

**NELSON HOUSING AUTHORITY
COMMUNITY SERVICE AND SELF SUFFICIENCY POLICY**

A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all non-exempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month or 96 hours per year (prior to annual recertification) of community service (volunteer work) or participate in eight (8) hours or 96 hours per year of training, counseling, classes or other activities that help an individual toward self sufficiency and economic independence. This is a requirement of the Public Housing Lease.

B. Definitions

Community Service - volunteer work which includes, but is not limited to:

- Work at a local institution including but not limited to: school, child care center, hospital, hospice, recreation center, senior center, adult day care center, homeless shelter, indigent feeding program, cooperative food bank, etc.;
- Work with a non-profit organization that serves PHA residents or their children such as: Boy Scouts, Girl Scouts, Boys or Girls clubs, 4-H program, PAL, Garden Center, Community cleanup programs, beautification programs, other youth or senior organizations;
- Work at the Authority to help improve physical conditions;
- Work at the Authority to help with children's programs;
- Work at the Authority to help with senior programs;
- Helping neighborhood groups with special projects;
- Working through resident organization to help other residents with problems, serving as an officer in a Resident organization, serving on the Resident Advisory Board; and
- Caring for the children of other residents so they may volunteer.
- **NOTE: Political activity is excluded.**

Self Sufficiency Activities - activities that include, but are not limited to:

- Job readiness programs;
- Job training programs;
- GED classes;
- Substance abuse or mental health counseling;
- English proficiency or literacy (reading) classes;
- Apprenticeships;
- Budgeting and credit counseling;
- Any kind of class that helps a person toward economic independence; and
- Full time student status at any school, college or vocational school.

Exempt Adult - an adult member of the family who

- Is 62 years of age or older;
- Has a disability that prevents him/her from being gainfully employed;
- Is the caretaker of a disabled person;
- Is working at least 10 hours per week; or
- Is participating in a welfare to work program.

C. Requirements of the Program

1. The eight (8) hours per month or 96 hours per year may be either volunteer work or self sufficiency program activity, or a combination of the two.
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The Authority will make the determination of whether to allow or disallow a deviation from the schedule.
3. Activities must be Performed within the community and not outside the jurisdictional area of the Authority.
4. Family obligations
 - At lease execution or re-examination after February 1, 2000, all adult members (18 or older) of a public housing resident family must
 1. provide documentation that they are exempt from Community Service requirement if they qualify for an exemption, and
 2. sign a certification that they have received and read this policy and understand that if they are not exempt, failure to comply with the Community Service requirement will result in non-renewal of their lease.
 - At each annual re-examination, non-exempt family members must present a completed documentation form (to be provided by the Authority) of activities performed over the previous twelve (12) months. This form will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed.
 - If a family member is found to be noncompliant at reexamination; he/she and the Head of Household will sign an agreement with the Authority to make up the deficient hours over the next twelve (12) month period.
5. Change in exempt status:
 - If, during the twelve (12) month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to the Authority and provide documentation of such.
 - If, during the twelve (12) month period, an exempt person becomes nonexempt; it is his/her responsibility to report this to the Authority. The Authority will provide the person with the Recording/Certification documentation form and a list of agencies in the community that provide volunteer and/or training opportunities.

D. Authority obligations

1. To the greatest extent possible and practicable, the Authority will:
 - provide names and contacts at agencies that can provide opportunities for residents, including disabled, to fulfill their Community Service obligations. (*According to the Quality Housing and Work Responsibility Act, a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement*); and
 - provide in-house opportunities for volunteer work or self sufficiency programs.
2. The Authority will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at initial application and at lease execution.
3. The Authority will make the final determination as to whether or not a family member is exempt from the Community Service requirement. Residents may use

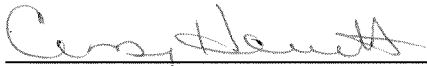
the Authority's Grievance Procedure if they disagree with the Authority's determination.

