

CITY OF BROOKSVILLE
&
BROOKSVILLE HOUSING AUTHORITY
WORKSHOP
COUNCIL CHAMBERS
201 HOWELL AVENUE

AGENDA

April 15, 2008

6:00 P.M.

A. CALL TO ORDER

B. BROOKSVILLE HOUSING AUTHORITY

Discussion of various issues between Brooksville City Council and Brooksville Housing Authority.

Recommendation: Discussion between boards
Attachments: Letter from City Manager to Brooksville Housing Authority requesting status report; Status Report provided by Brooksville Housing Authority

C. PILOT AGREEMENT REVIEW

Discussion of Pilot Agreement between Brooksville City Council and Brooksville Housing Authority.

Presentation: Hogan Law Firm - Jennifer Rey
Attachments: Memorandum from City Manager dated 04/04/08 conveying prior agenda item as reviewed by City Council on 02/04/08; 1969 Pilot Agreement; Memorandum of Law provided by Jennifer Rey, Hogan Law Firm

D. ADJOURNMENT

Meeting agendas and supporting documentation are available from the City Clerk's office, and online at www.ci.brooksville.fl.us. Persons with disabilities needing assistance to participate in any proceedings should contact the City Clerk's office 48 hours in advance of the meeting at 352/544-5407.

City of Brooksville



AGENDA ITEM NO. B
4/15/08
(352) 544-5400 (Phone)
(352) 544-5424 (Fax)
(352) 544-5420 (TDD)

March 12, 2008

Randy Woodruff
801 South Broad Street
Brooksville, FL 34601

Re: Brooksville Housing Authority (BHA) – Meeting/Workshop

Dear Mr. Woodruff:

The Brooksville City Council at its regular meeting on March 3, 2008 approved and has requested a Workshop/Meeting with the BHA Board **on April 15, 2008 at 6:00 P.M. in City Council's Chambers, 201 Howell Avenue.**

The City Council has requested that prior to the Workshop, no later than **Friday, April 4, 2008** a written status report of the BHA be provided to Council members for review since the inception of the new Board members December 17, 2007. Items specific to their interest and should be covered in the status report includes:

- 1) Financial Report inclusive of current financial status and financial relationship with HUD;
- 2) Policies and Procedures specific to procurement, professional services and employees;
- 3) Board training;
- 4) Status of “troubled agency” designation; and
- 5) Status of properties, condition of properties, and electrical/building work outlined for completion by the Brooksville Building Department and Brooksville Fire Department.

We look forward to an informative and interactive Workshop.

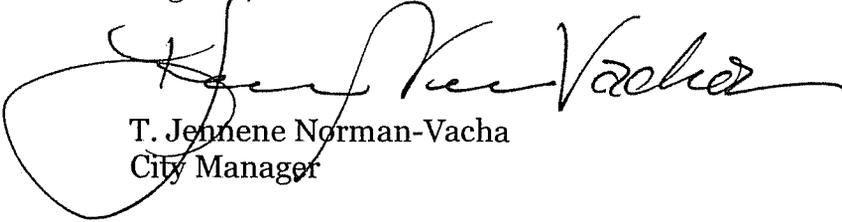
Randy Woodruff

March 12, 2008

Page 2

Should you have any questions, please let us know.

Regards,

A handwritten signature in black ink, appearing to read "T. Jennene Norman-Vacha". The signature is fluid and cursive, with a large loop at the beginning and end.

T. Jennene Norman-Vacha
City Manager

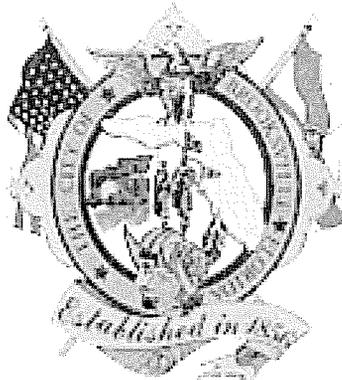
pc: City Council
Brooksville Housing Authority Commissioners
Ronnie McLean, Executive Director

Randy Woodruff, Chairman
James V. Brooks, Jr. Vice Chairman
Brian L. Adair
Clifford E. Manuel, Jr.
Gary E. Schraut
Yvette D. Taylor
Francine S. Ward

Brooksville Housing Authority
800 Continental Drive
Brooksville, Florida 34601

Phone: 352-796-6547
Fax: 352-796-4899

Ronnie C. McLean, Executive Director



BROOKSVILLE HOUSING AUTHORITY

BROOKSVILLE CITY COUNCIL

WORKSHOP/MEETING

APRIL 15, 2008

April 4, 2008

T. Jennene Norman-Vacha
City Manager
201 Howell Avenue
Brooksville, Florida 34601-2041

Dear Ms. Norman-Vacha:

Thank you for the opportunity to participate in the Workshop/Meeting with Brooksville City Council on April 15, 2008. Per your request, I have prepared the following information for discussion during the workshop/meeting:

1. Financial Reports including Income and Expense statements for fiscal year end 2007, operating budget for fiscal year 2008 and capital fund budget for fiscal year 2008;
2. BHA Procurement Policy recently approved by the Board of Commissioner and Personnel Policies for employees;
3. Board of Commissioners Training Syllabus and outline;
4. Letters from the U.S. Department of Housing and Urban Development (HUD) concerning BHA's troubled agency designation and the Memorandum of Agreement between the Housing Authority and HUD; and
5. Physical Needs Assessment completed by HUD that provides information concerning the condition of properties and a list of capital improvement work items that have been completed since June 2007 for both Summit Villas and Hillside Estates.

I look forward to working with you and the City Council to improve the quality of life for all BHA residents.

Sincerely,

Ronnie McLean
Executive Director

Cc: Brooksville Housing Authority Commissioners
City Council

AGENDA

1. Executive Summary
2. Financial Reports
 - a. Operating and Capital Fund Income and Expense Statement for Fiscal Year End 2007
 - b. Fiscal Year 2008 Operating Budget
 - c. Fiscal Year 2008 Capital Fund Budget
3. Policies and Procedures
 - a. Procurement Policy
 - b. Personnel Policies
4. Board Training
 - a. Training Syllabus
 - b. Training Module Outline 1-6
5. Status of Troubled Agency Designation
 - a. Letter from HUD Designating the BHA Troubled
 - b. Memorandum of Agreement Part A
 - c. Memorandum of Agreement Part B
6. Status of Property Condition
 - a. HUD Physical Needs Assessment
 - b. Completed Capital Improvement items at Summit Villas and Hillside Estates since June 2007

Executive Summary

Financial Reports:

The BHA Board of Commissioners approved the Fiscal Year 2008 Operating Budget on March 26, 2008. Included in this submission is a copy of the HUD approved Capital Fund Budget and a close out income and expense report for both Operating and Capital Fund Budgets.

