

**Workbook Exercise– Determination of Eligibility for PBV and PBRA Program**

A brief description of several families is presented below. First determine each family’s eligibility for admission and income targeting requirements, and then determine the voucher size. Assume two people per bedroom, with a separate bedroom for HOH (spouse), differing generations, and also children of opposite sex above the age of 5. The Administrative Plan allows for reasonable accommodations.

Program	Number of Persons in Family							
	1	2	3	4	5	6	7	8
Median Income	\$20,400	\$23,800	\$26,800	\$29,800	\$32,200	\$34,600	\$37,000	\$39,300
Lower-Income (80%)	\$16,700	\$19,040	\$21,440	\$23,840	\$25,760	\$27,680	\$29,600	\$31,440
Very-Low Income (50%)	\$10,200	\$11,900	\$13,400	\$14,900	\$16,100	\$17,300	\$18,500	\$19,650
Extremely Low Income (30%)	\$6,270	\$7,140	\$8,040	\$8,940	\$9,660	\$10,380	\$11,100	\$11,790

1. Emma Believer, with 2 dependents below the age of 13, has an annual employment income of \$12,000 and a Social Security income of \$100 per month. She was evicted from Public Housing 4 years ago for non-payment of rent that she has just recently repaid.
2. Jimmy Theodore is a lifetime sex offender registered with the State and has an Annual Income of \$5,500. Jimmy has recently completed a rehab program for drug offenders and has provided the PHA verification of completion of the program. Jimmy has a mental disability and requests housing assistance as a reasonable accommodation.
3. Otto Recount, an illegal immigrant who is disabled, has an Annual Income of \$8,020. He has a wife receiving SSI of \$120 per month and 1 dependent (age 3), both of whom are citizens.
4. Vera Ficassion has Annual Income from a monthly Social Security benefit of \$523. She has a family of 4 dependents (John, Mary, Billy, James) living with her; John was previously living with her sister who lived in Section 8 and the dependent (John) was evicted from Section 8 just 3 months ago for drug-related criminal activity.
5. Anita Help and her 4 children, all under 14 years of age, and have a total income from TANF of \$430 per month, SSI of \$630 per month, and child support of \$200 per month. Anita just became employed before the PBV assignment was issued and has requested an earned income disallowance on the amount of wages of \$3,000.

6. Katie Barthedor has employment at Medico Supplies and earns \$12.00 per hour and works a 40 hours per week. She has 1 dependent with medical issues with unreimbursed medical cost of \$6,000 per year. Katie thinks she is over-income for this PHA's program, but wants the assistance in the PBV unit for a short time so she can use the choice mobility, convert it to a free standing voucher, so she can port to an area where she is income eligible and can continue to receive assistance.
7. Sam Theman works at Wonderful Wonder World for 30 hours per week at \$18.00 per hour. He also receives monthly income of \$400 from Social Security for his disabled twin adult (31 year old) brothers that will be also part of the household. Sam's family is coming over to the PBV from the Rental Assistance Demonstration Program (RAD). He currently pays flat rent of \$600 per month
8. Sharon Diamonds is a PH resident and has an Annual Income of \$19,000 and also has 3 dependents. She has Social Security numbers for all members of the family and has child care expenses of \$8,000 annually. She receives a payment of \$600 per month for 2 foster adults that live with her. Sharon is being relocated from PH to PBV in the RAD program after the unit has been revitalized.
9. Hal Lenphrate is 29 years old, has an earned income of \$5,800 and has 1 dependent child that lives with him a majority of the time. Hal is a college student and receives a higher education grant of \$6,000 per year. The tuition at school is \$2,000 per year. The dependent is temporarily away at school and also stays with her grandparents during the summer months every year.
10. Jurry Riggins, who is 62 years old, has an Annual Income from SSI of \$250 per month. He has a resident alien card for documentation of legal status. He was terminated by another housing authority for misrepresenting income from employment 2 years ago, but has appealed the action in the courts.
11. Susie Que has an Annual Income of \$11,100 from employment, and has 3 children below the age of 5 on the application. One of the children is a foster child that Susie receives \$300 per month for from the State. Her landlord references indicate she was terminated from one landlord (3 years ago) due to excessive noise, but the last 2 landlords indicate that she was an excellent tenant and they never had any problems.
12. Del Tabbadhand has an Annual Income of \$8,500. He has 2 dependents less than 5 years of age, one of which does not have a Social Security card but Del has certified that that the dependent does not have a card. This same dependent was born outside the USA and Del applied for, but has not received verification from DHS on his legal immigrant status.
13. Kimi Ensuspence, previously abused drugs but has provided documentation from the treatment center that she has been drug-free for the last 24 months. She has an Annual Income of \$10,200. She has 2 young dependents below 5 years of age.
14. Owen Everybody is 22 years old, single, a veteran, and a full time college student. He has Annual Income from employment of \$8,900. He also receives a grant from the college for \$5,000 per year and the tuition is \$3,000 per year. He has excellent landlord references.

