

Overview and Certification

Somerville Housing Authority Annual Plan for Fiscal Year 2022 For State-Aided Public Housing

The Annual Plan is a document compiled by housing authority staff in advance of each new fiscal year. The plan serves as both a tool for the Local Housing Authority (LHA) to reflect upon the prior fiscal year, and as an opportunity to develop a clear and transparent plan that builds on successes, identifies needs, and corrects any issues that have arisen in prior years. Additionally, the Annual Plan is an important tool for tenants, who may use the document to better understand the operations and needs of their housing authority, advocate for changes to policies and procedures, access data about the housing authority, and participate in their housing authority's governance.

In addition to the physical document, the Annual Plan is also a process of public engagement. Throughout the Annual Plan process, the LHA executive director or their designee will be expected to review the Plan with any Local Tenant Organizations (LTO's) and Resident Advisory Board (RAB) before the LHA presents the plan to the LHA Board of Commissioners; make a draft available for review to all residents and the general public; post on the website and make a copy available to each LTO at least 30 business days before the public hearing; hold a hearing on the document; and collect, integrate, and report back on substantive comments. Additionally, the Board will read, offer recommendations, and approve the Annual Plan in advance of its submission to DHCD.

The law that mandates the Annual Plan is [An Act Relative to Local Housing Authorities, Massachusetts General Laws, Chapter 121B Section 28A](#). The regulation that expands upon Section 28A is [760 CMR 4.16](#). The regulations that address Local Tenant Organization (LTO) and resident participation in the Annual Plan are [760 CMR 6.09 \(3\)\(h\)](#) and [760 CMR 6.09\(4\)\(a\)\(4\)](#).

Overview and Certification

The Somerville Housing Authority's Annual Plan for their 2022 fiscal year includes the following components:

1. Overview and Certification
2. Capital Improvement Plan (CIP)
3. Maintenance and Repair Plan
4. Operating Budget
5. Narrative responses to Performance Management Review (PMR) findings
6. Policies
7. Waivers
8. Glossary
9. Other Elements
 - a. Clarendon and Bryant Manor Tenant Association Support of Plan
 - b. Clarendon and Bryant Manor Tenant Association Support of Plan
 - c. Substantial comments
 - d. Cover sheet for tenant satisfaction surveys
 - e. Tenant Satisfaction Survey - COMBO
 - f. MOR Report - 038
 - g. MOR Report - 013
 - h. MOR Response & Action Plan

Overview and Certification

State-Aided Public Housing Developments

The following table identifies the state-aided public housing units with developments of more than 8 units listed separately. Units in developments of 8 or fewer units are aggregated as noted. Units that the LHA provides to assist clients of the Department of Mental Health (DMH), the Department of Developmental Services (DDS), or other agencies are also aggregated separately.

Dev No	Type	Development Name	Num Bldgs	Year Built	Dwelling Units
200-01	Family	CLARENDON HILL 200-01	9	1948	216
667-07	Elderly	CLARENDON HILL TOWERS 667-07	3		41
667-02	Elderly	CORBETT APARTMENTS 667-02	2	1964	100
200-02	Family	MYSTIC River 200-02	12	1949	242
	Family	Family units in smaller developments	2		3
	Elderly	Elderly units in smaller developments	1		5
	Other	Special Occupancy units	1		8
Total			30		615

The following development(s) operate under a combination of state and federal requirements, including HUD's Section 8 New Construction and Substantial Rehabilitation Program (see the Glossary for a program description).

Dev No	Type	Development Name	Num Bldgs	Year Built	Dwelling Units
667-04	Elderly	BRYANT MANOR 667-04	1	1978	134
689-02	Other	HAGAN MANOR 689-02	1	1910	24

Overview and Certification**Massachusetts Rental Voucher Program (MRVP)**

The Massachusetts Rental Voucher Program (MRVP) is a state-funded program that provides rental subsidies to low-income families and individuals. In most cases, a “mobile” voucher is issued to the household, which is valid for any market-rate housing unit that meets the standards of the state sanitary code and program rent limitations. In some cases, vouchers are “project-based” into a specific housing development; such vouchers remain at the development if the tenant decides to move out.

Somerville Housing Authority manages 3 MRVP vouchers.

Federally Assisted Developments

Somerville Housing Authority also manages Federally-assisted public housing developments and/or federal rental subsidy vouchers serving 1790 households.

Additional Remarks on LHA Data

Pertaining to our Special Occupancy units & after discussions/emails (dated Friday, October 16, 2020 1:15 PM) with Paul McPartland and further discussions with Rick Brouillard (DHCD) based on similar situations we have been advised to leave the Special Occupancy units as is at 8 units. This is due to the fact that the DDS (689 units) are in a 667 development. Furthermore the said 667 development (Monmouth Street) is no longer occupied & is up for sale.

LHA Central Office

Somerville Housing Authority
30 Memorial Road, Somerville, MA, 02145
Joseph Macaluso, Executive Director
Phone: 617-625-1152
Email: joem@sha-web.org

LHA Board of Commissioners

	<u>Role</u>	<u>Category</u>	<u>From</u>	<u>To</u>
Ronald Bonney	Chair	State Appointee	05/06/2002	06/07/2021
Louis Ferrara	Member		10/11/2019	06/07/2022
James McCallum	Vice-Chair	Labor Appointee	09/01/2009	06/07/2019
Eleanor Rances	Member		11/16/2018	06/07/2020
Mara Santana	Treasurer	Tenant	10/13/2015	06/07/2023

Local Tenant Organizations

	<u>Date of Recognition by LHA</u>	<u>Date LHA Reviewed Draft AP with LTO</u>
Clarendon Tenants Association	11/10/2016	12/03/2020
Bryant Manor Tenant Association	03/06/2019	12/03/2020

Plan History

The following required actions have taken place on the dates indicated.

REQUIREMENT		DATE COMPLETED
A.	Advertise the public hearing on the LHA website.	10/29/2020
B.	Advertise the public hearing in public postings.	10/29/2020
C.	Notify all LTO's and RAB, if there is one, of the hearing and provide access to the Proposed Annual Plan.	11/23/2020
D.	Post draft AP for tenant and public viewing.	10/29/2020
E.	Hold quarterly meeting with LTO or RAB to review the draft AP. (Must occur before the LHA Board reviews the Annual Plan.)	12/03/2020
F.	Annual Plan Hearing. Hosted by the LHA Board, with a quorum of members present. (For Boston, the Administrator will host the hearing.)	12/16/2020
G.	Executive Director presents the Annual Plan to the Board.	12/16/2020
H.	Board votes to approve the AP. (For Boston Housing Authority, the Administrator approves and submits the AP.)	12/16/2020

Certification

CERTIFICATION FOR SUBMISSION OF THE ANNUAL PLAN

I, Kevin Bumpus, Director of Operations of the Somerville Housing Authority, certify on behalf of the Housing Authority that: a) the above actions all took place on the dates listed above; b) all facts and information contained in this Annual Plan are true, correct and complete to the best of my knowledge and belief and c) that the Annual Plan was prepared in accordance with and meets the requirements of the regulations at 760 CMR 4.16 and 6.09.

Date of certification: 01/11/2021

This Annual Plan (AP) will be reviewed by the Department of Housing and Community Development (DHCD) following the public comment period, the public hearing, and LHA approval.

Capital Improvement Plan (CIP)**Capital Improvement Plan****DHCD Description of CIPs:**

The Capital Improvement Plan (CIP) is a five year plan which identifies capital projects, provides a planning scope, schedule and budget for each capital project and identifies options for financing and implementing the plan. The CIP identifies anticipated spending for each Department of Housing and Community Development (DHCD) fiscal year (July 1 to June 30) based on the project schedules.

Local Housing Authorities (LHAs) receive yearly awards from DHCD (Formula Funding Awards) which they target to their most urgent capital needs in their CIP. They may also receive special awards from DHCD for specific projects which meet specific criteria. Special awards may be given for certain emergency, regulation compliance, energy and water conservation, and other projects. The first three years of the CIP are based on actual awards made to the LHA, while years four and five are based on estimated planning amounts, not actual awards.

LHAs may sometimes secure other sources of funding and assistance that you will note in their CIP, such as: Community Preservation Act (CPA) funding, Community Development Block Grant (CDBG) funding, Local Affordable Housing Trust Funds (AHTF), HOME grants, income from leasing a cell tower on their property, savings from net meter credit contracts with solar developers, utility rebates and contracted work from utility providers, and Sheriff's Department work crews. However, not all of these funding sources are available every year, or in all communities.

The CIP includes the following parts:

- A table of available funding sources and amounts
- A list of planned capital projects showing spending per fiscal year
- A table showing special awards and other funding for targeted projects, if any, which supplements Formula Funding awarded to the LHA
- A 'narrative' with a variety of additional information.

Capital Improvement Plan (CIP)**Aggregate Funding Available for Projects in the First Three Years of the CIP:**

Category of Funds	Allocation	Planned Spending	Description
Balance of Formula Funding (FF)	\$2,044,016.43		Total of all FF awards minus prior FF spending
LHA Emergency Reserve	\$306,602.46		Amount to reserve for emergencies
Net FF Funds (First 3 Years of the CIP)	\$1,737,413.97	\$1,814,380.49	Funds to plan & amount actually planned in the first 3 years of the CIP
ADA Set-aside	\$14,963.80	\$14,963.80	Accessibility projects
DMH Set-aside	\$0.00	\$0.00	Dept. of Mental Health facility
DDS Set-aside	\$48,868.56	\$48,671.00	Dept. of Developmental Services facility
Unrestricted Formula Funding (FF)	\$1,673,581.60	\$1,750,745.69	Funds awarded by DHCD to be used on projects selected by the LHA and approved by DHCD.
Special DHCD Funding	\$9,737,491.88	\$9,737,491.88	Targeted awards from DHCD
Community Development Block Grant (CDBG) Funds	\$0.00	\$0.00	Federal funds awarded by a city or town for specific projects.
Community Preservation Act (CPA) Funds	\$0.00	\$0.00	Community Preservation Act funds awarded by a city or town for specific projects.
Operating Reserve(OR) Funds	\$0.00	\$0.00	Funds from the LHA's operating budget.
Other Funds	\$929,178.00	\$929,178.00	Funds other than those in the above categories. See explanation below.
Total funds and planned spending	\$12,404,083.85	\$12,481,050.37	Total of all anticipated funding available for planned projects and the total of planned spending.

Capital Improvement Plan (CIP)**CIP Definitions:**

ADA Set-aside is funding allocated within the Formula Funding (FF) for use on projects that improve accessibility for people with disabilities. 10% of FF awards are designated for this purpose.

Available State Bond Funding is the amount of State Bond Funding available to the LHA for the first three years of the CIP. It is calculated by totaling all of FF and Special Awards granted to the LHA through the end of the third year of the plan and subtracting the amount of these funds spent prior to July 1 of the first year of the plan.

Amount spent prior to the plan is the total amount of Formula Funding (FF) and Special Awards spent prior to July 1 of the first year of the plan.

Capital project is a project that adds significant value to an asset or replaces building systems or components. Project cost must be greater than \$1000.

CDBG stands for Community Development Block Grant, a potential source of project funds.

CPA stands for Community Preservation Act, a potential source of project funds.

CapHub Project Number is the number given to projects entered into DHCD's project management system known as CapHub.

DMH Set-aside is funding allocated within the Formula Funding (FF) for use on facilities leased to the Department of Mental Health (DMH) program vendors, if any exist at this LHA.

DDS Set-aside is funding allocated within the Formula Funding (FF) for use on facilities leased to the Department of Developmental Services (DDS) program vendors, if any exist at this LHA.

Formula Funding (FF) is an allocation of state bond funds to each LHA according to the condition (needs) of its portfolio in comparison to the entire state-aided public housing portfolio.

Operating Reserve is an account, funded from the LHA operating budget, primarily used for unexpected operating costs, including certain extraordinary maintenance or capital projects.

Other Funds could include other funding by the city or town or from other sources.

Special Awards are DHCD awards targeted to specific projects. Award programs include funds for emergencies beyond what an LHA can fund, for complying with regulatory requirements, for projects that will save water or energy use, and various other programs the department may run from time to time.

Total Cost is the sum of investigation, design, administration, permitting, and construction costs for a project

Unrestricted Formula Funding (FF) is money awarded to the LHA by DHCD under the Formula Funding program other than amounts set aside (restricted) for accessibility improvements or for facilities operated by DMH or DDS.

Capital Improvement Plan (CIP)

Formula Funding and Special DHCD Award Planned Spending - Other funding not included

Cap Hub Project Number	Project Name	Development(s)	Total Cost	Amount Spent Prior to Plan	fy2021 Spent	fy2021 Planned	fy2022	fy2023	fy2024	fy2025
274103	FF: Phase 2 Kitchen Modernization	CORBETT APARTMENTS 667-02	\$83,430	\$63,907	\$0	\$0	\$0	\$0	\$0	\$0
274106	FF: Concrete Stair&Landing Replacement	CORBETT APARTMENTS 667-02	\$42,496	\$40,068	\$0	\$2,428	\$0	\$0	\$0	\$0
274107	FF: Corbett Roof Replacements	CORBETT APARTMENTS 667-02	\$177,488	\$177,488	\$0	\$0	\$0	\$0	\$0	\$0
274112	PEHO Grant	CLARENDON HILL 200-01	\$11,800,000	\$1,299,657	\$0	\$0	\$9,635,156	\$0	\$0	\$0
274116	FF: Replace Stairwell Flooring & Stair Treads	MYSTIC River 200-02	\$187,577	\$187,577	\$0	\$0	\$0	\$0	\$0	\$0
274117	FF: Surveillance System Installation Phase 1	MYSTIC River 200-02	\$107,236	\$106,236	\$0	\$0	\$0	\$0	\$0	\$0
274118	FF: Exterior Door Replacements	CORBETT APARTMENTS 667-02	\$51,604	\$24,359	\$0	\$0	\$0	\$0	\$0	\$0
274120	FF: Exterior Painting Front Elevation	PROSPECT HOUSE 689-01	\$29,924	\$29,924	\$0	\$0	\$0	\$0	\$0	\$0
274122	FF: Site Improvements-Concrete Walkways	MYSTIC River 200-02	\$225,265	\$136,230	\$0	\$89,035	\$0	\$0	\$0	\$0
274124	FF: Interior Apartment Door Replacements	CORBETT APARTMENTS 667-02	\$244,638	\$51,338	\$0	\$123,300	\$0	\$0	\$0	\$0

Capital Improvement Plan (CIP)

Formula Funding and Special DHCD Award Planned Spending - Other funding not included

Cap Hub Project Number	Project Name	Development(s)	Total Cost	Amount Spent Prior to Plan	fy2021 Spent	fy2021 Planned	fy2022	fy2023	fy2024	fy2025
274125	FF: Roof Repairs Phase 2/3	MYSTIC River 200-02	\$275,298	\$206,430	\$2,988	\$0	\$0	\$0	\$0	\$0
274126	FF: Exterior Door &Penthouse Door Replacement	MYSTIC River 200-02	\$74,757	\$10,885	\$0	\$0	\$0	\$0	\$0	\$0
274127	FF: Phase 3 Kitchen Modernization	CORBETT APARTMENTS 667-02	\$63,409	\$33,451	\$0	\$0	\$0	\$0	\$0	\$0
274128	FF: Landscape Improvements	CORBETT APARTMENTS 667-02	\$165,615	\$12,305	\$3,325	\$0	\$0	\$0	\$0	\$0
274130	Boiler Replacements	MYSTIC River 200-02	\$64,238	\$0	\$0	\$0	\$0	\$0	\$0	\$0
274134	Building Envelope-Concret e Repairs Phase 1	MYSTIC River 200-02	\$102,953	\$0	\$7,200	\$0	\$0	\$0	\$0	\$0
274135	Roof Repairs Phase 3	MYSTIC River 200-02	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
274136	Roof Replacement Phase 4	MYSTIC River 200-02	\$267,956	\$0	\$4,565	\$0	\$0	\$0	\$0	\$0
274137	Site Improvements-Co ncrete Walkways - Phase 2	MYSTIC River 200-02	\$166,274	\$0	\$0	\$0	\$0	\$0	\$0	\$0
274138	Kitchen Rehab	PROSPECT HOUSE 689-01	\$11,329	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvement Plan (CIP)

Formula Funding and Special DHCD Award Planned Spending - Other funding not included

Cap Hub Project Number	Project Name	Development(s)	Total Cost	Amount Spent Prior to Plan	fy2021 Spent	fy2021 Planned	fy2022	fy2023	fy2024	fy2025
•	Building Envelope Concrete Repairs Phase 2	MYSTIC River 200-02	\$200,155	\$0	\$0	\$0	\$117,570	\$82,586	\$0	\$0
•	Roof Replacement Phase 5	MYSTIC River 200-02	\$255,996	\$0	\$0	\$0	\$111,159	\$144,838	\$0	\$0
•	Roof Replacement Phase 6	MYSTIC River 200-02	\$260,651	\$0	\$0	\$0	\$0	\$0	\$114,831	\$145,821
•	Building envelope Concrete Repairs Phase 3	MYSTIC River 200-02	\$203,950	\$0	\$0	\$0	\$0	\$0	\$154,990	\$48,961
•	COVID-19 Office Adaptation: HVAC and Work Station Modifications	MYSTIC River 200-02	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0
•	Phase 4 Kitchen Modernization	CORBETT APARTMENTS 667-02	\$96,861	\$0	\$0	\$0	\$0	\$0	\$96,861	\$0
•	Interior Apartment - Rear Door Replacements	CORBETT APARTMENTS 667-02	\$250,429	\$0	\$0	\$0	\$117,997	\$132,433	\$0	\$0
•	Concrete Stairs Replacement	CORBETT APARTMENTS 667-02	\$248,400	\$0	\$0	\$0	\$0	\$0	\$120,865	\$127,536
•	Entryway Doors	PROSPECT HOUSE 689-01	\$7,418	\$0	\$0	\$0	\$7,418	\$0	\$0	\$0
TOTALS			\$15,675,344	\$2,379,853	\$18,078	\$224,763	\$9,989,298	\$359,856	\$487,546	\$322,317

Capital Improvement Plan (CIP)

FUNDS IN ADDITION TO ANNUAL FORMULA FUNDING AWARD

Cap Hub Project Number	Project Name	DHCD Special Award Comment	Special DHCD Awards				Other Funding			
			Emergency Reserve	Compliance Reserve	Sustain-ability	Special Awards	CDBG	CPA	Operating Reserve	Other Funds
274112	PEHO Grant	PEHO Full Grant - Public and Market-rate housing	\$0	\$0	\$0	\$10,934,812	\$0	\$0	\$0	\$865,189
274124	FF: Interior Apartment Door Replacements	Asbestos removal interior door replacement	\$0	\$51,935	\$0	\$0	\$0	\$0	\$70,000	\$0
274130	Boiler Replacements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64,238
TOTALS			\$0	\$51,935	\$0	\$10,934,812	\$0	\$0	\$70,000	\$929,427

Capital Improvement Plan (CIP) Narrative

Including Requests to DHCD & Supporting Statements

1. Request for increased spending flexibility.

DHCD designates a spending target (cap share) and an allowable spending range for each year of the CIP. A Housing Authority may request to shift the cap shares of the first three years in order to increase scheduling flexibility. A CIP utilizing this flexibility is called an Alternate CIP. The total spending over three years and over five years must continue to meet the limits set by DHCD. DHCD will approve an Alternate CIP only with acceptable justification and only if funding is available.

Somerville Housing Authority has not submitted an Alternate CIP.

2. Request for additional funding.

A Housing Authority may request additional funding from DHCD for projects that qualify as emergencies, required legal compliance upgrades, or sustainability improvements.

Somerville Housing Authority has not requested additional funding.

3. Overall goals of the Housing Authority's CIP

The Somerville Housing Authorities continues its goals which are to improve the living environment of our residents. To accomplish this we are continuing with kitchen renovations and unit entry (rear) doors at our 667-2 sites. Also we are also proposing walkway upgrades and roofing improvements. In addition entry door replacements to be addressed at our 689-01. At our 200-1 site we will continue with ordinary maintenance.

4. Changes from the Housing Authority's previous CIP

Every new CIP differs from the previous CIP because projects have been completed and a new year has been added with new projects. These changes and other significant changes to the content of the CIP are highlighted below:

We have added the following projects to our plan. At our 200-02 COVID-19 Office Adaptation: HVAC and Work Station Modifications, Building Envelope Concrete Repairs Phase 2, Roof Replacement Phase 5, Roof Replacement Phase 6, Building envelope Concrete Repairs Phase 3. At our 667-02 Phase 4 Kitchen Modernization, Interior Apartment - Rear Door Replacements, Concrete Stairs Replacement. Then at our 689-01 Entryway Doors.

5. Requirements of previous CIP approval

There were no special conditions attached to the approval of our previous CIP.

6. Quarterly capital reports

Our most recent quarterly capital report (form 80 and 90) was submitted on 08/11/2020.

7. Capital Planning System (CPS) updates

Our CPS facility data has been updated with current condition information, including changes resulting from projects completed in the past year, as of 11/16/2020.

8. Project priorities

All the projects in our CIP are high priority (Priority 1 and 2 projects).

9. High priority deficiencies

We have not been able to include all of our high priority (CPS priority 1 and 2) projects in our CIP:

At this point we have depleted our funding resources. We will address further deficiencies when additional funds become available.

10. Accessibility

We are not aware of any accessibility deficiencies in our portfolio.

11. Special needs development

Somerville Housing Authority has one or more special needs (167 or 689 programs) development. We have completed the service provider input process according to the required procedures detailed in the lease agreement and held an annual meeting with the service provider staff at all special needs developments as of 08/05/2020.

12. Energy and water consumption

Our 12 most recent monthly energy reports are for months 4/2019 to 4/2020.

The following table lists the DHCD thresholds for Per Unit Monthly (PUM) expense for electricity, natural gas, oil, and water use and the developments at the Housing Authority that have expenses in excess of the thresholds, if any.

	Electric PUM > Threshold	Gas PUM > Threshold	Oil PUM > Threshold	Water PUM > Threshold
Threshold PUM:	\$100	\$80	\$50	\$60

200-02

705-01

We just completed an energy report and we now saving \$165,000 per year due to high efficiency boilers recently installed. This was EverSource Initiative.

13. Energy or water saving initiatives

Somerville Housing Authority is not currently pursuing any energy or water-saving audits or grants that could affect CIP project scope, costs or timing of projects.