Policies and Procedures:

The BHA Board of Commissioners approved a revised Procurement Policy on January 15, 2008. The Procurement Policy includes guidelines for procuring professional services contracts. In addition, included in this submission is a copy of the BHA Personnel Manual that includes policies for employees.

Board Training:

The BHA Board of Commissioners received 16 hours of board training on March 18, 19, 25 and 26, 2008. Included in this submission is the training syllabus and training modules.

Status of Troubled Agency Designation:

On November 30, 2007 HUD notified the BHA that it has been designated troubled based on an on-site review that was conducted August-September 2007. Based on this review, HUD prepared a Memorandum of Agreement that includes a broad range of corrective actions and strategies to assist the HA to return to an acceptable level of performance. Included in this submission is a copy of the Memorandum of Agreement and correspondence concerning troubled agency designation. The Memorandum of Agreement was adopted by the BHA Board of Commissioner on March 26, 2008.

PHA: FL074 FYED: 12/31/2007

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$10,913	\$0	\$10,913
114	Cash - Tenant Security Deposits	\$11,600	\$0	\$11,600
100	Total Cash	\$22,513	\$0	\$22,513
126	Accounts Receivable - Tenants - Dwelling Rents	\$35,990	\$0	\$35,990
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$-12,596	\$0	\$-12,596
120	Total Receivables, net of allowances for doubtful accounts	\$23,394	\$0	\$23,394
142	Prepaid Expenses and Other Assets	\$12,084	\$0	\$12,084
143	Inventories	\$31,581	\$0	\$31,581
143.1	Allowance for Obsolete Inventories	\$-1,263	\$0	\$-1,263
150	Total Current Assets	\$88,309	\$0	\$88,309
161	Land	\$1,948	\$0	\$1,948
162	Buildings	\$3,887,176	\$0	\$3,887,176
164	Furniture, Equipment & Machinery - Administration	\$127,500	\$0	\$127,500
166	Accumulated Depreciation	\$-2,847,858	\$0	\$-2,847,858
167	Construction in Progress	\$0	\$46,753	\$46,753
160	Total Fixed Assets, Net of Accumulated Depreciation	\$1,168,766	\$46,753	\$1,215,519
180	Total Non-Current Assets	\$1,168,766	\$46,753	\$1,215,519
190	Total Assets	\$1,257,075	\$46,753	\$1,303,828
312	Accounts Payable <= 90 Days	\$132,030	\$0	\$132,030
321	Accrued Wage/Payroll Taxes Payable	\$2,447	\$0	\$2,447
322	Accrued Compensated Absences - Current Portion	\$3,912	\$0	\$3,912
333	Accounts Payable - Other Government	\$29,129	\$0	\$29,129
341	Tenant Security Deposits	\$11,600	\$0	\$11,600
342	Deferred Revenues	\$1,425	\$0	\$1,425
310	Total Current Liabilities	\$180,543	\$0	\$180,543
350	Total Noncurrent Liabilities	\$0	\$0	\$0
300	Total Liabilities	\$180,543	\$0	\$180,543
508	Total Contributed Capital	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$1,168,766	\$46,753	\$1,215,519
511	Total Reserved Fund Balance	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$-92,234	\$0	\$-92,234
513	Total Equity/Net Assets	\$1,076,532	\$46,753	\$1,123,285
600	Total Liabilities and Equity/Net Assets	\$1,257,075	\$46,753	\$1,303,828
703	Net Tenant Rental Revenue	\$245,247	\$0	\$245,247

705	Total Tenant Revenue	\$245,247	\$0	\$245,247
706	HUD PHA Operating Grants	\$360,652	\$91,220	\$451,872
711	Investment Income - Unrestricted	\$252	\$0	\$252
700	Total Revenue	\$606,151	\$91,220	\$697,371
911	Administrative Salaries	\$89,194	\$0	\$89,194
912	Auditing Fees	\$9,000	\$0	\$9,000
915	Employee Benefit Contributions - Administrative	\$18,475	\$0	\$18,475
916	Other Operating - Administrative	\$89,497	\$0	\$89,497
924	Tenant Services - Other	\$1,257	\$0	\$1,257
931	Water	\$57,041	\$0	\$57,041
932	Electricity	\$35,742	\$0	\$35,742
933	Gas	\$72,893	\$0	\$72,893
941	Ordinary Maintenance and Operations - Labor	\$97,600	\$0	\$97,600
942	Ordinary Maintenance and Operations - Materials and Other	\$130,606	\$0	\$130,606
943	Ordinary Maintenance and Operations - Contract Costs	\$63,010	\$0	\$63,010
945	Employee Benefit Contributions - Ordinary Maintenance	\$20,834	\$0	\$20,834
961	Insurance Premiums	\$67,458	\$0	\$67,458
963	Payments in Lieu of Taxes	\$23,087	\$0	\$23,087
964	Bad Debt - Tenant Rents	\$11,014	\$0	\$11,014
969	Total Operating Expenses	\$786,708	\$0	\$786,708
970	Excess Operating Revenue over Operating Expenses	\$-180,557	\$91,220	\$-89,337
974	Depreciation Expense	\$148,807	\$0	\$148,807
900	Total Expenses	\$935,515	\$0	\$935,515
1001	Operating Transfers In	\$91,220	\$0	\$91,220
1002	Operating Transfers Out	\$0	\$-91,220	\$-91,220
1010	Total Other Financing Sources (Uses)	\$91,220	\$-91,220	\$0
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$-238,144	\$0	\$-238,144
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0
1103	Beginning Equity	\$1,314,676	\$46,753	\$1,361,429
1120	Unit Months Available	1,494	0	1,494
1121	Number of Unit Months Leased	1,376	0	1,376

PHA Plan Table Library

Component 7 Capital Fund Program Annual Statement Parts I, II, and III

Annual Statement/Performance and Evaluation Report		Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary		Federal FY of Grant: 2007	
PHA Name: BROOKSVILLE HOUSING AUTHORITY		Grant Type and Number Capital Fund Program Grant No: FL29PO7450107 Replacement Housing Factor Grant No:			

