under extenuating circumstances, a tenant with debt will be required to move. A tenant is allowed to move to a new unit under these circumstances:

- A. Lead paint issues with children under the age of 6.
- B. HQS failure after 30 days of original inspection due to landlord inaction (This does not apply to deficiencies resulting from the action of the tenant).
- C. Household composition changes due to minor children leaving/joining that requires a unit size change.
- D. Condemned building as documented by a Code Enforcement Officer or Town Official.
- E. Landlord foreclosure without identification of a successive owner.
- F. Unlawful retention of security deposit including but not limited to landlord not submitting itemized list or charging for unwarranted damages.

A security deposit paid by LAA should not be considered debt until LAA has approved a landlord submitted damage claim. Payments by tenants for security deposits paid by LAA are not required during the tenant's tenancy.

Debt to the SPC program for any tenant who terminated 7 or more years from the date of termination is to be forgiven and should be noted as uncollectable.

## Chapter 12: LEASE AGREEMENT

### 12.1: Lease Agreement

Tenant-based rental assistance (TBRA) is rental assistance in which participants choose permanent housing of an appropriate size. Permanent housing requires the program participant to be on a **lease for a term of at least one year** that is renewable and is terminable only for cause. Requiring a lease for a term of at least one year that is renewable and terminable only for cause assists program participants in obtaining stability in housing. After the initial year lease, clients may continue to lease on a month-to-month basis. These requirements are consistent with the statutory definition of permanent housing in Section 401 of the McKinney-Vento Act. [CFR 578.97]

## Chapter 13: CERTIFICATIONS

### 13.1: Introduction:

The LAA shall utilize the Rent Calculation Form (Form F17) to determine the Household Rent and the SPC Housing Assistance Payment (HAP). Household rent is calculated at 30% of the total household's adjusted gross income. The Rental Calculation Form should accompany ALL certification types (move-in, annual, interim, gross rent change, LL change, unit transfer, household member move-in and move-out) and be kept in the tenant's files. LAA's must re-certify all active clients on a minimum of an annual basis with all required verifications and paperwork. If, however, the household has an income increase of \$500 or more each month, then the tenant is required to contact the LAA to complete an Interim Re-certification or Rent Calculation Form to adjust for the change. If the household income has a decrease in income, a re-certification is done regardless of the change in amount. (Refer to Section 13.2 for guidance on completing the Rent Calculation Form)

### 13.2: Rent Calculation Form

The Rent Calculation Form (Form F17) is to be completed by the LAA when an application has been accepted and *before* the household moves into an apartment. The Rental Calculation Certification should be updated on a minimum of an annual basis. Note: On Interim re-certifications, FMR and Utility Allowances DO NOT have to be re-verified until Annual. This is subject to funding availability.

How to Complete the Rent Calculation form:

- A. Tenant Name: Enter Tenant(s) full legal name. Do not use nicknames or initials.
- B. Effective Date: Enter the date that this rental calculation is effective.
- C. Date Household First Housed: Enter the date the household moved into their first unit with the Shelter Plus Care program. This date should remain static regardless of any action processed
- D. Household Address: Enter the current physical address of the household's rental unit. Do not use a mailing address or post office box.
- E. Action Processed: Mark type of re-certification this is, i.e., Move In, Annual, etc.
  - (i). Move-In (MI) . The household is moving into an apartment.
  - (ii). Annual Re-certification (AR) . The household has been in the program one year and the financial information has been reviewed and updated.
  - (iii). Gross Rent Change (GR) - The apartment rent paid to the landlord has changed
  - (iv). Unit Transfer (UT) - The household has transferred to a new unit within the same region and the rent has remained the same.

- (v). **Interim (IR)** . The household has a change in income or household members since the last report.
- F. Check Applicable Grant**: Check the Shelter Plus Care grant that the household is housed under.
- G. Unit Size**: Circle the correct unit size for this household. If the unit size is not listed, please write in the correct size in the space provided.
- H. Household Size**: Please list the number of people living in the household.
- I. Landlord Name/Address**: Enter the name of the landlord and landlord's mailing address.
- J. Income**: List all household monthly incomes in their categories, and total at the end of the row. Verification documents for all incomes must be provided with Rent Calculation Form. See Chapter 5 of the manual for more information.
- (i). **Employment**: Enter monthly amount of employment. Employment Worksheet (Form F4) must be used to document calculations.
- (ii). **Assets**: List applicable value of any assets the household has, i.e., Savings account, life insurance, etc. Asset Worksheet (Form F1) must be used to document calculations.
- K. ITEM 17**: Total Annual Income - Multiply the Total Income field by 12 (months) to obtain annual income.
- L. ITEM 18**: 3% of Annual Income - Multiply the total in Item 17 by 3%. This will tell you the amount a household should pay out of their income to medical expenses. Any deductions will be above and beyond this amount.
- M. ITEM 19**: Annual Medical Expenses - Enter the total of the household's current medical expenses, which are not covered by insurance or Medicaid. Use the Medical Expense Worksheet (Form F12: Medical Expense Worksheet). Medical bills incurred in the past on which payments are being made may be included. A household can take the payment amount per year, and deduct that each year until it is paid in full, or they may take the full amount of the bill for one year only. (See Chapter 5: Income/Assets)
- N. ITEM 20**: Allowance for Medical Expenses - If the household's Annual Medical Expenses (line 19) are more than 3% of their Annual Income (line 18) enter the difference between the two here. If they are equal, or the actual medical expenses are less than 3% of the tenant's income, enter 0.
- O. ITEM 21**: Disability Allowance - Every Shelter Plus Care household receives one disability allowance of \$400.00 annually. (See Chapter 5: Income/Assets).

- P. ITEM 22:** Allowance for Dependents - Each household with dependents receives an annual allowance of \$480.00 per dependent. Multiply \$480.00 by the number of dependents and enter the total in this line. Dependents include household members who are under 18, handicapped, disabled, or full-time students, but not any of the following: The family head, spouse, foster children or the person determined important to the care or wellbeing of the eligible person. (See Section 5.5: Dependent Allowance)
- Q. ITEM 23:** Child Care Allowance - Anticipated expenses for care of children 12 and younger may be deducted if:
- (i). Care is necessary to allow a family member to go to work or school,
  - (ii). No adult household member capable of providing care is available,
  - (iii). Expenses are not paid to a family member living in the unit,
  - (iv). The expense is not reimbursed by an agency or individual outside the household,  
**AND**
  - (v). The amount deducted reflects reasonable child care expenses and does not exceed the amount earned by a working family member.
- U. ITEM 24:** Total Allowances - Add lines 20, 21, 22, 23 and write the sum in line 24. This will tell you the Total Allowances for this household.
- V. ITEM 25:** Adjusted Annual Income - Subtract the Total Allowances (line 24) from the household's total annual income (line 17). Enter the total here in line 25.
- W. ITEM 26:** Adjusted Monthly Income . Divide Adjusted Annual Income (line 25) by 12 to receive the household's adjusted monthly income.
- X. ITEM 27:** 30% of Adjusted Monthly Income - Multiply household's Adjusted Monthly Income (line 26) by 30%.
- Y. ITEM 28:** 10% of Monthly Income - Multiply the Total Household Monthly Income by 10%.
- Z. ITEM 29:** Total Household Payment: Enter the greater of lines 27 and 28. This will tell you the total amount the household should pay for rent and utilities combined
- AA. ITEM 30:** Contract Rent - The total amount the Landlord receives for rent, according to the HAP agreement.
- BB. ITEM 31:** Utility Allowance - If landlord pays all utilities, enter 0. If tenant pays any utility bills for the current apartment, enter the amount of Utility Allowance as defined by either the Maine State Housing Authority or local Public Housing Authority, depending upon where the unit is located. (See Section 13.4: Utility Allowance)
- CC. ITEM 32:** Total Rent - Add the Contract Rent (line 30) and the Utility Allowance (line 31). This will tell you the Total Rent for this apartment. If this figure does not fall into the Fair