14. Vacancy rate

Our unadjusted vacancy rate reported to DHCD is as follows. (The unadjusted vacancy rate captured in these figures is the percentage of ALL housing units that are vacant, including both offline units being used for other purposes and units with DHCD vacancy waivers.)

2% c. 667 (DHCD Goal 2%)

12.2% c. 200 (DHCD Goal 2%)

0% c. 705 (DHCD Goal 2%)

Somerville Housing Authority will address the excess vacancies in the following manner:

We are tearing down our Clarendon Hills Development as the units become vacant due to the condition that they are in.

15. Vacancies

Somerville Housing Authority has units that are currently vacant that it proposes to keep vacant or offline:

Development #	# of Units	Reason
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Somerville Housing Authority has not proposed to newly vacate or re-purpose any units.

Somerville Housing Authority has not identified any units at risk of becoming vacant.

Maintenance and Repair Plan

Maintenance Objective

The goal of good property maintenance at a public housing authority is to serve the residents by assuring that the homes in which they live are decent, safe, and sanitary.

About This Maintenance and Repair Plan

This Maintenance & Repair Plan consists of several subsections describing maintenance systems followed by charts showing typical preventive maintenance, routine maintenance, and unit inspection tasks and schedules. These subsections are:

- a. **Classification and Prioritization of Maintenance Tasks** - Defines and prioritizes types of work to be accomplished by maintenance staff and vendors. Explains how the housing authority is expected to respond to work orders (tasks or requests) based on the work order classification.
- b. **Emergency Response System** - Defines what constitutes an emergency and how to notify staff of an emergency.
- c. **Normal Maintenance Response System** - How to contact the maintenance staff for a non-emergency request.
- d. **Work Order Management** - Description of the housing authority's system for managing work orders (tasks and requests).
- e. **Maintenance Plan Narrative & Policy Statement** - Self-assessment, basic information, and goals for the coming year, along with a description of the housing authority's maintenance program.
- f. **Preventive Maintenance Schedule** - A listing and schedule of tasks designed to keep systems and equipment operating properly, to extend the life these systems and equipment, and to avoid unexpected breakdowns.
- g. **Routine Maintenance Schedule** - A listing and schedule of ordinary maintenance tasks such as mopping, mowing, raking, and trash collection required to keep the facilities in good condition.
- h. **Unit Inspections** - Scheduling of annual unit inspections.

Classification and Prioritization of Maintenance Tasks

Maintenance items are tracked as “work orders” and are classified in the following categories. They are prioritized in the order listed. The following classifications and prioritization are required by the Department of Housing and Community Development (DHCD).

- I. **Emergencies** - Emergencies are only those conditions which are **immediately threatening** to the life or safety of our residents, staff, or structures.
 - **Goal: initiated with 24 to 48 hours.**
- II. **Vacancy Refurbishment - Work necessary to make empty units ready for new tenants.**
 - After emergencies, the refurbishment of vacancies for immediate re-occupancy has the highest priority for staff assignments. **Everyday a unit is vacant is a day of lost rent.**
 - **Goal: vacancy work orders are completed within 30 calendar days or if not completed within that timeframe, LHA has a waiver.**
- III. **Preventive Maintenance** - Work which must be done to **preserve and extend the useful life** of various elements of your physical property and avoid emergency situations.
 - A thorough Preventive Maintenance Program and Schedule that deals with all elements of the physical property is provided later in the document.
 - The Preventive Maintenance Program is reviewed and updated annually and as new systems and facilities are installed.
- IV. **Programmed Maintenance** - Work which is important and is completed to the greatest extent possible within time and budget constraints. Programmed maintenance is grouped and scheduled to make its completion as efficient as possible. Sources of programmed maintenance include:
 - Routine Work includes those tasks that need to be done on a regular basis to keep our physical property in good shape. (Mopping, Mowing, Raking, Trash, etc.)
 - Inspections are the other source of programmed maintenance.
 - o Inspections are visual and operational examinations of parts of our property to determine their condition.
 - o All dwelling units, buildings and sites must be inspected at least annually.
 - o **Goal: Inspection-generated work orders are completed within 30 calendar days from the date of inspection, OR if cannot be completed within 30 calendar days, are added to the Deferred Maintenance Plan or the Capital Improvement Plan in the case of qualifying capital repairs (unless health/safety issue).**
- V. **Requested Maintenance** - Work which is requested by residents or others, does not fall into any category above, and should be accomplished as time and funds are available.
 - Requests from residents or others for maintenance work which does not fall into one of the other categories has the lowest priority for staff assignment.
 - **Goal: Requested work orders are completed in 14 calendar days from the date of tenant request or if not completed within that timeframe (and not a health or safety issue), the task is added and completed in a timely manner as a part of the Deferred Maintenance Plan and/or CIP.**

Additional Remarks by the Somerville Housing Authority
PHA-Web

Emergency Request System

For emergency requests call the numbers listed here. Qualifying emergency work requests are listed below.

METHOD	CONTACT INFO.	TIMES
Call Answering Service	617-940-6228	24 hours - 7 days per week
Call LHA at Phone Number	617-625-4522	8:00am to 4 4:00PM, Monday to frida

List of Emergencies - Emergencies are those conditions which are immediately threatening to the life or safety of our residents, staff, or structures. The following is a list of typical conditions that warrant an emergency response. If there is an emergency condition whether or not enumerated on this list please notify the office or answering service at the numbers listed above. If you have any questions regarding this list or other matters that may constitute an emergency, please contact the Somerville Housing Authority main office.

QUALIFYING EMERGENCY WORK REQUESTS
Fires of any kind (Call 911)
Gas leaks/ Gas odor (Call 911)
No electric power in unit
Electrical hazards, sparking outlets
Broken water pipes, flood
No water/ unsafe water
Sewer or toilet blockage
Roof leak
Lock outs
Door or window lock failure
No heat
No hot water
Snow or ice hazard condition
Dangerous structural defects
Inoperable smoke/CO detectors, beeping or chirping
Elevator stoppage or entrapment

Normal Maintenance Request Process

Make normal (non-emergency) maintenance requests using the following methods:

METHOD	CONTACT INFO.	TIMES
Text Phone Number		
Call Answering Service	617-941-6228	24 - 7
Call Housing Authority Office	617-625-4522	8:00 am to 4 PM (Monday to Friday)
Submit Online at Website		
Email to Following Email		
Other		

Work Order Management

A. DHCD review of this housing authority's operations shows that the authority uses the following system for tracking work orders:

Type of work order system:

Work order classification used:

Emergency	
Vacancy	
Preventative Maintenance	
Routine	
Inspections	
Tenant Requests	

B. We also track deferred maintenance tasks in our work order system.

C. Our work order process includes the following steps:

Step	Description	Checked steps are used by LHA
1	Maintenance Request taken/submitted per the standard procedures listed above for the Emergency Request System and the Normal Maintenance Request Process.	☒
2	Maintenance Requests logged into the work system	☒
3	Work Orders generated	☒
4	Work Orders assigned	☒
5	Work Orders tracked	☒
6	Work Orders completed/closed out	☒
7	Maintenance Reports or Lists generated	☒

Maintenance Plan Narrative

Following are Somerville Housing Authority's answers to questions posed by DHCD.

- A. Narrative Question #1: How would you assess your Maintenance Operations based on feedback you've received from staff, tenants, DHCD's Performance Management Review (PMR) & Agreed Upon Procedures (AUP), and any other sources?

Under the direction of the Director of Maintenance of Somerville Housing Authority. The Maintenance office manages the day-to-day operations of custodial, grounds and building maintenance, inspections, turnovers, routine, and emergency workorders and plans daily on preventive maintenance schedules. The Director of Maintenance also schedules, assigns, reviews, and supervises the work of all employees in the maintenance department variety of work skills necessary for the maintenance and repair of housing needs for the resident staff and community. This assessment of the Somerville housing authority Maintenance operation has been very favorable. As we are controlled by Covid-19, its very difficult to please every resident, staff and community members..

- B. Narrative Question #2: What changes have you made to maintenance operations in the past year?

There are many changes in the Maintenance dept during the past year. With Covid-19 pandemic, we had to adjust to the guidelines from Federal and state governments on Social distance. This adjustment has been difficult for the staff, residents, and the community. We've changed our was of inspecting, managing and meeting with individuals and groups.

C. Narrative Question #3: What are your maintenance goals for this coming year?

Our Maintenance goals for the up coming year to servicing all the needs of the residents, staff and the community. Train staff on the new guidelines of Covid -19. Educate residents on our guidelines from Covid -19. This past year has been very challenging. We need to adjust to the situation and constantly improve our new lifestyle

D. Maintenance Budget Summary

The budget numbers shown below are for the consolidated budget only. They do not include values from supplemental budgets, if any.

	Total Regular Maintenance Budget	Extraordinary Maintenance Budget
Last Fiscal Year Budget	\$1,778,349.00	\$170,000.00
Last Fiscal Year Actual Spending	\$1,677,747.00	\$49,973.00
Current Fiscal Year Budget	\$2,045,916.00	\$9,472.00

E. Unit Turnover Summary

# Turnovers Last Fiscal Year	41
Average time from date vacated to make Unit "Maintenance Ready"	25 days
Average time from date vacated to lease up of unit	52 days

Attachments

These items have been prepared by the Somerville Housing Authority and appear on the following pages:

Preventive Maintenance Schedule - a table of preventive maintenance items showing specific tasks, who is responsible (staff or vendor), and the month(s) they are scheduled

Deferred Maintenance Schedule - a table of maintenance items which have been deferred due to lack of resources.

SOMERVILLE HOUSING AUTHORITY PREVENTATIVE MAINTENANCE PLAN

January Preventative Maintenance Tasks

**Every week throughout the year, common areas, hallways, community rooms, and basements will be monitored for cleanliness and debris/dangerous items/blocked egresses. All building and grounds work orders will note any items requiring repairs. Community rooms and bathrooms in community rooms will be cleaned weekly/daily depending on the usage.

1. Boiler winter preventative maintenance at all additional complexes.
2. Clean dryer vents for all complexes except Family Housing and Ashland Street.
3. Vehicle Inspection:
 - Check all fluid levels: crank case, transmission, etc.
 - Check antifreeze, radiator rust inhibitor, and thermostat.
 - Check windshield washer fluid.
 - Check belts and hoses.
 - Check plugs, wiring, battery, clean and grease terminals.
 - Clean out air cleaner.
 - Check wheel alignment and tire balance (signs of uneven wear).
 - Check heater and defroster.
 - Check wiper blades for wear.
 - Check underbody for corrosion and hose off.
 - Change engine oil in all vehicles. (1st quarter)
4. Check Smoke and Carbon Monoxide detectors during annual inspections.
5. Inventory tools, equipment, in stock.
6. Inventory of supplies and small parts.
7. Unit inspections scheduled for this month.
8. Notify Property Manager of lease enforcement issues regarding snow removal.
9. Check all chimneys, exhaust and intake vents free of snow throughout the winter season and keep dryer exhaust vents free of snow throughout the winter season.

*blocked chimneys, exhaust vents and intake vents could result in carbon monoxide poisoning and can affect the performance of the furnace.

February Preventative Maintenance Tasks

1. Monitor on-going snow removal
2. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Check underbody for corrosion and hose off.
3. Check Smoke and Carbon Monoxide detectors during annual inspections.
4. Inventory of supplies and small parts.
5. Unit inspections as scheduled for each month.
6. Notify Property Manager of lease enforcement issues regarding snow removal and common hallways and stairs free from all obstructions. (PHN 2012-12)
 - According to the State Sanitary code 105 CMR 410.451 - No person shall obstruct any exit or passageway. The owner is responsible for maintaining free from obstruction every exit used or intended for use by occupants of more than one dwelling unit or rooming unit. The occupant shall be responsible for maintaining free from obstruction all means of exit leading from his unit and not common to the exit of any other unit.
7. Check all chimneys, exhaust and intake vents free of snow throughout the winter season and keep dryer exhaust vents free of snow throughout the winter season.
 - Blocked chimneys, exhaust vents and intake vents could result in carbon monoxide poisoning and can affect the performance of the furnace.

March Preventative Maintenance Tasks

1. Reset light timers and clocks for daylight saving time. .
2. Monitor on-going snow removal.
3. Clean maintenance areas.
4. Touch up all common area paint.
5. Strip, wax and buff VAT and linoleum flooring in community rooms and bathrooms.
6. Clean baseboard heaters in all common areas except Family Housing And Ashland Street.
7. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Check underbody for corrosion and hose off.
8. Check Smoke and Carbon Monoxide detectors during annual inspections.
9. Clean/disinfect trash areas.
10. Unit inspections as scheduled for the month.
11. Notify Property Manager of lease enforcement issues regarding furniture, trash and debris free from exteriors.
12. Inventory of supplies and small parts.
13. Check all chimneys, exhaust and intake vents free of snow throughout the winter season and keep dryer exhaust vents free of snow throughout the winter season.

April Preventative Maintenance Tasks

1. Inspect all entry doors.
2. Clean dryer vents and exhaust vents.
3. Service lawn equipment.
4. Inspect roofs and siding.
5. Clean common area flooring and carpeting.
6. Clean/disinfect dumpsters and trash area.
7. Cleaning of parking areas, roadways, driveways, walkways and storm drains.
8. Inspect trees and coordinate trimming service as needed (maintain 10ft distance from buildings)
9. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Change engine oil in all vehicles (2nd quarter)
10. Check Smoke and Carbon Monoxide detectors during annual inspections.
11. Inventory of supplies and small parts.
12. Unit inspections as scheduled for the month.
13. Notify Property Manager of lease enforcement issues: Check for proper AC installation according to SHA AC Policy.

May Preventative Maintenance Tasks

1. Clean all storm drains.
2. Sidewalk and parking lot crack and crevice sealing and repair.
3. Weed treatment at all sites.
4. Edge and mulch all planting beds.

NOTE: Please note that in accordance with 527 CMR 17, which took effect September 2012, the new application of mulch within 18 inches around combustible exteriors of buildings such as wood or vinyl, but not brick or concrete, is prohibited.

5. Clean/disinfect dumpsters and trash areas.
6. Prune/trim all shrubs and bushes away from buildings (maintain 2ft clearance from all structures).
7. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
8. Inventory of supplies and small parts.
9. Check Smoke and Carbon Monoxide detectors during annual inspections.
10. Unit inspections as scheduled for the month.
11. Notify Property Manager of lease enforcement: Cooking grills and pools.
 - All cooking grills should be used a minimum of 10 feet from all structures.
 - Pools must be emptied each night and not left unattended.

June Preventative Maintenance Tasks

1. Summer boiler shut-down and preventative maintenance service. (non-heating season June 16th to September 14th)
2. Check interior emergency lighting.
3. Weed and edge all planting beds (June 1st to Oct 1st)
4. Inspect site railings, walkways and stairs for potential hazards. Identify and repair as needed.
5. Clean/disinfect dumpsters and trash areas.
6. Check flags and replace as needed
7. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
8. Check Smoke and Carbon Monoxide detectors during annual inspections.
9. Schedule Fire Alarm Panel/heat detector inspections
10. Inventory of supplies and small parts.
11. Unit inspections as scheduled for the month.
12. Notify Property Manager of lease enforcement issues: pools, trampolines, furniture, trash and debris free from exterior.

July Preventative Maintenance Tasks

1. Clean dryer vents, exhaust vents and roof vent motors.
2. Inspect gutters, downspouts and splash blocks – repair as needed.
3. Inspect common area windows (glass, seals, balances and locks).
4. Inspect and repair site fencing
5. Clean/disinfect trash areas.
6. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Change engine oil in all (3rd quarter)
7. Inventory of supplies and small parts.
8. Check Smoke and Carbon Monoxide detectors during annual inspections.
9. Unit inspections as scheduled each month.
10. Notify Property Manager of any lease enforcement issues: Pet policy (according to pet policy)

August Preventative Maintenance Tasks

1. Strip, wax and buff VAT and linoleum flooring in common areas and bathrooms.
2. Clean/disinfect trash areas.
3. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
4. Inventory of supplies and small parts.
5. Clean or replace as needed filters for hot air systems at Family Housing and Main Office.
6. Replace lime store on condensation drains at family housing, Morkeski Meadows and Main office.
7. Check Smoke and Carbon Monoxide detectors during annual inspections.
8. Lease enforcement: Common hallways and stairs free from all obstructions. (PHN 2012-12)
 - According to the State Sanitary code 105 CMR 410.451 - No person shall obstruct any exit or passageway. The owner is responsible for maintaining free from obstruction every exit used or intended for use by occupants of more than one dwelling unit or rooming unit. The occupant shall be responsible for maintaining free from obstruction all means of exit leading from his unit and not common to the exit of any other unit.
9. Unit inspections as scheduled each month.

September Preventative Maintenance Tasks

1. Check electrical panels in boiler rooms and all common areas.
2. Domestic hot water systems preventative maintenance and exercise all valves.
3. Turn on heating systems September 15, 2016.
4. Clean storage rooms and maintenance areas.
5. Touch up all common area paint.
6. Clean heater vents in all common areas.
7. Clean/disinfect trash areas.
8. Service snow blowers
9. Buy and stock ice melt for winter.
10. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
11. Inventory of supplies and small parts.
12. Check Smoke and Carbon Monoxide detectors during annual inspections.
13. Unit inspections as scheduled each month.
14. Notify Property Manager of lease enforcement issues: Removal of all AC's (according to NAHA AC Policy)

October Preventative Maintenance Tasks

1. Clean/disinfect trash areas.
2. Annual cleaning of all gutters.
3. Leaf removal.
4. Clean dryer vents, exhaust vents and roof vent motors.
5. Cleaning of parking areas, roadways, driveways, walkways and storm drains.
6. Clean, service and store lawn equipment.
7. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Change engine oil in all vehicles. (4th quarter)
8. Inventory of supplies and small parts.
9. Check Smoke and Carbon Monoxide detectors during annual inspections.
10. Unit inspections as scheduled each month.

November Preventative Maintenance Tasks

1. Reset light timers and clocks back 1 hour for daylight saving time.
2. Monitor any snow removal
3. Inspect trees and coordinate trimming service as needed (maintain 10ft clearance from all structures).
4. Clean common area carpets and flooring.
5. Clean/disinfect trash areas.
6. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Check underbody for corrosion and hose off.
7. Inventory of supplies and small parts.
8. Notify Property Manager of any lease enforcement issues: blocked egresses.
9. Unit inspections as scheduled each month.
10. Keep all chimneys, exhaust and intake vents free of snow throughout the winter season and keep dryer exhaust vents free of snow throughout the winter season.

December Preventative Maintenance Tasks

1. Monitor on-going snow removal.
2. Check and replace flags as needed.
3. Clean/disinfect trash areas.
4. Vehicle Inspection:
 - a. Check all fluid levels: crank case, transmission, etc.
 - b. Check antifreeze, radiator rust inhibitor, and thermostat.
 - c. Check windshield washer fluid.
 - d. Check belts and hoses.
 - e. Check plugs, wiring, battery, clean and grease terminals.
 - f. Clean out air cleaner.
 - g. Check wheel alignment and tire balance (signs of uneven wear).
 - h. Check heater and defroster.
 - i. Check wiper blades for wear.
 - j. Check underbody for corrosion and hose off.
5. Unit inspections as scheduled each month.
6. Notify Property Manager of any lease enforcement issues: Decorations (Christmas) Cords running through doors and windows.
7. Keep all chimneys, exhaust and intake vents free of snow throughout the winter season and keep dryer exhaust vents free of snow throughout the winter season.



Public Housing Notice 2012-12

Memorandum

To: All Local Housing Authority Executive Directors
From: Lizbeth Heyer, Associate Director, Division of Public Housing and Rental Assistance
Subject: Common Area Use Policy
Date: October 3, 2012

In response to recent circumstances related to use of common areas in state aided public housing developments, the Department of Housing and Community Development is issuing this PH Notice to provide residents and administrators with general guidance on the matter.

As a general rule, tenants cannot place personal property on or in common areas of housing authority property. They may display decorations, plants, signs and other items within the areas that are under their exclusive control, in a manner that does not obstruct an open egress route from the dwelling to the outside public way, and that does not pose any other safety hazard.

Should the Local Housing Authority determine that it would allow displays in common areas where egress is not at issue, residents may be allowed to display selected items in accordance with Local Housing Authority rules and policy and in compliance with local ordinances or by-laws.

The single exception is that residents may always display the American flag in common spaces, provided it complies with safety provisions mentioned above, and is displayed respectfully in accordance with existing laws related to use of the flag.

The Local Housing Authority will promulgate the guidance for the use of common space, and will seek cooperation of the resident population in regard to enforcement.

Suggestions for your Air Conditioner Policy

Your air conditioner policy should include:

1. Written request from tenant – followed by written permission from HA
2. Maximum BTU size. (most authorities restrict them to 5000 BTU's depending on size of room/apartment)
3. Total number of AC units allowed.
4. AC units should (must) be energy star approved.
5. Extension cords (only a 12-3 cord with a ground can be used if needed-[Appliance cord])
6. Install date (Heating season ends June 15th)
7. Removal date (Heating season starts September 15th)
8. Proper installation instructions. You should solicit 3 price quotes from local contractors that are willing to install the AC units according to the following criteria:
 - a. Wood Sash:
 - i. An "L" bracket is to be used for securing both the top sash and the lower sash together so they are not able to be opened.
 - ii. Weather stripping between the top and bottom sash.
 - iii. No duct tape, cardboard, cloth, or other unprotected/unweather proof material will be used as AC side panels.
 - b. Vinyl Sash:
 - i. A wood dowel, or other suitable material, is to be placed on top of the lower sash and directly under the handle (if present) of the upper sash, to secure both sash from being opened.
 - ii. An "L" bracket can be used where there is no upper sash handle. CAUTION: Do not install "L" bracket to close to glass edge of sash – may cause glass breakage.
 - iii. Weather stripping between the top and bottom sash.
 - iv. No duct tape, cardboard, cloth, or other unprotected/unweather proof material will be used as AC side panels.
 - c. Proper pitch of AC unit to direct condensation away from the inside of the apartment.
 - d. *The price quote list can be given out to tenants for them to choose an installer. Advise the tenant to keep their receipt as proof of approved AC installation.*
9. Air conditioners must be maintained in good working order and kept clean.
10. When a room only has 1 window, a window mounted AC is prohibited. A non-exhausting portable AC may be the only compromise but can be more expensive (\$300-\$600).