Line No.	Original Annual Statement Performance and Evaluation Report for Period Ending: 6/30/07	Reserve for Disasters/ Emergencies Summary by Development Account	X Revised Annual Statement (revision no: 1)		Final Performance and Evaluation Report		Total Actual Cost	
			Original	Revised	Obligated	Expended		
1	Total non-CFP Funds							
	0110 Initial Budget		130,972.00					
2	1406 Operations			19,700.00				
3	1408 Management Improvements			9,317.00				
4	1410 Administration		18,710.00	7,000.00				
5	1411 Audit							
6	1415 Liquidated Damages							
7	1430 Fees and Costs			20,000.00				
8	1440 Site Acquisition							
9	1450 Site Improvement			8,000.00				
10	1460 Dwelling Structures			123,085.00				
11	1465.1 Dwelling Equipment—Nonexpendable							
12	1470 Nondwelling Structures							
13	1475 Nondwelling Equipment							

Table Library

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: BROOKSVILLE HOUSING Grant Type and Number: Capital Fund Program Grant No: FL29PO7450107 Federal FY of Grant: 2007
 AUTHORITY Replacement Housing Factor Grant No:

Development Number Name/HA-Wide Activity	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
FL074PHAwide	INITIAL BUDGET	0110		130,972.00	.00			
FL074 PHAwide	OPERATIONS	1460		.00	19,700.00			
FL074PHAwide	MANAGEMENT IMPROVEMENT	1408		37,420.00	9,317.00			
FL07PHAwide	ADMINISTRATION	1410		18,710.00	7,000.00			
FL074-PHAwide	FEES & COST	1430			20,000.00			
FL074-PHAwide	SITE IMPROVEMENTS a. Landscaping	1450			8,000.00			
FL074-1 & 2	DWELLING STRUCTURES: a. Renovation of units, b. Building Stabilization c. Change Gas to Electric	1460	6	.00	123,085.00			

Table 1 - Summary

Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name:
 BROOKSVILLE HOUSING AUTHORITY

Grant Type and Number
 Capital Fund Program Grant No: FL29PO7450108
 Replacement Housing Factor Grant No:

Federal FY
 of Grant:
 2008

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
	0110 Initial Budget				
2	1406 Operations	20,102.00			
3	1408 Management Improvements	9,000.00			
4	1410 Administration	7,000.00			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	20,000.00			
8	1440 Site Acquisition				
9	1450 Site Improvement	8,000.00			
10	1460 Dwelling Structures	123,000.00			
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	187,102.00			
22	Amount of line 21 Related to LBP Activities				

**Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)**

Part II: Supporting Pages

PHA Name: BROOKSVILLE HOUSING
 AUTHORITY

Grant Type and Number
 Capital Fund Program Grant No: FL29PO7450108
 Replacement Housing Grant No:

Federal FY of Grant: 2008

Development Number Name/HA-Wide Activiti	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
FL074 PHAwide	OPERATIONS	1460		20,102.00				
FL074PHAwide	MANAGEMENT IMPROVEMENT	1408		9,000.00				
FL07PHAwide	ADMINISTRATION	1410		7,000.00				
FL074-PHAwide	FEES & COST	1430		20,000.00				
FL074-PHAwide	SITE IMPROVEMENTS a.Landscaping	1450		8,000.00				
FL074-1 & 2	DWELLING STRUCTRES: a.Renovation of units, b. Building Stabilization c. Change Gas to Electric	1460	6	123,000.00				

Capital Fund Program Five-Year Action Plan

Part II: Supporting Pages—Work Activities

Activities for Year 1		Activities for Year : <u>2</u> FFY Grant: 2009 PHA FY: 2009		Activities for Year: <u>3</u> FFY Grant: 2010 PHA FY: 2010	
Development Name/Number	Major Work Categories	Estimate	Development Name/Number	Major Work Categories	Estimated Cost
FL074-PHAWide	1406	90,000.00	FL074-PHAWide	1406	90,000.00
FL074-PHAWide	1408	5,000.00			
FL074 1&2	1460 a. A/C unit Installation	90,000.00	FL074-1&2	1460 a. A/C units installation	100,000.00
FL074-1&2	1465.1 Appliances	5,000.00			
Total CFP Estimated Cost		\$ 190,000.00			\$ 190,000.00

BROOKSVILLE HOUSING AUTHORITY

800 Continental Drive
Brooksville, Florida 34601

Procurement Policy

Adopted
January 15, 2008

Resolution #08-1

Table of Contents

I. GENERAL	<u>-1-</u>
II. PROCUREMENT AUTHORITY AND ADMINISTRATION	<u>-1-</u>
A. Administration	<u>-1-</u>
B. Responsibility	<u>-1-</u>
C. Written Procedures.....	<u>-1-</u>
D. Policy Approval	<u>-2-</u>
III. PROCUREMENT METHODS	<u>-2-</u>
A. Small Purchase Procedures	<u>-2-</u>
B. Invitation For Bids (IFB) - Sealed Bidding	<u>-2-</u>
1. Advertisement	<u>-2-</u>
2. Awarding Contacts.....	<u>-3-</u>
3. Invitation For Bids (IFB)	<u>-3-</u>
4. Public Bid Opening.....	<u>-3-</u>
5. Additional requirements.....	<u>-3-</u>
6. Change to IFB	<u>-4-</u>
C. Contractors	<u>-4-</u>
D. Competitive Proposals	<u>-5-</u>
1. General Services	<u>-5-</u>
2. Architectural/Engineering services	<u>-5-</u>
3. Price Reasonableness	<u>-5-</u>
4. When Not To Use	<u>-5-</u>
E. Non-competitive Proposals	<u>-6-</u>
F. Purchase under State or Local Governmental Contracts	<u>-6-</u>
G. Affirmative Action Plan.....	<u>-6-</u>
H. Appeals and Remedies	<u>-6-</u>
I. Code of Conduct	<u>-7-</u>
J. Funding	<u>-7-</u>
K. Amendments	<u>-8-</u>
L. Cost Analysis	<u>-8-</u>
M. Cancellation of Solicitations	<u>-8-</u>
 Attachment A	<u>-9-</u>
Purchase Tabulation.....	<u>-9-</u>

I. GENERAL

The purpose of this Procurement/Disposition Policy is to assure that goods, services and contracts are procured and surplus goods are disposed of at the most favorable prices to the Public BROOKSVILLE HOUSING AUTHORITY (PHA) in full compliance with the applicable U.S. Department of Housing and Urban Development (HUD) regulations and State and local laws. The procurement policy is one of the most important documents developed by the Authority as it directly controls how funds are spent. The following local policy is adopted to insure proper and reasonable criteria for consideration in all purchases.