Market Rent guideline for this area, Shelter Plus Care may not pay on this unit. (Please refer to Section 8:1 Rent Reasonableness)

- DD.** ITEM 33: Tenant Rent to Landlord - Enter the Total Household payment (line 29) minus the Utility Allowance (line 31) here. This will tell you the amount that the tenant will pay for rent.
- EE.** ITEM 34: Payment to Utility Company: Enter the difference between Utility Allowance (line 31) and the Tenant Rent (line 33). In most cases, this will be zero. DO NOT ENTER NEGATIVE NUMBERS.
- FF.** ITEM 35: Assistance Payment: Enter the contract rent (line 30) minus the tenant rent (line 33). This will tell you the Housing Assistance Payment (HAP) amount that will be paid to the landlord.
- GG.** ITEM 36: Date Next Annual Recertification: One year from the month the household entered the program. Date of Recertification will always be on the first of the month.
- HH.** Tenant Initials and Date: Tenant must initial and date the front page of the rental calculation form.
- II.** Rep Initials and Date: SPC staff must initial and date the front page of the rental calculation form.
- JJ.** ITEM 37: Household Composition: Enter household member name for each person residing in the unit.
- (i). Relationship to Application: Enter the relationship of each member to the applicant/voucher holder.
  - (ii). SNAPS: Check Yes or No for each member of the household. Please only mark %Yes+ if the person is the direct recipient of the food stamp benefit. For example, a child would be marked %No+, even though they are benefiting from the parents benefit.
  - (iii). Mainecare: Check Yes or No for each member of the household.
  - (iv). Medicare: Check Yes or No for each member of the household.
  - (v). Other Assistance Sources: List any other non-cash assistance sources the person is receiving.
- KK.** Tenant Signature: The tenant must sign and date the form, certifying that the information about the household income and composition presented is true and complete to the best of their knowledge. If another adult is part of the household, they must sign/date %Other Adult Signature+

LL. Shelter Plus Care Representative: The LAA representative processing the form will also sign the form, certifying that the rent calculation has been computed in accordance with HUD regulations.

### 13.3: Medical Expense Worksheet

Clients may be eligible for medical expense deductions which adjust the Annual Income factored into the Rent Calculation. See Medical Expense Worksheet (Forms F12).

- A. The medical expense deduction is permitted only for families in which the applicant is elderly or disabled.
- B. If the individual is eligible for a medical expense deduction, LAA\$ must include the unreimbursed medical expenses.
- C. Medical expenses include all expenses individual incurs during the 12 months following certification/recertification that are not reimbursed by an outside source, such as insurance.
- D. The LAA may use the ongoing expenses the individual paid in the 12 months preceding the certification/recertification to estimate anticipated medical expenses.
- E. The medical expense deduction is that portion of total medical expenses that exceeds 3% of annual income.

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<b>Example – Calculating the Medical Expense Deduction</b>	
Annual income	\$12,000
Total medical expenses	\$1,500
<u>Sample Calculation</u>	
Annual income	\$12,000
	<u>x .03</u>
3% of annual income	\$ 360
Total medical expenses	\$1,500
	<u>- \$360</u>
<i>Allowable</i> medical expenses	\$ 1,140

- F. In addition to anticipated expenses, past one-time nonrecurring medical expenses that have been paid in full may be included in the calculation of the medical expense deduction for current tenants at an initial, interim or annual recertification. Past one-time nonrecurring medical expenses that have been paid in full are not applicable when calculating anticipated medical expenses at move-in. If the tenant is under a payment plan, the expense would be counted as anticipated.
  - (i). There are two options for addressing one-time medical expenses. These expenses may be added to the family's total medical expenses either:

- i. At the time the expense occurs, through an interim recertification, OR
- ii. At the upcoming annual recertification

NOTE: If the one-time expense is added at an interim recertification, it cannot be added to expenses at the annual recertification.

## 13.4: Utility Allowance

### Utility Allowance Policy and Procedures

LAA's are encouraged to work with landlords to include the utilities in the rental amount. If a landlord is willing to include the utilities in the rental amount, the utility allowance is \$0. If, however, a landlord is not willing to do so, a utility allowance can be included in the rental calculations when determining tenant rent and assistance payments. Utility allowances can be obtained from your local housing agency, public housing authority, or the Maine State Housing Authority (MSHA) and. New UA standards are effective October of each year. You can find the Utility Allowances through [mainehousing.org](http://www.mainehousing.org):

<http://www.mainehousing.org/charts/utility-allowances>

IRS final regulation 1.42-10 expands the methods available for calculating utility allowances. The SPC program will accept the following utility allowance methods:

- A. HUD utility allowance.
- B. Local Public Housing Authority (PHA) allowance.
- C. Allowance based on utility company estimates.
- D. Energy consumption utility allowance which allows the owner, with assistance from the LAA, to determine an accurate utility allowance based on tenants usage.
- E. Allowances for buildings assisted by the Rural Development or with Rural Development assisted tenants.

Either the tenant or the LAA may assume responsibility for the payment of the utility allowance to the respective utility company. It is the responsibility of the LAA to develop an administrative policy regarding this issue to ensure consistency with all SPC recipients under the LAA's jurisdiction. The written policy must be submitted to DHHS for Field office approval.

Example of How to Calculate and Charge Utility Allowances: Please Note: Round to the nearest whole dollar. For Example: at .49 cents and below round down to the nearest whole dollar, at .50 cents and above round up to the nearest whole dollar.

Mary has selected an apartment that is \$400/month.

- (i). Electricity is not included, but heating and hot water is.
- (ii). Given her household size, the jurisdictional Utility Allowance is \$30 per month for general electricity usage (excluding heat, hot water, and cooking).
- (iii). The unit has an electric stove, giving an additional allowance of \$10. The total Utility Allowance in this case is \$40 (\$30.00+\$10.00).
- (iv). Her income is \$550 per month.
- (v). The Total Tenant Rent (30% of her adjusted income) is \$153.00 (\$550 X 0.30), therefore, her monthly rent payment after the Utility Allowance is: \$113 (\$153.00-\$40.00).
- (vi). The monthly Housing Assistance Payment (HAP) is \$247 (\$400.00-\$113.00-\$40).

Note: The gross rent (rent plus utility allowance) must fall within the ~~rent~~ reasonable range as determined by annual survey data published by MSHA for the unit size and location, provided that the unit rent is comparable to area rents (See Section 8.1: Rent Reasonableness).

### 13.5: Move-In:

Move-in certifications are required for all new households entering the SPC program. Move-in paperwork must be completed by the LAA administering the SPC voucher *before* the household can move into their unit. An HQS inspection must be completed and passed *before* move-in.

The steps in processing the Move-In certification:

- A. Complete Application and attach all eligibility documentation (**Section 4.5: Completing the Application**).
- B. Have the prospective LL fill out Request for Tenancy Form (Form F18: Request for Tenancy Form). The LAA must review to determine program eligibility.
- C. Perform an inspection of the unit to ensure HQS compliance (**Section 7.1: Move-In Inspection**).
- D. Meet with the tenant and obtain verification of current income for all adult HH members. Must be dated within 120 days of the move-in certification effective date. If the adult HH member(s) does not have income, they must fill out a Statement of No Income Form (See F24: Statement of No Income Form and **Sections 5.2 and 5.3**).
- E. Fill out a Rent Comparability Form from SocialServe.com (**Chapter 8: Rent Reasonableness**).
- F. Have all HH members complete a Move-In Form (**Section 13.6: Completing the Move-In Form**).

