



Yolo County Housing

Lisa A. Baker, Executive Director

147 W. Main Street
WOODLAND, CA 95695

Woodland: (530) 662-5428
Sacramento: (916) 444-8982
TTY: (800) 545-1833, ext. 626

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DATE: January 15, 2009
TO: YCH Board of Commissioners
FROM: Lisa A. Baker, Executive Director
SUBJECT: **Correction to Item 4.01 - Insert Section V (Chapter 17) to the Housing Choice Voucher Program's Administrative Plan**

RECOMMENDED ACTIONS

1. Receive and file section V of Chapter 17 to the proposed Housing Choice Voucher Program's Administrative Plan as part of the of the public hearing for adoption of the revised Administrative Plan.

BACKGROUND/DISCUSSION

On January 12, 2009, a staff review of item 4.01 and its attachment showed that Section V of Chapter 17 of the draft Administrative Plan was omitted from the final document. This section is a summary of the requirements of the Section 8 Management Assessment Program (SEMAP). The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure YCH performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for YCH as either high performing, standard, or troubled. This section of the Administrative Plan outlines points and areas where YCH will be evaluated annually by HUD. There are no local policy changes in this section.

FISCAL IMPACT

None

CONCLUSION

Staff has provided the omitted section to the Board for its review.

Attachments: Chapter 17, Section V: Management Assessment (SEMAP)

PART V: MANAGEMENT ASSESSMENT (SEMAP)

17-V.A. OVERVIEW

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure YCH performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for YCH as either high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect YCH in several ways.

- High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
- PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
- PHAs with an overall rating of “troubled” are subject to additional HUD oversight, including on-site reviews by HUD staff, a requirement to develop a corrective action plan, and monitoring to ensure the successful implementation of the corrective action plan. In addition, PHAs that are designated “troubled” may not use any part of the administrative fee reserve for other housing purposes [24 CFR 985.107].
- HUD may determine that a PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan required by HUD constitutes a default under the ACC [24 CFR 985.109].

17-V.B. SEMAP CERTIFICATION [24 CFR 985.101]

YCH must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year. The certification must be approved by Yolo County Housing board resolution and signed by the executive director. The certification must be executed by the Section 8 program director.

PHAs with less than 250 voucher units are only required to be assessed every other PHA fiscal year. HUD will assess such PHAs annually if the PHA elects to have its performance assessed on an annual basis; or is designated as “troubled” [24 CFR 985.105].

Failure of a PHA to submit its SEMAP certification within the required time frame will result in an overall performance rating of “troubled.”

A PHA’s SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

Upon receipt of the PHA’s SEMAP certification, HUD will rate the PHA’s performance under each SEMAP indicator in accordance with program requirements.

HUD Verification Method

Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. YCH or the Independent Auditor must select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements [24 CFR 985.2].

If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify the PHA’s certification on the indicator due to the PHA’s failure to adequately report family data, HUD will assign a zero rating for the indicator [24 CFR 985.3].

17-V.C. SEMAP INDICATORS [24 CFR 985.3 and form HUD-52648]

The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator.

A PHA that expends less than \$300,000 in Federal awards and whose Section 8 programs are not audited by an independent auditor, is not be rated under SEMAP indicators 1-7.

SEMAP Indicators
<p>Indicator 1: Selection from the waiting list Maximum Score: 15</p> <ul style="list-style-type: none"> • This indicator shows whether YCH has written policies in its administrative plan for selecting applicants from the waiting list and whether YCH follows these policies when selecting applicants for admission from the waiting list. • Points are based on the percent of families that are selected from the waiting list in accordance with YCH's written policies, according to YCH's quality control sample.
<p>Indicator 2: Rent reasonableness Maximum Score: 20</p> <ul style="list-style-type: none"> • This indicator shows whether YCH has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units • Points are based on the percent of units for which YCH follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to YCH's quality control sample.
<p>Indicator 3: Determination of adjusted income Maximum Score: 20</p> <ul style="list-style-type: none"> • This indicator measures whether YCH verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent. • Points are based on the percent of files that are calculated and verified correctly, according to YCH's quality control sample.
<p>Indicator 4: Utility allowance schedule Maximum Score: 5</p> <ul style="list-style-type: none"> • This indicator shows whether YCH maintains an up-to-date utility allowance schedule. • Points are based on whether YCH has reviewed the utility allowance schedule and adjusted it when required, according to YCH's certification.