II. PROCUREMENT AUTHORITY AND ADMINISTRATION

- A. Administration - Procurement shall be administered by the Executive Director or other individuals authorized by him/her. The Executive Director has implemented the Authority Board approved procurement policy by:
1. Transmitting a memo to all employees advising them of the procurement policy.
 2. Posting an adopted copy of the policy on the employee bulletin board.

NOTE

The Executive Director and/or authorized individuals shall insure that records of all purchases are obtained and properly maintained.

- B. Responsibility - It is the responsibility of the Executive Director or his/her designee to ascertain that:
1. The yearly procurement is adequately and timely planned.
 2. The procurement documents clearly specify the desired products, contracts, and services, as well as the methods of award.
 3. The solicitation procedures are conducted in compliance with federal law and regulations.
 4. There are sufficient unencumbered funds for each procurement to defray the cost of contracts.
- C. Written Procedures - The Executive Director may establish written procedures to monitor the procurement actions ensuring compliance with this Procurement Policy, and to prevent fraud and abuse. (See Attachment "A")

- D. Policy Approval - This policy and any changes hereto shall be submitted to the Board for approval.

Situations not covered by this policy shall be addressed using guidance contained in HUD Procurement Handbook (7460.8, REV. 1) or subsequent version, and 24 CFR Part 85. Emergency procurements shall follow the above guidelines as well.

III. PROCUREMENT METHODS

The procurement shall be carefully planned in advance with due respect to the anticipated need, procurement time, availability of storage space and other relevant factors assuring that the best quality goods, contracts and services are procured on a timely basis at the best price. Purchase orders, invoices, check vouchers, or other proof of payment should be used for **all** purchases and shall be maintained in an orderly fashion. Small purchases below \$1,000 if practicable, will be distributed equitably among qualified sources and if practicable a quotation shall be solicited from other than the previous source.

A. Small Purchase Procedures

1. Petty Cash will be set at the amount of \$100. This is for items that are purchased locally and represent items that are not purchased in bulk (Film, developing pictures, etc.). (See Attachment "A")
2. For small purchases in excess of \$1,000 but not exceeding \$10,000, no less than three offers shall be solicited to submit price quotations, which may be obtained by telephone, in writing, or by sealed bid. Purchases cannot be divided in order to avoid adhering to requirements at higher dollar thresholds. The Executive Director or any other person authorized by him/her shall be responsible for maintaining files of all price quotes requested and received. The files shall contain the names, addresses, telephone numbers of the firms/persons contacted and their quotes. (See Attachment "A")

B. Invitation For Bids (IFB) - Sealed Bidding - Required for all procurement in excess of \$10,000. Sealed bidding is the method for construction procurement of contractors or suppliers when the procurement is expected to exceed \$10,000. The following procedure shall be followed:

1. Advertisement - Advertise publicly, at least ten (10) calendar days prior to the bid opening date, in at least one newspaper of general circulation, to solicit formal sealed bids. In addition to this, bids shall be solicited from all reputable dealers/contractors known to have business in selling the product or providing services desired by the PHA, and notices posted in public places for competition.

2. Awarding Contacts - Contracts shall be awarded based on competitive sealed bids if the following conditions are present:
 - a. A complete, adequate, and realistic specification or purchase description is available.
 - b. The procurement lends itself to a firm fixed price contract; and the selection of the successful bidder can be made principally on the basis of price.
 - c. HUD approval for contract award must be obtained if the PHA receives only one bid.

3. Invitation For Bids (IFB)- Invitation for bids are issued, which contains the specifications, the instructions to bidders, and required contract forms to be used. The IFB is issued to all sources who responded to the public notice, as well as any other firms known by the Authority to be able to perform the work. Adequate time should be allowed for potential contractors to submit bids. Each bid shall be date-time stamped upon receipt. Sealed bids shall be locked until the specified bid opening time. A bid received after the time specified for bid opening shall be recorded as a late bid and retained unopened in the contract file.

4. Public Bid Opening - At the time stated in the IFB, the Authority shall conduct a public bid opening, reading aloud the names of the bidders and prices received. Bids shall at this time be open for inspection to other bidders. This information shall be recorded and made available for public inspection (see Attachment A). The next step is to determine whether the low bid is responsive to the IFB (conforms to its requirements), and, if the bid is responsive, analyze the low bidder's capability to perform the work. The Authority must also perform a price analysis, which may be as simple as comparing the prices received to the in-house cost estimate to ensure that the contract price will be reasonable. After determining that the low bidder is both responsive to the IFB and responsible to perform the work, the Authority then awards the contract. The HA may allow for the withdrawal of the bid without forfeit of the bid bond where material mistakes in the bid can be documented to the satisfaction of the HA.

5. Additional requirements, Contacts over \$10,000 - For construction contracts over \$10,000, contractors shall be required to submit the following unless otherwise required by State or local laws or regulations
 - a. A bid guarantee equivalent to 5% of the bid price;

 - b. The successful bidder shall post a performance bond or other acceptable surety for 100% of the contract price. Other acceptable sureties are a cash escrow equivalent to 20% of the contract amount or an irrevocable letter of credit in favor of the PHA for 25% of the contract amount.

- c. A payment bond, or other acceptable surety, for 100% of the contract price. (Insurance should be required in the general condition of the bid document.)
6. Change to IFB - If a change to the IFB becomes necessary after it has been issued, the change shall be accomplished by issuing a written amendment. A copy of the amendment shall be mailed (certified mail, return receipt) to each prospective bidder who was sent the basic IFB. Insurance requirements should be stated in the general conditions of the bid document.