- G. Have **all** HH members complete a Support Service Form (**Section 13.7: Completing the Support Service Form**).
- H. Calculate tenant's rent and assistance payment by completing the *RENT CALCULATION FORM* (**Section 13.2: Completing the Rent Calculation Form**) along with a current Utility Allowance (**Section 13.4: Utility Allowance**), if applicable.
- I. Send a HAP Contract (See Form F6: HAP Contract) to the landlord, tenant and applicable providers.
- J. Have tenant sign all applicable releases.
- K. Fill out Tenant Responsibility Agreement. (See Form F27: Tenant Responsibility Agreement).
- L. Additional forms if applicable: Medical Expense Worksheet (**See Section 13.3: Medical Expense Worksheet**) and; Asset Form (**Section 5.3: Assets**).

### 13.6: Completing the Move-In Form

Move-In form (Form F13) must be completed for each household member when they enter a household. Clients can be moved in at any time and a Rent Calculation Certification must be completed when moving a new household member into a household.

- A. Household Member Name: Ensure that all answers to move-in form questions are related to the household member listed in question #1.
- B. Move-In date: Date the household member entered the household.
- C. Grant Name: List the name of the grant the household member is assigned to.
- D. Head of Household: Answer YES or No.
- E. Gender: List gender individual identifies with.
- F. Date of Birth: List month, day and year.
- G. Social Security Number: List full social security number.
- H. Veteran: Answer YES or NO.
- I. Ethnicity Question- Are you Hispanic or Latino Check Yes or No. Definition of Hispanic is a person of Cuban, Mexican, Puerto Rican, South or Central American or other Spanish

culture of origin, regardless of race.

**J. Race:** Check all racial categories that the applicant identifies

Definitions:

- (i). American Indian or Alaska Native - A person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment.
- (ii). Asian- A person having origins in any of the original peoples of the Far East, Southeast Asia or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand and Vietnam.
- (iii). Black or African American- A person having origins in any of the black racial groups of Africa.
- (iv). White/Caucasian - A person having origins in any of the original peoples of Europe, the Middle East or North Africa.

**K. Living situation before receiving a subsidy:** Choose only one from the list and identify how many days individual was living in chosen situation.

**L. Former Housing:** Indicate the last city, state and zip code of the applicant's last permanent address for duration of ninety (90) days or more. This would be their last apartment or home where they lived. This zip code *should not be* generated based on the where the person was experiencing homelessness.

**M. Attending School:** If the household member is age 5-17 answer YES or NO, and indicate what school they are currently attending.

### 13.7: Completing the Support Service Form

The Support Services form (See Form F26: Support Service Form) is used to track client disability and treatment history. Support Service forms are collected at **Move-In** to establish client entry health and treatment status, as well as **at each Annual Certification** and **Interim Certifications** where a new household member is being added. It is a tool used to learn if clients are receiving support services in addition to the permanent housing vouchers. All household members are required to complete the Support Service Form (F26). Data is expected to be an accurate reflection of the client's disability and treatment status at the point in time of the forms completion.

*Note: Date Completed on the Support Services Form is the Effective Date of the Move-In Certification, Annual Certification and Interim Certifications.*

**A. Effective Date of Certification:** The date of the Move-In Certification or Annual Certification.

**B. Household Member Name:** Write household member's name.

- C. Are you the Head of Household?: Check YES if the client filling out the Support Service form is the Head of Household. Check NO if the person is a Household Member. If NO, Question 3a must be completed. Write the Household Member's relation to the Head of Household. Ex. If client is the Head of Household's child, write son/daughter in 3a.
- D. Grant Name: Write full grant name associated with household member.
- E. Mental Health Condition: Indicate YES or NO.
- F. Alcohol Abuse Problem: Indicate YES or NO.
- G. Drug Abuse Problem: Indicate YES or NO.
- H. HIV/AIDS: Indicate YES or NO or UNKNOWN. If a client does not want an answer documented, please select REFUSED.
- I. Developmental Disability: Indicate YES or NO
- J. Physical Condition: Indicate YES or NO.
- K. Chronic Health Condition: Indicate YES or NO.
- L. Services/Treatments: Check all services/treatments that client receives. Select all that apply. Services/treatments should correspond to selections in items 5-11.
- M. Employment: At the time of completing the support service form, is the household member seeking employment or looking for additional hours at a job they have? Indicate YES or NO.
- N. Domestic Violence: Indicated with a YES or NO if applicant is a victim/ survivor of domestic violence. If yes, indicate, by checking one box, when violence last took place.
- O. Education: Indicate YES or NO whether the client (children ages 5-17) is attending school. If YES, complete question 15a. If NO, complete question 15b.

### 13.8: Annual

All SPC tenants must be reviewed and re-certified for SPC assistance annually. The re-certification date for an annual certification is one year from the original certification date, effective the first day of the month that the tenant began receiving SPC assistance. *For example: if the tenant was admitted October 11, 2014 then the re-certification effective date is October 1, 2015.* When processing re-

certifications, the LAA needs to complete re-certification in a timely and efficient manner. The steps are as follows:

- A.** 1st Notice - Send 90 days in advance of the re-certification anniversary date. The notice must state that the tenant has until the 10th of the month preceding the anniversary date to contact the office to begin re-certification. See Appendix A5: Sample First Annual Certification Notice.
- B.** 2nd Notice . Send approximately 30 days after the previous notice to tenants who have not responded. Content is the same as the 1st notice in addition to stating that if the tenant does not respond by the 10th of the month preceding the anniversary date, the owner may suspend assistance payments on the re-certification date. See Appendix A6: Sample Second Annual Certification Notice.
- C.** 3rd Notice/Notice of Intent to Terminate . Is given on the first of the month preceding the anniversary date to tenants who have not yet responded. The Notice must state that the tenant has 10 days to re-certify. If the tenant does not respond within those ten days, assistance may be suspended or terminated, and the rent may be increased to market effective on the re-certification anniversary date, with no 30-day notice of increase. Additionally the Landlord should also be sent a 30 notice to end the HAP agreement and stop the LAA payments. See Appendix A7: Sample Third Annual Certification Notice.

The steps in processing Annual certifications:

- A.** Meet with the tenant and obtain verification of current income for all adult HH members. Must be dated within 120 days of the recertification effective date. If the adult HH members do not have income, they must fill out a Statement of No Income Form (F24).
- B.** Have *all* HH members complete a Support Service Form (F26).
- C.** Calculate tenants rent and assistance payment by completing the *RENT CALCULATION FORM* along with a current Utility Allowance, if applicable.
- D.** Provide written notice to tenant of any change in rent, giving at least 30 day notice for rent increases unless the tenant is late in responding to re-certification notices. If LAA and tenant both comply with requirements, changes in tenant rent and assistance payment are both effective on the anniversary date.
- E.** Perform an annual inspection of the unit to ensure HQS compliance.
- F.** Send a HAP Amendment (See Forms F5: HAP Amendment) to the landlord, tenant and applicable providers.
- G.** Have tenant sign all new releases

**H.** Fill out Tenant Responsibility Agreement (See Form F27: Tenant Responsibility Agreement).

### **LAA LATE**

If the LAA is late in completing the re-certification, a thirty-day notice of any rent increase must be given, regardless of the anniversary date. For rent decreases, the LAA must apply the change retroactively to the anniversary date.