Somerville Housing Authority

30 Memorial Road
Somerville, MA 02145



(617) 625-4522
(617) 623-8752 FAX

SHA Deferred Maintenance Policy

If during routine annual inspections or any other inspection of property or report to the authority, routine work items are identified but the work items are not detrimental to the health and safety of the residents, the work item may be considered "deferred". Examples of such deferred work items may include but not be limited to:

Repair of exterior stairs
Replacement of worn flooring
Shower/tub liners

SHA may choose to defer work items due to budget constraints or man power limitations.

Only the Maintenance Supervisor or the Director of Operations can determine if a Maintenance work item may be deferred. If the determination is made to defer a work item, a work order is generated for that item and the item is marked "deferred". No work item will be deferred if the work is determined necessary for safe and sanitary housing standards.

Deferred maintenance item reports will be reviewed by the Maintenance Supervisor and the Director of Operations on a quarterly basis.

The deferred maintenance items will be reviewed prior to capital improvement planning and prior to submission of the budget on an annual basis to determine if the work items need to be grouped and considered for larger modernization projects. Deferred Maintenance work items will be kept in an "open" classification until the work is completed.

The SHA Work Order Procedures Policy outlines the procedures and classifications of all non-deferred work order items generated within the SHA. It is the standard operating procedure for the SHA to make repairs and not to defer work orders. Deferred work orders will be an isolated incident.

Operating Budget

The tables on the following pages show the approved budget and actual income and spending per budget account (row) for the fiscal year ending 03/31/2020. It also shows the approved budget for the current year (2021) if there is one, and the percent change from last year's spending to this year's approved budget. The final column shows the current approved amount for each account divided by the number of housing units and by 12 months to show the amount per unit per month (PUM). The chart does not show a draft budget for the coming fiscal year as that will typically be developed in the final month of the fiscal year.

The budget format and accounts are mandated by the Department of Housing and Community Development (DHCD). For a better understanding of the accounts and discussion of special situations see the notes following the budget tables and the "Definitions of Accounts" at the end of this section.

The LHA maintains a consolidated budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by the LHA. It does not maintain separate budgets for each development, except as noted in the list of budgets below.

Budgets included in this Annual Plan:

- 1.Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Somerville Housing Authority , except as noted for separate budgets on the following pages.
- 2.Bryant Manor
- 3.Clarendon Hill Towers
- 4.Hagan Manor

Operating Reserve

The LHA's operating reserve is the amount of funds that an LHA sets aside to sustain itself during lean years, or to remedy urgent health and safety concern or address deferred maintenance items. In addition, while DHCD approves a fixed non-utility operating budget level for every LHA (called the Allowable Non-Utility Expense Level, or ANUEL), LHAs can propose a budget that exceeds that level, with the additional cost to be funded from the Operating Reserve, as long as the reserve will still remain above the minimum threshold set by DHCD.

DHCD defines a full (100%) Operating Reserve (OR) amount to be equal to one-half of the previous year's operating expenses and requires LHAs to maintain a minimum OR of 35% of this amount to cover any unplanned but urgent needs that may arise during the year and that can't be funded by the operating budget. If the reserve is between 20% and 35% of the full level, the LHA must obtain prior written approval from DHCD to spend reserve funds, unless the expense is to resolve a health and safety issue. If the reserve is below the 20% level, the LHA can only spend OR funds on health and safety issues. In both cases, the LHA should address the health and safety issue immediately but must retroactively inform DHCD and obtain its approval.

The Somerville Housing Authority operating reserve at the end of fiscal year 2020 was \$10,120,669.00, which is 414.1% of the full reserve amount defined above.

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Somerville Housing Authority , except as noted for separate budgets on the following pages.						
REVENUE						
Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Received	2021 Approved Revenue Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3110	Shelter Rent - Tenants	\$2,527,592.00	\$2,786,127.00	\$2,349,338.00	-15.7%	\$350.23
3111	Shelter Rent - Tenants - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
3115	Shelter Rent - Federal Section 8	\$0.00	\$0.00	\$0.00	0%	\$0.00
3190	Nondwelling Rentals	\$0.00	\$0.00	\$0.00	0%	\$0.00
3400	Administrative Fee - MRVP	\$0.00	\$0.00	\$0.00	0%	\$0.00
3610	Interest on Investments - Unrestricted	\$5,000.00	\$5,419.00	\$4,350.00	-19.7%	\$0.65
3611	Interest on Investments - Restricted	\$0.00	\$250,637.00	\$0.00	-100%	\$0.00
3690	Other Revenue	\$14,000.00	\$9,240.00	\$8,650.00	-6.4%	\$1.29
3691	Other Revenue - Retained	\$0.00	\$11,000.00	\$0.00	-100%	\$0.00
3692	Other Revenue - Operating Reserves	\$0.00	\$0.00	\$0.00	0%	\$0.00
3693	Other Revenue - Energy Net Meter	\$0.00	\$0.00	\$0.00	0%	\$0.00
3801	Operating Subsidy - DHCD (4001)	\$2,683,949.00	\$2,111,810.00	\$3,238,107.00	53.3%	\$482.72
3802	Operating Subsidy - MRVP Landlords	\$0.00	\$0.00	\$0.00	0%	\$0.00
3803	Restricted Grants Received	\$0.00	\$0.00	\$0.00	0%	\$0.00
3920	Gain/Loss From Sale/Disp. of Prop.	\$0.00	\$0.00	\$0.00	0%	\$0.00
3000	TOTAL REVENUE	\$5,230,541.00	\$5,174,233.00	\$5,600,445.00	8.2%	\$834.89

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Somerville Housing Authority , except as noted for separate budgets on the following pages.						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget.	2021 Dollars Budgeted per Unit per Month
4110	Administrative Salaries	\$411,096.00	\$324,799.00	\$417,069.00	28.4%	\$62.17
4120	Compensated Absences	\$0.00	\$101,663.00	\$0.00	-100%	\$0.00
4130	Legal	\$0.00	\$0.00	\$35,000.00	100%	\$5.22
4140	Members Compensation	\$48,000.00	\$44,857.00	\$42,000.00	-6.4%	\$6.26
4150	Travel & Related Expenses	\$4,233.00	\$771.00	\$4,233.00	449%	\$0.63
4170	Accounting Services	\$9,600.00	\$5,501.00	\$9,600.00	74.5%	\$1.43
4171	Audit Costs	\$3,000.00	\$2,317.00	\$3,000.00	29.5%	\$0.45
4180	Penalties & Interest	\$0.00	\$0.00	\$0.00	0%	\$0.00
4190	Administrative Other	\$171,133.00	\$148,835.00	\$178,127.00	19.7%	\$26.55
4191	Tenant Organization	\$5,500.00	\$3,763.00	\$5,500.00	46.2%	\$0.82
4100	TOTAL ADMINISTRATION	\$652,562.00	\$632,506.00	\$694,529.00	9.8%	\$103.54
4310	Water	\$929,698.00	\$851,279.00	\$900,556.00	5.8%	\$134.25
4320	Electricity	\$400,426.00	\$331,936.00	\$381,610.00	15%	\$56.89
4330	Gas	\$579,627.00	\$450,266.00	\$620,202.00	37.7%	\$92.46
4340	Fuel	\$0.00	\$0.00	\$0.00	0%	\$0.00
4360	Net Meter Utility Debit/Energy Conservation	\$4,600.00	\$0.00	\$4,600.00	100%	\$0.69
4390	Other	\$50,000.00	\$0.00	\$50,000.00	100%	\$7.45
4391	Solar Operator Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4392	Net Meter Utility Credit (Negative Amount)	\$0.00	\$0.00	\$0.00	0%	\$0.00
4300	TOTAL UTILITIES	\$1,964,351.0	\$1,633,481.0	\$1,956,968.	19.8%	\$291.74

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Somerville Housing Authority , except as noted for separate budgets on the following pages.						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4410	Maintenance Labor	\$1,113,184.00	\$988,989.00	\$1,119,666.00	13.2%	\$166.92
4420	Materials & Supplies	\$244,365.00	\$317,241.00	\$305,250.00	-3.8%	\$45.51
4430	Contract Costs	\$420,800.00	\$371,517.00	\$621,000.00	67.2%	\$92.58
4400	TOTAL MAINTENANCE	\$1,778,349.00	\$1,677,747.00	\$2,045,916.00	21.9%	\$305.00
4510	Insurance	\$171,676.00	\$147,460.00	\$187,374.00	27.1%	\$27.93
4520	Payment in Lieu of Taxes	\$17,582.00	\$17,571.00	\$17,582.00	0.1%	\$2.62
4540	Employee Benefits	\$593,174.00	\$570,186.00	\$586,276.00	2.8%	\$87.40
4541	Employee Benefits - GASB 45	\$0.00	\$-22,042.00	\$0.00	-100%	\$0.00
4542	Pension Expense - GASB 68	\$0.00	\$0.00	\$0.00	0%	\$0.00
4570	Collection Loss	\$15,000.00	\$8,446.00	\$14,000.00	65.8%	\$2.09
4571	Collection Loss - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
4580	Interest Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4590	Other General Expense	\$52,847.00	\$91,270.00	\$0.00	-100%	\$0.00
4500	TOTAL GENERAL EXPENSES	\$850,279.00	\$812,891.00	\$805,232.00	-0.9%	\$120.04
4610	Extraordinary Maintenance	\$170,000.00	\$49,973.00	\$9,472.00	-81%	\$1.41
4611	Equipment Purchases - Non Capitalized	\$53,383.00	\$59,894.00	\$24,000.00	-59.9%	\$3.58
4612	Restricted Reserve Expenditures	\$0.00	\$0.00	\$0.00	0%	\$0.00
4715	Housing Assistance Payments	\$0.00	\$0.00	\$0.00	0%	\$0.00
4801	Depreciation Expense	\$0.00	\$1,946,605.00	\$0.00	-100%	\$0.00
4600	TOTAL OTHER EXPENSES	\$223,383.00	\$2,056,472.00	\$33,472.00	-98.4%	\$4.99
4000	TOTAL EXPENSES	\$5,468,924.00	\$6,813,097.00	\$5,536,117.00	-18.7%	\$825.30

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Somerville Housing Authority , except as noted for separate budgets on the following pages.						
SUMMARY						
Account Number	Account Class	2020 Approved Budget	2020 Actual Amounts	2021 Approved Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3000	TOTAL REVENUE	\$5,230,541.00	\$5,174,233.00	\$5,600,445.00	8.2%	\$834.89
4000	TOTAL EXPENSES	\$5,468,924.00	\$6,813,097.00	\$5,536,117.00	-18.7%	\$825.30
2700	NET INCOME (DEFICIT)	\$-238,383.00	\$-1,638,864.00	\$64,328.00	-103.9%	\$9.59
7520	Replacements of Equip. - Capitalized	\$0.00	\$5,945.00	\$0.00	-100%	\$0.00
7540	Betterments & Additions - Capitalized	\$250,000.00	\$21,465.00	\$326,800.00	1422.5%	\$48.72
7500	TOTAL NONOPERATING EXPENDITURES	\$250,000.00	\$27,410.00	\$326,800.00	1092.3%	\$48.72
7600	EXCESS REVENUE OVER EXPENSES	\$-488,383.00	\$-1,666,274.00	\$-262,472.00	-84.2%	\$-39.13

Bryant Manor						
REVENUE						
Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Received	2021 Approved Revenue Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3110	Shelter Rent - Tenants	\$556,140.00	\$576,256.00	\$563,712.00	-2.2%	\$350.57
3111	Shelter Rent - Tenants - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
3115	Shelter Rent - Federal Section 8	\$1,302,708.00	\$1,130,828.00	\$2,813,088.00	148.8%	\$1,749.43
3190	Nondwelling Rentals	\$33,400.00	\$0.00	\$0.00	0%	\$0.00
3400	Administrative Fee - MRVP	\$0.00	\$0.00	\$0.00	0%	\$0.00
3610	Interest on Investments - Unrestricted	\$8,400.00	\$13,561.00	\$15,500.00	14.3%	\$9.64
3611	Interest on Investments - Restricted	\$0.00	\$0.00	\$0.00	0%	\$0.00
3690	Other Revenue	\$7,000.00	\$7,494.00	\$5,000.00	-33.3%	\$3.11
3691	Other Revenue - Retained	\$0.00	\$0.00	\$0.00	0%	\$0.00
3692	Other Revenue - Operating Reserves	\$0.00	\$0.00	\$0.00	0%	\$0.00
3693	Other Revenue - Energy Net Meter	\$0.00	\$0.00	\$0.00	0%	\$0.00
3801	Operating Subsidy - DHCD (4001)	\$0.00	\$0.00	\$0.00	0%	\$0.00
3802	Operating Subsidy - MRVP Landlords	\$0.00	\$0.00	\$0.00	0%	\$0.00
3803	Restricted Grants Received	\$0.00	\$0.00	\$0.00	0%	\$0.00
3920	Gain/Loss From Sale/Disp. of Prop.	\$0.00	\$0.00	\$0.00	0%	\$0.00
3000	TOTAL REVENUE	\$1,907,648.00	\$1,728,139.00	\$3,397,300.00	96.6%	\$2,112.75

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Bryant Manor						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4110	Administrative Salaries	\$205,922.00	\$122,502.00	\$217,461.00	77.5%	\$135.24
4120	Compensated Absences	\$0.00	\$33,962.00	\$0.00	-100%	\$0.00
4130	Legal	\$2,000.00	\$0.00	\$3,000.00	100%	\$1.87
4140	Members Compensation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4150	Travel & Related Expenses	\$1,015.00	\$260.00	\$1,015.00	290.4%	\$0.63
4170	Accounting Services	\$9,600.00	\$5,500.00	\$9,600.00	74.5%	\$5.97
4171	Audit Costs	\$1,000.00	\$5,813.00	\$1,000.00	-82.8%	\$0.62
4180	Penalties & Interest	\$0.00	\$0.00	\$0.00	0%	\$0.00
4190	Administrative Other	\$36,732.00	\$40,372.00	\$47,211.00	16.9%	\$29.36
4191	Tenant Organization	\$2,000.00	\$792.00	\$2,000.00	152.5%	\$1.24
4100	TOTAL ADMINISTRATION	\$258,269.00	\$209,201.00	\$281,287.00	34.5%	\$174.93
4310	Water	\$94,858.00	\$108,049.00	\$109,324.00	1.2%	\$67.99
4320	Electricity	\$150,217.00	\$128,417.00	\$142,999.00	11.4%	\$88.93
4330	Gas	\$92,976.00	\$80,055.00	\$91,033.00	13.7%	\$56.61
4340	Fuel	\$0.00	\$0.00	\$0.00	0%	\$0.00
4360	Net Meter Utility Debit/Energy Conservation	\$8,500.00	\$0.00	\$8,500.00	100%	\$5.29
4390	Other	\$0.00	\$0.00	\$0.00	0%	\$0.00
4391	Solar Operator Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4392	Net Meter Utility Credit (Negative Amount)	\$0.00	\$0.00	\$0.00	0%	\$0.00
4300	TOTAL UTILITIES	\$346,551.00	\$316,521.00	\$351,856.00	11.2%	\$218.82

Bryant Manor						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Spent	2021 Dollars Budgeted per Unit per Month
4410	Maintenance Labor	\$249,713.00	\$245,802.00	\$268,340.00	9.2%	\$166.88
4420	Materials & Supplies	\$250,000.00	\$27,739.00	\$250,000.00	801.3%	\$155.47
4430	Contract Costs	\$307,000.00	\$125,493.00	\$272,000.00	116.7%	\$169.15
4400	TOTAL MAINTENANCE	\$806,713.00	\$399,034.00	\$790,340.00	98.1%	\$491.50
4510	Insurance	\$46,854.00	\$39,632.00	\$50,063.00	26.3%	\$31.13
4520	Payment in Lieu of Taxes	\$0.00	\$0.00	\$0.00	0%	\$0.00
4540	Employee Benefits	\$170,136.00	\$163,254.00	\$177,639.00	8.8%	\$110.47
4541	Employee Benefits - GASB 45	\$0.00	\$-9,274.00	\$0.00	-100%	\$0.00
4542	Pension Expense - GASB 68	\$0.00	\$0.00	\$0.00	0%	\$0.00
4570	Collection Loss	\$0.00	\$2,041.00	\$3,000.00	47%	\$1.87
4571	Collection Loss - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
4580	Interest Expense	\$178,500.00	\$178,500.00	\$14,875.00	-91.7%	\$9.25
4590	Other General Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4500	TOTAL GENERAL EXPENSES	\$395,490.00	\$374,153.00	\$245,577.00	-34.4%	\$152.72
4610	Extraordinary Maintenance	\$0.00	\$0.00	\$2,272.00	100%	\$1.41
4611	Equipment Purchases - Non Capitalized	\$30,500.00	\$10,530.00	\$30,500.00	189.6%	\$18.97
4612	Restricted Reserve Expenditures	\$0.00	\$0.00	\$0.00	0%	\$0.00
4715	Housing Assistance Payments	\$0.00	\$0.00	\$0.00	0%	\$0.00
4801	Depreciation Expense	\$0.00	\$96,213.00	\$0.00	-100%	\$0.00
4600	TOTAL OTHER EXPENSES	\$30,500.00	\$106,743.00	\$32,772.00	-69.3%	\$20.38
4000	TOTAL EXPENSES	\$1,837,523.00	\$1,405,652.00	\$1,701,832.00	21.1%	\$1,058.35

Bryant Manor						
SUMMARY						
Account Number	Account Class	2020 Approved Budget	2020 Actual Amounts	2021 Approved Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3000	TOTAL REVENUE	\$1,907,648.00	\$1,728,139.00	\$3,397,300.00	96.6%	\$2,112.75
4000	TOTAL EXPENSES	\$1,837,523.00	\$1,405,652.00	\$1,701,832.00	21.1%	\$1,058.35
2700	NET INCOME (DEFICIT)	\$70,125.00	\$322,487.00	\$1,695,468.00	425.7%	\$1,054.40
7520	Replacements of Equip. - Capitalized	\$0.00	\$0.00	\$30,000.00	100%	\$18.66
7540	Betterments & Additions - Capitalized	\$1,225,000.00	\$309,638.00	\$1,280,000.00	313.4%	\$796.02
7500	TOTAL NONOPERATING EXPENDITURES	\$1,225,000.00	\$309,638.00	\$1,310,000.00	323.1%	\$814.68
7600	EXCESS REVENUE OVER EXPENSES	\$-1,154,875.00	\$12,849.00	\$385,468.00	2900%	\$239.72

Clarendon Hill Towers						
REVENUE						
Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Received	2021 Approved Revenue Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3110	Shelter Rent - Tenants	\$186,000.00	\$197,212.00	\$180,000.00	-8.7%	\$365.85
3111	Shelter Rent - Tenants - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
3115	Shelter Rent - Federal Section 8	\$0.00	\$0.00	\$0.00	0%	\$0.00
3190	Nondwelling Rentals	\$0.00	\$0.00	\$0.00	0%	\$0.00
3400	Administrative Fee - MRVP	\$0.00	\$0.00	\$0.00	0%	\$0.00
3610	Interest on Investments - Unrestricted	\$1,030.00	\$679.00	\$585.00	-13.8%	\$1.19
3611	Interest on Investments - Restricted	\$0.00	\$0.00	\$0.00	0%	\$0.00
3690	Other Revenue	\$11,000.00	\$14,485.00	\$8,400.00	-42%	\$17.07
3691	Other Revenue - Retained	\$0.00	\$0.00	\$0.00	0%	\$0.00
3692	Other Revenue - Operating Reserves	\$34,844.00	\$0.00	\$28,510.00	100%	\$57.95
3693	Other Revenue - Energy Net Meter	\$0.00	\$0.00	\$0.00	0%	\$0.00
3801	Operating Subsidy - DHCD (4001)	\$389,505.00	\$364,445.00	\$407,304.00	11.8%	\$827.85
3802	Operating Subsidy - MRVP Landlords	\$0.00	\$0.00	\$0.00	0%	\$0.00
3803	Restricted Grants Received	\$0.00	\$0.00	\$0.00	0%	\$0.00
3920	Gain/Loss From Sale/Disp. of Prop.	\$0.00	\$0.00	\$0.00	0%	\$0.00
3000	TOTAL REVENUE	\$622,379.00	\$576,821.00	\$624,799.00	8.3%	\$1,269.92

Clarendon Hill Towers						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4110	Administrative Salaries	\$74,261.00	\$64,078.00	\$75,765.00	18.2%	\$153.99
4120	Compensated Absences	\$0.00	\$5,342.00	\$0.00	-100%	\$0.00
4130	Legal	\$0.00	\$0.00	\$0.00	0%	\$0.00
4140	Members Compensation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4150	Travel & Related Expenses	\$115.00	\$23.00	\$115.00	400%	\$0.23
4170	Accounting Services	\$2,400.00	\$2,200.00	\$2,400.00	9.1%	\$4.88
4171	Audit Costs	\$1,000.00	\$773.00	\$1,000.00	29.4%	\$2.03
4180	Penalties & Interest	\$0.00	\$0.00	\$0.00	0%	\$0.00
4190	Administrative Other	\$7,999.00	\$6,723.00	\$8,145.00	21.2%	\$16.55
4191	Tenant Organization	\$0.00	\$0.00	\$0.00	0%	\$0.00
4100	TOTAL ADMINISTRATION	\$85,775.00	\$79,139.00	\$87,425.00	10.5%	\$177.69
4310	Water	\$0.00	\$0.00	\$0.00	0%	\$0.00
4320	Electricity	\$0.00	\$0.00	\$0.00	0%	\$0.00
4330	Gas	\$0.00	\$0.00	\$0.00	0%	\$0.00
4340	Fuel	\$0.00	\$0.00	\$0.00	0%	\$0.00
4360	Net Meter Utility Debit/Energy Conservation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4390	Other	\$0.00	\$0.00	\$0.00	0%	\$0.00
4391	Solar Operator Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4392	Net Meter Utility Credit (Negative Amount)	\$0.00	\$0.00	\$0.00	0%	\$0.00
4300	TOTAL UTILITIES	\$0.00	\$0.00	\$0.00	0%	\$0.00