C. Contractors - HA Responsibilities dealing with Qualifications and Administration

1. Obtaining quality workmanship and products from contractors is critical given limited Authority resources. Consequently, it is essential that the Authority do business only with contractors who are considered responsible. Responsible contractors are those who have the ability to perform the required work, both financially and technically, and who have a satisfactory record of integrity, past performance, and compliance with public policy.
2. Small Authorities should strive to award their procurement on a firm-fixed-price basis as much as possible. Under this pricing arrangement, the risk of increased cost during contract performance is on the contractor, because the price is established in the contract and is not subject to later adjustment.
3. Once the contract is awarded, the Authority shall strive to ensure that the supplies, services, or construction under contract are performed in an acceptable manner. Failure to closely monitor progress and work performance can result in unnecessary additional costs and time delays for the Authority. The primary function of the Authority is administering contracts and to monitor the contractor's work, which involves ensuring proper receipt of the work being performed, inspecting the work, and accepting or rejecting the work as appropriate. The Authority should pay only for acceptable work.
4. The contractor must sign and receive a copy of the Contractor Drug statement titled, Contractor/Contract Labor Drug-Free Workplace Policy and Contractor Acknowledgment Drug-Free Workplace and any other required HUD documents.

D. Competitive Proposals - Request for Proposals (RFPs)

1. General Services - All procurement transactions are expected to be based on "full and open" competition (24 CFR 85.36 (c)). The Request for

Proposals shall clearly identify the evaluation factors and their relative importance, give an accurate description of the material, product or service being purchased, and shall be published. The Authority will not restrict competition. Evaluation of proposals will not be based solely on local geographical preference. (**EXCEPTION: Contracting With Resident-Owned Businesses**) After the proposals are received, they will be rated, and the responsible firm whose qualifications, price and other factors which when considered, are the most advantageous to the PHA, shall be awarded the contract. Under the competitive proposal method, both technical and price factors shall be considered in awarding the contract. Proposals are not publicly opened, but are kept confidential. The basis for selection is, however, subject to public inspection. After the selection is made, the basis for the selection, which are the evaluation factors, are subject to public inspection.

After a selection is made, all firms will be notified of the HA's selection.

2. Architectural/Engineering services: State law does not mandate Qualification Base Selection (QBS). The HA may choose to use either QBS or the normal competitive proposals method where price and technical factors are considered during the evaluation process. If QBS is used, the request for proposals shall identify the evaluation factors where price is not used as a selection factor. The most qualified competitor shall be selected on the basis of such evaluation subject to the negotiation of a fair and reasonable compensation. The HA then negotiates a fair and reasonable price with the best qualified firm, unless agreement cannot be reached, at which time the HA may negotiate with the next best qualified firm.
3. Price Reasonableness - Price reasonableness must be based on a comparison of competitive quotes received, catalog or market comparison with other recent competitive purchases of the same item. Copies of any commercial price lists used in making the price reasonableness determination should be included in the procurement files.
4. When Not To Use - The competitive proposal method shall not be used when sealed bidding is feasible.

NOTE

The competitive method of procurement is used when small purchases and sealed bidding are not appropriate. Under this method, the Authority issues an RFP soliciting price and technical proposals from potential sources.

- E. Non-competitive Proposals - Procurement by non-competitive proposals shall be used only when the procurement by the aforementioned methods is not feasible. This involves emergency situations which may endanger life or property, sole

source procurement and not receiving responses to solicitations. The proposed award of the contract by this method shall always be based on a thorough analysis verifying the proposed cost data, their projections, the evaluation of cost elements and profit. **The proposed award shall be submitted to HUD for concurrence as soon as possible.** Non-competitive proposals are also used after soliciting competitively, only when one offer has been received.

- F. Purchase under State or Local Governmental Contracts - The Authority shall enter into any available governmental agreement to procure under (State, County or City) contracts. The agreement shall stipulate the Authority is authorized to procure under such agreement. The decision to use an intergovernmental agreement or conduct a direct procurement shall be based on economy and efficiency.
- G. Affirmative Action Plan - Positive efforts shall be made by the Executive Director or designee to assure that steps are taken to solicit minority firm participation. Such efforts shall include, but shall not be limited to:
 - a. Developing a bidder's mailing list of these qualified sources, and encouraging them in the form of direct invitation to compete for contracts; and;
 - b. Assuring them that their participation in the solicitation procedures is solicited whenever they are potential sources.
- H. Appeals and Remedies - The resolution of disputes arising from the solicitation and award of procurement of contracts, bid protests, and contract performance claims shall be conducted in full compliance with applicable HUD regulations. An actual or prospective contractor may protest the solicitation or award of an Authority procurement only for a serious violation of the standards of the Authority's procurement policy and operational procedures. Complainants should seek resolution of their concerns initially with the contracting officer. Such complaints may be oral or written. If the matter is not resolved on this basis, then the contractor, within ten calendar days, may file a formal written protest. The protest should include, as a minimum, the following information:
 - 1. Name, address, and phone number of the protester;
 - 2. Identification of the procurement, including solicitation or contract number;
 - 3. A statement of the reasons for the protest;
 - 4. Supporting exhibits, evidence, or documents to substantiate any

arguments; and

5. The form of relief requested.

Efforts shall be made to resolve all disputes at Authority level.

I. Code of Conduct

1. No employee, commissioner, officer or agent of this Authority shall participate in the selection or in the award or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in a firm selected for award is held by:
 - a. An employee, commissioner, officer or agent involved in making the award;
 - b. Any member of his/her immediate family;
 - c. His/her partner; or
 - d. An organization which employs or is about to employ any of the above.
2. Authority officers, commissioners, employees or agents shall not solicit or accept gratuities, favors or anything of monetary value from vendors, contractors, potential contractors, or parties to subcontracts.
3. Confidential information shall not be used for personal gain.

J. Funding

1. Each procurement request should be routed through the Executive Director. An indication should be made on the face of the purchase request that sufficient funds are available to cover the estimated cost of the items requested. Funds that are reserved or obligated are then "frozen" and can be used only to pay for the specific contract, agreement, or small purchase.
2. Every Authority contract shall indicate the schedule for payment to the contractor. To maintain good relations with contractor, the Authority should ensure that work performed by contractors is inspected in a timely manner and that contractor invoices are paid promptly for work accepted by the Authority.

K. Amendments

Amendments to the specifications or requirements set forth in an IFB or RFP shall be in writing. The amendment shall indicate the changes in scope of the work to be provided and issued to each firm that was provided a copy of the original bid/proposal package. Amendments shall be mailed via certified mail or email with delivery receipt to document receipt. Openings may be delayed to allow time to revise the bid/proposal.

L. Cost Analysis

The Executive Director or his/her designee shall conduct an independent cost or price analysis, which shall be confidential, to ensure that the bid/proposal(s) received are fair and reasonable.