### **TENANT LATE**

Tenants who respond after the cut-off date in the 3rd Notice may have their assistance suspended or terminated as of the scheduled effective date.

If the tenant complies with the re-certification requirements after the 10 day period stated in the 3rd Notice, but before the anniversary date, the tenant is considered late but may be re-certified effective retroactively to the anniversary date. . Tenants who respond after the 10th of the month preceding the anniversary date but before the anniversary itself should be asked why there was a late response. If there are extenuating circumstances such as hospitalization or family emergency which prevented the re-certification then the assistance may not be suspended. The new tenant rent is effective on the date noted in the 30-day notice.

If the LAA denies extenuation circumstances, then no 30-day notice is required and the new tenant rent amount is due on the anniversary date. The tenant must be informed in writing of the decision and their right to appeal through the DHHS Housing Appeals Procedure.

### **13.9: Interim**

Tenants are required to report any income changes within 10 days from the date of such change. A tenant may be terminated if an increase in income is not reported or if a decrease in income was caused by a deliberate action of the tenant to avoid paying rent. The LAA must process an interim adjustment when the income increase is \$500 or more per month. Exception to the \$500 income change; if a new household member moves in to the unit, all income must be counted regardless of the amount. Existing income increases under \$500 can be documented using the Income Increase Form (Form F11).The LAA may refuse to process an interim re-certification only when the LAA receives confirmation that the increase will last two months or less. The LAA must process all requests for decrease in household income regardless of amount. An interim must be completed whenever a household member moves in or out of the unit, even if there is no financial change due to the removal or addition of a household member. Only those factors that have changed must be verified at time of interim recertification.

The steps in processing interim adjustments:

- A.** Meet with tenant to obtain new information on income and/ or household composition change.

- B.** Verify only those factors that have changed.
- C.** Complete a new *RENT CALCULATION FORM* along with Utility Allowance, if applicable.
- D.** Have client complete a Tenant Responsibility Agreement (Form F12.2: Tenant Responsibility Agreement).
- E.** Income verification must be dated with 120 days of the effective date of the certification. If income is terminated the tenant must complete a Statement of No Income (Form F24).
- F.** If a household member is removed or added to the household a Move-In Form (Form F13) or household Move-Out form (Form F14) must be completed.
- G.** Send HAP Amendment to the tenant, landlord (indicating the tenant and HAP rent changes), payee (if applicable), Community Support Worker or Case manager (if applicable) of rent or assistance payment changes and their effective date.

### **13.10: Gross Rent Change**

Gross Rent Changes are completed when a landlord requests a change in rent outside of the annual recertification date. Requests for rent increases must be in writing by the landlord or property management company 45 days in advance of the date of the requested change. A copy of the letter must be sent by the landlord or property management company to the LAA and the tenant. The requested amount must fall within the current Fair Market Rent amount; this amount includes any tenant utilities, for the area and bedroom size. All requests for increases will be reviewed by the LAA to determine they meet the eligibility requirements and may be denied if funding does not support the increase.

The steps in processing GRC adjustments:

- A.** Complete a new Rent Calculation Form.
  - (i).** For rent increases: The effective date is the first day of the month following required 45 day notice.
  - (ii).** For rent decreases: The effective date is the first day of the month following the date of the change.
- B.** Attach rent increase letter from landlord / property Management Company.
- C.** Send HAP Amendment to the tenant, landlord (indicating the tenant and HAP rent changes), payee (if applicable), Community Support Worker or Case manager (if applicable) of rent or assistance payment changes and their effective date.

### **13.11: Unit Transfer**

Unit Transfers are completed when a tenant submits a 30 day notice to the LAA and landlord/ property management company requesting to move units, when a rental lease has expired and the tenant wants to move units or in cases when a tenant is evicted from their current unit. Unit transfers only apply when a tenant is moving units within the same LAA geographic area. All other moves are considered Transfers, see Section 10.2: Slot Portability/Transfers.

- A.** Complete a new Rent Calculation Form and Certification Form
- B.** Attach the following information:
  - (i).** Lease.
  - (ii).** If there are any other changes such as income (over \$500) or household member composition, complete corresponding paperwork.
  - (iii).** Tenant Responsibility Agreement (Form F27: Tenant Responsibility Agreement).
  - (iv).** LL release.
  - (v).** HQS Inspection.
- C.** Send HAP Amendment to the tenant, landlord (indicating the tenant and HAP rent changes), payee (if applicable), Community Support Worker or Case manager (if applicable) of rent or assistance payment changes and their effective date.

### **13.12: Landlord Change**

Landlord changes occur when a property changes ownership. Landlords/ property management companies are expected to notify the LAA when such changes occur.

- A.** Complete a new Rent Calculation Form and Certification Form (Form F17).
- B.** LL Release.
- C.** HAP Amendment (Form F5).

## Chapter 14: SUBSIDY TERMINATION

### 14.1: Subsidy Termination

Rental Assistance may be terminated if a participant violates conditions of occupancy, or program rules. Program regulations recommend that the LAA exercise judgment and take into consideration extenuating circumstances so that participants are only terminated for the most serious rule violations. Termination from the SPC program does not exclude clients from applying to the program in the future.

Before a housing subsidy can be terminated, the LAA must provide the CAA with a Subsidy Termination Request Form (Form F25). The CAA will review the reasoning and supporting documentation of a termination request to determine if a termination is warranted. If the CAA supports a termination, the LAA must submit a 30-day written notice to the landlord and client, containing a clear statement regarding the reason for termination and an opportunity for appeal. A Sample Move-Out Letter with Appeals can be referenced in Appendix A8. If an individual chooses to appeal, assistance must continue through the entire appeals procedure.

A Termination Form (Form F28) must be completed for each participant leaving the program. Ideally, this form is done within 30 days of the participant's exit. See Appendix 4: Termination Letter with Appeals for a sample termination letter.

Additionally, a Move-Out Form (Form F14) must be completed for each household member leaving the program. Ideally, this form is done within 30 days of the participant's exit.

## Chapter 15: DHHS HOUSING APPEALS PROCEDURE

### 15.1: Reasonable Accommodations

Section 504 of the Fair Housing Act enables individuals with disabilities the ability to request a reasonable accommodation in rules, policies, practices or services in order to participate fully in a program.

The LAA shall submit all such requests in writing to the CAA for written determination. The LAA shall ensure that all written requests for a reasonable accommodation include reliable disability-related information that:

- A. Verifies that the individual has a disability that falls under the Fair Housing Act.; **AND**
- B. Describes the needed accommodation.; **AND**
- C. Shows an identifiable relationship between the requested accommodation and the individual's disability.

Depending upon the circumstance this information may be provided by the individual him or herself, a doctor or medical professional, a peer support group, a social service provider, or a reliable third party.

The CAA may refuse to provide a requested accommodation if providing the accommodation would constitute an undue financial and administrative burden or fundamental alteration of the providers housing program.

### 15.2: Appeals

The DHHS recognizes that you may not agree with SPC decision. In these cases, you have the right to appeal.

- A. The applicant or tenant makes a written request, called a Level I Appeal, to the designated SPC representative at the LAA within ten (10) working days from the date of the decision or action s/he is appealing. The Level I Appeal should include the date of the filing of the appeal, the specific policy, procedure, decision, or action in disagreement, suggestions about possible ways to resolve the situation, and where and how the Applicant or Tenant may be reached.
- B. Within ten (10) working days, the designated SPC representative responds in writing to the Level I Appeal. The SPC representative may request an extension of an additional five (5) working days, if necessary.