15. Paully Wanakraker has an Annual Income of \$13,200 from employment. She has 3 dependents listed on the application; two (1 boy and 1 girl) are above age 16. The younger dependent has a disability requiring a separate bedroom.
  
16. Mark Thespot is 61 years old. He has a verified pension in the amount of \$610 per month. He also works five hours a day at a gas station. His gross income from that job is \$5,250 per year. He has a savings account with \$263 @1% interest. He pays approximately \$27 a month in prescriptions. Mark has a doctor's statement that he is disabled and requires a live-in aide, so he has provided the name of his working daughter and her 3 adult children to be his live in aide.

Name	Annual Income \$	Income Limit \$ for PBV and PBRA at 80%	Income Limit \$ PBV and PBRA at 50%	ELI Income for Targeting \$	Family Size #	Voucher Size/Bedroom Size #	Eligible or ineligible	Reason
E.B								
J.T								
O.R								
V.F								
A.H								
K.B.								
S.T.								
S.D.								
H.L.								
J.R.								
S.Q.								
D.T.								
K.E.								
O.E.								
P.W.								
M.T.								

**Workbook Exercise – Verification**

Within your group, discuss and answer the following questions for your assigned case. Then record your answers and be prepared to report your answers to the other groups.

1. Tim Williams (Head of Household) is employed by ABC Box Company at \$8,000 per year. Mr. Williams has two minor children ages 2 and 4. The tenant reports that he pays Kinder Care Center \$250 a month for childcare for both children.
  - What type of verification would be required?
  - Determine if the Williams' family is eligible for the childcare deduction:
    - i. Does the childcare expense enable Mr. Williams to actively seek employment or be gainfully employed or further his education?
    - ii. Are Mr. Williams' children under the age of 13?
    - iii. What would be the limit on childcare that would be allowed and what type of verification would be needed?
  - Determine the TTP.
  
2. Cassandra Williams works a full-time job earning \$10,000 per year, and has two minor children ages 2 and 5. Ms. Williams also has an adult child that is unemployed, and is not attending school or vocational training or actively seeking employment. Ms. Williams reports that she pays \$150 a week for childcare. However, the PHA has a policy that states "The PHA will not normally allow a deduction for child care expenses when the household contains an unemployed adult family member, who is capable of caring for the child(ren). However, the PHA may make an exception to this policy if the unemployed adult family member is not capable of caring for the child(ren) due to a disability. The head of household must document the disability that prevents the adult from providing childcare." The PHA does not give Ms. Williams the childcare expense deduction because of the policy.
  - What type of verification would be required?
  - Determine if the Williams' family is eligible for the childcare deduction:
    - i. Does the childcare expense enable Ms. Williams to actively seek employment or be gainfully employed or further her education?
    - ii. Are Ms. Williams' children under the age of 13?
    - iii. What would be the limit on childcare that would be allowed and what type of verification would be needed?
  - Determine the TTP.