M. Cancellation of Solicitations

Cancellation of a solicitation shall be fully documented in the file. Notice of cancellation shall be sent to all prospective contractor/firm solicited, including any prospective contractor/firm responding from advertisement. If the solicitation is canceled prior to the opening date, the offers will be returned unopened. If the solicitation is canceled after the opening date, all offers will be rejected. Solicitations will not be canceled without proper justification and documentation.

Attachment A
Purchase Tabulation
Description of Product or Service

Method of Procurement

] Petty Cash] Small Purchase] RFP] IFB] Non-competitive Proposals

Response Tabulation

Vendor Name/Phone Number	Contact Person	Date of Request	Date / Time of Response or Opening	Requirements Met (Yes / No)	RFP Score	Price	Final Ranking
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							

This procurement has been done in accordance with the procurement policy and the results are as follows:

Employee Signature	Successful Vendor	Date Notified	Price	Final Ranking

Brooksville Housing Authority

Brooksville Housing Authority

EMPLOYEE MANUAL

Issue Date: 11/01/99

Brooksville Housing Authority

Brooksville Housing Authority

EMPLOYEE MANUAL

Issue Date: 11/01/99

Brooksville Housing Authority

Welcome new employee!

On behalf of your colleagues, I welcome you to BHA and wish you every success here.

We believe that each employee contributes directly to BHA's growth and success, and we hope you will take pride in being a member of our team.

This handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee handbook as soon as possible, for it will answer many questions about employment with BHA.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Sincerely,

Brooksville Housing Authority

ORGANIZATION DESCRIPTION

I. Services Provided

II. Facilities and Location(s)

III. The History of BHA

IV. Organizational Structure

V. Management Philosophy

VI. Goals

INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with BHA and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by BHA to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As BHA continues to grow, the need may arise and BHA reserves the rights to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. The only exception to any changes is our employment-at-will policy permitting you or BHA to end our relationship for any reason at any time. Employees will, of course, be notified of such changes to the handbook as they occur.

Brooksville Housing Authority

EMPLOYEE ACKNOWLEDGEMENT FORM

The employee handbook describes important information about BHA, and I understand that I should consult the Executive Director regarding any questions not answered in the handbook. I have entered into my employment relationship with BHA voluntarily and acknowledge that there is no specified length of employment. Accordingly, either I or BHA can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to BHA's policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the chief executive officer of BHA has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

EMPLOYEE'S NAME (printed): _____

EMPLOYEE'S SIGNATURE: _____

DATE: _____

Brooksville Housing Authority

101 Nature of Employment

Effective Date: 11/01/99

Employment with BHA is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, BHA may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal or state law.

Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between BHA and any of its employees. The provisions of the handbook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at BHA's sole discretion.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the chief executive officer of BHA.

Brooksville Housing Authority

102 Employee Relations

Effective Date: 11/01/99

BHA believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that BHA amply demonstrates its commitment to employees by responding effectively to employee concerns.

In an effort to protect and maintain direct employer/employee communications, we will resist organization, within applicable legal limits, and protect the right of employees to speak for themselves.

If and when employees examine the option of representation by individuals outside BHA, however, we strongly encourage careful consideration of such related issues as regular deductions from paychecks for representation fees, the potential for outside interference with supervisory relationships, and the commitment to comply with directions from third parties.

Brooksville Housing Authority

103 Equal Employment Opportunity

Effective Date: 11/01/99

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at BHA will be based on merit, qualifications, and abilities. BHA does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

BHA will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

In addition to a commitment to provide equal employment opportunities to all qualified individuals, BHA has established an affirmative action program to promote opportunities for individuals in certain protected classes throughout the organization.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Brooksville Housing Authority

104 Business Ethics and Conduct

Effective Date: 11/01/99

The successful business operation and reputation of BHA is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of BHA is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to BHA, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

BHA will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with the Executive Director for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every BHA employee.

Brooksville Housing Authority

105 Hiring of Relatives

Effective Date: 11/01/99

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried over into day-to-day working relationships.

For purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

Relatives of current employees may not occupy a position that will be working directly for or supervising their relative.

If a relative relationship is established after employment between employees who are in a reporting situation described above, it is the responsibility and obligation of the supervisor involved in the relationship to disclose the existence of the relationship to management. The individuals concerned will be given the opportunity to decide who is to be transferred to another available position. If that decision is not made within 30 calendar days, management will decide who is to be transferred or, if necessary, terminated from employment.

In other cases where a conflict or the potential for conflict arises because of the relationship between employees, even if there is no line of authority or reporting involved, the employees may be separated by reassignment or terminated from employment.

Brooksville Housing Authority

106 Employee Medical Examinations

Effective Date: 11/01/99

To help ensure that employees are able to perform their duties safely, medical examinations may be required.

After an offer has been made to an applicant entering a designated job category, a medical examination will be performed at BHA's expense by a health professional of BHA's choice. The offer of employment and assignment to duties is contingent upon satisfactory completion of the exam.

Information on an employee's medical condition or history will be kept separate from other employee information and maintained confidentially. Access to this information will be limited to those who have a legitimate need to know.

Brooksville Housing Authority

107 Immigration Law Compliance

Effective Date: 11/01/99

BHA is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with BHA within the past three years, or if their previous I-9 is no longer retained or valid.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the Executive Director. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

Brooksville Housing Authority

108 Conflicts of Interest

Effective Date: 11/01/99

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which BHA wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Executive Director for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of BHA's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of BHA as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which BHA does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving BHA.

Brooksville Housing Authority

110 Outside Employment

Effective Date: 11/01/99

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with BHA. All employees will be judged by the same performance standards and will be subject to BHA's scheduling demands, regardless of any existing outside work requirements.

If BHA determines that an employee's outside work interferes with performance or the ability to meet the requirements of BHA as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with BHA.

Outside employment will present a conflict of interest if it has an adverse impact on BHA.

Brooksville Housing Authority

112 Non-Disclosure

Effective Date: 11/01/99

The protection of confidential business information and trade secrets is vital to the interests and the success of BHA. Such confidential information includes, but is not limited to, the following examples:

- * compensation data
- * customer lists
- * financial information

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information.

Brooksville Housing Authority

114 Disability Accommodation

Effective Date: 11/01/99

BHA is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

Hiring procedures have been reviewed and provide persons with disabilities meaningful employment opportunities. Pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.

Reasonable accommodation is available to all disabled employees, where their disability affects the performance of job functions. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists. Leave of all types will be available to all employees on an equal basis.

BHA is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability. BHA will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

This policy is neither exhaustive nor exclusive. BHA is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with the ADA and all other applicable federal, state, and local laws.

