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Provide the HA and HUD with information about the family's participation in the FSS program in order to help the HA and HUD evaluate the FSS program. This could include information regarding employment, job interviews, training, educational attendance, and other FSS services and activities.

**All family members must:**

Comply with the terms of the lease.

If receiving welfare assistance, become independent of welfare assistance and remain independent of welfare assistance for at least 12 consecutive months before the contract expires.

If participating in the Section 8 program, live in the jurisdiction of the HA that enrolled the family in the FSS program at least 12 months from the effective date of this contract and comply with the family obligations under the Section 8 rental certificate or rental voucher program.

**Corrective Actions for Failure to meet Family Responsibilities**

If any member of the family does not meet his or her responsibilities under this contract, the family will not receive the money in its FSS escrow account and the HA may:

- (1) stop supportive services for the family,
- (2) terminate the family's participation in the FSS program, and
- (3) if the family is participating in the rental certificate or rental voucher program, terminate the Section 8 assistance, when allowed by HUD requirements.

**HA Responsibilities**

Attempt to obtain commitments from public and private sources for supportive services for families.

Establish an FSS escrow account for the family, invest the escrow account funds, and give the family a report on the amount in the FSS escrow account at least once a year.

Determine which, if any, interim goals must be completed before any FSS escrow funds may be paid to the family; and pay a portion of the FSS escrow account to the family if the HA determines that the family has met these specific interim goals and needs the funds from the FSS escrow account to complete the contract.

Determine if the family has completed this contract.

Pay the family the amount in its FSS escrow account, if the family has completed the contract and the head of the family has provided written certification that no member of the family is receiving welfare assistance.

**Completion of the Contract of Participation**

Completion of the contract occurs when the HA determines that:

- (1) the family has fulfilled all of its responsibilities under the contract; or
- (2) 30 percent of the family's monthly adjusted income equals or is greater than the Fair Market Rent amount for the unit size for which the family qualifies.

**Termination of the Contract of Participation**

The HA may terminate this contract if:

- (1) the family and the HA agree to terminate the contract;
- (2) the HA determines that the family has not fulfilled its responsibilities under this contract;
- (3) the family withdraws from the FSS program;
- (4) an act occurs that is inconsistent with the purpose of the FSS program; or
- (5) the HA is permitted in accordance with HUD requirements.

The HA may declare this contract null and void if the resources and services necessary to complete the contract are not available.

The HA must give a notice of termination or nullification to the head of the family. The notice must state the reasons for the HA decision to terminate or nullify the contract.

If the contract is terminated or declared null and void, the family has no right to receive funds from the family's FSS escrow account. The HA must close the family's FSS escrow account and may use the funds for purposes in accordance with HUD requirements.

If the family is participating in the Section 8 program, the HA will terminate the contract if the family moves outside the HA's jurisdiction under Section 8 portability procedures and enters the FSS program of another HA.

If the family is participating in the Section 8 program, this contract is automatically terminated if the family's section 8 assistance is terminated in accordance with HUD requirements.

**Conflict with the Public or Indian Housing Lease**

If part of this contract conflicts with the public or Indian housing lease, the lease will prevail.

**Compliance with HUD Regulations and Requirements**

The contract of participation must be interpreted and administered in accordance with HUD regulations and requirements. Terms and figures, such as the income and rent amount on page 1, are subject to correction by the HA for compliance with HUD regulations and requirements. The HA must notify the family in writing of any adjustments made to the contract.

**Signatures:**

**Family**

\_\_\_\_\_  
(Signature of head of family)

\_\_\_\_\_  
(Date Signed)

**Housing Agency**

\_\_\_\_\_  
(Name of HA)

\_\_\_\_\_  
(Signature of HA Official)

\_\_\_\_\_  
(Official Title)

\_\_\_\_\_  
(Date Signed)