3. During Wilmetta Harris' 10/01/13 annual re-examination conducted on June 10, 2013, Ms. Harris reported that she was paying \$50 a month on a past due medical bill to Dr. Adajay totaling \$800.00. The bill will be paid in full by October 2014. During Ms. Harris' current re-examination on June 23, 2014 (for 10/01/14), Ms. Harris submits cancelled checks to verify medical expenses for the same bill to Dr. Adajay (from the prior year) and requested a medical expense deduction. Her current income is \$800 per month in SSD.
- What type of verification would be required?
  - Determine if the Harris' family is eligible for the medical deduction:
    - i. If she is eligible for a deduction? What would be the limit on the deduction?
    - ii. Would the PHA require any other information to support the deduction?
  - Determine the TTP.
4. Jill Smith (Head of Household) is employed at Margo's Florist and earns \$10,000 a year and receives disability benefits totaling \$5,000 a year. Ms. Smith is disabled and has a disabled adult son (John Moore). Jill Smith also receives disability benefits totaling \$5,000 annually for her son John. The family has \$3,000 in medical expenses and \$4,000 in expenses for disability assistance that allows Ms. Smith to work.
- What type of verification would be required?
  - Determine if the Smith family is eligible for the medical deduction:
    - i. If she is eligible for a deduction, what would be the limit on the disability deduction?
    - ii. If she is eligible for a medical deduction, what would be the limit on the deduction?
    - iii. Would the PHA require any other information to support the deduction?
  - Determine the TTP.

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### PBV Workbook Exercise Verification and TTP Calculation

What verifications, documentation, eligibility information or forms are required of the following individuals? The housing authority has a policy to allow preferences for displaced families and is under a court order to also have preferences for families with disabilities. What would be the difference in the calculation if they were a Rental Assistance Demonstration (RAD) conversion participant using the PBV and PBRA? The HUD imputed rate for PH and the PBV/PBRA Program is 1%.

1. The Housing Authority received an application from the Banks that has been referred by the city because of condemnation and redevelopment in the area. The family includes Robin (52) whose Annual Income from employment is \$10,000. His mother, Sandy (72) is retired and receives a Social Security check in the amount of \$325. Robin has two children, Cliff (19), who is a full-time student and Penny (16), a high school dropout. Cliff receives a \$2,500 scholarship for tuition, fees and books. The total cost of school is \$2,500 a year. He works at a local gas station and earns \$100 a week. Penny works part-time at Walstart. He earns \$50 a week, which helps the family meet expenses. The family has a checking account with a balance of \$1,000 at 0% interest.

What is the TTP in Public Housing?

What is the TTP for the PBV or PBRA Program?

2. Forrest and Kelly Greene are both 53 years old. Forrest is on Social Security Disability and receives \$1,050 gross benefit per month. His Medicare contribution is \$40 a month. He also receives a pension from the Marines in the amount of \$150 a month. Kelly is self-employed. She is an accountant and uses her computer to keep records for several clients. Kelly earns \$9,000 a year doing this part-time. However, her expenses are paper, printer cartridges, postage, telephone, etc. at \$2,560. Kelly is a student at the local college and received a scholarship in the amount of \$4,000 per year and the tuition is \$2,000 per year. Forrest and Kelly have an eleven-year old foster child, Summer, that she places in day-care when she works. One of Kelly's clients gave her a \$500 gift for Christmas. They have a savings CD of \$2,000 earning 3%. Forrest has prescription costs of \$900 a year not covered by insurance.