Brooksville Housing Authority

116 Job Posting

Effective Date: 11/01/99

BHA provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, notices of all regular, full-time job openings are posted, although BHA reserves its discretionary right to not post a particular opening.

Job openings will be posted on the employee bulletin board and normally remains open for 14 days. Job opening will also be advertised in the local paper once a week for two (2) weeks with the deadline for filing applications one (1) week after the second publication. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications (required skills and abilities).

To be eligible to apply for a posted job, employees must have performed competently for at least 180 calendar days in their current position. Employees who have a written warning on file, or are on probation or suspension are not eligible to apply for posted jobs. Eligible employees can only apply for those posted jobs for which they possess the required skills, competencies, and qualifications.

To apply for an open position, employees should submit a job posting application to the Executive Director listing job-related skills and accomplishments. It should also describe how their current experience with BHA and prior work experience and/or education qualifies them for the position.

Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.

Brooksville Housing Authority

201 Employment Categories

Effective Date: 11/01/99

It is the intent of BHA to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and BHA.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by BHA management.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work BHA's full-time schedule. Generally, they are eligible for BHA's benefit package, subject to the terms, conditions, and limitations of each benefit program.

INTRODUCTORY employees are those whose performance is being evaluated to determine whether further employment in a specific position or with BHA is appropriate. Employees who satisfactorily complete the introductory period will be notified of their new employment classification.

TEMPORARY employees are those who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of BHA's other benefit programs.

CASUAL employees are those who have established an employment relationship with BHA but who are assigned to work on an intermittent and/or unpredictable basis. While they receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of BHA's other benefit programs.

Brooksville Housing Authority

202 Access to Personnel Files

Effective Date: 11/01/99

BHA maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of BHA, and access to the information they contain is restricted. Generally, only supervisors and management personnel of BHA who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the Executive Director. With reasonable advance notice, employees may review their own personnel files in BHA's offices and in the presence of an individual appointed by BHA to maintain the files.

Brooksville Housing Authority

203 Employment Reference Checks

Effective Date: 11/01/99

To ensure that individuals who join BHA are well qualified and have a strong potential to be productive and successful, it is the policy of BHA to check the employment references of all applicants.

The Executive Director will respond in writing only to those reference check inquiries that are submitted in writing. Responses to such inquiries will confirm only dates of employment, wage rates, and position(s) held. No employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry.

Brooksville Housing Authority

204 Personnel Data Changes

Effective Date: 11/01/99

It is the responsibility of each employee to promptly notify BHA of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Executive Director.

Brooksville Housing Authority

205 Introductory Period

Effective Date: 11/01/99

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. BHA uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or BHA may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first 120 calendar days after their date of hire. Employees who are promoted or transferred within BHA must complete a secondary introductory period of the same length with each reassignment to a new position. Any significant absence will automatically extend an introductory period by the length of the absence. If BHA determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

In cases of promotions or transfers within BHA, an employee who, in the sole judgment of management, is not successful in the new position can be removed from that position at any time during the secondary introductory period. If this occurs, the employee may be allowed to return to his or her former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and BHA's needs.

Upon satisfactory completion of the initial introductory period, employees enter the "regular" employment classification.

During the initial introductory period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. They may also be eligible for other BHA-provided benefits, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirements.

Employment status is not changed during the secondary introductory period that results from a promotion or transfer within BHA.

Brooksville Housing Authority

208 Employment Applications

Effective Date: 11/01/99

BHA relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

In processing employment applications, BHA may obtain a consumer credit report for employment purposes only concerning credit worthiness, credit standing, and credit capacity. If BHA takes an adverse employment action based in whole or in part on the consumer credit report, a copy of the report and a summary of your rights under the Fair Credit Reporting Act will be provided as well as any other documents required by law.

Brooksville Housing Authority

209 Performance Evaluation

Effective Date: 11/01/99

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted at the end of an employee's initial period in any new position. This period, known as the introductory period, allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position. Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

The performance of all employees is generally evaluated according to an ongoing 12-month cycle, beginning at the Fiscal-year end.

Merit-based pay adjustments are awarded by BHA in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance evaluation process.

Brooksville Housing Authority

301 Employee Benefits

Effective Date: 11/01/99

Eligible employees at BHA are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are available to eligible employees:

- * Auto Mileage
- * Benefit Conversion at Termination
- * Bereavement Leave
- * Family Leave
- * Health Insurance
- * Holidays
- * Jury Duty Leave
- * Life Insurance
- * Major Medical Insurance
- * Medical Insurance
- * Medical Leave
- * Military Leave
- * Parking
- * Pension Plan
- * Personal Leave
- * Severance Pay
- * Sick Leave Benefits
- * Travel Allowances
- * Vacation Benefits
- * Voting Time Off
- * Witness Duty Leave

Some benefit programs require contributions from employees, but most are fully paid by BHA. The benefit package for regular full-time employees represents an additional cost to BHA of approximately 35 percent of wages.

Brooksville Housing Authority

303 Vacation Benefits

Effective Date: 11/01/99

Vacation time off with pay is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Employees in the following employment classification(s) are eligible to earn and use vacation time as described in this policy:

- * Regular full-time employees
- * Introductory employees

The amount of paid vacation time employees receive each year increases with the length of their employment as shown in the following schedule:

* Upon initial eligibility the employee is entitled to 10 vacation days each year, accrued monthly at the rate of 0.833 days.

* After 5 year of eligible service the employee is entitled to 15 vacation days each year, accrued monthly at the rate of 1.250 days.

* After 15 years of eligible service the employee is entitled to 20 vacation days each year, accrued monthly at the rate of 1.670 days.

* After 20 years of eligible service the employee is entitled to 25 vacation days each year, accrued monthly at the rate of 2.099 days.

The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when the employee starts to earn vacation time. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. (See individual leave of absence policies for more information.)

Once employees enter an eligible employment classification, they begin to earn paid vacation time according to the schedule. They can request use of vacation time after it is earned.

Paid vacation time can be used in minimum increments of one-half hour. To take vacation, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

Vacation time off is paid at the employee's base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

Brooksville Housing Authority

As stated above, employees are encouraged to use available paid vacation time for rest, relaxation, and personal pursuits. In the event that available vacation is not used by the end of the benefit year, employees may carry unused time forward to the next benefit year. If the total amount of unused vacation time reaches a "cap" equal to two times the annual vacation amount, further vacation accrual will stop. When the employee uses paid vacation time and brings the available amount below the cap, vacation accrual will begin again.

