

**Family Self-Sufficiency (FSS)  
Program Contract of Participation  
Housing Choice Voucher  
Public and Indian Housing Programs**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0178  
(exp. 9/30/2013)

This Contract of Participation for the Family Self-Sufficiency (FSS) Program is between \_\_\_\_\_

\_\_\_\_\_, Housing Agency (HA), and

\_\_\_\_\_, head of the FSS family.

The FSS family includes everyone in the household, and is referred to in this contract as "family".

**Type of FSS Program.**

The family is a participant in the:(Check only one)

- Housing Choice Voucher (HCV) FSS Program
- Public Housing FSS Program
- Indian Housing FSS Program

**Purpose of Contract**

The purpose of this contract is to state the rights and responsibilities of the family and the HA, the resources and supportive services to be provided to the family, and the activities to be completed by the family.

**Term of Contract**

This contract will be effective on \_\_\_\_\_.

This contract will expire on \_\_\_\_\_.

The HA can extend the term of the contract up to 2 years if the family gives the HA a written request for an extension and the HA finds that good cause exists for the extension.

**Resources and Supportive Services**

During the term of the contract, the HA will try to provide the resources and services listed in the individual training and services plans. If the resources and services are not available, the HA will try to substitute other resources and services. However, the HA has no liability to the family if the resources and services are not provided.

**FSS Escrow Account**

The HA will establish an FSS escrow account for the family. A portion of the increases in the family's rent because of increases in earned income will be credited to the FSS escrow account in accordance with HUD requirements.

Listed below are the family's annual income, earned income, and family rent when the family begins the FSS program. These amounts will be used to determine the amount credited to the family's FSS escrow account because of future increases in earned income.

Annual Income \$ \_\_\_\_\_

Earned Income \$ \_\_\_\_\_

Family Rent (Total Tenant Payment or, for HCV program, 30% of monthly Adjusted Income)\$ \_\_\_\_\_

The HA will invest the FSS escrow account funds in HUD-approved investments.

The HA will give the family a report on the amount in the family's FSS escrow account at least once a year.

If the family is participating in the HCV program and moves outside the HA's jurisdiction under HCV portability procedures, the HA may transfer the balance of the family's FSS escrow account to another HA.

**Withdrawal of Funds from FSS Escrow Account**

The HA may permit the family to withdraw funds from the FSS escrow account before completion of the contract if the family has completed specific interim goals, designated by the HA, and needs some of the FSS escrow account funds to complete the contract (example: to pay for school costs).

The HA will pay the head of the family the amount in the family's FSS escrow account, less any amount owed to the HA, when:

- (1) the HA determines that the family has completed this contract, and,
- (2) at the time of contract completion, the head of the family provides written certification to the HA that no member of the family is receiving welfare assistance. Welfare assistance, for the FSS program, means income assistance from Federal or state welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.

If the head of the family leaves the assisted unit, the remaining family members may, after consulting the HA, name another family member to receive the FSS escrow account funds.

**Loss of FSS Escrow Account**

The family will not receive the funds in its FSS escrow account if:

- (1) the contract of participation is terminated,
- (2) the contract of participation is declared null and void; or
- (3) the family has not met its family responsibilities within the times specified as stated in this contract.

**Family Responsibilities**

**The head of the family must:**

- o Seek and maintain suitable employment after completion of the job training programs listed in the individual training and services plan. The HA, after consulting with the head of the family, will determine what employment is suitable based on the skills, education, and job training of that individual and available job opportunities in the area.

**The head of the family and those family members who have decided, with HA agreement, to execute an individual training and services plan, must:**

- o Complete the activities within the dates listed in each individual training and services plan.
- o Provide the HA and HUD with information about the

family's participation in the FSS program in order to help the HA and HUD evaluate the FSS program. This could include information regarding employment, job interviews, training, educational attendance, and other FSS services and activities.

**All family members must:**

- o Comply with the terms of the lease.
- o If receiving welfare assistance, become independent of welfare assistance and remain independent of welfare assistance for at least 12 consecutive months before the contract expires.
- o If participating in the HCV program, the family must comply with the family obligations under the HCV program and live in the jurisdiction of the HA that enrolled the family in the FSS program at least 12 months from the effective date of this contract, unless the initial PHA has approved the family's request to move outside its jurisdiction under portability.