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Clarendon Hill Towers						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4410	Maintenance Labor	\$0.00	\$0.00	\$0.00	0%	\$0.00
4420	Materials & Supplies	\$0.00	\$0.00	\$0.00	0%	\$0.00
4430	Contract Costs	\$500,000.00	\$489,286.00	\$500,000.00	2.2%	\$1,016.26
4400	TOTAL MAINTENANCE	\$500,000.00	\$489,286.00	\$500,000.00	2.2%	\$1,016.26
4510	Insurance	\$8,156.00	\$6,140.00	\$8,969.00	46.1%	\$18.23
4520	Payment in Lieu of Taxes	\$0.00	\$0.00	\$0.00	0%	\$0.00
4540	Employee Benefits	\$28,448.00	\$27,331.00	\$28,404.00	3.9%	\$57.73
4541	Employee Benefits - GASB 45	\$0.00	\$-562.00	\$0.00	-100%	\$0.00
4542	Pension Expense - GASB 68	\$0.00	\$0.00	\$0.00	0%	\$0.00
4570	Collection Loss	\$0.00	\$0.00	\$0.00	0%	\$0.00
4571	Collection Loss - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
4580	Interest Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4590	Other General Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4500	TOTAL GENERAL EXPENSES	\$36,604.00	\$32,909.00	\$37,373.00	13.6%	\$75.96
4610	Extraordinary Maintenance	\$0.00	\$0.00	\$0.00	0%	\$0.00
4611	Equipment Purchases - Non Capitalized	\$10,000.00	\$0.00	\$10,000.00	100%	\$20.33
4612	Restricted Reserve Expenditures	\$0.00	\$0.00	\$0.00	0%	\$0.00
4715	Housing Assistance Payments	\$0.00	\$0.00	\$0.00	0%	\$0.00
4801	Depreciation Expense	\$0.00	\$28,196.00	\$0.00	-100%	\$0.00
4600	TOTAL OTHER EXPENSES	\$10,000.00	\$28,196.00	\$10,000.00	-64.5%	\$20.33
4000	TOTAL EXPENSES	\$632,379.00	\$629,530.00	\$634,798.00	0.8%	\$1,290.24

Clarendon Hill Towers						
SUMMARY						
Account Number	Account Class	2020 Approved Budget	2020 Actual Amounts	2021 Approved Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3000	TOTAL REVENUE	\$622,379.00	\$576,821.00	\$624,799.00	8.3%	\$1,269.92
4000	TOTAL EXPENSES	\$632,379.00	\$629,530.00	\$634,798.00	0.8%	\$1,290.24
2700	NET INCOME (DEFICIT)	\$-10,000.00	\$-52,709.00	\$-9,999.00	-81%	\$-20.32
7520	Replacements of Equip. - Capitalized	\$0.00	\$0.00	\$0.00	0%	\$0.00
7540	Betterments & Additions - Capitalized	\$0.00	\$0.00	\$0.00	0%	\$0.00
7500	TOTAL NONOPERATING EXPENDITURES	\$0.00	\$0.00	\$0.00	0%	\$0.00
7600	EXCESS REVENUE OVER EXPENSES	\$-10,000.00	\$-52,709.00	\$-9,999.00	-81%	\$-20.32

Hagan Manor						
REVENUE						
Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Received	2021 Approved Revenue Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3110	Shelter Rent - Tenants	\$137,772.00	\$124,112.00	\$125,364.00	1%	\$435.29
3111	Shelter Rent - Tenants - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
3115	Shelter Rent - Federal Section 8	\$148,416.00	\$151,160.00	\$160,824.00	6.4%	\$558.42
3190	Nondwelling Rentals	\$0.00	\$0.00	\$0.00	0%	\$0.00
3400	Administrative Fee - MRVP	\$0.00	\$0.00	\$0.00	0%	\$0.00
3610	Interest on Investments - Unrestricted	\$900.00	\$1,997.00	\$50.00	-97.5%	\$0.17
3611	Interest on Investments - Restricted	\$0.00	\$0.00	\$0.00	0%	\$0.00
3690	Other Revenue	\$3,000.00	\$9,945.00	\$2,200.00	-77.9%	\$7.64
3691	Other Revenue - Retained	\$0.00	\$0.00	\$0.00	0%	\$0.00
3692	Other Revenue - Operating Reserves	\$0.00	\$0.00	\$0.00	0%	\$0.00
3693	Other Revenue - Energy Net Meter	\$0.00	\$0.00	\$0.00	0%	\$0.00
3801	Operating Subsidy - DHCD (4001)	\$0.00	\$0.00	\$0.00	0%	\$0.00
3802	Operating Subsidy - MRVP Landlords	\$0.00	\$0.00	\$0.00	0%	\$0.00
3803	Restricted Grants Received	\$0.00	\$0.00	\$0.00	0%	\$0.00
3920	Gain/Loss From Sale/Disp. of Prop.	\$0.00	\$0.00	\$0.00	0%	\$0.00
3000	TOTAL REVENUE	\$290,088.00	\$287,214.00	\$288,438.00	0.4%	\$1,001.52

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Hagan Manor						
EXPENSES						
Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4110	Administrative Salaries	\$14,606.00	\$7,319.00	\$14,853.00	102.9%	\$51.57
4120	Compensated Absences	\$0.00	\$8,558.00	\$0.00	-100%	\$0.00
4130	Legal	\$0.00	\$0.00	\$0.00	0%	\$0.00
4140	Members Compensation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4150	Travel & Related Expenses	\$181.00	\$44.00	\$181.00	311.4%	\$0.63
4170	Accounting Services	\$1,200.00	\$825.00	\$1,200.00	45.5%	\$4.17
4171	Audit Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4180	Penalties & Interest	\$0.00	\$0.00	\$0.00	0%	\$0.00
4190	Administrative Other	\$6,294.00	\$6,835.00	\$6,429.00	-5.9%	\$22.32
4191	Tenant Organization	\$0.00	\$0.00	\$0.00	0%	\$0.00
4100	TOTAL ADMINISTRATION	\$22,281.00	\$23,581.00	\$22,663.00	-3.9%	\$78.69
4310	Water	\$20,174.00	\$40,647.00	\$21,954.00	-46%	\$76.23
4320	Electricity	\$35,282.00	\$27,410.00	\$32,246.00	17.6%	\$111.97
4330	Gas	\$17,243.00	\$6,116.00	\$7,467.00	22.1%	\$25.93
4340	Fuel	\$0.00	\$0.00	\$0.00	0%	\$0.00
4360	Net Meter Utility Debit/Energy Conservation	\$300.00	\$0.00	\$300.00	100%	\$1.04
4390	Other	\$0.00	\$0.00	\$0.00	0%	\$0.00
4391	Solar Operator Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4392	Net Meter Utility Credit (Negative Amount)	\$0.00	\$0.00	\$0.00	0%	\$0.00
4300	TOTAL UTILITIES	\$72,999.00	\$74,173.00	\$61,967.00	-16.5%	\$215.16

Annual Plan 2022
Annual Operating Budget

Hagan Manor						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4410	Maintenance Labor	\$41,271.00	\$35,227.00	\$46,733.00	32.7%	\$162.27
4420	Materials & Supplies	\$8,325.00	\$3,392.00	\$7,638.00	125.2%	\$26.52
4430	Contract Costs	\$37,690.00	\$34,506.00	\$39,000.00	13%	\$135.42
4400	TOTAL MAINTENANCE	\$87,286.00	\$73,125.00	\$93,371.00	27.7%	\$324.20
4510	Insurance	\$6,195.00	\$5,855.00	\$6,994.00	19.5%	\$24.28
4520	Payment in Lieu of Taxes	\$0.00	\$0.00	\$0.00	0%	\$0.00
4540	Employee Benefits	\$21,539.00	\$20,697.00	\$23,308.00	12.6%	\$80.93
4541	Employee Benefits - GASB 45	\$0.00	\$-529.00	\$0.00	-100%	\$0.00
4542	Pension Expense - GASB 68	\$0.00	\$0.00	\$0.00	0%	\$0.00
4570	Collection Loss	\$0.00	\$35.00	\$35.00	0%	\$0.12
4571	Collection Loss - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
4580	Interest Expense	\$81,600.00	\$80,100.00	\$80,100.00	0%	\$278.13
4590	Other General Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4500	TOTAL GENERAL EXPENSES	\$109,334.00	\$106,158.00	\$110,437.00	4%	\$383.46
4610	Extraordinary Maintenance	\$25,000.00	\$30,727.00	\$25,000.00	-18.6%	\$86.81
4611	Equipment Purchases - Non Capitalized	\$2,000.00	\$662.00	\$2,000.00	202.1%	\$6.94
4612	Restricted Reserve Expenditures	\$0.00	\$0.00	\$0.00	0%	\$0.00
4715	Housing Assistance Payments	\$0.00	\$0.00	\$0.00	0%	\$0.00
4801	Depreciation Expense	\$0.00	\$45,287.00	\$0.00	-100%	\$0.00
4600	TOTAL OTHER EXPENSES	\$27,000.00	\$76,676.00	\$27,000.00	-64.8%	\$93.75
4000	TOTAL EXPENSES	\$318,900.00	\$353,713.00	\$315,438.00	-10.8%	\$1,095.27

Hagan Manor						
SUMMARY						
Account Number	Account Class	2020 Approved Budget	2020 Actual Amounts	2021 Approved Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3000	TOTAL REVENUE	\$290,088.00	\$287,214.00	\$288,438.00	0.4%	\$1,001.52
4000	TOTAL EXPENSES	\$318,900.00	\$353,713.00	\$315,438.00	-10.8%	\$1,095.27
2700	NET INCOME (DEFICIT)	\$-28,812.00	\$-66,499.00	\$-27,000.00	-59.4%	\$-93.75
7520	Replacements of Equip. - Capitalized	\$0.00	\$0.00	\$0.00	0%	\$0.00
7540	Betterments & Additions - Capitalized	\$0.00	\$0.00	\$0.00	0%	\$0.00
7500	TOTAL NONOPERATING EXPENDITURES	\$0.00	\$0.00	\$0.00	0%	\$0.00
7600	EXCESS REVENUE OVER EXPENSES	\$-28,812.00	\$-66,499.00	\$-27,000.00	-59.4%	\$-93.75

Explanation of Budget Accounts

The following explains how each of the line items is to be prepared.

3110: Shelter Rent: The shelter rent projection should be based on the current rent roll plus anticipated changes expected from annual rent re-determinations or as a result of regulatory amendments.

3111: Shelter Rent – Tenants - Fraud/Retroactive: This account should be used for the reporting of total rent receipts from residents due to unreported income. These are often called fraud or retroactive balances. In cases where deficit LHAs discover, pursue cases, and have entered into a written fraud/retroactive re-payment agreement **with a present or former tenant who did not report income**, the LHA will be allowed to retain two-thirds of the funds recovered. One third of the total dollar amount recovered should be included in the LHA's quarterly or year-end Operating Statement as Shelter Rent, account #3111, and two-thirds of this total dollar amount should be included in Other Revenue-Retained, account #3691.

3115: Shelter Rent - Section 8: This account applies only to those developments receiving support through the federal government's Housing and Urban Development (HUD) Section 8 New Construction and/or Substantial Rehab Programs.

3190: Non-Dwelling Rental: This account should be credited with the rents, other than tenants rents reported in line 3110 and 3115, including charges for utilities and equipment, billed to lessees of non-dwelling facilities as well as apartments rented for non-dwelling purposes, such as social service programs.

3400: Administrative Fee- MRVP/AHVP: This account should be credited with Administrative Fees to be received for the MRVP/AHVP Program. The MRVP/AHVP administrative fee is \$40.00 per unit per month, as of July 1, 2019.

3610: Interest on Investments – Unrestricted: This account should be credited with interest earned on unrestricted administrative fund investments.

3611: Interest on Investments – Restricted: This account should be credited with interest earned on restricted administrative fund investments. For example, an LHA may receive a grant whose use is restricted to a specific purpose, and the interest income earned on that grant may also be restricted to the same purpose.

3690: Other Operating Revenues: This account should be credited with income from the operation of the project that cannot be otherwise classified. Income credits to this account include, but are not limited to, penalties for delinquent payments, rental of equipment, charges for use of community space, charges to other projects or programs for the use of central office management and maintenance space, commissions and profits from vending machines, including washing machines, and certain charges to residents for additional services, materials, and/or repairs of damage caused by neglect or abuse in accordance with the Department's regulations on lease provisions..

3691: Other Revenue – Retained: This account should be credited with certain miscellaneous revenue to be retained by the LHA, and which is not used to reduce the amount of operating subsidy the LHA is due. The most common examples for this account is receipts for the rental of roof antennas to cell phone providers and net meter credits earned on electricity bills from Net Meter Power Purchase Agreements (PPA's). Generally, surplus LHAs may retain 100% of these savings and deficit LHAs may retain 25% of the savings, with

the 75% balance used to offset its need for operating subsidy. However, for the period 7/1/16 through 6/30/19, all deficit LHAs may keep 100% of the net meter credit savings.

3692: Other Revenue - Operating Reserves: This account should be credited with funds that LHAs plan to utilize from their operating reserve accounts in excess of the Allowable Non-Utility Expense Level (ANUEL). To be approvable, LHA must maintain the DHCD prescribed operating reserve minimum level after deducting the amount budgeted. The only exception to this is when the expenses are for health and safety issues.

3693: Other Revenue – Net Meter: This account should be normally be credited with 75% of the total net meter credit savings realized by a deficit LHA, while surplus LHAs with net meter credit savings would enter \$0 here. Savings are calculated as the value of the net meter credits appearing on the LHA's electric bills (or, in some cases, paid in cash to the LHA by their utility company), minus the cost of the payments made to the solar power developer under their Power Purchase Agreement (PPA). Deficit LHAs normally may retain 25% of the savings. That amount should be included as Other Revenue – Retained on line #3691. However, please note that for the period 7/1/16 through 6/30/19 all LHAs may retain 100% of their total net meter credit savings, and should report those savings as Other Revenue – Retained on line #3691

3801: Operating Subsidy – DHCD (400-1): This account represents all state-funded operating subsidy to be received and or to be earned for the fiscal year. At the end of each fiscal year, this account will be adjusted in the operating statement to equal the actual subsidy earned by the LHA.

3802: Operating Subsidy – MRVP/AHVP Landlords:

The credit balance in this account represents the anticipated total receipts from DHCD during the fiscal year for housing assistance payments to landlords. At the end of each fiscal year this account will be adjusted to equal the actual subsidy earned.

3920: Gain/Loss from Sale or Disposition of Property (Capitalized or Non-Capitalized): The debit or credit balance of this account represents the following items: a) Cash proceeds from the sale of property that was either: 1) non-capitalized; or 2) capitalized and has been fully depreciated, and b) Realized gain or loss from the sale or disposition of capitalized property that has not been fully depreciated.

4110: Administrative Salaries: This account should be charged with the gross salaries of LHA personnel engaged in administrative duties and in the supervision, planning, and direction of maintenance activities and operating services during the operations period. It should include the salaries of the executive director, assistant executive director, accountants, accounting clerks, clerks, secretaries, project managers, management aides, purchasing agents, engineers, draftsmen, maintenance superintendents, and all other employees assigned to administrative duties.

4120: Compensated Absences: The debit balance in this account represents the actual cost incurred during the fiscal year for vacation, paid holidays, vested sick leave and earned compensatory time. This account includes both the direct compensated absences cost and associated employer payroll expenses (employment taxes, pension cost, etc.).

4130: Legal Expense: This account should be charged with retainers and fees paid to attorneys for legal services relating to the operation of the projects.

4140: Compensation to Authority Members: A local authority may compensate its members for performance of their duties and such other services as they may render to the authority in connection with its Chapter 200 development(s). Compensation for any other program is not authorized. Because of this, LHAs must base such compensation only on the actual rent receipts for these developments plus a prorated share of other operating receipts of funds on a per unit basis. The precise amount that members may be compensated is defined by statute to a maximum of \$40 per member per day, and \$50 for the chairperson per day. The total of all compensation to all board members is not to exceed two percent (2%) of actual gross income of Chapter 200 developments in any given year, consistent with the approved budget amount. In no case shall the payment of compensation exceed \$12,500 annually for the chairperson, or \$10,000 for any member other than the chairperson. Please note the statute requires the member to perform housing authority business in order to receive compensation.

4150: Travel and Related Expense: Legitimate travel expenses incurred by board members and staff in the discharge of their duties for any **state-aided program** are reimbursable from this account, as consistent with Department policy.

4170: Contractual Accounting Services: Fees for accounting services that are provided routinely and are contracted for on an annual basis. Only accounting services performed on a contractual basis (fee accountant) should be included in this item. Full or part-time LHA accounting staff that provides routine accounting services should be included in Account 4110, Administrative Salaries.

4171: Audit Costs: This account includes the state program's prorated share of audit fees paid to an Independent Public Accountant (IPA). The procurement of an IPA is necessary to satisfy the Federal Government's audit requirements. Costs for these services should be shared with all state and federal programs of LHA. **Audit costs are to be absorbed within the ANUEL.** The new Agreed Upon procedures (AUP) audit costs for state-assisted public housing programs should also be included in this account.

4180: Penalties and Interest: Any expenses incurred from penalties, fees, and interest paid on delinquent accounts shall be included in this line item.

4190: Administrative Other: This account is provided for recording the cost of administrative items for which no specific amount is prescribed in this 4100 group of accounts. It includes, but is not limited to, the cost of such items as: reports and accounting forms; stationery and other office supplies; postage; telephone services; messenger service; rental of office space; advertising for bids; publications; membership dues; collection agency & court costs, training costs; management fees, and fiscal agent fees.

4191: Tenant Organization: LTO Funding by the LHA. Upon request the LHA shall fund all LTOs in a city or town at the annual rate of \$6.00 per state-aided public housing unit occupied or available for occupancy by residents represented by such LTO(s) or an annual total of \$500.00 prorated among all such LTO(s), whichever is more. For more information on the creation and funding of LTOs see 760 CMR 6.09.

Authorities which operate computer learning centers, which are funded by the state consolidated budget or by other sources (which are typically recorded in line #3691 as "Other Revenue Retained", should budget the cost of the centers on this line.

4310: Water: This account should be charged with the cost of water and sewer charges purchased for all purposes.

4320: Electricity: This account should be charged with the total cost of electricity purchased for all purposes. Many LHAs have entered into Net Meter Credit Power Purchase Agreements (PPA's). In these deals, an LHA executes a contract with a solar power developer who constructs and owns an off- site solar electricity-generating site. In exchange for contracting to purchase a percentage of the solar power produced, the LHA receives a credit on its utility electric bill for each KWH purchased or in some cases receives a direct cash payment from their utility company. Please ensure that the amount charged to this account is the total cost of electricity BEFORE any reductions due to the receipt of net meter credits.

4330: Gas: This account should be charged with the cost of gas (natural, artificial, or liquefied) purchased for all purposes.

4340: Fuel: This account should be charged with the cost of coal, fuel oil, steam purchased, and any other fuels (except electricity and gas) used in connection with Local Housing Authority operation of plants for the heating of space or water supplied to tenants as a part of rent.

4360: Energy Conservation: This account is to be charged with costs incurred for energy conservation measures.

4390: Other Utilities: This account should be charged with the cost of utilities which are not provided for in accounts 4310 through 4360.

4391: Solar Operator Costs: Many LHAs have entered into Net Meter Credit Power Purchase Agreements (PPA's). In these deals, an LHA executes a contract with a solar power developer who constructs and owns an off-site solar electricity-generating site. The LHA makes regular (usually monthly) payments to the developer for its contracted share of the solar electricity produced by the site. Those payments should be entered in this account.

4392: Net Meter Utility Credit (Negative Amount): As noted in account #4391 above, many LHAs have executed Net Meter Credit Power Purchase Agreements (PPA's). In exchange for contracting to purchase a percentage of the solar power produced, the LHA receives a credit on its utility electric bill for each KWH purchased from the developer, which reduces the balance on its electric bill, or, in some cases, the credits are paid in cash to the LHA by the utility company. The total gross amount of the net meter credits that appear on the LHA's utility bills should be carried in this account and entered as a negative number. In cases where credits are paid in cash to the Host LHA, the net balance after paying out the amounts due the participating housing authorities, should also be carried in this account and entered as a negative number.

4410: Maintenance Labor: This account should be charged with the gross salaries and wages, or applicable portions thereof, for LHA personnel engaged in the routine maintenance of the project.

4420: Materials & Supplies: This account should be charged with the cost of materials, supplies, and expendable equipment used in connection with the routine maintenance of the project. This includes the operation and maintenance of automotive and other movable equipment, and the cost of materials, supplies, and expendable equipment used in connection with operating services such as janitorial services, elevator services, extermination of rodents and household pests, and rubbish and garbage collection.

4430: Contract Costs: This account should be charged with contract costs (i.e. the cost of services for labor, materials, and supplies furnished by a firm or by persons other than Local Authority employees) incurred in connection with the routine maintenance of the project, including the maintenance of automotive and other movable equipment. This account should also be charged with contract costs incurred in connection with such operating services as janitorial services, fire alarm and elevator service, extermination of rodents and household pests, rubbish and garbage collection, snow removal, landscape services, oil burner maintenance, etc.

4510: Insurance: Includes the total amount of premiums charged all forms of insurance. Fire and extended coverage, crime, and general liability are handled by DHCD on a statewide basis. All other necessary insurance policies include: Workers' Compensation, boiler, vehicle liability and owner, etc.

4520: Payments in Lieu of Taxes:

This account should be charged with all payments in lieu of taxes accruing to a municipality or other local taxing body.

4540: Employee Benefits: This account should be charged with local housing authority contributions to employee benefit plans such as pension, retirement, and health and welfare plans. It should also be charged with administrative expenses paid to the State or other public agencies in connection with a retirement plan, if such payment is required by State Law, and with Trustee's fees paid in connection with a private retirement plan, if such payment is required under the retirement plan contract.

Employee benefits are based upon a given percentage of the total payroll; therefore, the total amount approved in this account will be based on the approved budgeted salaries representing the state's fair share.

4541: Employee Benefits - GASB 45: This line covers "Other Post-Employment Benefits" (OPEB). Of the total benefits offered by employers to attract and retain qualified employees, some benefits, including salaries and active-employee healthcare are taken while the employees are in active service, whereas other benefits, including post-employment healthcare and other OPEB are taken after the employees' services have ended. Nevertheless, both types of benefits constitute compensation for employee services. In accordance with required accounting practices, this amount is not projected in the budget (and is therefore blank) but the estimated future costs of this item is carried in the operating statement.

4542: Pension Expense – GASB 68: The primary objective of GASB 68 Statement is to improve accounting and financial reporting for pension costs. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. As with account 4541 above, in accordance with required accounting practices, this amount is not projected in the budget (and is therefore blank) but the estimated future costs of this item is carried in the operating statement.