- C.** If the Applicant or Tenant is not satisfied with the outcome of the Level I Appeal, s/he may appeal within ten (10) working days by filing a written Level II Appeal to the DHHS- Office of Substance Abuse and Mental Health Services, Rental Assistance Manager, 11 State House Station, Augusta, Maine 04333-0011, phone (207) 287-4243, fax (207) 287-1022, TTY (207) 287-2000.
  
- D.** The DHHS-Adult Mental Health Services Housing Resource Development Manager conducts an investigation and provides a written response to the Applicant or Tenant within ten (10) working days from the date that he receives the appeal. The DHHS-Adult Mental Health Services Housing Resource Development Manager may request an extension of an additional five (5) working days, if necessary.
  
- E.** If dissatisfied with the Level II response, the Applicant or Tenant may appeal to the Commissioner of DHHS Adult Mental Health Services. The written appeal must be sent within ten (10) working days from the date on the letter of the Level II decision. Send to: Commissioner of DHHS-Adult Mental Health Services, 11 State House Station, Augusta, Maine 04333-0011, phone (207) 287-3707, fax (207) 287-3005, TTY (800) 606- 0215.
  
- F.** The Commissioner may decide to refer this appeal, called a Level III Appeal, to the Department of Labor Division of Administrative Hearings Unit within five (5) working days. The Department of Labor Division of Administrative Hearings will begin preparation for a hearing and will contact the Applicant or Tenant.
  
- G.** The Commissioner receives an impartial recommended decision from the Department of Labor about the matter under dispute. The Commissioner may adopt, modify, or overturn the decision. The Commissioner's decision is the final agency action within DHHS-Adult Mental Health Services.
  
- H.** If the Applicant or Tenant remains dissatisfied with the outcome of the Level III ruling, the Applicant or Tenant may appeal to the Maine Superior Court.

### **15.3: Grievances**

- A.** Recipients have the right to due process with regard to grievances.
- B.** Notwithstanding any other civil or criminal recourse that the person bringing the grievance may have, the facility, agency, and/or Department shall afford every reasonable opportunity for informal resolution of concerns or formal resolution of grievances.
- C.** Recipients or other persons may bring grievances regarding possible violations of basic rights, including any rights enumerated in these rules and the Settlement Agreement in *Bates v. Davenport* or any other applicable law or regulation; any questionable or inappropriate treatment or method of treatment; or any policy or procedure or action, or lack thereof, of the mental health agency or facility.
- D.** Persons who may bring grievances include, but are not limited to:
  - (i).** The recipient;
  - (ii).** The recipient's guardian;
  - (iii).** The recipient's attorney, designated representative or representative of the Office of Advocacy or the rights protection or advocacy agency;
  - (iv).** Other persons specifically aggrieved.
- E.** A grievant shall in no way be subject to disciplinary action, reprisal, including reprisal in the form of denial or termination of services, or loss of privileges or service as a result of filing a grievance.
- F. Notice**
  - (i).** Notices summarizing a recipient's right to due process in regard to grievances, including the process by which grievances may be filed, as well as copies of forms to be used for that purpose, shall be available within each program area.
  - (ii).** An employee of the mental health facility, agency or program shall inform each recipient of this right and the right to be assisted throughout the grievance procedure by a representative of his or her choice, in a manner designed to be comprehensible to the individual recipient. In instances in which the recipient does not understand English or is deaf, this information shall be delivered by an interpreter.
- G. Formal Grievances**
  - (i).** A grievance may be undertaken by a recipient, or a guardian acting on his or her behalf, making a formal written claim that provisions of these rules, the Settlement Agreement in *Bates v. Davenport* or any other applicable law or regulation have been violated by any facility, agency or program. Grievances regarding the actions of specific employees shall be handled in accordance with personnel rules and contract provisions. No disciplinary action may be taken nor facts found with regard to any alleged employee misconduct except in accordance with applicable personnel rules and labor contract provisions.
  - (ii).** Formal grievances may be appealed through three sequential levels:

1. The supervisor of the program or unit or the agency employee designated to hear grievances as applicable;
  2. For grievances arising in inpatient facilities, the Administrator of the facility; for grievances arising in the community, the Director of the Division of Mental Health; **AND**
  3. The Commissioner of the Department.
- (iii). Additional levels of grievance resolution may be added by agency or facility policy, but in no case shall such additional levels add to the overall time allotted for grievance resolution.
- (iv). At each level of the formal grievance procedure the recipient or other grievant shall have rights to the following:
1. Assistance by a representative of the recipient's own choice;
  2. Representation by the Office of Advocacy or the rights protection and advocacy agency of the Maine mental health system;
  3. Review of any information obtained in the processing of the grievance, except that which would violate the confidentiality of another person;
  4. Presentation of evidence or witnesses pertinent to the grievance;
  5. Receipt of complete findings and recommendation except those that would violate the confidentiality of another person.
- (v). An electronic or written record shall be made of all proceedings associated with formal grievances. An electronic recording shall be made of any hearing held pursuant to this section.
- (vi). In all grievances the burden of proof shall be on the agency, facility or program to show compliance, or remedial action to comply with the policies and procedures established to assure the rights of recipients under these rules.
- (vii). Findings shall include:
1. A finding of facts, consistent with the terms of the Maine Administrative Procedure Act;
  2. It determination regarding the facility, agency, program or employee adherence, or failure to adhere, to specific policies or procedures designed to assure the rights of recipients under these rules; and,
  3. Any specific remedial steps necessary to assure compliance with such policies and procedures.
- (viii). Upon appeal, all pertinent information gathered regarding a formal grievance shall be forwarded, by the person to whom the grievance was addressed, to the next responsible official.
- (ix). Steps of Formal Grievances:
1. **Level One**
    - (a) Formal grievances shall be filed first with the supervisor of the service delivery unit in which the grievance arises.
    - (b) Copies of the grievances shall be forwarded by the supervisor to the administrative head of the mental health facility or agency and, upon the request of the grievant, to the Office of Advocacy. In the case of state

operated facilities, all formal grievances shall be immediately forwarded to the Office of Advocacy.

- (c) A formal written response shall be made within five days, excluding weekends and holidays.
- (d) If the agency staff needs a longer period to investigate the circumstances of the grievance, a five day extension may be made and the grievant so notified.
- (e) If the, grievant is unsatisfied with the findings at the first level, he or she may appeal me decision to; me Chief Administrative Officer of the mental health facility or, for grievances arising in the community, the Director of the Division of Mental Health.
- (f) Such an appeal must be made within ten days, excluding weekends and holidays.
- (g) Copies of such an appeal shall be forwarded to the Office of Advocacy by the Chief Administrative Officer of the facility or the Director of the Division of Mental Health.

## **2. Level Two**

- (a) The Chief Administrative Officer or the Director of the Division of Mental Health, as applicable, or designee shall respond to a Level Two grievance within five days, excluding weekends and holidays, of day of receipt of the appeal.
- (b) If the Chief Administrative Officer or designee needs a longer period to investigate the circumstances of the grievance, a five day extension may be made with the permission of the parties to such a grievance.
- (c) The Chief Administrative Officer or the Director of the Division of Mental Health, as applicable, or designee may, at his or her discretion, hold a hearing before an impartial hearing officer, who shall be an individual free of bias, personal or financial interest, with all parties involved.
- (d) If the grievant is dissatisfied with the finding at Level Two, he or she may appeal the decision to Level Three to the Commissioner, DHHS, Station 11, Augusta, Maine 04333. Appeals must be made within ten days, excluding weekends and holidays.