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3. Rusty Keyes is 72 and disabled. He receives Social Security in the amount of \$720 a month with \$32 a month deducted for Medicare. His legal immigrant daughter, Florida, who is 34, lives with him as a live-in aide. She receives \$515 a month in Alimony. Rusty has medical expenses of \$20 per month for office visits and \$85 per month in prescriptions. He has a checking account with \$12,100 and has \$300 per year in unreimbursed medical expenses. He receives a small pension of \$42 a month. Rusty deeded a home to his immigrant daughter, Florida, for free that was worth \$65,000, just before applying to the PHA for rental assistance.

What is the TTP in Public Housing?

What is the TTP for the PBV or PBRA Program

4. Cheri Tree is a participant in the public housing program that is converting to PBV RAD. She is disabled and has two children, Woody (6) and Olive (9). Olive is adopted and Cheri receives \$100 per month for adoption assistance payments. Cheri is a full time student at the local university and works in the college work-study program making \$8 per hour for 20 hours per week. Cheri receives welfare cash assistance in the amount of \$420 a month. She receives a monthly child support contribution of \$50 from Woody's father. She has a small Certificate of Deposit earning interest of \$12 per year. Cheri received 2 years of assistance from a neighboring PHA and was receiving an earned income disallowance when she moved into public housing. She had been on the disallowance for 14 months. Her baseline prior to the disallowance at the other authority was \$1,500 and she is currently working making \$3,000 annually from part-time employment.

What is the TTP in Public Housing?

What is the TTP for the PBV and PBRA Program

**Workbook Exercise - Contract Rent**

A brief description of several families is presented below. You will need to determine the Annual Income, Asset Income, Excluded Income and Adjusted Income. You now must determine the TTP after you have adjusted for the statutory/optional deductions. You will also determine the Housing Assistance Payment on the PBV unit and the subsidy. The housing authority has a minimum rent of \$50 for PBV and \$25 for PBRA. The rent and the utility allowances for the complexes in which they wish to be assisted are also provided according to the following tables. Assume a HUD passbook rate on TVA @ 1% for PBV and PBRA.

Smithville- PBV

Smithville				
Bedroom Size	1	2	3	4
Contract Rent	\$600	\$700	\$800	\$900
Utility Allowance	\$65	\$75	\$85	\$95

Quiet Meadows- PBV

Quiet Meadows				
Bedroom	1	2	3	4
Contract Rent	\$500	\$600	\$700	\$800
Utility Allowance	\$75	\$85	\$95	\$105

Rebecca Bratcher is 63 years old. She has a verified gross Social Security income benefit of \$504 a month. She works three hours a day in an elementary school cafeteria during the school year. Her gross income from that job is \$3,078 a year. Rebecca is now working in the Foster Grandparent Program 20 hours per week at \$7.00 per hour. She has no savings but disposed of a home valued at \$75,000 and gave it to her son. The transaction fees for the sale of the home were \$5,000 and her son paid Rebecca \$10,000 for the home that she used to pay for her husband’s funeral. Her son, not living in the apartment or on the lease, now rents out the home for \$450 per month. Rebecca owns a 1998 automobile worth \$20,000 that her children gave her last year, and owns regular household furnishings worth \$5,000. Her children give her cash for her birthday and Christmas in various small amounts worth \$800. Rebecca does hall monitoring for the owner of the assisted housing complex in which she resides and receives a \$150 per month stipend for her services. Rebecca will have unreimbursed medical expenses for health insurance, prescriptions, transportation to the doctor’s office, and doctor payments amounting to \$900 per year. She also has another \$900 that she was reimbursed for by the health insurance provider. Rebecca has been assigned Quiet Meadows in a 1-Br apartment. What will be the HAP and the payment to the landlord if the unit passes HQS/UPCS?