4570: Collection Loss: The balance in this account represents the estimated expense to cover unexpected losses for tenant rents. Note: Do not include losses from fraud/retroactive balances here. Report them in Account 4571 – Collection Loss – Fraud/Retroactive.

4571: Collection Loss – Fraud/Retroactive: The balance in this account represents the estimated expense to cover unexpected losses for tenant rents due to unreported income, i.e. fraud/retroactive balances.

4580: Interest Expense: The debit balance in this account represents the interest expense paid and accrued on loans and notes payable. This debt can be from operating borrowings or capital borrowings.

4590: Other General Expense: This account represents the cost of all items of general expenses for which no specific account is prescribed in the general group of accounts.

4610: Extraordinary Maintenance – Non-Capitalized: This account should be debited with all *costs* (labor, materials and supplies, expendable equipment (such as many tools or routine repair parts), and contract work) of repairs, replacements (but not replacements of non-expendable equipment), and rehabilitation of such a substantial nature that the work is clearly not a part of the routine maintenance and operating program. The items charged to this account should not increase the useful life or value of the asset being repaired. These items are not capitalized and are not added as an increase to fixed assets at the time of completion. Nor are these items depreciated. An example of this would be scheduled repainting of apartments.

4611: Equipment Purchases – Non-Capitalized: This account should be debited with the costs of equipment that does not meet the LHA's criteria for capitalization. Because these items are being expended when paid, they should not be categorized as a fixed asset and therefore will not be depreciated. These items include stoves, refrigerators, small tools, most computers and software, etc.

The budget is a planning tool and as our portfolio ages it is essential that LHAs evaluate their properties annually and plan for extraordinary maintenance. To that end DHCD very strongly recommends that for all 400-1 operating budgets, depending on the age of the portfolio and condition, LHAs spend between \$100 and \$500 a year per unit in Extraordinary Maintenance, Equipment Purchases, Replacement of Equipment, and Betterments & Additions to ensure that the aging public housing stock is preserved.

4715: Housing Assistance Payments: This account should be debited with all housing assistance payments paid to landlords for the MRVP program on a monthly basis.

4801: Depreciation Expense: This account should be debited with annual fixed asset depreciation expenses as determined by the LHA's capitalization policy.

7520: Replacement of Equipment – Capitalized: This account should be debited with the acquisition cost (only the net cash amount) of non-expendable equipment purchased as a replacement of equipment of substantially the same kind. These items, such as vehicles, computers, or furniture, meet the LHA's criteria for capitalization and will also be added to fixed assets and therefore depreciated over the useful life.

7540: Betterments & Additions – Capitalized: This account should be debited with the acquisition cost (only the net cash amount) of non-expendable equipment and major non-routine repairs that are classified as a betterment or addition. These items meet the LHA's criteria for capitalization and will also be added to fixed assets and therefore depreciated over the useful life of the asset. Examples are: major roof replacement, structural repairs such as siding, or major paving work.

In accordance with GAAP accounting, inventory purchases (Replacement of Equipment and Betterments & Additions) are distinguished between capitalized and non-capitalized items. Any inventory or equipment purchase greater than \$5,000 is required by DHCD to be capitalized, inventoried and depreciated. Any inventory or equipment purchase costing \$1,000 to \$4,999 should be inventoried by LHA staff for control

purposes only but is not subject to capitalization or depreciation, it is, however, required to be expensed when the items are paid for. An LHA's inventory listing should include both capitalized and non-capitalized items of \$1,000 and more, as well as all refrigerators and stoves of any value. All items that appear on the inventory listing should be tagged with a unique identification number, and all refrigerators and stoves (regardless of value) should be tagged. LHAs may adopt a capitalization policy that capitalizes inventory purchases at a lesser amount than the \$5,000 requirement (i.e. \$1,000 - \$4,999); however, no capitalization policy can have an amount higher than \$5,000. Any inventory or equipment purchases costing \$0 to \$999 are to be expensed when paid for.

PMR Narrative Responses**Narrative Responses to the Performance Management Review (PMR) Findings**

DHCD has cancelled publication of Performance Management Reviews for fiscal years ending 3/31/2020 through 12/31/2020 due to disruptions of normal operations in response to the COVID-19 virus. Therefore, there are no ratings included in this report.

Explanation of PMR Criteria Ratings

CRITERION	DESCRIPTION
Management	
Occupancy Rate	The rating is calculated using the following formula: (Total Number of Occupied units on Monthly Report divided by (Total Number of Units Minus Units that Received a Waiver Minus Number of Units Vacant less than 30 days on Monthly Report) • “No Findings” : Occupancy Rate is at or above 98% • Operational Guidance: Occupancy rate is at 95% up to 97.9% • Corrective Action: Adjusted occupancy rate is less than 95%
Tenant Accounts Receivable (TAR)	This criterion calculates the percentage of uncollected rent and related charges owed by starting with the amount reported by the LHA, as uncollected balances for the TAR (Account 1122 from the Balance Sheet) minus Normal Repayment Agreements* divided by Shelter (Tenant) Rent (account 3110 from the Operating Statement) • “No Findings” : At or below 2% • “Operational Guidance”: More than 2% , but less than 5% • “Corrective Action”: 5% or more
Certifications and Reporting Submissions	Housing authorities are required to submit 4 quarterly vacancy certifications by end of the month following quarter end; 4 quarterly operating statements and 4 Tenant Accounts Receivable (TAR) reports within 60 days of quarter end. • “No Findings”: At least 11 of the required 12 reports were submitted and at least 9 were submitted on time. • “Operational Guidance”: Less than 11 of the required 12 reports were submitted and/or less than 9 were submitted on time.
Board Member Training	Percentage of board members that have completed the mandatory online board member training. • “No Findings” : 80% or more completed training • “Operational Guidance” : 60-79.9% completed training • “Corrective Action” : <60 % completed training

CRITERION	DESCRIPTION
Financial	
Adjusted Net Income	The Adjusted Net Income criterion calculation starts with an LHA's Net Income and subtracts Depreciation, GASB 45 (Retirement Costs), GASB 68 (Retirement Costs), Extraordinary Maintenance (maintenance expense outside of routine/ordinary expenses), and Equipment Purchases – Non Capitalized. This Adjusted Net Income amount is then divided by the Total Expenses of the LHA. If this Adjusted Net Income amount is positive, it means underspending and if it is negative it means overspending. Underspending Rating: • "No Findings" : 0 to 9.9% • "Operational Guidance": 10 to 14.9% • "Corrective Action": 15% or higher Overspending Rating: • "No Findings" : 0 to -4.9% • "Operational Guidance": -5% to -9.9% • "Corrective Action": -10% or below
Operating Reserves	Current Operating Reserve as a percentage of total maximum reserve level. Appropriate reserve level is buffer against any unforeseen events or expenditures. • "No Findings" :35%+ of maximum operating reserve • "Operational Guidance": 20% to 34.9% of maximum operating reserve • "Corrective Action": <20% of maximum operating reserve
Capital Planning	
Capital Improvement Plan (CIP) Submitted	Housing authorities are required to submit a five-year capital plan every year. • "No Findings" =Submitted on time and no modifications required or modifications made within 45 days. • "Operational Guidance" =Up to 45 days late and no modifications required or modifications made within 45 days. • "Corrective Action" =More than 45 days late or modifications required and not completed within 45 days.
Capital Spending	Under the Formula Funding Program (FF), authorities receive undesignated funds to spend on projects in their Capital Improvement Plan. They are rated on the percentage of available funds they have spent over a three-year period • "No Findings" = at least 80% • "Operational Guidance" = At least 50% • "Corrective Action" = Less than 50%

CRITERION	DESCRIPTION
Health & Safety	
Health & safety violations	DHCD has observed conditions at the LHA's developments and reported health and safety violations. The LHA has certified the number of corrected violations in each category.
Facility Management - Inspections	
Unit Inspections Conducted	Housing authorities are required to conduct inspections of all their occupied units at least once a year • "No Findings": 100 % of sampled units had inspections conducted once during the year • "Corrective Action": Fewer than 100% of sample units were inspected during the year
Inspections Report	Housing authorities are required to note all of the deficiencies found during inspections • "No Findings": 100 % of deficiencies are noted on inspection report • "Corrective Action": Fewer than 100% of deficiencies are noted in inspection report
Inspection Work Order	Housing authorities are required to generate work orders for all deficiencies noted during inspections • "No Findings": 100 % of deficiencies noted on inspection reports generated work orders • "Corrective Action": Fewer than 100% of deficiencies noted on inspection reports generated work orders
Work Order System	Work order system identifies, tracks, and can produce reports for inspection work orders. • "No Findings": Inspection work orders are identified, tracked, and reportable • "Operational Guidance": Inspection work orders are not identified, and/or tracked, and/or reportable
Inspections Work Orders Completed	Inspection work orders were completed within 30 calendar days from the date of inspection, OR if cannot be completed within 30 calendar days, are added to the Deferred Maintenance Plan or included in the Capital Improvement Plan in the case of qualifying capital repairs (unless health/safety issue). • "No Findings": Sampled inspection work orders were completed within 30 days of inspection date or added to deferred maintenance plan and/or CIP • "Operational Guidance": Sampled inspection work orders were completed within 31 to 45 calendar days of inspection date and not added to deferred maintenance plan or CIP • "Corrective Action": Sampled inspection work orders were completed in over 45 calendar days of inspection date

CRITERION	DESCRIPTION
Facility Management – Work Order System	
Emergency Work Orders Properly Defined	Emergency work orders should be defined per <u>Property Management Guide</u>, identified, tracked, reportable. • “No Findings”: Emergency work orders defined per <u>Property Management Guide</u>, identified, tracked, reportable • “Operational Guidance”: Emergency work orders are not defined per <u>Property Management Guide</u>, and/or identified, and/or tracked, and/or reportable
Emergency Work Orders Initiation	Emergency work orders should be initiated within 24 to 48 hours. • “No Findings”: Emergency work orders initiated within 24-48 hours • “Corrective Action”: Emergency work orders not initiated within 24-48 hours
Vacancy Work Orders	Vacancy work orders should be identified, tracked and reportable. • “No Findings”: Vacancy work orders identified, tracked AND reportable • “Corrective Action”: Vacancy work orders are not identified, and/or tracked, and/or reportable
Vacancy Work Orders Completed	Vacancy work orders should be completed within 30 calendar days or if not completed within that timeframe, LHA has a waiver. • “No Findings”: Vacancy work orders are completed within 30 calendar days or if not completed within timeframe, LHA has a waiver • “Operational Guidance”: Vacancy work orders completed within 31-60 calendar days • “Corrective Action”: Vacancy work orders completed 61+ calendar days
Preventive Maintenance Program	Housing authorities are required to maintain a comprehensive preventive maintenance program in which preventive work orders are identified, tracked, and reportable. • “No Findings”: A comprehensive preventive maintenance program exists and work orders are identified, tracked and reportable • “Corrective Action”: A comprehensive preventive maintenance program does not exist OR work orders are not identified and/or tracked and/or reportable
Routine Work Orders	Routine work orders should be identified, tracked, reportable and completed regularly. • “No Findings”: Routine work orders identified, tracked, reportable and completed regularly • “Operational Guidance”: Routine work orders are not identified, and/or tracked and/or reportable, and/or completed regularly

CRITERION	DESCRIPTION
Requested Work Orders	Requested work orders should be identified, tracked and reportable. • “No Findings”: Requested work orders identified, tracked, reportable and completed regularly • “Operational Guidance”: Requested work orders are not identified and/or tracked and/or reportable, and or completed regularly
Requested Work Orders Completion	Requested work orders should be completed in 14 calendar days from the date of tenant request or if not completed within that timeframe (and not a health or safety issue), the task should be added and completed in a timely manner as a part of the Deferred Maintenance Plan and/or CIP. • “No Findings”: Requested work orders are completed within 14 calendar days of tenant request OR added to deferred maintenance plan and/or CIP • “Operational Guidance”: Requested work orders are completed within 15-30 calendar days from the date of tenant request • “Corrective Action”: Requested work orders are completed in over 30 calendar days from the date of tenant request OR not completed
Emergency Response System	Housing authorities should have a 24 Hour Emergency Response System and distribute Emergency Definition to Residents, Staff, and Answering Service (if applicable). • “No Findings”: A 24-hour system for responding to emergencies exists AND definitions of emergencies have been distributed to staff, residents and answering service, if applicable • “Operational Guidance”: System exists, but no definition has been distributed • “Corrective Action”: Neither a system nor distributed definitions exist

Policies

The following policies are currently in force at the Somerville Housing Authority:

Policy	Last Ratified by Board Vote	Notes
*Rent Collection Policy	04/05/2017	Date is Valid
*Personnel Policy	05/15/2013	Date is Valid
*Capitalization Policy	08/17/2016	Date is Valid
*Procurement Policy	08/17/2016	Date is Valid
*Grievance Policy	10/21/2020	Date is Valid

* Starred policies are required by DHCD. Policies without a "Latest Revision" date are not yet in force.

The list of policies has been provided by the LHA and has not been verified by DHCD.

Waivers

Somerville Housing Authority has received the following waivers from DHCD's regulations. This list does not include vacancy waivers, pet waivers, or any waivers that would release personally identifiable tenant or applicant data.

Description	Reason	Date Waiver Approved by DHCD	Date Expired
vacancy waiver - Clarendon	Redevelopment	10/05/2016	

The list of waivers has been provided by the LHA and has not been verified by DHCD.

Attachments

Attachments

The following items have been uploaded as attachments to this Annual Plan.

Due to the COVID-19 emergency, on-site Performance Management Review (PMR) assessments by the Facilities Management Specialists were cancelled for the December fiscal year end housing authorities. Therefore, the Facility Management categories have been omitted from the PMR document.

- Clarendon and Bryant Manor Tenant Association Support of Plan
- Clarendon and Bryant Manor Tenant Association Support of Plan
- Substantial comments
- Cover sheet for tenant satisfaction surveys
- Tenant Satisfaction Survey - COMBO
- MOR Report - 038
- MOR Report - 013
- MOR Response & Action Plan

Explanation of Attachments

The MOR is for Management and Occupancy Review. this review is conducted by DHCD to determine compliance with HUD's regulations and reviews the SHA's management procedures and practices under the Section 8 new Construction Program. The SHA takes this review very seriously and is always looking to improve our procedures and management practices to ensure that the SHA is in Compliance.



SOMERVILLE HOUSING AUTHORITY

30 Memorial Road, Somerville, Massachusetts 02145
Telephone (617) 625-1152 Fax (617) 628-7057 TDD (617) 628-8889

December 4, 2020

Commonwealth of Massachusetts
Department of Housing and Community Development

To whom it may concern:

As the representative of the Tenants Association of Clarendon Hill, I would like to express the Association's full support of the completed 2022 Annual Plan. We greatly appreciate the continued work of the State and Somerville Housing Authority to improve the property of the Clarendon Hill Development.

We're extremely grateful for the opportunity that the Somerville Housing Authority and the Department of Housing and Community Development are providing with the review of the SHA's policies, maintenance, and plans for capital. Again, it is without hesitation that we support Somerville Housing Authority and DHCD high priority projects.

Sincerely,

Jessica Turner
Clarendon Residents United

Translation and interpretation services are available upon request by appointment only
Sevis tradiksyon ak interpretasyon disponib si w bezen
Servicio de traducción e interpretación están disponibles, con cita, una vez que lo solicite
Serviço de tradução e interpretação estão disponíveis somente após agendamento





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December 4, 2020

Commonwealth of Massachusetts
Department of Housing and Community Development

To whom it may concern:

As the representative of the Tenants Association of Bryant Manor, I would like to express the Association's full support of the completed 2022 Annual Plan. We greatly appreciate the continued work of the State and Somerville Housing Authority to improve the property of Bryant Manor.

We're extremely grateful for the opportunity that the Somerville Housing Authority and the Department of Housing and Community Development are providing with the review of the SHA's policies, maintenance, and plans for capital. Again, it is without hesitation that we support Somerville Housing Authority and DHCD high priority projects.

Sincerely,

Anna Federico
Bryant Manor Tenants Association

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Somerville Housing Authority

We had our Annual Plan Hearing on Dec 16, 2020. There were no substantial comments.

Kevin Bumpus

Brian Langton

Somerville Housing Authority

Resident Surveys – Background:

Since 2016 DHCD has been working with the Center for Survey Research at the University of Massachusetts Boston to survey residents in the state public housing units it oversees. The surveys are confidential, mailed directly to the residents and returned to the Center by mail (or, starting in 2019, completed on-line). In Round One of the surveys, conducted over the period 2016-2018, residents of elderly/disabled developments (also known as c. 667 developments) and family units (also known as c. 705 and c. 200 developments) were surveyed in four groups as described below. (Note: there are many more c. 667 units, so they were broken down into three groups).

ROUND ONE SURVEYS

Spring 2016: (c. 200 and c. 705)

Fall 2016: (667 - Group 1)

Fall 2017: (667 - Group 2)

Fall 2018: (667 - Group 3)

By the end of 2018, all residents were surveyed in Round One with one exception: in the case of the twelve housing authorities with **more than** 225 c. 200 family units, a randomly selected group of 225 c. 200 residents were surveyed. This group was determined to be large enough to generate statistically useful results.

Round Two of the surveys began in 2019. The current plan is to complete all Round Two surveys in four groups as follows:

ROUND TWO SURVEYS

Fall 2019 (667 - Group 1) - COMPLETED

Fall 2020 (200s and 705s)

Fall 2021 (667 - Group 2)

Fall 2022 (667 - Group 3)

Please Note:

1. If there were at least twenty responses from residents of BOTH an authority's c.667 units AND from their c.200/705 units, then there is a separate report for each program.
2. If there were fewer than twenty responses in EITHER program, but at least twenty responses combined, then the elderly and family results were combined into a single report.
3. To protect resident confidentiality, survey results are generally reported ONLY for authorities that had at least twenty total resident responses from their combined c.667/200/705 residents. Therefore, a few smaller authorities that didn't have twenty responses do not have a published survey report.
4. Because the 2019-2022 surveys ask some different questions than the 2016-2018 survey, the results can't be combined (i.e., 2019 c.667 results can't be combined with 2016 c.200/705 results, as described in #2 above).
5. Responses from family residents in c.200 and c.705 housing are always combined together.

SOMERVILLE HOUSING AUTHORITY

Chapter 200, 667, and 705 Housing (combined) Summary 2016 - 2018

DHCD is working with the Center for Survey Research at the University of Massachusetts Boston to survey residents in the housing units it oversees.

- **Chapter 200 and 705 housing:** In the spring of 2016, surveys were sent to 9772 housing units. 3240 surveys were filled out and returned.
- **Chapter 667 housing:**
 - In the fall of 2016, surveys were sent to 9624 housing units and 5511 surveys were filled out and returned.
 - In the fall of 2017, surveys were sent to 6024 housing units and 3391 surveys were filled out and returned
 - In the fall of 2018, surveys were sent to 13,304 housing units and 6717 surveys were filled out and returned.
- In the **Somerville Housing Authority**, surveys were sent to a total of **333** Chapter 667, 705, and 200 housing units; **75** surveys were completed.

This report provides some information about how the residents from the **Somerville Housing Authority** who answered the survey responded. It compares answers to those from the entire state and to those from large LHAs in Greater Boston. These large LHAs in the Greater Boston area include: Arlington, Boston, Chelsea, Everett, Quincy, Revere, Somerville, Waltham, and Watertown.

Communication

Residents were asked about how they interacted with the Somerville Housing Authority in the last 12 months. The table below shows what percentage of residents said they did each of the following:

	Somerville Housing Authority	Large LHAs in Greater Boston *	Entire State
Contacted management about a problem or concern.....	91%	82%	79%
Felt they were usually or always treated with courtesy and respect when they contacted management.....	80%	82%	85%
Saw the Capital Improvement Plan.....	22%	20%	28%
Saw the Operating Budget.....	15%	14%	16%
Knew the Executive Director held a meeting with residents...	52%	33%	48%

* Large LHAs in the Greater Boston area include: Arlington, Boston, Chelsea, Everett, Quincy, Revere, Somerville, Waltham, and Watertown.

Services and Programs

78% of the Somerville Housing Authority residents who responded to the survey said they would be interested in services and programs. Here are the services and programs residents said they would be most interested in participating in:

	Somerville Housing Authority	Large LHAs in Greater Boston	Entire State
Job training programs.....	27%	18%	11%
Money management programs (budgeting, taxes, income building).....	15%	14%	13%
Children's programs (tutoring, childcare, afterschool programs).....	29%	17%	8%
Health and Medical Services (visiting nurse, meal programs).....	37%	35%	33%
Adult Education (GED, ESL, educational counseling)	35%	21%	13%

Maintenance and Repair

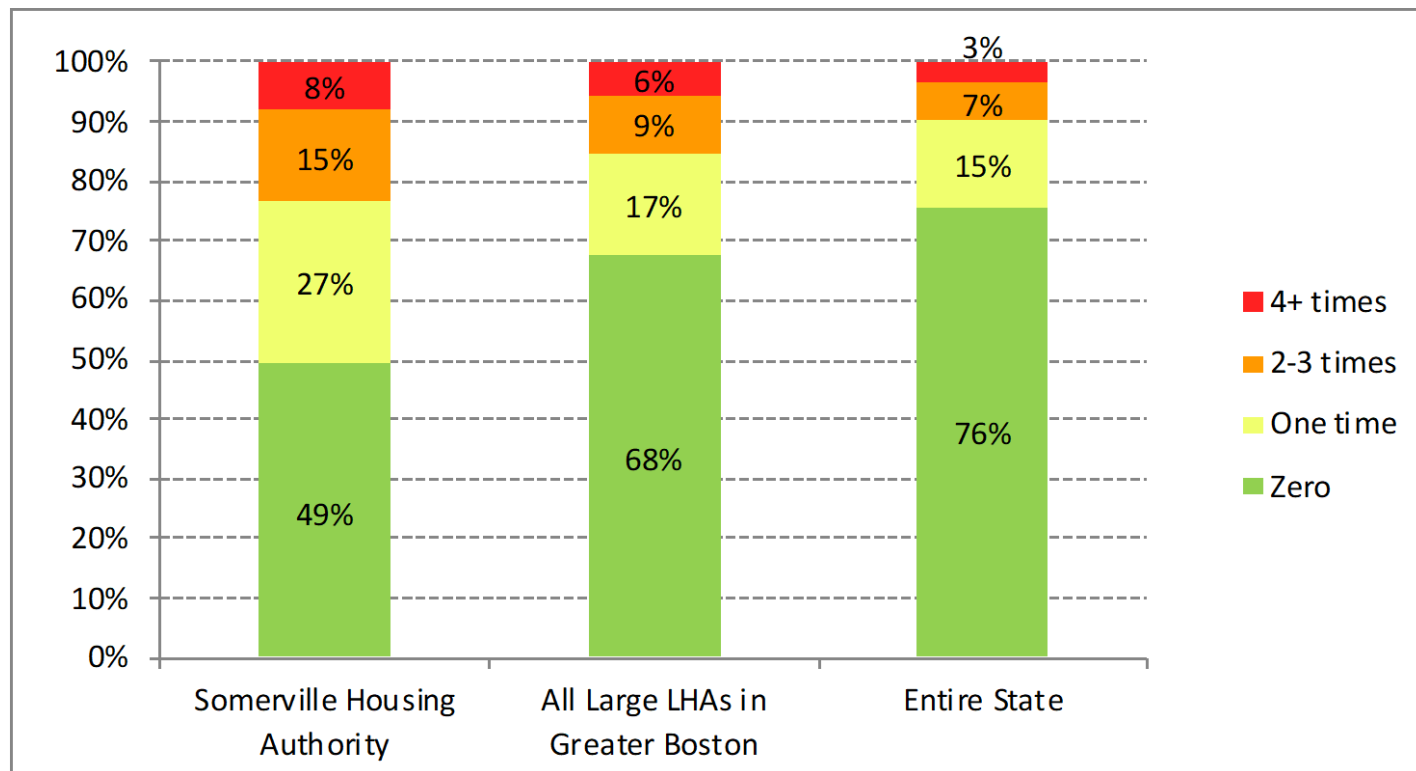
- **Who had problems?** About half of respondents had a problem with their heating and about half had a plumbing problem in the last 12 months.