## **3. Level Three**

- (a) The Commissioner or designee shall make a formal written reply within five days, excluding weekends and holidays.
  - (b) If no hearing was held at Level Two a hearing shall be held at Level Three.
  - (c) A five day continuance may occur if a hearing is to be held or if the parties to such a grievance concur.
  - (d) The Commissioner's or designee's finding shall constitute the final action by the Department regarding a grievance.
- (x). The decision at each level of the grievance procedure shall be final and binding unless the grievant appeals within the indicated time frames.

- H. The Commissioner's decision shall constitute final agency action, and the grievant may appeal the decision to Superior Court pursuant to the Maine Administrative Procedure Act, 5 MRSA § 11001 et seq.
- I. Under no circumstances shall the remedies requested in a grievance be denied nor shall the processing of a grievance be refused because of the availability of the complaint procedure.
- J. Exceptions:
  - (i). Grievances regarding abuse, mistreatment, or exploitation.
    - 1. Any allegation of abuse, mistreatment, or exploitation shall be immediately reported to the Office of Advocacy and to the Chief Administrative Officer of the mental health facility or agency. Any disciplinary actions or findings of fact in these instances shall be consistent with personnel rules and labor agreements.
    - 2. Investigation of any such allegation shall be conducted pursuant to statutory and regulatory standards including those relating to the Child and Family Services and Child Protection Act (22 M.R.S.A. Chapter 1071 s 4001 et seq.) and the Adult Protective Act (22 M.R.S.A. Chapter 958-A) and facility policy approved by the Department.
  - (ii). Urgent Grievances.
    - 1. Any grievance that the grievant considers urgent shall be forwarded by staff within one working day to the Chief Administrative Officer of the facility or for grievances arising in the community, to the Director of the Division of Mental Health, or designee, at Level Two, and the Office of Advocacy so notified. Such grievances must be reviewed by the Chief Administrative Officer, the Director or designee, who shall either arrange to hear the grievance - within three working days or immediately refer the grievance to Level 1 for response.
    - 2. All grievances concerning the development, substantive terms, or implementation of ISP'S or hospital treatment and discharge plans shall be considered urgent grievances.
  - (iii). Grievances Without Apparent Merit
    - 1. A grievance may be found to be without apparent merit, upon Level Two review, upon the concurrence of the Chief Administrative Office or the Director of the Division of Mental Health, as applicable, and, when the grievance relates to a state mental health institute, the representative of the Office of Advocacy
    - 2. Any decision that a grievance is without merit and the justification for that decision shall be forwarded to the grievant in writing, and shall include notice of other avenues of redress.
    - 3. Grievances without apparent merit may not be appealed administratively beyond Level Two. This dismissal constitutes final agency action for purposes of judicial review.

## **Chapter 16: RELEASE OF INFORMATION**

Agencies must obtain a release of information to authorize their collection of program participant information and their sharing of that information. Each agency is allowed to establish their releases to different sources (ie. Landlord, case manager, Payee, DHHS, etc.), except for the HMIS release. LAAs are required to use the universal HMIS release created by the CAA (See Form F7: HMIS Release of Information). Additionally, the HMIS Privacy Notice should be referenced for more information about the data collected and participant rights (Appendix A9: HMIS Privacy Notice 2015)

Since each LAA is an independent non-profit organization they can incorporate any additional releases required by their agency.

## Chapter 17: METHODS OF OPERATIONS

### 17.1: The Local Administering Agency (LAA)

- A.** The LAA shall be responsible for developing and working with their local community network, that may include: other agency providers, service professionals, the Department, peer service and support groups, and mental health consumers, in the maintenance and ongoing development of local service partnerships for the purpose of:
- (i).** Providing outreach to mental health consumers to alert them to the availability of services;
  - (ii).** Assessing consumer needs at the local level;
  - (iii).** Assisting consumers in locating, securing, and establishing themselves in safe and decent housing;
  - (iv).** Assisting in the arrangement and the provision of community support services;
  - (v).** Establishing and maintaining relations with local landlords, Public Housing Authorities (PHA), and property managers;
  - (vi).** Providing other services aimed at maintaining adult consumers with serious mental illness in mainstream housing in the community;
  - (vii).** Proposing modifications to the above procedures to increase access to housing options, with approval of the CAA and Department.
- B.** The LAA, after receiving an SPC application from the applicant, or service provider, shall verify the applicant's income and eligibility requirements, and submit completed applications to the CAA for authorization of the voucher to be issued/denied by the LAA or placed on the prioritization spreadsheet to be managed by the LAA.
- (i).** If approved by the CAA, the LAA shall send a letter to the applicant, informing the applicant that he/she has thirty (30) days in which to initiate the subsidy (See Appendix A1: Sample Approval Letter).
  - (ii).** If denied by the CAA, the LAA shall send a letter to the applicant stating the reason for denial and enclosing a copy of the DHHS Housing Subsidy Appeals Procedure in the decision letter (See Appendix A2: Sample Denial Letter).
  - (iii).** If the applicant is assigned to the prioritization matrix by the CAA, the LAA shall send a letter to the applicant, informing the applicant of their status (See Appendix A14: Sample Prioritization Spreadsheet Letter).
- C.** Through the guidance of the CAA the LAA shall assess applicant eligibility based on the Tenant Selection Priority List. Entry into the program shall be prioritized statewide based upon the following criteria (in the numerical order listed below):
- (i).** Chronic Homeless (as defined in Chapter 2, Section 2, "Chronic Homeless").
  - (ii).** Long-Term Stayer (as defined in Chapter 2, Section 3, "Long-Term Stayer").
  - (iii).** Literally Homeless (as defined in Chapter 2, Section 4, "Literal Homeless").
  - (iv).** Graduating from Transitional Housing (as defined in Chapter 2, Section 5, "Transitional Housing for Homeless")

- (v). Victim of Domestic Violence Situation (as defined in Chapter 2, Section 6, "Domestic Violence").
- D. If the LAA receives a written Extension request from a service provider or client, the LAA may grant up to three (3) consecutive thirty (30) day Extensions. The LAA may not grant any applicant more than one hundred and twenty (120) days to find suitable housing. Applicants who have not initiated an awarded subsidy within one hundred and twenty (120) days of program acceptance must reapply (See Section 10.1: Extensions).
- E. The LAA shall complete initial Housing Quality Standards (HQS) inspections on all units located by recipients (See Chapter 7: Housing Quality Standards), inform the landlord and/or property manager of any deficiencies and/or needed repairs, and establish a timeline for completion of repairs and/or deficiencies. The LAA shall inform the landlord and/or property manager in writing (using the "A3: Sample Inspection Letter")
  - (i). The LAA shall provide each applicant with the lead paint brochure, Protect Your Family from Lead in Your Home (Appendix A11), published jointly by the United States Environmental Protection Agency, Consumer Product Safety Commission, and HUD.
- F. The LAA shall negotiate a unit price that meets HUD's 'Rent Reasonableness' test and Fair Market Rent (FMR) standards with each landlord and/or property manager (See Section 8.1: Rent Reasonableness).
- G. The LAA shall conduct an initial certification with each recipient by ensuring that the following forms are completed, and signed if necessary:
  - (i). Move-In form(s) (attached as Form F13); **AND**
  - (ii). Rental Calculation and Certification Form (attached as Form F17); **AND**
  - (iii). Income Verification (according to Chapter 5); **AND**
  - (iv). Housing Quality Standard Form (attached as Form F8); **AND**
  - (v). Mandatory Release of Information Forms (according to Chapter 16); **AND**
  - (vi). Tenant Responsibility Form (attached as Form F27), with attachments distributed.
- H. The LAA shall execute a Housing Assistance Payment (HAP) Contract with each landlord/property manager (attached as Form F6).
- I. The LAA shall ensure that all SPC recipients enter into a year Lease or Rental Agreement with their landlord.
- J. The LAA shall prepare and send the Monthly Request Form to request funds from the CAA. This form shall be sent electronically and it shall be password protected. The LAA shall submit to the CAA copies of the following documents, before the CAA shall release any HAPs to the LAA:
  - (i). Rent Calculation and Certification Form (Form F17) and backup documentation (according to Section 13.2: Rent Calculation Form); **AND**