4. Noncompliance of family member:
 - At least thirty (30) days prior to annual re-examination and/or lease expiration, the Authority will begin reviewing the exempt or non-exempt status and compliance of family members;
 - If the Authority finds a family member to be noncompliant, the Authority will enter into an agreement with the noncompliant member and the Head of Household to make up the deficient hours over the next twelve (12) month period;
 - If, at the next annual re-examination, the family member still is not compliant, the lease will not be renewed and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit;
 - The family may use the Authority's Grievance Procedure to protest the lease termination.

APPROVED BY THE GOVERNING BODY OF THE:

NELSON HOUSING AUTHORITY

THIS 12TH, DAY OF MARCH, 2018.



Board Chairman

ATTEST:



Board Secretary

**NELSON HOUSING AUTHORITY
FISCAL/INTERNAL CONTROL POLICY**

I. ACCOUNTING METHODS

The Nelson Housing Authority (NHA) uses Generally Accepted Accounting Principles (GAAP) for governmental entities. The Enterprise Fund method of accounting per the Governmental Accounting Standards Board (GASB) will be maintained as recommended by the United States Department of Housing and Urban Development (HUD). This method of accounting requires full accrual of revenues and expenditures within the accounting period as they are earned or expended. The depreciation of capitalized assets will be recorded on a straight-line basis over the useful life as recommended and allowed by the Internal Revenue Service Code or as may be required by HUD. The NHA utilizes a fee accountant to compile financial data on a monthly basis.

II. INDEPENDENT AUDIT

The NHA's fiscal year-end is March 2020. An independent audit of the NHA operations occurs yearly. The auditor utilizes governmental auditing standards, which includes financial information, internal control of assets, operations and compliance with all Federal, State and Local government laws and regulations. The final audit report is sent to HUD, the State of Nebraska Treasurer, the Housing Authority Commissioners, as well as Financial Institutions and other third parties as requested of the Authority. The Audit contract contains verbiage to allow the Authority to cancel the contract at any time for any reason or no reason. In addition, the Independent Auditor must be certified with HUD and Licensed in the State of Nebraska. The independent auditor is expected to follow all federal, state and local laws and regulations during the audit period. The NHA may procure an audit proposal for a three-year period. Procurement is handled by the Executive Director with Board approval of the proposal/bid.

Audit Review: Upon receipt of the NHA's fiscal year-end audit report, the Executive Director shall review the audit for accuracy. A copy of the audit shall be provided to each Board member prior to the next scheduled Board meeting. The Board and Executive Director shall review and discuss the audit at its meeting. The Board will

accept/reject the audit report by motion. The information obtained from the audit will be used for future financial planning and policy changes for the Nelson Housing Authority.

III. COST ALLOCATION

The Housing Authority prepares a yearly budget(s) as required by HUD regulations. The yearly budget contains a cost allocation that includes all Authority operations. This allocation is necessary to ensure that costs of operating each program are charged to the correct fund in our general ledger. Each program and individual grants have a separate fund number to record direct and allocated revenues and expenditures. Allocation methods are reviewed and changed periodically as necessary. Allocations of costs traceable to grants that do not provide administrative fee are allocated on a basis that is the best for the financial needs of the Authority. The general allocation process is as follows:

1. Direct cost by fund and project or grant.
2. Cost of support services and support staff are allocated based on a time study/review, number of units per program, any other reasonable and fair methods and goals of the Authority as stated in the Annual and Five-Year Agency Plan.