	Somerville Housing Authority	Large LHAs in Greater Boston	Entire State
Had a heating problem.....	49%	32%	24%
Had a problem with water or plumbing.....	51%	55%	50%

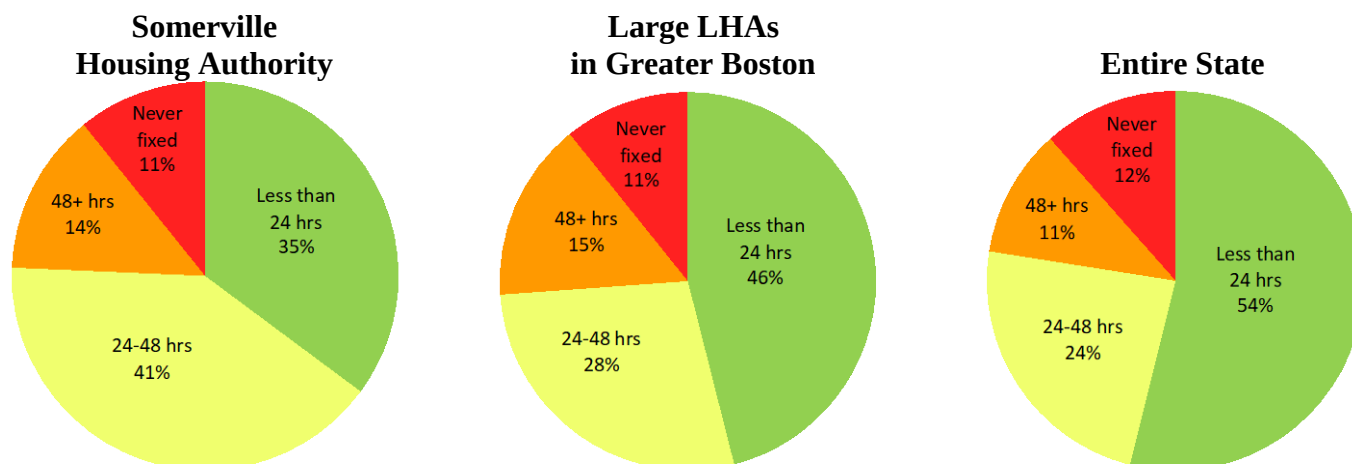
- **Heating Problems**

How many times did residents have heating problems?

The chart below shows how many times respondents had heat problems in the last 12 months. The green part of the bars shows what percentage of residents did not have the problem at all. The yellow shows who had the problem one time. The orange shows those who had the problem 2-3 times. And the red shows those who had the problem 4 or more times in the last 12 months.



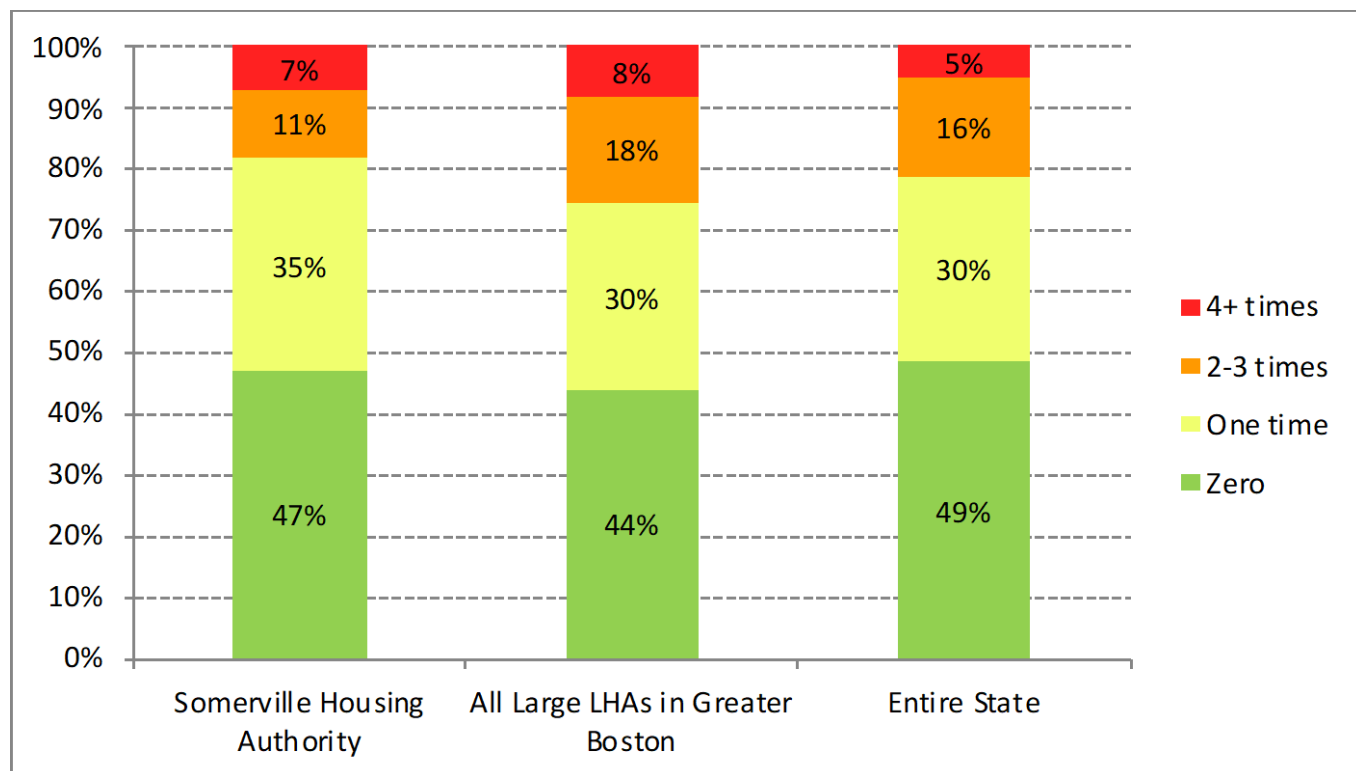
How long did it take to fix the heating problems? For those respondents who had problems, we asked how long it usually took for the problems to be fixed – less than 24 hours, 24 - 48 hours, more than 48 hours, or never fixed.



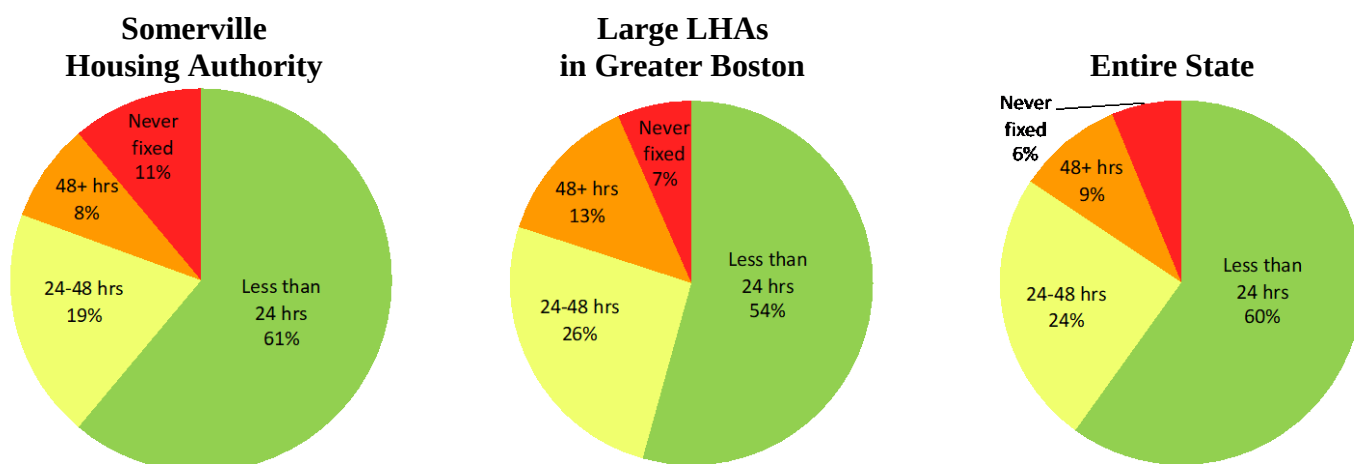
- **Water or Plumbing Problems**

How many times did residents have problems with their water or plumbing?

The chart below shows how many times respondents had water or plumbing problems in the last 12 months. The green part of the bars shows what percentage of residents did not have the problem at all. The yellow shows who had the problem one time. The orange shows those who had the problem 2-3 times. And the red shows those who had the problem 4 or more times in the last 12 months.

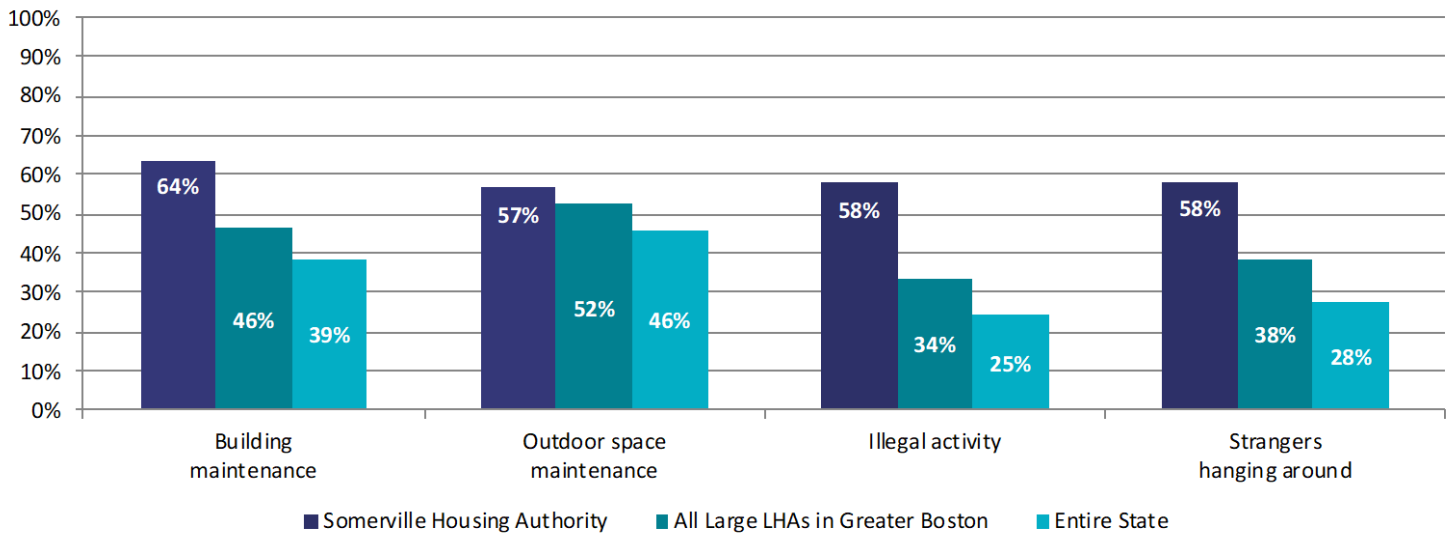


How long did it take to fix the water or plumbing problems? For those respondents who had problems, we asked how long it usually took for the problems to be fixed – less than 24 hours, 24 - 48 hours, more than 48 hours, or never fixed.



- **What other problems did respondents have?** Respondents were asked how often they had problems with: building maintenance (*such as clean halls and stairways and having lights and elevators that work*), outdoor space maintenance (*such as litter removal and clear walk ways*), illegal activity in the development, and strangers hanging around who should not be there. The chart below shows what percentage of respondents said that they “always” or “sometimes” had this problem in the last 12 months.

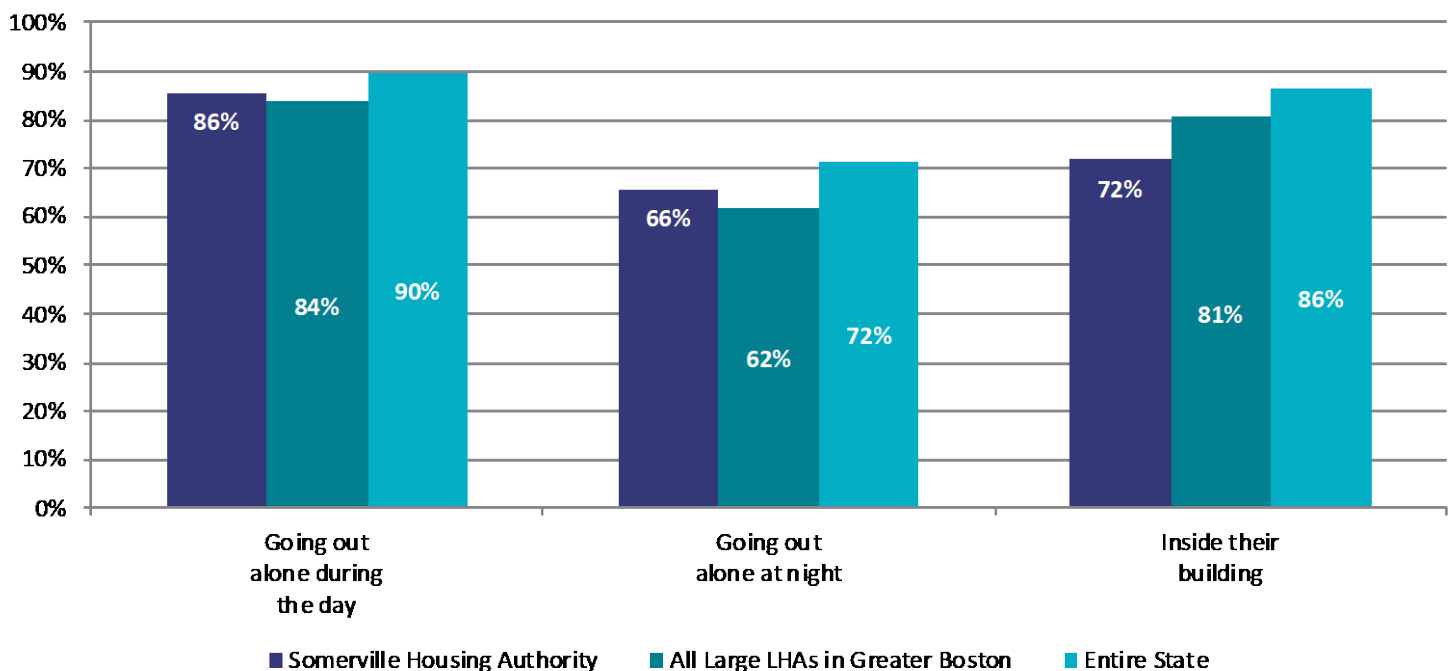
Respondents who “always” or “sometimes” had problems with....



Safety

Respondents were asked how safe they felt in their building and going outside alone. The chart below shows what percentage of people said they felt “very safe” or “mostly” safe.

Respondents who felt “very safe” or “mostly safe”





Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Acting Undersecretary

March 30, 2018

[via email]

Somerville Housing Authority
Mr. Joseph Macaluso
30 Memorial Road
Somerville, MA 02145

Re: Management and Occupancy Review Report for Project # MA06H052038

Dear Mr. Macaluso:

The enclosed report reflects the results of the Management and Occupancy Review (MOR) of the above development, conducted by the Department of Housing and Community Development (DHCD) on February 26 and on March 1st, 2018. The MOR is conducted to determine compliance with HUD's regulations and the owner's established management procedures and practices under the Section 8 New Construction / Substantial Rehabilitation Program. The review resulted in the following ratings:

Category	Rating
General Appearance and Security	Above Average
Follow-up & Monitoring of Project Inspections	Superior
Maintenance/Operating Procedures	Superior
Financial Management	Above Average
Leasing & Occupancy	Satisfactory
Tenant/Management Relations	Above Average
General Management Practices	Above Average
Overall Rating	Above Average

The deficiencies cited in the enclosed report need to be addressed in accordance with the respective corrective actions within 30 calendar days. If additional time is needed, please submit a corrective action plan within the 30 calendar days. The corrective action plan must identify a timeframe when the deficiencies will be resolved and how and what systems, controls, policies and procedures will be adjusted or changed to assure that the error does not reoccur. The corrective action plan will be monitored by DHCD until all deficiencies have been addressed. If you have any questions regarding this report please feel free to contact me at (617) 573-1163.

Sincerely,

Robert A. Muollo
Asset Management / Redevelopment Specialist

cc. Laura Taylor, Director, Bureau of Housing Management

Management Review for Multifamily Housing Projects

U.S. Department of Housing and Urban
Development
Office of Housing – Federal Housing Commissioner

OMB Approval No. 2502-0178
Exp. 04/30/2018

Summary

Date of On-Site Review: 2/26/18 and 3/1/18	Date of Report: 3/28/2018	Project Number: MA-(038)	Contract Number: -38
Section of the Act:	Name of Owner: Somerville Housing Authority	Project Name: Hagan Manor	Project Address: 268 Washington Street, Somerville, MA 02143
Loan Status: ☐ Insured ☐ HUD-Held ☐ Non-Insured ☐ Co-Insured	Contract Administrator: ☐ HUD ☒ CA ☐ PBCA	Type of Subsidy: ☒ Section 8 ☐ PAC ☐ Section 236 ☐ Section 221(d)(3) BMIR ☐ Rent Supplement ☐ RAP ☐ PRAC ☐ Unsubsidized	Type of Housing: ☐ Family ☐ Disabled ☐ Elderly ☒ Elderly/Disabled ☐ Other (please specify)

For each applicable category, assess the overall performance by checking the appropriate column. Indicate A (Acceptable) or C (Corrective action required). Include target completion dates (TCD) for all corrective action items. For those items not applicable, place N/A in the TCD column.

	A	C	TCD	
A. General Appearance and Security				Enter a score between 1 and 100 for the General Appearance and Security Rating. If this Section was not reviewed, enter 0. <u>85</u> is 10% of the overall score. This category is rated 9
1. General Appearance	☒	☐		
2. Security	☒	☐		
B. Follow-up and Monitoring of Project Inspections	A	C	TCD	Enter a score between 1 and 100 for the Follow-up and Monitoring of Project Inspections Rating. If this Section was not reviewed, enter 0. <u>90</u> is 10% of the overall score. This category is rated 9
3. Follow-Up and Monitoring of Last Physical Inspection and Observations	☒	☐		
4. Follow-Up and Monitoring of Lead-Based Paint Inspection	☒	☐		
C. Maintenance and Standard Operating Procedures	A	C	TCD	Enter a score between 1 and 100 for the Maintenance and Standard Operating Procedures Rating. If this Section was not reviewed, enter 0. <u>90</u> is 10% of the overall score. This category is rated 9
5. Maintenance	☒	☐		
6. Vacancy and Turnover	☒	☐		
7. Energy Conservation	☒	☐		
D. Financial Management/Procurement	A	C	TCD	Enter a score between 1 and 100 for the Financial Management/Procurement Rating. If this Section was not reviewed, enter 0. <u>81</u> is 25% of the overall score. This category is rated 21
8. Budget Management	☒	☐		
9. Cash Controls	☒	☐		
10. Cost Controls	☒	☐		
11. Procurement Controls	☒	☐		
12. Accounts Receivable/Payable	☒	☐		
13. Accounting and Bookkeeping	☒	☐		
E. Leasing and Occupancy	A	C	TCD	Enter a score between 1 and 100 for the Leasing and Occupancy Rating. If this Section was not reviewed, enter 0. <u>75</u> is 25% of the overall score. This category is rated 19
14. Application Processing/ Tenant Selection	☐	☒	4/28/18	
15. Leases and Deposits	☒	☐		
16. Eviction/Termination of Assistance Procedures	☒	☐		
17. Enterprise Income Verification (EIV) System Access and Security Compliance	☐	☒	4/28/18	
18. Compliance with Using EIV Data and Reports	☐	☒	4/28/18	
19. Tenant Rental Assistance Certification Systems (TRACS) Monitoring and Compliance	☒	☐		
20. TRACS Security Requirements	☐	☒	4/28/18	
21. Tenant File Security	☒	☐		
22. Summary of Tenant File Review	☐	☒	4/28/18	
F. Tenant/Management Relations	A	C	TCD	Enter a score between 1 and 100 for the Tenant Services Rating. If this Section was not reviewed, enter 0. <u>85</u> is 10% of the overall score. This category is rated 9
23. Tenant Concerns	☒	☐		
24. Provision of Tenant Services	☒	☐		
G. General Management Practices	A	C	TCD	General Management Practices Rating. If this Section was not reviewed, enter 0. <u>80</u> is 10% of the overall score. This category is rated 8
25. General Management Operations	☒	☐		
26. Owner/Agent Participation	☒	☐		
27. Staffing and Personnel Practices	☒	☐		
Overall Rating: ☐ Superior ☒ Above Average ☐ Satisfactory ☐ Below Average ☐ Unsatisfactory <u>84</u> Overall Score: To calculate an overall score: Multiply the derived performance value by the assigned percentage of the overall rating for each category. Once all tested categories have been calculated based on the performance indicator and performance indicator values, the total calculated points is divided by the total percentage of overall rating and rounded to the nearest whole number. For convenience, a utility is included with this form which will perform all of the necessary calculations.				