- (ii). Verification of eligibility requirements via third (3rd) party (according to Chapter 3: Eligibility For Assistance); **AND**
  - (iii). Completed and Passed HQS inspection form (Form F8); **AND**
  - (iv). Other documents as may be requested by the CAA.
- K.** The LAA shall disburse monthly HAPs to landlords/property managers in accordance with the respective HAP Contract (See Form F6: HAP Contract).
- L.** The LAA shall complete interim certifications with recipients (according to Section 13.9: Interim Certification).
- M.** The LAA shall complete all annual re-certifications (according to Section 13.8: Annual Certification), by ensuring that the following forms are completed, and signed if necessary:
- (i). Rental Calculation and Certification Form (Form F17); **AND**
  - (ii). Income Verification form(s) and Housing Quality Standard form (Form F9: HQS Inspection: Short Form); **AND**
  - (iii). Mandatory Release of Information Forms signed and standard HIPAA Compliant Release of Information Forms.
  - (iv). Tenant Responsibility Form (See Form F27: Tenant Responsibility Agreement); **AND**
  - (v). Support Service Form (Form F26: Support Service Form); **AND**
  - (vi). HAP Amendment (Form F5: HAP Amendment).
- N.** When the LAA receives payments (i.e., loan, security, damage) from recipients, the LAA shall issue receipts to those recipients.
- O.** The LAA shall report to the CAA regarding all payment activities of recipients on a monthly basis.
- P.** The LAA shall process all Move-Out inspections (See Sample Form F10).
- Q.** The LAA shall process all transfers (Form F16: Portability Request Form).
- R.** The LAA shall process all Termination of Subsidy Forms and letters, as applicable (according to Chapter 14) and include a copy of the DHHS Housing Appeals Procedure (attached as Appendix A4).
- S.** The LAA shall have on staff an individual who holds a valid certificate as a Housing Quality Standards Inspector, as covered under 24 C.F.R. § 982. In addition, each LAA shall have on staff a person who holds a valid certificate from a HUD recognized training organization in one (1) or more of the following: Asset Management, Assisted Housing Real Estate Management, Property Management, or HUD Property/Asset Management.

- T. The LAA shall establish and maintain relationships with local landlords, property managers, shelters, General Assistance Offices, Social Service Providers, and Public Housing Authorities (PHAs) through phone calls, attendance at housing related meetings, outreach to shelters, warming centers, peer drop-in or recovery centers, providing ongoing contact information, implementing housing trainings to interested stakeholders and community members that provide support to individuals with a disability defined by HUD in their covered catchment area.
- U. The LAA shall provide a written response and provide a written copy of the DHHS Housing Appeals Procedure to any past, present, or pending applicant or tenant for any service requested in writing, that the LAA may turn down, reject, refuse, or deny in the administration of SPC.
- V. The LAA shall maintain open SPC files on all recipients. Denied applicants or recipients whom exited or terminated from the SPC program must have their file retained by the LAA for the greater of eight (8) years, or the time frame put forth in the LAA agency file destruction policy. If any litigation, claim, or audit is started before the expiration period, the LAA shall retain the records until all litigation, claims or audit findings involving the records have been resolved and final action taken.

## **17.2: The Central Administering Agency (CAA)**

The CAA shall be responsible for performing the following key activities:

- A. The CAA shall inform the Department of all changes to Shelter Plus Care (SPC) forms and procedures used for the disbursement and accounting of funds, and all such changes and must be approved in writing by the Department prior to the changes being implemented.
- B. Provide training and technical assistance to all LAAs involved in the administration of rental assistance and notify all LAAs of any nationally recognized training modules that are relevant to the administration of vouchers and services.
- C. Provide consultation and assistance to LAAs on a regular basis, and as requested by the Department, to maintain compliance with local, state, and federal housing related policies, rules, regulations, and statutes (including the Fair Housing Act, as may be amended, and the Americans With Disabilities Act, as may be amended).
- D. Disburse rental subsidy funds to all LAAs on a monthly basis, provided they are in good standing and in compliance with the policies and procedures contained in the current version of the CAA Manual and the current version of the LAA Manual.
- E. Process, and approve or deny, all Reasonable Accommodation requests (according to Section 15.1: Reasonable Accommodation and the LAA Manual).

- F. Coordinate, and approve or deny, all SPC Transfers of persons currently Leased-Up from one (1) LAA to another.
- G. Comply with additional priorities and requests from the Department.
- H. Report and reconcile monthly billing to each LAA and the Department on a monthly basis on all Housing Assistance Payment (HAP) activity, as well as Census utilization; to include budget vs. actual and remaining balance.
- I. Maintain electronic database(s) of all SPC activity, including required participation in Maine's Homeless Management Information System (HMIS), to document persons served by SPC.
- J. Track and reconcile all certifications required for SPC, including all Move-Ins, Move-Outs, Unit Transfers, Annual Certifications, and Interim Certifications on a monthly basis.
- K. Conduct annual on-site program and tenant file reviews of each LAA for compliance with the LAA Manual. Within thirty (30) days of each review, the CAA shall generate a formal report to include any findings, concerns, or corrections to the LAA, with a copy to the Department. Frequency of such review visits may increase or decrease at the discretion of the CAA or Department.

### **17.3 Homeless Management Information System (HMIS)**

To end homelessness, a community must know the scope of the problem, the characteristics of those who find themselves homeless, and understand what is working in their community and what is not. Solid data enables a community to work confidently towards their goals as they measure outputs, outcomes, and impacts.

The Homeless Management Information System (HMIS) is the information system designated by a local Continuum of Care (CoC) to comply with the requirements of CoC Program interim rule 24 CFR 578. It is a locally-administered data system used to record and analyze client, service and housing data for individuals and families who are homeless or at risk of homelessness. HMIS is a valuable resource because of its capacity to integrate and un-duplicate data across projects in a community. Aggregate HMIS data can be used to understand the size, characteristics, and needs of the homeless population at multiple levels: project, system, local, state, and national. The Annual Homeless Assessment Report (AHAR) is HUD's annual report that provides Congress with detailed data on individuals and households experiencing homelessness across the country each year. This report could not be written if communities were not able to provide HUD with reliable, aggregate data on the clients they serve.

## 17.4: Continuous Monitoring Process

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 amend and reauthorize the McKinney-Vento Homelessness Assistance Act with substantial changes. These amendments include a change in HUD's definition of homelessness and chronic homelessness, along with an increase in prevention services and a greater emphasis on performance. The SPC program must operate within provisions of the CoC Program interim rule and all related regulations. The CAA is required to monitor and report project progress to Maine's CoCs and HUD. The CAA must also comply with any additional terms and conditions specified in the applicable CoC Program Notice of Funding Availability (NOFA). For each grant, the respective LAA and the CAA must document and maintain records related to program participant eligibility and the services received by program participants in order to ensure that CoC Program funding is used in accordance with HUD requirements, grant agreements, and to document that program participants are served as intended.

The CAA has adopted continuous quality monitoring as a vital compliance tool. The CAA department has established priority areas and completes this compliance process on a monthly basis. Compliance spreadsheets are one method used for communicating results, including progress, identifying areas of risk and areas for improvement. The goal is to ensure that policies, procedures, and business processes are operating effectively. Compliance is a tool intended to support LAAs as they adapt with these program changes and maintain compliance with the Hearth Act regulations and CoC program rules.