**Corrective Actions for Failure to meet Family Responsibilities**

If any member of the family does not meet his or her responsibilities under this contract, the family will not receive the money in its FSS escrow account and the HA may:

- (1) stop supportive services for the family,
- (2) terminate the family's participation in the FSS program, and
- (3) if the family is participating in the HCV program, terminate the assistance, when allowed by HUD requirements.

**HA Responsibilities**

- o Attempt to obtain commitments from public and private sources for supportive services for families.
- o Establish an FSS escrow account for the family, invest the escrow account funds, and give the family a report on the amount in the FSS escrow account at least once a year.
- o Determine which, if any, interim goals must be completed before any FSS escrow funds may be paid to the family; and pay a portion of the FSS escrow account to the family if the HA determines that the family has met these specific interim goals and needs the funds from the FSS escrow account to complete the contract.
- o Determine if the family has completed this contract.
- o Pay the family the amount in its FSS escrow account, if the family has completed the contract and the head of the family has provided written certification that no member of the family is receiving welfare assistance.

**Completion of the Contract of Participation**

Completion of the contract occurs when the HA determines that:

- (1) the family has fulfilled all of its responsibilities under the contract; or
- (2) 30 percent of the family's monthly adjusted income equals or is greater than the Fair Market Rent amount for the unit size for which the family qualifies.

**Termination of the Contract of Participation**

The HA may terminate this contract if:

- (1) the family and the HA agree to terminate the contract;
- (2) the HA determines that the family has not fulfilled its responsibilities under this contract;
- (3) the family withdraws from the FSS program;
- (4) an act occurs that is inconsistent with the purpose of the FSS program; or
- (5) the HA is permitted in accordance with HUD requirements.

The HA may declare this contract null and void if the resources and services necessary to complete the contract are not available.

The HA must give a notice of termination or nullification to the head of the family. The notice must state the reasons for the HA decision to terminate or nullify the contract.

If the contract is terminated or declared null and void, the family has no right to receive funds from the family's FSS escrow account. The HA must close the family's FSS escrow account and may use the funds for purposes in accordance with HUD requirements.

If the family is participating in the HCV program, the HA will terminate the contract if the family moves outside the HA's jurisdiction under portability procedures and enters the FSS program of another HA.

If the family is participating in the HCV program, this contract is automatically terminated if the family's assistance is terminated in accordance with HUD requirements.

**Conflict with the Public or Indian Housing Lease**

If part of this contract conflicts with the public or Indian housing lease, the lease will prevail.

**Compliance with HUD Regulations and Requirements**

The contract of participation must be interpreted and administered in accordance with HUD regulations and requirements. Terms and figures, such as the income and rent amount on page 1, are subject to correction by the HA for compliance with HUD regulations and requirements. The HA must notify the family in writing of any adjustments made to the contract.

**Signatures:**

**Family**

\_\_\_\_\_  
(Signature of head of family)

\_\_\_\_\_  
(Date Signed)

**Housing Agency**

\_\_\_\_\_  
(Name of HA)

\_\_\_\_\_  
(Signature of HA Official)

\_\_\_\_\_  
(Official Title)

\_\_\_\_\_  
(Date Signed)

Each Housing Agency (HA) must enter into a contract of participation with each eligible family that opts to participate in the FSS program. Each HA must consult with local officials to develop an action plan containing descriptions of the size, characteristics, and needs of the population to be served by its proposed FSS program; the services and activities it will provide; how the program will be implemented; the public and private resources through which services and activities will be provided; a timetable for implementation; and other data necessary for HUD to ensure coordinated implementation of program services and activities.

Public reporting burden for this collection of information is estimated to average 1.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Response to this collection of information is mandatory by law (Section 23 (c) & (g) of the U.S. Housing Act of 1937, as added by Section 554 of the Cranston-Gonzalez National Affordable Housing Act (PL 101-625) for participation in the FSS program.

The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained.

HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

## HA Instructions for Executing the FSS Contract of Participation

### Parties to the Contract/Signatures

The head of the participating family must be the adult member of the family who is the head of the household for income eligibility and rent purposes.

### Term of Contract

The effective date is the first day of the month following the date the contract was signed by the family and the HA's representative.

The expiration date is five years from the effective date of the contract.

If the HA decides to extend the term of the contract, the original expiration date listed on page one of the contract must be crossed out and the new expiration date added.

If a family moves under HCV portability procedures and is going to participate in the receiving HA's FSS program, the effective date of the contract between the family and the receiving HA is the first day of the month following the date the contract was signed by the family and the HA's representative. The expiration date of the contract between the receiving HA and the family **must** be the same as the expiration date of the contract between the initial HA and the family.