IV. INTERNAL CONTROL

The Authority shall maintain a system of internal, administrative and accounting controls consisting of all economically feasible measures necessary to protect the Housing Authority assets and operations. Internal controls are for:

1. Safeguarding the NHA resources against waste, fraud, mismanagement and inefficiency,
2. Promoting accuracy and reliability in accounting and operating data, including Financial Reports prepared by the fee accountant.
3. Encouraging and measuring compliance with Housing Authority policy,
4. Evaluating the efficiency of financial operations in all Departments and programs operated by the Authority,

5. To assist in verifying that standards of operating procedures established for each department are followed
6. To provide creditability of sound operating standards to third Parties such as independent auditors, HUD, the State and Local government
7. To ensure that Ethical Practices are followed
8. To ensure that the Authority is in compliance with federal, State and local laws and regulations
9. Staff Job Descriptions are written so that, as much as possible, the same person collecting and receipting rent is not the same person who makes the deposits. The person who makes the deposits does not reconcile the bank statement.

V. BUDGETS AND BUDGET CONTROL

The NHA defines a budget as a realistic estimate of the operating revenue and expenditures to be incurred in connection with the prudent operation of any project or program during a specified period, broken down according to a classification of accounts as recommended by HUD and as required by Generally Accepted Accounting Principles.

Budgets shall be prepared on a program or grant basis. Each program, grant or project administered by the Authority shall have a separate operating budget.

Budget Preparation: The Executive Director is primarily responsible for all functions of the budget preparation and obtaining approval by Resolution from the Board of Commissioners.

The budgets shall be by program, grant or project and shall include adequate justification of revenues and expenditures. The Executive Director will then recommend the budgets to the Board of Commissioners. The Board of Commissioners shall review the recommended budget, request any additional information they desire, and make

such changes to the proposed budget as they determine appropriate. The Board of Commissioners must adopt the budgets each year. Revisions in the budget document necessitated by changes in circumstances or estimates during the fiscal year shall be processed in the same manner as the original budget. Approval of program budgets shall be obtained from the United States Department of Housing and Urban Development (HUD).

Budget Control: The Executive Director and/or his/her designee shall be responsible for the efficient and effective use of budget appropriations and control of costs in relation to each program budget. No expenditure shall be made that exceeds an appropriation for a major expenditure category of a program/department budget except in emergency situations as determined by the Executive Director.

Financial Statement Review: Documentation of receipts and expenses shall be provided to the fee accountant. Monthly financial reports for all NHA programs shall be prepared by the fee accountant and submitted to the Executive Director. The Executive Director shall review all reports for accuracy and financial stability. Copies of the financial reports shall be provided to all Board members prior to the monthly Board meeting. This information will be reviewed with the Board of Commissioners at its regular Board meeting and approved/rejected by motion.

VI. PROCUREMENT

The procurement of goods and services shall be accomplished in a manner that will ensure the combination of price and quality that will promote the highest level of efficiency and economy. The procurement policy is a separate policy that specifies the various laws; regulations and procedures the Authority must follow.

Staff responsible for Procurement include: Executive Director and the Occupancy Director.

VII. DISPOSITION OF EXCESS PROPERTY

The Authority disposes of excess property in accordance with federal, state and local laws. The Authority has a separate policy with specific guidelines that must be followed. Disposition of property is the responsibility of the Executive Director.

VIII. HOUSING ASSISTANCE PAYMENTS (HAP)

Housing Assistance Payments shall be made in a timely manner each month. The Occupancy Director and the Executive Director document the amount of the HAP through the use of the Housing Authority software. The Occupancy Director prepares a computer-generated Payment Report Summary. This report is reviewed with documents verifying adjustments, additions and deletions of the current month. The Occupancy Director generates the checks using the Housing Authority software. The checks are reviewed by the Executive Director before processing in completed and the checks are mailed to the landlords. Check information is given to the Office Assistant for entry into the Accounts Payable records.

IX. PAYROLL

Payments of salaries and wages to employees shall be made expeditiously and in accordance with all Federal, State and Local Laws and Regulations. The payroll schedule shall be Monthly. Payroll checks will be distributed on the fifth of each month. Employee records shall be confidentially maintained and shall include adequate documentation and authorization to support every transaction from employment through termination in accordance with the NHA Personnel Policy. The Executive Director is responsible for this function.