Sydney Gillis is 22 years old. She has two children – Vince (4) and Jeanette (1). Sydney receives Welfare Assistance in the amount of \$463 a month for Vince and a foster child payment for Jeanette in the amount of \$365.00 per month. She also receives Food Stamps valued at \$100 a month, and a monthly contribution from her boyfriend to pay for cable TV, telephone, and insurance of \$200 per month. Sydney received an insurance lump sum this last year in the amount of \$20,000 that she has invested in stocks that are paying dividends at 8% annually. Recently Sydney has started working in the HUD Step-up program for 20 hours per week at \$7.00 per hour. She also receives a stipend for the childcare expenses at \$200 per month. In addition to the stipend, Sydney has childcare expenses that amount to \$200 per month that is not reimbursed by the various programs. Sydney has been assigned to live in a 2 bedroom at Smithville. What will be the HAP and the payment to the landlord if the unit passes HQS/UPCS?

Judy Jefferson is 40 years old. She is recently widowed, and receives Social Security benefits of \$951 a month for herself and her children. Her oldest son, Tony is 19, Rebecca is 17, and Ken Jr. is 15. Tony is a fulltime college student and the others are all in high school. Tony also received a \$5,000 scholarship to attend college and monthly financial assistance paid directly to the university at \$200 per month. Tony works part time 20 hours per week at a hardware store and earns \$8.00 per hour. Rebecca waits tables, 16 hours per week, at the local diner, earning \$6.50 per hour plus tips, and is also receiving \$100 per month as pay from the Workforce Reinvestment program. Ken Jr. has a paper route and earns about \$100 per month. Judy does not let Ken and Rebecca work more than 16 hours a week during the school year. Judy has a Certificate of Deposit valued at \$10,000 that earns 4.1%. Judy also has a trust for \$40,000 for Rebecca and Ken Jr., and a portion is set aside for education that cannot be used until the children are 18. She does however receive \$200 per month for expenses from the trust outside of educational requirement to raise the children. Judy receives food stamps amounting to \$200 per month and has received an annual earned income tax refund amounting to \$800. Judy has medical expenses in the amount of \$200 per month that are for prescriptions and medical insurance. Judy has been assigned a 4 bedroom at Smithville. What will be the amount of the HAP and payment to the landlord if the unit passes HQS/UPCS?

Marietta Rosario is 23 years old. She has two boys, ages 3 and 1. Marietta receives Welfare for the two children of \$363 a month. She is divorced, and her husband is ordered to pay child support of \$100 a month. She and her social worker have verified that Juan has consistently paid the court-ordered support for the past eight months. Marietta has no savings or other assets. She does have a checking account. The average balance in the checking account is \$1,000. Marietta was working at the time of admission and has continued working at a part-time job paying \$6.50 an hour for 20 hours per week. Marietta received a Social Security lump sum payment for the children, one of whom is disabled, for \$25,000 that she has now invested in bonds paying 4%. Marietta receives \$600 per month from reimbursement through the state in order to keep her disabled child at home. Marietta has a live-in aide who helps with the child and works part-time making \$15.00 per hour for 30 hours per week at the hospital. Marietta also has \$200 of monthly disability expenses that she is not reimbursed for to take care of the child while she works part-time. The PHA also has implemented a policy in the public housing program that any head of household working that has a disabled dependent also receives a \$400 annual deduction. Marietta has been assigned a 3 bedroom at Quiet Meadows. What is the amount of HAP and payment to the landlord if the unit passes HQS/UPCS?

## SAMPLE EARNED INCOME DISALLOWANCE WORKSHEET

### Sample Housing Authority

#### Section 1: Individual with the Earned Income Disallowance

Initial Worksheet Date: \_\_\_\_\_ Processed By: \_\_\_\_\_  
 Revision Date: \_\_\_\_\_ Processed By: \_\_\_\_\_  
 Name of Family Head of Household: \_\_\_\_\_  
 Name of Person with Disallowance: \_\_\_\_\_  
 Social Security # of Person with Disallowance: \_\_\_\_\_

#### Section 2: Qualification for the Disallowance

##### Description of Qualifying Factors:

###### Factor #1

Has the employed family member been unemployed for the past 12 months or earned less than the minimum wage for the area (\$3,625 if local minimum wage is less than federal minimum wage) and obtained employment and increased income?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, insert the date of employment \_\_/\_\_/\_\_