Indicator 5: HQS quality control inspections

Maximum Score: 5

- This indicator shows whether the YCH supervisor reinspects a sample of units under contract during YCH's fiscal year, which meets the minimum sample size requirements for quality control of HQS inspections.
- Points are based on whether the required quality control reinspections were completed, according to YCH's certification.

Indicator 6: HQS enforcement

Maximum Score: 10

- This indicator shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any YCH-approved extension.
- Points are based on whether YCH corrects all HQS deficiencies in accordance with required time frames, according to YCH's certification.

Indicator 7: Expanding housing opportunities

Maximum Points: 5

- Only applies to PHAs with jurisdiction in metropolitan FMR areas.
- This indicator shows whether YCH has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside YCH's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.
- Points are based on whether YCH has adopted and implemented written policies in accordance with SEMAP requirements, according to YCH's certification.

Indicator 8: FMR limit and payment standards

Maximum Points: 5 points

- This indicator shows whether YCH has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in YCH's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.
- Points are based on whether YCH has appropriately adopted a payment standard schedule(s), according to YCH's certification.

<p>Indicator 9: Annual reexaminations Maximum Points: 10</p> <ul style="list-style-type: none">• This indicator shows whether YCH completes a reexamination for each participating family at least every 12 months.• Points are based on the percent of reexaminations that are more than 2 months overdue, according to data from PIC.
<p>Indicator 10: Correct tenant rent calculations Maximum Points: 5</p> <ul style="list-style-type: none">• This indicator shows whether YCH correctly calculates the family's share of the rent to owner.• Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.
<p>Indicator 11: Pre-contract HQS inspections Maximum Points: 5</p> <ul style="list-style-type: none">• This indicator shows whether newly leased units pass HQS inspection on or before the effective date of the assisted lease and HAP contract.• Points are based on the percent of newly leased units that passed HQS inspection prior to the effective date of the lease and HAP contract, according to data from PIC.
<p>Indicator 12: Annual HQS inspections Maximum Points: 10</p> <ul style="list-style-type: none">• This indicator shows whether YCH inspects each unit under contract at least annually.• Points are based on the percent of annual HQS inspections of units under contract that are more than 2 months overdue, according to data from PIC.
<p>Indicator 13: Lease-up Maximum Points: 20 points</p> <ul style="list-style-type: none">• This indicator shows whether YCH enters HAP contracts for the number of units or funding reserved under ACC for at least one year.• Points are based on the percent of units leased during the last completed YCH fiscal year, or the percent of allocated budget authority that has been expended by YCH, according to data from YCH's last year-end operating statement that is recorded in HUD's accounting system.
<p>Indicator 14: Family self-sufficiency (FSS) enrollment and escrow account balances Maximum Points: 10</p>

- Only applies to PHAs with mandatory FSS programs.
- This indicator shows whether YCH has enrolled families in the FSS program as required, and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances.
- Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.

Success Rate of Voucher Holders

Maximum Points: 5

- Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts.
- This indicator shows whether voucher holders were successful in leasing units with voucher assistance.
- Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.

Deconcentration Bonus Indicator

Maximum Points: 5

- Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50 percentile rent, starting with the second full PHA fiscal year following initial use of payment standard amounts based on the FMRs set at the 50th percentile.
- Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data.
- Points are based on whether the data that is submitted meets the requirements for bonus points.