Technology plays a central role in our continuous monitoring activities by helping to automate currently established systems, analyze patterns and derive themes, among other activities. LAAs are continuously being asked to improve the quality of the data entered into Maine's HMIS system due to the growing expectations of HUD. These emerging requirements have triggered a strong focus on technological improvements program wide. The expectation of future technological advances is to create efficiencies in existing systems, while simultaneously decreasing the administrative burdens of the LAAs.

## 17.6: Paperwork Compliance Policy

Paperwork and Billing oversight is one of the duties of the Central Administrative Agency. It is the responsibility of the LAA to ensure that all program requirements have been met in accordance with HUD rules and the SPC program manual. Paperwork must be entered into DHHS database and into the mandated HMIS data system. The universal data elements for these housing programs are reviewed and entered into the system by the CAA on a monthly basis. Data compliance expectations must be fulfilled for reporting, performance, contract requirements and funding purposes. LAAs will submit paperwork to be approved for program and data compliance. This will be done on a monthly basis to assure the LAA office maintains program standards. Paperwork will be sent in by the following agencies:

- Aroostook Mental Health Center (AMHC)
- Common Ties
- Community Health and Counseling Services (CHCS)
- Kennebec Behavioral Health (KBH)
- Sweetser
- Shalom House Inc.

**Subsidy paperwork must be received by the CAA office on the 8<sup>th</sup> of the month. Billing is received by the CAA office on or before the 8<sup>th</sup> of each month.** Bills must be submitted electronically no later than the 8<sup>th</sup> of each month. If the 8<sup>th</sup> falls on a weekend, bills are due the Friday before the 8<sup>th</sup>.

Certification Paperwork consists of the following:

- A. Move-In Paperwork.
- B. Annual Paperwork.
- C. Interim Paperwork.
- D. Unit Transfer Paperwork.
- E. Gross Rent Change Paperwork.
- F. Terminations.
- G. Any missing, needed, or corrected paperwork from previous months.

The following missing or incorrect documents are examples of issues that may trigger a compliance finding:

- A. Applications where homeless documentation does not meet HUD standard.

- B.** Applications where priority verification is does not meet standards.
- C.** Initial HQS forms missing or unacceptable.
- D.** HQS re-inspection forms not submitted with one year of the previous inspection or failed for more than 30 days.
- E.** Initial rental calculation forms with missing income documents or incorrect calculations.
- F.** Annual rental calculation forms not submitted by the annual date.
- G.** Annual or interim rental calculation forms with missing income documents or incorrect calculations.

CAA staff will process and review submitted LAA paperwork. The CAA will submit any paperwork requests or discrepancies via the compliance spreadsheet. The compliance spreadsheet will be sent via email by the 25th of each month to each agency with a copy to DHHS. The compliance spreadsheet will alert each LAA of any missing or incorrect documents. This process also allows a thirty day grace period for paperwork to be submitted before there is a negative impact on the agency billing reimbursement.

Example:

*February's monthly paperwork is due March 8<sup>th</sup>. However, the finalized electronic bills are due to the CAA on the 7<sup>th</sup>, as the 8<sup>th</sup> is on a non-business day (i.e. Saturday).*

*March 25<sup>th</sup> CAA staff will send out February's Compliance Spreadsheet. The LAA must submit missing documents on April 25<sup>th</sup> to correct February compliance sheet discrepancies.*

*On April 25<sup>th</sup> if February's outstanding issues are not resolved, DHHS will be notified prior to the HAP being paid for that individual to determine if the May HAP for that individual will be held until corrections are completed and forwarded to the CAA. CAA staff will send March's Compliance Spreadsheet and the LAA will have 30 days to correct those issues. Once corrections are acknowledged by the CAA the HAP may be paid on subsequent billing.*

*If both February and March compliance errors compound and are still not corrected, DHHS will determine if June's payment will be authorized and further corrective action may be taken if necessary as determined by DHHS.*

## Chapter 18: MONTHLY REQUESTS

### 18.1: Monthly Requests

The Monthly Request Form is used by a Local Administrative Agency (LAA) to make funding requests to the CAA at Shalom House, Inc. The Local Administrative Agency will be paid on the basis of \$60 per **occupied** unit per month. The programs allocate this fee based on acceptable monthly reporting (compliance) and monthly request invoice submissions to the Central Administrative Agent. Any incorrect SPC monthly request forms will be returned for corrections by the CAA to the LAA then resubmitted for payment. The LAA will be required to adjust and change the bill to reflect allowable charges. Due to the timeline, these issues will need to be corrected the day it is discovered. If the LAA does not return the monthly request form by the 8<sup>th</sup> of the month it will result in non-payment of the entire bill until all corrections are made and forwarded to the CAA. **Do not edit, change, delete, or alter Excel formulas, format, and fixed variables. Please do not cut and paste data enter into spreadsheet.** LAA's should only use the Monthly Request Form to enter billing data.

#### Section I:

Please list under the Tenant Name column all tenants for which you are requesting SPC funds for the month. All current tenants should be reported in alphabetical order. There should be one client per line for the current billing cycle in the Monthly Request Form and only for clients that are billing a full month. If a client has a partial HAP payment due to a move-in or move-out they should be entered into Section 2 as an adjustment. For each tenant, list the Dx code, unit size, number of people per unit, contract rent, SPC utility allowance (if applicable), tenant utility allowance (if applicable), SPC HAP amount, and county. Please note that apartment rent, utility allowance total, tenant rent, LAA/Admin fee, and DHHS supplement are all columns that automatically calculate.

#### Section II: Adjustments

Please list the names of the tenants for which there were adjustments and the month the change was effective. For each tenant, list the appropriate Change Code, Date of the Change, and the HAP ADJUSTMENTS, and list the total on the SUBTOTAL line. The Codes to be listed are as follows:

MI - Tenant Move In	MO . Tenant Move Out
AR - Annual Re-certification	TR . Tenant Transferred to/from a different LAA
IR . Interim Re-certification	
TM- Termination	

Place each monthly billing adjustment for individuals on a separate line, but in succession. A full LAA ADMIN FEE may be taken for a partial month move-in. If an error is made in Section I on a previous month's bill and an adjustment is required, return the total amount billed in error in the HAP ADJUSTMENT column in Section II. On a separate line, but in succession, enter the correct HAP amount in the HAP ADJUSTMENT column. The LAA ADMIN FEE will auto fill the correct amount based on these adjustments. The DHHS ADJUSTMENT SUPPLEMENT cannot be returned when an error is corrected. When returning an incorrect HAP amount and entering the correct HAP amount in

SECTION II, leave the %County+column blank in the line with the corrected HAP amount. This will prevent another DHHS ADJUSTMENT SUPPLEMENT fee from being taken. The county must be entered for all other adjustments or the DHHS ADJUSTMENT SUPPLEMENT FEE will not be calculated.

### **Section III: Security Deposits & Damages**

Returned security deposits, loan payments, payment plans and all other misc. requests should be listed in this section. List the names of associated individuals and applicable amount.

### **18.2: Administrative Fee**

Administrative fees vary by grant awards determined by the competitive renewal applications. The CAA will alert the LAAs on any potential changes in percentage fees for a grant prior to the new percentage going in to effect. Once notified it is important for the LAA to make sure that the correct administrative percentage is being used on the monthly request. Currently, the percentages are highlighted in yellow at the top of each request sheet, with the exception of 5-year grants, which do not have the percentage listed at the top of the page.