Effective date of EID will be the first of the month following employment \_\_/\_\_/\_\_

###### Factor #2

Has the employed family member experienced an increase in earnings during participation in any economic self-sufficiency or job training program?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes insert the date of the effective change \_\_/\_\_/\_\_

Effective date of EID will be the first of the month following the increase \_\_/\_\_/\_\_

###### Factor #3

Has the employed family member received direct cash assistance under any state program for Temporary Assistance for Needy Families (TANF) or welfare for work in the last 6 months?

Yes \_\_\_\_\_ No \_\_\_\_\_

Has the employed family member received non-cash benefits under any state program for Temporary Assistance for Needy Families (TANF) or welfare to work within the last 6 months and did the total amount of benefit amount exceed \$500?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes to either question under factor #3, insert date of employment \_\_/\_\_/\_\_

Effective date of EID will be the first of the month following employment \_\_/\_\_/\_\_

**Special Qualifying Factor for HCV Program**

This qualifying criteria applies only to the Housing Choice Voucher Program  
 Is the family member that meets any of the above factors a person with a disability?  
 Yes \_\_\_\_\_ No \_\_\_\_\_

If individual qualifies under any of the above 3 factors continue with the worksheet.

**If individual does not qualify under any of the above factors, the person is not eligible for the earned income disallowance. Include all the working income in the family’s income for rent calculation purposes.**

**Section 3: Baseline Income (pre-qualifying income)**

A family member’s baseline (pre-qualifying) income includes all of the individual member’s income prior to the qualifying event.

- A .Annual Benefits \$ \_\_\_\_\_
- B. Annual Wages \$ \_\_\_\_\_
- C. Total Baseline Income of the Member \$ \_\_\_\_\_

**Section 4: Calculate EID Family Member’s Exclusion Amount**

- D. Current Annual Income From Employment \$ \_\_\_\_\_
- E. Other Income Still Received by Member \$ \_\_\_\_\_
- F. Total Annual Income of EID Member \$ \_\_\_\_\_
- G. Baseline Income \$ \_\_\_\_\_
- H. Full Exclusion (F-G, but not more than D) \$ \_\_\_\_\_

**The Phase-In Period Calculation is the second 12 month period after the member has received the full exclusion for a 12 month period.**

- I. 50% Exclusion During Phase-In Period (H x 50%) \$ \_\_\_\_\_

**Section 5: Determine EID Family Member’s Wages after Exclusion**

- J. EID Member’s Earnings (D & HUD-50058, 7d) \$ \_\_\_\_\_
- K. Exclusion (H or I, as applicable & HUD-50058, 7e) \$ \_\_\_\_\_
- L. EID Member’s Earned Income After Exclusion \$ \_\_\_\_\_  
 (J-K & HUD-50058, 7f)

**Section 6: Determining EID Family Member's Income for Rent**

M. EID Member's Earned Income After Exclusion (L)                     \$ \_\_\_\_\_  
 N. EID Member's Unearned Income (E)                                 \$ \_\_\_\_\_  
 O. EID Member's Total Income Included In Rent Calc.                 \$ \_\_\_\_\_

**Calendar of Disallowance Periods**

Calendars are presented for five years because the four year lifetime limit after the qualifying event will likely span over five calendars

Year \_\_\_\_\_

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>QE</b>												
<b>100%</b>												
<b>ED</b>												

Year \_\_\_\_\_

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>100%</b>												
<b>50%</b>												
<b>ED</b>												

Year \_\_\_\_\_

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>100%</b>												
<b>50%</b>												
<b>ED</b>												

**QE = Qualifying Event**

**100%= Full Disregard Period**

**50% = Phase-In Period**

**ED= Ending Date of Disregard (Used to track 24 month period)**