Name and Title of Person Preparing this Report: (Please type or print):

Robert A. Muollo Asset Management / Redevelopment Specialist

Signature:

Date: 3/30/18

Name and Title of Person Approving this Report: (Please type or print):

Laura A. Taylor Director, Bureau of Housing Management

Signature:

Date: 3/30/18

HUD 9834 Ref. Number	Finding	Target Completion Date / Unit Reference
14 (l)	Condition: Owner is not applying Income Targeting and Monitoring Requirements in Section 8 Properties. Criteria: 24 CFR 5.601, 5.603, 5.653(2)(c) and HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 4: Waiting List and Tenant Selection, Section 1: Tenant Selection Plan, Par 4-5). Cause: Unknown Effect: May result in non-compliance although normal tenant selection has resulted in selection of 40% extremely low-income households. Action: Owner is responsible for tracking income of applicants to ensure that not less than 40% of the dwelling units that become available for occupancy in any project fiscal year are least to extremely low-income families.	30 days
17 (l)	Condition: Owner is not keeping in tenant file(s) a signed Tenant Consent for Disclosure of EIV Information by the tenant and a third party when a third party assists in the re-certification process. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-17(a): Disclosure of EIV Data). Cause: Unknown Effect: Owner may be disclosing EIV data to a third-party that contains personal information on individual tenants that is covered by the Privacy Act. Action: As part of recertifications, Owner must use form in accordance with HUD Handbook 4350.3, please see Exhibit 9-4.	30 days
18(a)	Condition: Owner does not have policies/procedures describing the use of EIV employment and income information and the EIV reports. Criteria: HUD Handbook 4350.3 Rev-1, Change 4, Ch. 9 Enterprise Income Verification (Par. 9-8(B)(2)) Cause: Unknown Effect: Owner may not be using EIV to track discrepancies, errors or omissions Action: Owner must develop policies and procedures for using the EIV Income reports and EIV Verification Reports.	30 days
18 (b)	Condition: Owner does not retain an EIV "Master" file or is documenting use of certain EIV reports (New Hires; No Income; Failed EIV Pre-Screening; Existing Tenant Search; Multiple Subsidy; and Deceased Tenant). Criteria: 24 CFR 5.233 - Mandated use of HUD's Enterprise Income Verification (EIV) System and HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 9: Enterprise Income Verification) Cause: Unknown	30 days

	Effect: Owner may not be using EIV to track discrepancies, errors or omissions.	
	Action: Owner must retain a "Master" EIV file with applicable EIV Reports in accordance with 4350.3 Rev-1, Change 4 (Par. 9-12: EIV Verification Reports). See HUD Handbook 4350.3 Exhibit 9-5 "Use of EIV Reports."	
20 (d)	Condition: Signed copies of EIV Rules of Behavior for all individuals without access to, but who view and/or use EIV are not on file. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 9-18(B): EIV Rules of Behavior (ROB)) Cause: Unknown Effect: Staff may not be aware of the EIV Rules of Behavior. Action: Each Owner staff without access to EIV but who view or use EIV data/reports provided by authorized EIV Coordinators or EIV Users in order to perform their job functions, must sign and adhere to the EIV ROB posted on the Multifamily EIV website at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/riiip/eiv/eivapps	30 days
22 (c)iv	Condition: HUD-required addenda not properly attached to original leases. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 6: Lease Requirements and Leasing Activities, Par. 6-5(A)(3): Requirements of HUD Issued Lease Addendums). Cause: In some instances, addenda (e.g., move-in inspection report signed by both the owner and tenant), were not made part of lease. Effect: Owner does not meet the requirement. Action: For new lease-ups, Owner must include required information as addenda to lease in accordance with HUD Handbook 4350.3 (Ch. 6: Lease Requirements and Leasing Activities, Section 1: Leases and Leases Attachments, Par. 6-5(A) (3)).	30 days
22(c)vii	Condition: In some instances, file(s) do not contain signed tenant acknowledgements of receipt and/or copies of the following: Residents Rights and Responsibilities Brochure; and Fact Sheet: How your Rent is Determined. Criteria: HUD Handbook 4350.3 Rev-1, (Ch. 6: Lease Requirements and Leasing Activities, Section 4: The Leasing Process, Par. 6-27 Briefing with New Tenants, Fig. 6-9 Summary of Documents for Tenants). Cause: Unknown. Effect: Owner does not meet the requirement. Action: Owner must provide tenants with the documents in Figure 6-9 of HUD Handbook 4350.3 and retain signed acknowledgement indicating receipt of the documents by the tenant.	30 days

22(d)iii	Condition: In some circumstances, Owner's initial and annual Certification of Compliance (HUD-50059) was not signed by Owner. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 6: Lease Requirements and Leasing Activities, Par. 6-5(A)(3): Requirements of HUD Issued Lease Addendums). Cause: Unknown Effect: Owner is not certifying compliance with HUD's tenant eligibility and rent procedures. Action: Owner must sign each HUD-50059.	30 days 
22(d)iv	Condition: EIV report not being used for third party verification of employment or income. Criteria: 24 CFR 5.659 Family information and verification; and HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-8 Using EIV Reports). Cause: Unknown Effect: Income discrepancies, errors or omissions may exist. Action: SHA must use EIV in accordance with HUD Handbook 4350.3 (Par. 9-9: Documentation to Demonstrate Owners Compliance with Use of the Income Report.)	30 days
22(d)vii	Condition: Income and deductions are not being calculated correctly prior to data entry Criteria: HUD Handbook 4350.3 Rev-1, Change 4, Exhibit 5-2 (A)(1) Assets. Cause: Owner is counting one month checking account balance as part of net family asset determination, instead of the average balance for the previous six months. Effect: The Owner may incorrectly calculate TTP Action: The Owner must calculate and project income in accordance with HUD Handbook 4350.3.	30 days
22(d)viii / 22(e)(i)	Condition: Income information on tenant certification did not agree with verified file information. Criteria: 24 CFR 5.659 Family information and verification; and HUD Handbook 4350.3 Rev-1, Change 4 Cause: Household excluded income (SNAP) was counted as income in tenant rent calculation (Unit #016). Effect: Deficiencies may have resulted in over/underpayment of HAP Action: Owner should recalculate income based on verification documents, and adjust HAP as necessary.	30 days 

22(f) iv	Condition: Owner is not utilizing the EIV Existing Tenant Search for all household members and applicants. Criteria: 24 CFR 5.233 Mandated Use of HUD's Enterprise Income Verification (EIV) System and HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-8: Using EIV Reports). Cause: Unknown. Effect: Applicants applying for assisted housing may be receiving rental assistance at the time of application at another Multifamily Housing or Public and Indian Housing location. Action: Owner must use the Existing Tenant Report when processing new applicants in accordance with 4350.3 (Par. 9-8 (B)).	30 days 
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Item Number	Observations / Other
1	In some instances, the HUD Addendum was not included as part of the original lease. At initial rent-up, Owner should use most current DHCD model lease with HUD Addendum.
2	Each file reviewed contains tenant and owner-signed and dated "Certification of Condition" for move-in unit inspections. However, the certification does not include list of items that were inspected. DHCD recommends including a list of inspected items for move-in and move-out. See HUD Handbook 4350.3 Appendix 5.
3	DHCD recommends that the Owner review its grievance procedures, and that the Owner posts the grievance procedure at its administrative offices in a location visible to the public.
4	Owner should use the most current citizenship declaration (see Exhibit 3-5 in HUD Handbook 4350.3) and Supplement to Application for Federally Assisted Housing (HUD-92006) forms.
5	The EIV Security Policy Manual is dated 2006. DHCD recommends updating this document.
6	The Owner should ensure that all information stated in Section IV of the lease is included in the Notice of Rent Redetermination.
7	The date and rent amount in Notice of Rent Redetermination letters were hand-written. DHCD recommends that all information in such notices be printed.
8	DHCD recommends Owner staff training on EIV.



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Acting Undersecretary

March 30, 2018

[via email]

Somerville Housing Authority
Mr. Joseph Macaluso
30 Memorial Road
Somerville, MA 02145

Re: Management and Occupancy Review Report for Project # MA06H052013

Dear Mr. Macaluso:

The enclosed report reflects the results of the Management and Occupancy Review (MOR) of the above development, conducted by the Department of Housing and Community Development (DHCD) on February 26 and on March 1st, 2018. The MOR is conducted to determine compliance with HUD's regulations and the owner's established management procedures and practices under the Section 8 New Construction / Substantial Rehabilitation Program. The review resulted in the following ratings:

Category	Rating
General Appearance and Security	Above Average
Follow-up & Monitoring of Project Inspections	Superior
Maintenance/Operating Procedures	Superior
Financial Management	Above Average
Leasing & Occupancy	Satisfactory
Tenant/Management Relations	Above Average
General Management Practices	Above Average
Overall Rating	Above Average

The deficiencies cited in the enclosed report need to be addressed in accordance with the respective corrective actions within 30 calendar days. If additional time is needed, please submit a corrective action plan within the 30 calendar days. The corrective action plan must identify a timeframe when the deficiencies will be resolved and how and what systems, controls, policies and procedures will be adjusted or changed to assure that the error does not reoccur. The corrective action plan will be monitored by DHCD until all deficiencies have been addressed. If you have any questions regarding this report please feel free to contact me at (617) 573-1163.

Sincerely,

Robert A. Muollo
Asset Management / Redevelopment Specialist

cc Laura Taylor, Director, Bureau of Housing Management

Management Review for Multifamily Housing Projects

U.S. Department of Housing and Urban
Development
Office of Housing – Federal Housing Commissioner

OMB Approval No. 2502-0178
Exp. 04/30/2018

Summary

Date of On-Site Review: 2/26/18 and 3/1/18	Date of Report: 3/28/2018	Project Number: MA06H052013	Contract Number:
Section of the Act:	Name of Owner: Somerville Housing Authority	Project Name: Bryant Manor	Project Address: 75 Myrtle Street, Somerville, MA
Loan Status: ☐ Insured ☐ HUD-Held ☐ Non-Insured ☐ Co-Insured	Contract Administrator: ☐ HUD ☒ CA ☐ PBCA	Type of Subsidy: ☒ Section 8 ☐ PAC ☐ Section 236 ☐ Section 221(d)(3) BMIR ☐ Rent Supplement ☐ RAP ☐ PRAC ☐ Unsubsidized	Type of Housing: ☐ Family ☐ Disabled ☐ Elderly ☒ Elderly/Disabled ☐ Other (please specify)

For each applicable category, assess the overall performance by checking the appropriate column. Indicate A (Acceptable) or C (Corrective action required). Include target completion dates (TCD) for all corrective action items. For those items not applicable, place N/A in the TCD column.

A. General Appearance and Security	A	C	TCD	
1. General Appearance	☒	☐		
2. Security	☒	☐		
B. Follow-up and Monitoring of Project Inspections	A	C	TCD	
3. Follow-Up and Monitoring of Last Physical Inspection and Observations	☒	☐		
4. Follow-Up and Monitoring of Lead-Based Paint Inspection	☒	☐		
C. Maintenance and Standard Operating Procedures	A	C	TCD	
5. Maintenance	☒	☐		
6. Vacancy and Turnover	☒	☐		
7. Energy Conservation	☒	☐		
D. Financial Management/Procurement	A	C	TCD	
8. Budget Management	☒	☐		
9. Cash Controls	☒	☐		
10. Cost Controls	☒	☐		
11. Procurement Controls	☒	☐		
12. Accounts Receivable/Payable	☒	☐		
13. Accounting and Bookkeeping	☒	☐		
E. Leasing and Occupancy	A	C	TCD	
14. Application Processing/ Tenant Selection	☐	☒	4/28/18	
15. Leases and Deposits	☒	☐		
16. Eviction/Termination of Assistance Procedures	☒	☐		
17. Enterprise Income Verification (EIV) System Access and Security Compliance	☐	☒	4/28/18	
18. Compliance with Using EIV Data and Reports	☐	☒	4/28/18	
19. Tenant Rental Assistance Certification Systems (TRACS) Monitoring and Compliance	☒	☐		
20. TRACS Security Requirements	☐	☒	4/28/18	
21. Tenant File Security	☒	☐		
22. Summary of Tenant File Review	☐	☒	4/28/18	
F. Tenant/Management Relations	A	C	TCD	
23. Tenant Concerns	☒	☐		
24. Provision of Tenant Services	☒	☐		
G. General Management Practices	A	C	TCD	
25. General Management Operations	☒	☐		
26. Owner/Agent Participation	☒	☐		
27. Staffing and Personnel Practices	☒	☐		

Overall Rating:

☐ Superior ☒ Above Average ☐ Satisfactory ☐ Below Average ☐ Unsatisfactory **83** Overall Score:

To calculate an overall score: Multiply the derived performance value by the assigned percentage of the overall rating for each category. Once all tested categories have been calculated based on the performance indicator and performance indicator values, the total calculated points is divided by the total percentage of overall rating and rounded to the nearest whole number. For convenience, a utility is included with this form which will perform all of the necessary calculations.

Name and Title of Person Preparing this Report: (Please type or print):

Robert A. Muollo, Asset Management / Redevelopment Specialist

Signature:

Date: 3/30/18

Name and Title of Person Approving this Report: (Please type or print):

Laura A. Taylor, Director, Bureau of Housing Management

Signature:

Date: 3/30/18

HUD 9834 Ref. Number	Finding	Target Completion Date / Unit Reference
14 (l)	Condition: Owner is not applying Income Targeting and Monitoring Requirements in Section 8 Properties. Criteria: 24 CFR 5.601, 5.603, 5.653(2)(c) and HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 4: Waiting List and Tenant Selection, Section 1: Tenant Selection Plan, Par 4-5). Cause: Unknown Effect: May result in non-compliance although normal tenant selection has resulted in selection of 40% extremely low-income households. Action: Owner is responsible for tracking income of applicants to ensure that not less than 40% of the dwelling units that become available for occupancy in any project fiscal year are least to extremely low-income families.	30 days
17 (l)	Condition: Owner is not keeping in tenant file(s) a signed Tenant Consent for Disclosure of EIV Information by the tenant and a third party when a third party assists in the re-certification process. Criteria: Handbook 4350.3 Rev-1, Ch. 4 (Par. 9-17(a): Disclosure of EIV Data). Cause: Unknown Effect: Owner may be disclosing EIV data to a third-party that contains personal information on individual tenants that is covered by the Privacy Act. Action: In future recertifications, Owner must use form in accordance with HUD Handbook 4350. Please see Exhibit 9-4.	30 days
18(a)	Condition: Owner does not have policies/procedures describing the use of EIV employment and income information and the EIV reports. Criteria: HUD Handbook 4350.3 Rev-1, Change 4, Ch. 9 Enterprise Income Verification (Par. 9-8(B)(2)) Cause: Unknown Effect: Owner may not be using EIV to track discrepancies, errors or omissions Action: Owner must develop policies and procedures for using the EIV Income reports and Verification Reports.	30 days
18 (b)	Condition: Owner does not retain an EIV "Master" file or is documenting use of certain EIV reports (New Hires; No Income; Failed EIV Pre-Screening; Existing Tenant Search; Multiple Subsidy; and Deceased Tenant). Criteria: 24 CFR 5.233 - Mandated use of HUD's Enterprise Income Verification (EIV) System and HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 9: Enterprise Income Verification) Cause: Unknown Effect: Owner may not be using EIV to track discrepancies, errors or omissions.	30 days

	Action: Owner must retain a "Master" EIV file with applicable EIV Reports in accordance with 4350.3 Rev-1, Change 4 (Par. 9-12: EIV Verification Reports). See HUD Handbook 4350.3 Exhibit 9-5 "Use of EIV Reports."	
20 (d)	Condition: Signed copies of EIV Rules of Behavior for all individuals without access to, but who view and/or use EIV are not on file. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 9-18(B): EIV Rules of Behavior (ROB)) Cause: Unknown Effect: Staff may not be aware of the EIV Rules of Behavior. Action: Each Owner staff without access to EIV but who view or use EIV data/reports provided by authorized EIV Coordinators or EIV Users in order to perform their job functions, must sign and adhere to the EIV ROB posted on the Multifamily EIV website at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfl/rhiip/eiv/eivapps	30 days
22(b)(i)	Condition: Applications were not located in tenant file, or applications were found in tenant file but were not signed or dated by the applicant(s). Criteria: 24 CFR 5.659 Family Information and Verification and HUD Handbook 4350.3 Rev-1, Change 4; Ch. 4 Waiting List and Tenant Selection Section 3, Par. 4-14(A)(2). Cause: Unknown. Effect: Owner does not meet the requirement. Action: Owner must ensure that all future applications are signed and dated by the applicant and maintained in tenant file, in accordance with HUD regulations and Handbook 4350.3 Rev-1, Change 4.	30 days 
22 (c)iv	Condition: HUD-required addenda not properly attached to original leases. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 6: Lease Requirements and Leasing Activities, Par. 6-5(A)(3): Requirements of HUD Issued Lease Addendums). Cause: In some instances, addenda (e.g., move-in inspection report signed by both the owner and tenant), were not made part of lease. Effect: Owner does not meet the requirement. Action: For new lease-ups, Owner must include required information as addenda to lease in accordance with HUD Handbook 4350.3 (Ch. 6: Lease Requirements and Leasing Activities, Section 1: Leases and Leases Attachments, Par. 6-5(A) (3)).	30 days 

22(c)vii	Condition: In some instances, file(s) do not contain signed tenant acknowledgements of receipt and/or copies of the following: HUD-9887/A; Residents Rights and Responsibilities Brochure; EIV and You Brochure; and Fact Sheet: How your Rent is Determined. Criteria: HUD Handbook 4350.3 Rev-1, (Ch. 6: Lease Requirements and Leasing Activities, Section 4: The Leasing Process, Par. 6-27 Briefing with New Tenants, Fig. 6-9 Summary of Documents for Tenants). Cause: Unknown. Effect: Owner does not meet the requirement. Action: Owner must provide tenants with the documents in Figure 6-9 of HUD Handbook 4350.3 and retain signed acknowledgement indicating receipt of the documents by the tenant.	30 days 
22(d)i	Condition: Recertification Notice(s) are not issued within the allotted time frame, or were not documented in tenant file. Criteria: 24 CFR 5.657 Section 8 Project-based Assistance Programs: Re-examination of Family Income and Composition and HUD Handbook 4350.3 Rev-1 Change 4, Ch. 7 Recertification, Unit Transfers and Gross Rent Changes, Section 1: Annual Recertification, Par. 7-7(B) Description of Required Notices). Cause: Recertification Notice(s) were not provided to tenants within the required timeframe. Effect: Owner does not meet the requirement. Action: Owner must notify tenants of recertification in accordance with HUD Handbook 4350.3 Rev-1 Change 4, Ch. 7 Recertification, Unit Transfers and Gross Rent Changes, Section 1: Annual Recertification, Par. 7-7(B) Description of Required Notices.	30 days 
22(d)iii	Condition: In some circumstances, Owner's initial and annual Certification of Compliance (HUD-50059) was not signed by Owner. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 6: Lease Requirements and Leasing Activities, Par. 6-5(A)(3): Requirements of HUD Issued Lease Addendums). Cause: Unknown Effect: Owner is not certifying compliance with HUD's tenant eligibility and rent procedures. Action: Owner must sign each HUD-50059.	30 days 
22(d)iv	Condition: EIV report not being used for third party verification of employment or income. Criteria: 24 CFR 5.659 Family information and verification; and HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-8 Using EIV Reports).	30 days

	Cause: Unknown Effect: Income discrepancies, errors or omissions may exist. Action: SHA must use EIV in accordance with HUD Handbook 4350.3 (Par. 9-9: Documentation to Demonstrate Owners Compliance with Use of the Income Report.)	
22(d)vii	Condition: Income and deductions are not being calculated correctly prior to data entry. Criteria: HUD Handbook 4350.3 Rev-1, Change 4, Exhibit 5-2 (A)(1) Assets. Cause: Owner is counting one month checking account balance as part of net family asset determination, instead of the average balance for the previous six months. Effect: The Owner may incorrectly calculate TTP Action: The Owner must calculate and project income in accordance with HUD Handbook 4350.3.	30 days
22(d)viii / 22(e)(i)	Condition: Income information on tenant certification did not agree with verified file information. Criteria: 24 CFR 5.659 Family information and verification; and HUD Handbook 4350.3 Rev-1, Change 4 Cause: Income discrepancy identified between Owner's income calculation worksheet and HUD-50059 (Unit [REDACTED]). Owner did not include and impute income from assets in HUD-50059 (Unit [REDACTED]) Effect: Deficiencies may have resulted in over/underpayment of HAP Action: Owner should recalculate income based on verification documents, and adjust HAP as necessary.	30 days [REDACTED]
22(d) xi	Condition: No documentation of rent increase notification in tenant file. Criteria: 24 CFR 5.657 Section 8 Project-based Assistance Programs: Re-examination of Family Income and Composition and HUD Handbook 4350.3, Rev.1 Change 4 Ch. 7 Recertification, Unit Transfers, and Gross Rent Changes, Section 1: Annual Recertification, Par. 7-7(B) Description of Required Notices. Cause: Unknown. Effect: No evidence that Owner provided tenant(s) a 30-day advance notice of a rent increase. Action: Owner must provide notice of rent increases in accordance with HUD Handbook 4350.3.	30 days [REDACTED]
22(f) iv	Condition: Owner is not documenting the utilization of the EIV Existing Tenant Search for all household members and applicants.	30 days

	Criteria: 24 CFR 5.233 Mandated Use of HUD's Enterprise Income Verification (EIV) System and HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-8: Using EIV Reports). Cause: Unknown. Effect: Applicants applying for assisted housing may be receiving rental assistance at the time of application at another Multifamily Housing or Public and Indian Housing location. Action: Owner must use the Existing Tenant Report when processing new applicants in accordance with 4350.3 (Par. 9-8 (B)).	
22h (i)	Condition: Reason for applicant denial (requesting a two-bedroom unit, when a 2-br unit is not available at the site) is not listed in Tenant Selection Plan. Criteria: HUD Handbook 4350.3 Rev-1, Change 4; Ch. 4 Waiting List and Tenant Selection Section 3, Par. 4-4(C)(3)(e). Cause: Tenant Selection Plan does not describe the reason under which the household was rejected for occupancy or assistance. Effect: Applicants may not know eligibility criteria. Action: Ensure that all preliminary eligibility criteria has been verified prior to denial or placement on the waitlist.	Control Number 216871

Item Number	Observations / Other
1	In some instances, the HUD Addendum was not included as part of the original lease. At initial rent-up, Owner should use most current DHCD model lease with HUD Addendum.
2	Each file reviewed contains tenant and owner-signed and dated "Certification of Condition" for move-in unit inspections. However, the certification does not include list of items that were inspected. DHCD recommends including a list of inspected items for move-in and move-out. See HUD Handbook 4350.3 Appendix 5.
3	DHCD recommends that the Owner review its grievance procedures, and that the Owner post the grievance procedure at its administrative offices in a location visible to the public.
4	Owner should use the most current citizenship declaration (see Exhibit 3-5 in HUD Handbook 4350.3) and Supplement to Application for Federally Assisted Housing (HUD-92006) forms.
5	The EIV Security Policy Manual is dated 2006. DHCD recommends updating this document.
6	The Owner should ensure that all information stated in Section IV of the lease is included in the Notice of Rent Redetermination.
7	The date and rent amount in Notice of Rent Redetermination letters were hand-written. DHCD recommends that all information in such notices be printed.
8	DHCD recommends Owner staff training on EIV.



