

**Attachment A –
Sample Multifamily FSS
Contract of Participation**

HUD Form 9831A
OMB Approval No.2502-xxxx

Participants

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

(insert owner entity name) and

(insert head of household).

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 Multifamily Housing FSS Program.

Purpose of Contract

This contract provides the rights and responsibilities of the family and the owner, 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:

(insert date)

This contract will expire on:

(insert date)

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

Resources and Supportive Services

During the term of the contract, the owner will attempt to provide the resources and services listed in the individual Training and Services Plans. If the resources and services are not available, the owner will attempt to substitute other resources and services. However, the owner has no obligation to the family if the resources and services are not provided.

FSS Escrow Account

The owner will establish an FSS escrow account for the family. A portion of the increases in the Total Tenant Payment (TTP), due to increases in earned

income, will be credited to the FSS escrow account in accordance with HUD requirements.

The family’s annual income, earned income, and TTP, at the time the family begins the FSS program, are listed below. The owner will use these amounts to determine the amount to credit to the family’s escrow account based on future increases in earned income.

Annual Income \$ _____

Earned Income \$ _____

Total Tenant Payment \$ _____

The owner will deposit the FSS escrow account funds in an interest-bearing account.

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

If the family moves out of the property offering the FSS program and into another Section 8 property with an FSS program, and the new owner accepts the family into its FSS program, the family may continue its participation.

If the new property does not have an FSS program, but the head of household has maintained suitable employment and all family members have been independent from welfare assistance for at least one year, then the owner may modify the goals under this contract and report that the family has successfully completed the contract. The current balance in the escrow account may be disbursed to the FSS family.

Withdrawal of Funds from FSS Escrow Account

The owner 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 owner, and needs some of the FSS escrow account funds to complete the contract (example: to pay for school costs).

The owner will pay the head of household the amount in the FSS escrow account, less any amount owed to the owner, when:

- (1) The owner determines that the family has completed the terms of this contract, and

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- (2) At the time of contract completion, the head of household provides written certification to the owner stating that every member of the family is independent of welfare assistance, and has been independent of welfare assistance for at least the 12 consecutive months immediately preceding the CoP expiration date. The FSS program considers “welfare assistance” to mean 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 household leaves the assisted unit, the remaining family members may, after consulting the owner, 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) This contract of participation is terminated;
- (2) This contract of participation is declared null and void, or
- (3) The family has not met its responsibilities within the timeframe specified in this contract.

Family Responsibilities

The head of household must:

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

The head of household and those family members who have decided to execute an individual training and services plan, must:

- (1) Complete the activities within the dates listed in each individual training and services plan.
- (2) Provide the owner and HUD with information about the family’s participation in the FSS program in order to help the owner 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:

- (1) Comply with the terms of the lease;

- (2) If receiving welfare assistance, become independent of welfare assistance and remain independent of welfare assistance for at least the 12 consecutive months immediately preceding the contract expiration date.

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. The owner may:

- (1) Stop supportive services for the family and/or
- (2) Terminate the family’s participation in the FSS program.

Owner Responsibilities

- (1) Attempt to obtain commitments from public and private sources for supportive services for families. If a social service agency fails to deliver the supportive services pledged under an ITSP, the owner shall make a good faith effort to help the family member obtain these services from another agency and/or determine if the ITSP needs to be amended.
- (2) Establish an FSS escrow account for the family, deposit the FSS escrow account funds in an interest-bearing account, and give the family a report on the amount in the FSS escrow account at least once a year.
- (3) Determine which, if any, interim goals must be completed before the owner can pay the FSS escrow funds to the family.
- (4) Pay a portion of the FSS escrow account funds to the family if the owner determines that the family has met the specified interim goals and needs the funds from the FSS escrow account to complete the contract.
- (5) Determine if the family has completed the terms of this contract.
- (6) Pay the family the amount in its FSS escrow account, if the family has completed the contract and the head of household 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 owner determines that the family has fulfilled all of its responsibilities under the contract.

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Termination of the Contract of Participation

The contract is automatically terminated if the family's Section 8 assistance is terminated in accordance with HUD requirements.

Additionally, the owner may terminate this contract if:

- (1) the family and the owner both agree to terminate the contract;
- (2) the owner 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;
- (5) the family moves into a property not offering an FSS program; or
- (6) Lease compliance.

The owner must give a notice of termination to the head of household. The notice must state the reason(s) for contract termination.

If the contract is terminated, the family has no right to receive funds from its FSS escrow account. The

owner must close the family's FSS escrow account and remit the balance to HUD.

Under no circumstance will the terminated contract affect the family's admission to assisted housing or the family's right to occupy the unit in accordance with its lease.

Conflict with the Housing Lease

If part of this contract conflicts with the rental 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 total tenant payment amount on page 1, are subject to correction by the owner for compliance with HUD regulations and requirements. The owner must notify the family in writing of any adjustments made to this contract.

Signatures:

Family

Signature of Head of Household

Date Signed

Property Name

Unit Number

Owner / Owner Representative / Agent

Name of owner

Signature of owner

Official Title

Date Signed

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Owner Instructions for Executing the FSS Contract of Participation

Each owner must enter into a contract of participation with each eligible family that chooses to participate in the FSS program. Each owner must develop an action plan. The action plan must include the following items: Description of the size, characteristics, and needs of the population to be served by its proposed FSS program; An explanation of how the program will be implemented; The services and activities that will be provided; The public and private resources that will provide the services and activities; A timetable for implementation, and Other data necessary for HUD to ensure the coordinated implementation of program services and activities.

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 owner's representative.

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

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

If a family moves and will participate in the receiving owner's FSS program, the effective date of the contract between the family and the receiving owner is the first day of the month following the date the contract was signed by the family and the owner's representative. The expiration date of the contract between the receiving owner and the family must be the same as the expiration date of the contract between the initial owner 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 annual certification before the family's initial participation in the FSS program.

If a family moves and will participate in the receiving owner's FSS program, the receiving owner must use the amounts of annual income, earned income, and TTP listed on page one of the contract between the initial owner and the family.

Changes to the Contract

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

Any change of the head of household under the contract must be included as an attachment to the contract. The attachment must contain the name of the new designated head of household, the signatures of the new head of household and the owner's 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 to which the change applies. The revision must include the item changed, signatures of the participant and an owner representative, and the date signed.

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

Individual Training and Services Plans

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

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 owner 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 household individual training and services plan.

The final goal listed on the individual training and services plan of the head of household **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 owner 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.