### FSS Escrow Account

The income and rent numbers to be inserted on page one may be taken from the amounts on the last reexamination or interim determination before the family's initial participation in the FSS program, unless more than 120 days will pass between the effective date of the reexamination and the effective date of the contract of participation. If it has been more than 120 days, the HA must conduct a new reexamination or interim redetermination.

If a family moves under HCV portability procedures and is going to participate in the receiving HA's FSS program, the receiving HA must use the amounts listed for annual income, earned income, and family rent on page one of the contract between the initial HA and the family.

### Changes to the Contract

This contract of participation can only be changed to modify the contract term, the head of the family, or the individual training and services plans.

Any change of the head of the family under the contract must be included as an attachment to the contract. The attachment must contain the name of the new designated head of the family, the signatures of the new head of the family and an HA representative, and the date signed.

Any change/s to an individual training and services plan must be included as a revision to the individual training and services plan (attachment) to which the change applies. The revision must include the item changed, signatures of the participant and an HA representative, and the date signed.

For extensions to the contract term, see the "Term of Contract" section.

If, twelve months after the effective date of the contract, a family in the HCV FSS program moves outside of the HA's jurisdiction under HCV portability procedures, an HA may take one of the following actions:

- (1) The initial HA may permit the family to continue to participate in its FSS program, if the family demonstrates to the initial HA's satisfac-

tion that it can meet the family responsibilities of the contract in the new location. In this case, the existing contract remains in effect with no change. The initial HA must transfer the family's FSS escrow account balance when the family is absorbed by the receiving HA.

- (2) The receiving HA may permit the family to participate in its FSS program. If so, the initial HA must terminate its contract with the family. The initial HA must also transfer the family's FSS escrow account balance when the family is absorbed by the receiving HA. The receiving HA will execute a new contract with the family.
- (3) In cases where the family cannot fulfill its family obligations in the new location, and the receiving HA does not permit the family to participate in its FSS program, the contract between the initial HA and the family shall terminate and the family will lose the funds in its FSS escrow account.

### Individual Training and Services Plans

The contract must include an individual training and services plan for the head of the family. Other family members age eighteen and older may choose to execute an individual training and services plan if agreed to by the HA.

The resources and supportive services to be provided to each family member must be listed in the individual training and services plans which are attachments to the contract of participation.

Page one of each participant's individual training and services plan includes space for the final goal and the first interim goal needed to achieve the final goal. The additional pages provide a format for recording each interim goal and specific information related to its achievement. The first page of each participant's plan must be signed by the participant and an HA representative.

Interim goals must be specified along with the activities and services needed to achieve them. For example, a single mother with two children who has an interim goal of completing her secondary education might require several different activities and services to achieve that goal. These could include transportation, tutoring, and child care.

All completion dates included in the individual training and services plans must be on or before the contract of participation expires.

One of the interim goals for families receiving welfare assistance is to become independent of welfare assistance for at least twelve consecutive months before the end of the contract. Any family that is receiving welfare assistance **must** have this included as an interim goal in the head of the family's individual training and services plan.

The final goal listed on the individual training and services plan of the head of the family **must** include getting and maintaining suitable employment specific to that individual's skills, education, job training, and the available job opportunities in the area.

### Incentives

If the HA has chosen to offer other incentives in connection with the FSS program, these incentives may be included in the individual training and services plans or as an attachment to this contract.

# Family Self-Sufficiency Program Individual Training and Services Plan

Attachment \_\_\_\_\_

Name of Participant \_\_\_\_\_

Social Security Number \_\_\_\_\_

**Final Goal**

\_\_\_\_\_

Interim Goal Number \_\_\_\_\_

Date Accomplished \_\_\_\_\_

Activities/Services

Responsible Parties

Date/s

Comments

\_\_\_\_\_

## Signatures:

**Family**

\_\_\_\_\_  
(Participant)

\_\_\_\_\_  
(Date Signed)

**Housing Agency**

\_\_\_\_\_  
(Signature of HA Representative)

\_\_\_\_\_  
(Date Signed)

# Family Self-Sufficiency Program Individual Training and Services Plan

Attachment \_\_\_\_\_

Name of Participant \_\_\_\_\_

Social Security Number \_\_\_\_\_

Interim Goal Number \_\_\_\_\_

Date Accomplished \_\_\_\_\_

Activities/Services

Responsible Parties

Date/s

Comments