SOMERVILLE HOUSING AUTHORITY
30 Memorial Road
Somerville, Massachusetts 02145
Telephone (617) 625-1152 Fax (617) 628-7057 TDD (617) 628-8889

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MAY 2 v 2018

ASSOCIATE DIRECTOR
Division of Public Housing & Rental Assistance

April 23, 2018

Mr. Robert Muollo
DHCD
100 Cambridge Street
Boston MA 02114

RE: Bryant Manor Project # MA06H052013 and Hagan Manor Project # MA06H052038

In response to the recent Management and Occupancy Review Report for above referenced developments, we respectfully submit the following responses. Please note, the responses will apply to both Projects. with the 5 additional pertaining only to Bryant Manor provided at end of document.

14(I)

Action: Owner is responsible for tracking income of applicants to ensure that not less than 40% of the dwelling units that become available for occupancy in any project fiscal year are least to extremely low-income families.

SHA RESPONSE: SHA will utilize an Occupancy Report that tracks income levels and % of AMI. With each vacancy, Tenant Selectors and Manager will determine appropriate income targeting and match to waitlist.

17(I)

Action: In future recertifications, Owner must use form in accordance with HUD Handbook 4350. Please see Exhibit 9-4.

SHA RESPONSE: SHA will use form as instructed.

18(a)

Action: Owner must develop policies and procedures for using the EIV Income reports and Verification Reports.

SHA RESPONSE: SHA has adopted attached policy and procedure to include Monthly Verification Reports, Income Reports upon Annual and Interim Recertifications and New Tenants will have reports inserted in tenant file within 90-days of lease up.

18(b)

Action: Owner must retain a "Master" EIV file with applicable EIV Reports in accordance with 4350.3 Rev-I, Change 4 (Par. 9-12: EIV Verification Reports). See HUD Handbook 4350.3 Exhibit 9-5 "Use of EIV Reports"

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SHA RESPONSE: SHA Manager will maintain "Master File".

20(d)

Action: Each Owner staff without access to EIV but who view or use EIV data/reports provided by authorized EIV Coordinators or EIV Users in order to perform their job functions, must sign and adhere to the EIV Policies.

SHA RESPONSE: SHA has implemented Rule of Behavior and all users and viewers will sign.

See attached

22(b)(i)

Action: Owner must ensure that all future applications are signed and dated by the applicant and maintained in tenant file, in accordance with HUD regulations and Handbook 4350.3 Rev-I, Change 4.

SHA RESPONSE: SHA confirms

22 © iv

Action: For new lease-ups, Owner must include required information as addenda to lease in accordance with HUD Handbook

SHA RESPONSE: SHA has reviewed all files and sent our lease addenda to tenants. Upon May 2018 recertification, all tenant will resign and document will be placed in each tenant file.

22 © vii

Action: Owner must provide tenants with the documents in Figure 6-9 of HUD Handbook 4350.3 and retain signed acknowledgement indicating receipt of the documents by the tenant.

SHA RESPONSE: SHA will use Master Sign-Off that includes all acknowledgements and place in file.

22 (d) i

Action: Owner must notify tenants of recertification in accordance with HUD Handbook 4350.3 Rev-I Change 4, Ch. 7 Recertification, Unit Transfers and Gross Rent Changes, Section 1: Annual Recertification, Par. 7-7(8) Description of Required Notices

SHA RESPONSE: SHA confirms

22 (d) viii

Action: Owner must sign each HUD-50059.

SHA RESPONSE: SHA confirms Manager will sign all 50059s.

22(d)iv

Action: SHA must use EIV in accordance with HUD Handbook 4350.3 (Par. 9-9: Documentation to Demonstrate Owners Compliance with Use of the Income Report.)

SHA RESPONSE: SHA confirms Manager has reviewed and will comply

22(d)vii and 22(e)(i)

Action: The Owner must calculate and project income in accordance with HUD Handbook 4350.3. Owner should recalculate income based on verification documents, and adjust HAP as necessary

SHA RESPONSE: SHA Manager has reviewed files referenced and confirms that income can be verified as accurate. Imputed interest rates

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22(d) xi

Action: Owner must provide notice of rent increases in accordance with HUD Handbook 4350.

SHA RESPONSE: SHA confirms – Referenced file has been reviewed. Tenant notification was compliant – however, subsequent to the request, tenant requested an adjustment and rent was decreased.

22(f) iv

Action: Owner must use the Existing Tenant Report when processing new applicants in accordance with 4350.3 (Par. 9-8 (B)).

SHA RESPONSE: SHA confirms process and will document each search

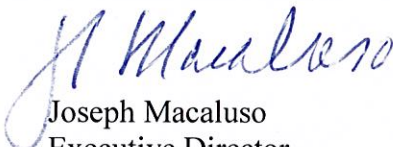
22h (i)

Action: Ensure that all preliminary eligibility criteria has been verified prior to denial or placement on the waitlist.

SHA RESPONSE: SHA confirms we will revise the Tenant Selection Plan to include bedroom size as a criteria for placement and selection.

Thank you for your comprehensive review and direction. We look forward to working with you and your team to fully address the deficiencies reported and are very pleased to have received and “Above Average” overall rating.

Sincerely,


Joseph Macaluso
Executive Director

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Rules of Behavior for Use of Enterprise Income Verification (EIV) Information (for Individuals without Access to the EIV System)

The Department of Housing and Urban Development's EIV system contains sensitive data obtained from the Department of Health and Human Services (HHS) and the Social Security Administration (SSA) and from other HUD Secured Systems that must be protected. Access to the information in EIV is based on a need to perform official HUD business.

Owners, management agents, service bureau staff, contract administrator staff and independent public auditors without access to the EIV system are required to agree to HUD's Rules of Behavior to ensure that an adequate level of protection is afforded to the information contained in the EIV system. These Rules of Behavior serve as an administrative safeguard in determining improper disclosure and use of information by individuals who do not have access to the EIV system, but who are in possession of information from EIV provided to them by authorized EIV system users, in order to perform their job.

As a condition of receiving access to EIV information, you agree to be responsible for the confidentiality of the EIV information and accountable for all activity relating to the EIV information while in your use. In addition, you agree to:

- a) Use EIV information only in the performance of official HUD business.
- b) Protect copies of sensitive data and destroy system-related records in accordance with HUD established requirements to prevent reconstruction of contents.
- c) Not disclose (willfully or otherwise) EIV information in any way that would violate the privacy of individuals.
- d) Ensure there is a signed and valid form HUD-9887, *Notice and Consent for the Release of Information*, on file before reviewing an individual's confidential EIV income information.
- e) Report incidents or suspected incidents which involve breach of EIV information to the HUD National Help Desk at 1-888-297-8689.

Additionally, IPAs further agree that EIV information will:

- a) Only be accessed and reviewed within hardcopy files and only within the offices of the O/A or CA.
- b) Not be transmitted or transported in any form.
- c) Not be entered on any portable media.
- d) Not be duplicated or re-disclosed to any individual not authorized by HUD.
- e) Be used only for the purpose of the audit.

I understand that unauthorized disclosure of EIV information can result in civil and criminal penalties, as follows:

- **Unauthorized disclosure** can result in a felony conviction and a fine of up to \$5,000 and/or imprisonment up to five (5) years, as well as civil penalties.
- **Unauthorized inspection** can result in a misdemeanor penalty of up to \$1,000 and/or one (1) year imprisonment, as well as civil damages.

Certification: I agree to comply with these Rules of Behavior as a condition of being authorized to review and use EIV system information. I also understand that I may review, inspect, and use these data only within the scope of my official duties.

Name
(Signature)

Name
(Print)

Date

Please check the appropriate box below

☐ Owner

☐ Management
Agent

☐ CA

☐ IPA

☐ Service Bureau

Somerville Housing Authority EIV System Security Policy

Purpose:

The purpose of this policy is to provide instruction and information to staff, auditors, consultants, contractors and tenants on the acceptable use, disposition and storage of data obtained through EIV (Enterprise Income Verification System).

The purpose of EIV is to assist the HUD, Contract Administrators, owners and their agents in streamlining the income verification process and to help in minimizing the need for 3rd party verification. EIV allows the user to identify:

- Applicants currently receiving HUD assistance
- Income not previously reported
- New employment
- Historical patterns of earnings and received income
- Multi-subsidy for household members included in both PIC and TRACS databases
- Deceased household member(s)

In addition, information in EIV can be used to provide more comprehensive oversight to compliance policies and their implementation. The data provided via EIV system will be protected to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a variety of federal laws and regulations, government bulletins, and other guiding documents.

Safeguarding EIV Data

The information processed by any EIV system can include wage and income data about private individuals, as well as identifying information such as Social Security Number, Address, and Employment information. This policy describes methods to comply with HUD's required EIV safeguards.

Technical safeguards

1. Reduce the risk of a security violation related to the EIV system's software, network, or applications.
2. Identify and authenticate all users seeking to use the EIV system data.
3. Deter and detect attempts to access the system without authorization.
4. Monitor the user activity on the EIV system.

Administrative safeguards

1. Ensure that access rights, roles, and responsibilities are appropriately and adequately assigned.
2. Protect copies of sensitive data and destroy system-related records to prevent reconstruction of the contents.
3. Ensure authorized release of tenant information consent forms are included in all family files, before accessing and using data.
4. Maintain, communicate, and enforce standard operating procedures related to securing EIV data.

Somerville Housing Authority EIV System Security Policy

5. Train staff on security measures and awareness, preventing the unauthorized accessibility and use of data.

Physical safeguards

1. Establish barriers between unauthorized persons and documents or computer media containing private data.
2. Clearly identify restricted areas by use of prominently posted signs or other indicators.
3. Develop a list of authorized users who can access restricted areas-e.g., contractors, maintenance, and janitorial/cleaning staff.
4. Prevent undetected entry into protected areas and/or documents.
5. Notify Coordinators/Security Administrators of system breaches and penetration by unauthorized users.

Designated staff will have the responsibility of ensuring compliance with the security policies and procedures outlined in this document. These responsibilities include:

- Maintaining and enforcing the security procedures
- Keeping records and monitoring security issues
- Communicating security information and requirements to appropriate personnel including coordinating and conducting security awareness training sessions
- Conducting review of all User ID's issued to determine if the users still have a valid need to access EIV data and taking necessary steps to ensure that access rights are revoked or modified as appropriate
- Reporting any evidence of unauthorized access or known security breaches to **designated staff** and taking immediate action to address the impact of the breach including but not limited to prompt notification to **designated staff**. **Designated staff** will escalate the incident by reporting to appropriate parties including the Contract Administrator or HUD.

Limiting Access to EIV Data

User accounts for the EIV system will be provided on a need-to-know basis, with appropriate approval and authorization.

Security Awareness Training

Security awareness training is a crucial aspect of ensuring the security of the EIV System and data. Users and potential users will be made aware of the importance of respecting the privacy of data, following established procedures to maintain privacy and security, and notifying management in the event of a security or privacy violation. Before granting access to the EIV information, each person must be trained in EIV Security policies and procedures. Additionally, all employees having access to EIV Data will be briefed at least annually on the security policy and procedures that require their awareness and compliance. Information about user access and training will be maintained in the property EIV file. See Appendix B.

EIV System Coordinators

Before accessing EIV, the Secure Systems Coordinators will obtain a letter from each property owner indicating that the owner gives permission for the Secure Systems Coordinator to act as

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the EIV coordinator. Once that permission is obtained, the Coordinator will review the EIV training material provided by HUD and complete the appropriate Security Awareness Training Questionnaire and review the EIV Security Policy and the EIV User Policy. Upon completion of these three tasks, the EIV Coordinator will submit, to HUD, the appropriate Coordinator Access Authorization Forms. Upon receipt of HUD approval, the EIV Coordinator will complete the EIV Coordinator setup process.

EIV Users

Before requesting EIV User access, appropriate staff will review the EIV training material provided by HUD and complete the appropriate Security Awareness Training Questionnaire and review the EIV Security Policy and the EIV User Policy. Upon completion of these three tasks, the EIV User will submit, to the EIV Coordinator, the appropriate User Access Authorization Form. Upon receipt the EIV Coordinator will review the completed Security Awareness Training Questionnaire for accuracy and recommend further training if necessary. If the EIV Coordinator feels that the EIV User candidate does not understand the security requirements, the EIV Coordinator will not continue with the EIV setup for that user.

Note: Under no circumstances will the EIV Coordinator process the User Access Authorization Form unless the executed Security Awareness Training Questionnaire, the signed EIV Security Policy and the signed EIV User Policy are attached.

Once the user request information is satisfactorily completed, the EIV Coordinator will complete the appropriate steps to provide EIV access to the user. In accordance with HUD requirements, the user's need for access will be reviewed on a quarterly basis.

At least once a year, staff with EIV access will be required to:

- Participate in training that includes a review of the EIV security policy and
- Complete the EIV Security Awareness Training Questionnaire

The owner/agent will restrict access to EIV data only to persons whose duties or responsibilities require access. EIV Coordinators will be required to request re-certification on an annual basis. EIV Coordinators are authorized to provide access only to those individuals directly involved in the resident certification process and/or compliance monitoring. EIV Coordinators will carefully review initial and quarterly requests for access and certify only those users who will need access within the next 90 days.

The owner/agent will maintain a record of users who have approved access to EIV data. Further, **the owner/agent** will revoke (Expire) the access rights of those users who no longer require such access or modify the access rights if a change in the user's duties or responsibilities indicates a change in the current level of privilege.

The owner/agent will assure that a copy of Form-9887 and Form 9887-A has been signed by each member of the household age 18 years or older. The 9887 will be presented at move-in and/or initial certification. If a household member turns 18 in the middle of a certification cycle, that household member should sign Form 9887 and Form 9887-A **within 7 days of turning 18**. (See HUD 9887 Fact Sheet for exceptions due to extenuating circumstances) All HUD-9887's will be placed in a resident file and will be updated on an annual basis for each adult household member.

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The HUD 9887 Fact Sheet will be provided to all adult household members required to sign the form. By signing this HUD Form 9887 and HUD Form 9887-A, the applicant/resident authorizes HUD and/or the owner/agent to obtain and verify income and unemployment compensation information from various sources including, but not limited to the IRS, the Department of Health and Human Services and the Social Security Administration, current and former employers and state agencies.

User Names, Passwords and Password Changes

Many systems require frequent changes in passwords. Secure Systems/ EIV passwords will be changed in accordance with HUD Secure Systems requirements. Users will not share user names or passwords with any other employee or with anyone outside the organization. EIV access granted to an employee or authorized user will be revoked when access is no longer required or prior to termination of that employee or user to ensure data safety. Termination of EIV Access and un-assigning property access through "Property Assignment Maintenance" is required.

The EIV file will be documented to indicate when user access was terminated by the EIV Coordinator. Documentation of termination will be maintained in the property EIV file and in the employee's personnel file.

Computer System Security Requirements

All computer systems and computers will have password restricted access. The owner/agent will also use Antivirus software to limit data destruction or unintended transmission via virus, worms, Trojan horses or other malicious means. Remote access by other computers other than those specifically authorized is prohibited.

Authorized users of EIV data are directed to avoid leaving EIV data displayed on their computer screens where unauthorized users may view it. A computer will not be left unattended while the user is "logged in" to Secure Systems. If an authorized user is viewing EIV data and an unauthorized user approaches the work area, the authorized user will lessen the chance of inadvertent disclosure of EIV data by minimizing or closing out the screen on which the EIV data is being displayed.

Physical Security Requirements

The owner/agent may use a combination of methods to provide physical security for resident file records. The EIV data may be maintained **in a locked metal file cabinet within a locked file room.**

Restricted Areas: **The owner/agent** will have the areas clearly identified by the use of prominently posted signs or other indicators. For example "Employees Only". This sign will be posted on the door to the locked file room. The restricted areas will be separated from non-restricted areas by physical barriers that control access and/or will have limited points of entry.

Since the EIV data in resident files is maintained in the locked file room, **designated staff** will establish and maintain a key control log to track the inventory of keys available, the number of keys issued and to whom the keys are issued. All employees and contractors who have been issued keys to the file room will complete a form acknowledging the receipt of the key. See Appendix A.

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Users will retrieve computer printouts as soon as they are generated so that EIV data is not left unattended in printers or fax machines where unauthorized users may access them. EIV data will be handled in such a manner that it does not become misplaced or available to unauthorized personnel.

Use and Handling of EIV Data

EIV Data serves two purposes:

1. Verification of specific income information provided by the resident
2. Monitoring resident and staff compliance

Use of the data is described in the EIV User Policies. This policy is designed to describe the security protocol used to protect EIV data.

EIV Printouts

Reports available through EIV will not be printed to a shared printer unless the EIV user plans to immediately retrieve the data. It is preferred that all EIV printouts are sent to the user's personal printer. EIV printouts will be stored in the resident file in a separate manila envelope. The Documentation of EIV Data will be included in the resident file. This entire file will be made available to authorized people including appropriate staff or contractors (i.e. Service Bureaus, contractors performing file reviews, etc.) for the owner/agent, HUD staff, Contract Administration staff and the Office of the Inspector General.

If other people are tasked with reviewing the file, such as financial auditors complying with the Consolidated Audit Guide (Handbook IG 2000.04), the EIV printout in the manila folder including the EIV printout will be removed from the file and the Documentation of EIV Data will remain in the file to provide appropriate information required by the file audit.

Note regarding properties with Tax Credit or 515 "layering": Neither the EIV Printout nor the Documentation of EIV Data will be provided to any Tax Credit or 515 Auditor since EIV may not be used to verify information for residents participating in those programs. Alternative verification documents must be used to verify income for Tax Credits or 515 programs. For Social Security and Medicare information, the resident file must include an SSA Benefit/Award letter. For employment income and unemployment income, the resident file should contain verification documents as provided in HUD Handbook 4350.3 Revision 1, Appendix 3.

If a resident requests a copy of their own EIV printout, a copy will be produced. The staff person providing the copy will note that the printout is a copy provided to the resident upon request. This note will include the following:

- This is not an original, this is a copy provided to: _____
- On _____, 20__
- By _____ (name will be printed)
- Initials _____

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The appropriate staff will make a note in the file any time a copy of the EIV data is obtained by authorized persons and taken off site. This includes copies provided to the applicant/resident, other internal staff, HUD, CA or OIG staff. Under no circumstances will the EIV information be provided to anyone other than those noted in this paragraph.

Other Language

Since site staff may not have access to the EIV database, designated staff is responsible for providing income verification and discrepancy information to the site. Information must be sent in such a way as to ensure the security of the data. Preferably, information will be sent electronically via email or via electronic fax. The email will be opened by the appropriate staff person, the information will be printed and the email will be immediately deleted from the recipient's email box.

If necessary, printouts will be produced by designated staff and sent express mail. In this case the recipient will be required to sign for the package to ensure that the information is delivered and there is no risk of disclosure to unauthorized persons.

Immediately upon receipt, the printouts will be filed and secured as appropriate.

Electronic Information from EIV

Under no circumstances should anyone save or scan EIV information to retain an electronic copy. In order to ensure compliance with HUD's security requirements, EIV information should only be produced in hard copy and maintained in accordance with the recordkeeping requirements outlined by HUD.

Alternative

In some cases, there may be a need to send or store EIV information electronically. If there is need to store the information on a hard drive, a specific folder will be created. The folder will be password protected to prevent unauthorized access. Information in the folder will be purged periodically to comply with HUD's EIV file retention policies.

If EIV information is copied to portable media (CD, DVD, tape, etc.) that portable media will be destroyed appropriately upon completion of the intended use.

Reporting Improper Disclosures

Recognition, reporting, and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and sharing of User ID's and passwords. Upon the discovery of a possible improper disclosure of EIV information or other security violation by an employee or any other person, the individual making the observation or receiving the information will contact the EIV Coordinator and **designated staff** who will document all improper disclosures in writing providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when it occurred. The EIV Coordinator will immediately review the report of improper disclosure and, if appropriate, the EIV Coordinator will remove EIV access.

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Improper disclosure of any information is grounds for immediate termination. All employees should carefully review the EIV Access Authorization Form to understand the penalties for improper disclosure of EIV data.

Disposal of EIV Information

EIV data will be destroyed in a timely manner based on the information provided in HUD's published EIV training materials, HUD notices or as prescribed by the owner/agent's policy and procedures. The owner/agent's policy and procedures will not allow data retention that is longer than the time allowed in the published HUD materials.

As necessary, **all EIV originals will be shredded**. Information about use of EIV information and how printouts were destroyed will be maintained in the resident file.

Add Appendix A and Appendix B as appropriate

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I have read and understand the EIV Security Requirements. I agree to abide by this policy and to report any improper disclosure of information.

Name (please print)

Signature

_____/_____/_____
Date

CC: Personnel File
Property EIV File