X. INVESTMENTS

The NHA shall invest all available funds in those investment funds or securities approved by HUD and State Law. The Executive Director is responsible for the investments of the Authority. State law and good business practices require that all governmental agencies prepare an investment policy and to be approved by the Board

of Commissioners. The Authority Investment Policy and procedures are separate from this document.

XI. ACCOUNTS RECEIVABLE AND COLLECTIONS

Resident Accounts: A detailed record of all transactions shall be maintained for each resident of the NHA, including documentation of each transaction's nature, justification, and authorization. Notice to residents regarding delinquency of account balances shall be processed as promptly as allowed by State and Federal laws and regulations. Legal eviction proceedings shall be instituted promptly for accounts that remain delinquent upon expiration of the required notice period.

The Executive Director will be trained for the Rent Collection activities. The Executive Director will be the main person to collect rent, write out and record receipts. The Executive Director also will have responsibility of sending late notices to tenants. The Executive Director will be responsible for sending file information to Collections. The Executive Director will be the main person to make necessary deposits, with the Executive Director reviewing deposits, deposit breakdowns, etc.

Collection Loss: All account balances determined to be uncollectible shall be presented to the Board of Commissioners at least annually for approval to be written off to collection loss. All account balances shall be assigned to a collection agency. The Authority shall employ all legal, reasonable and economically feasible measures necessary to collect all debt owed to the Authority. Apart from this document there is a separate procedure for the disposition of uncollectible resident accounts.

XII. CHECK SIGNING/AUTHORIZATION

The Authority by Board Resolution authorizes either the Chairman of the Board of Commissioners or the Vice Chairman to sign and issue checks, and the Executive Director on behalf of the Authority. The following is the procedure for issuance of checks:

- A. All checks shall have two signatures.

- B. Supporting data for each check shall be available for the signer to review at the time of signing.
- C. Facsimile generated signatures are authorized for check signing. An internal control certification form shall be completed when facsimile generated signatures are used.
- D. In addition to this policy there is a separate Check Writing Policy and Check Signing policy.

XIII. HANDLING OF RENT

Check or Money Orders are the preferred methods for paying rent. The Executive Director is responsible for accepting payments.

XIV. PETTY CASH

The NHA does not maintain a Petty Cash Fund for the purchase of incidental office and maintenance supplies and Rent Change.

XV. INSURANCE COVERAGE

The Housing Authority shall obtain coverage of the following insurances to protect the Authority from loss of assets and liability protection for Commissioners and or employee actions.

1. Workers Compensation to assist employees who have been injured, became ill due to accidents or other unforeseen events while on duty.
2. General Liability protects the Authority assets against claims from outside individuals or businesses due to unforeseen events.

3. Apartment Owners or Fire and Extended Coverage insurance protects the assets of the Authority from disasters and causality losses such as fire, wind, hail, rain and other events.
4. Automobile coverage protects the Authority assets in case of an accident with another vehicle or other property or an unforeseen event.
5. Errors and Omissions insurance protects the Commissioners, Officers and Employees for legal liability arising from actual or alleged errors, misstatements or misleading statement, acts or omissions, and neglect or breach of duty by an insured.
6. Fidelity Bond protects the Authority against employee theft or embezzlement.

The Executive Director is responsible for the procurement of insurances.

XVI. DISCLAIMER

This Policy is intended to provide general guidance for the operation of the Housing Authority programs. Separate Policies such as Procurement Policy, Write Off Policy, Investment Policy, Disposition Policy and Check Writing Policy will provide more detailed information and procedures. Additional policies and procedures will be written and approved as may be needed. If a conflict in law occurs with this policy, the law shall prevail. The Executive Director and or Commissioners of the Nelson Housing Authority retain the right to make changes as necessary in this policy.

Resolution #27
NE-082-27-2019

Date 11/12/2019