Upon termination of employment, employees will be paid for unused vacation time that has been earned through the last day of work.

Brooksville Housing Authority

305 Holidays

Effective Date: 11/01/99

BHA will grant holiday time off to all employees on the holidays listed below:

- * New Year's Day (January 1)
- * Martin Luther King, Jr. Day (third Monday in January)
- * Presidents' Day (third Monday in February)
- * Memorial Day (last Monday in May)
- * Independence Day (July 4)
- * Labor Day (first Monday in September)
- * Columbus Day (second Monday in October)
- * Veterans' Day (November 11)
- * Thanksgiving (fourth Thursday in November)
- * Day after Thanksgiving
- * Christmas (December 25)

BHA will grant paid holiday time off to all eligible employees immediately upon assignment to an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day. Eligible employee classification(s):

- * Regular full-time employees
- * Introductory employees

If a recognized holiday falls during an eligible employee's paid absence (e.g., vacation, sick leave), the employee will be ineligible for holiday pay.

If eligible nonexempt employees work on a recognized holiday, they will receive holiday pay plus wages at one and one-half times their straight-time rate for the hours worked on the holiday.

In addition to the recognized holidays previously listed, eligible employees will receive 1 floating holidays in each anniversary year. These holidays must be scheduled with the prior approval of the employee's supervisor.

Paid time off for holidays will be counted as hours worked for the purposes of determining whether overtime pay is owed.

Brooksville Housing Authority

306 Workers' Compensation Insurance

Effective Date: 11/01/99

BHA provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

Neither BHA nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by BHA.

Brooksville Housing Authority

307 Sick Leave Benefits

Effective Date: 11/01/99

BHA provides paid sick leave benefits to all eligible employees for periods of temporary absence due to illnesses or injuries. Eligible employee classification(s):

- * Regular full-time employees
- * Introductory employees

Eligible employees will accrue sick leave benefits at the rate of 12 days per year (1 day for every full month of service). Sick leave benefits are calculated on the basis of a "benefit year," the 12-month period that begins when the employee starts to earn sick leave benefits.

Paid sick leave can be used in minimum increments of one-half hour. Eligible employees may use sick leave benefits for an absence due to their own illness or injury or that of a family member who resides in the employee's household.

Employees who are unable to report to work due to illness or injury should notify their direct supervisor before the scheduled start of their workday if possible. The direct supervisor must also be contacted on each additional day of absence. If an employee is absent for three or more consecutive days due to illness or injury, a physician's statement must be provided verifying the disability and its beginning and expected ending dates. Such verification may be requested for other sick leave absences as well and may be required as a condition to receiving sick leave benefits. Before returning to work from a sick leave absence of 5 calendar days or more, an employee must provide a physician's verification that he or she may safely return to work.

Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence and will not include any special forms of compensation.

Unused sick leave benefits will be allowed to accumulate indefinitely.

Sick leave benefits are intended solely to provide income protection in the event of illness or injury, and may not be used for any other absence. Unused sick leave benefits will not be paid to employees while they are employed or upon termination for cause of employment. However, at retirement, every 20 days of sick leave accumulated will equal 1 (one) month of retirement.

Brooksville Housing Authority

308 Time Off to Vote

Effective Date: 11/01/99

BHA encourages employees to fulfill their civic responsibilities by participating in elections. Generally, employees are able to find time to vote either before or after their regular work schedule. If employees are unable to vote in an election during their non working hours, BHA will grant up to 1 hour of paid time off to vote.

Employees should request time off to vote from their supervisor at least two working days prior to the election day. Advance notice is required so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

Brooksville Housing Authority

309 Bereavement Leave

Effective Date: 11/01/99

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately.

Up to 3 days of paid bereavement leave will be provided to eligible employees in the following classification(s):

- * Regular full-time employees
- * Introductory employees

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary.

BHA defines "immediate family" as the employee's spouse, parent, child, sibling; the employee's spouse's parent, child, or sibling; the employee's child's spouse; grandparents or grandchildren.

Brooksville Housing Authority

311 Jury Duty

Effective Date: 11/01/99

BHA encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees in an eligible classification may request up to 2 weeks of paid jury duty leave over any 2-year period.

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Employee classifications that qualify for paid jury duty leave are:

- * Regular full-time employees
- * Introductory employees

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either BHA or the employee may request an excuse from jury duty if, in BHA's judgment, the employee's absence would create serious operational difficulties.

BHA will continue to provide health insurance benefits until the end of the month in which the unpaid jury duty leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from jury duty, benefits will again be provided by BHA according to the applicable plans.

Benefit accruals such as vacation, sick leave, or holiday benefits will be suspended during unpaid jury duty leave and will resume upon return to active employment.

Brooksville Housing Authority

312 Witness Duty

Effective Date: 11/01/99

BHA encourages employees to appear in court for witness duty when subpoenaed to do so.

If employees have been subpoenaed or otherwise requested to testify as witnesses by BHA, they will receive paid time off for the entire period of witness duty.

Employees will be granted a maximum of 8 hours of paid time off to appear in court as a witness at the request of a party other than BHA. Employees will be paid at their base rate and are free to use any remaining paid leave benefits (such as vacation leave) to receive compensation for any period of witness duty absence that would otherwise be unpaid.

The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits.

Brooksville Housing Authority

313 Benefits Continuation (COBRA)

Effective Date: 11/01/99

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under BHA's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at BHA's group rates plus an administration fee. BHA provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under BHA's health insurance plan. The notice contains important information about the employee's rights and obligations.

Brooksville Housing Authority

316 Health Insurance

Effective Date: 11/01/99

BHA's health insurance plan provides employees and their dependents access to medical insurance benefits. Employees in the following employment classifications are eligible to participate in the health insurance plan:

- * Regular full-time employees

Eligible employees may participate in the health insurance plan subject to all terms and conditions of the agreement between BHA and the insurance carrier.

A change in employment classification that would result in loss of eligibility to participate in the health insurance plan may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) policy for more information.

Details of the health insurance plan are described in the Summary Plan Description (SPD). An SPD and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact the Executive Director for more information about health insurance benefits.

Brooksville Housing Authority

317 Life Insurance

Effective Date: 11/01/99

Life insurance offers you and your family important financial protection. BHA provides a basic life insurance plan for eligible employees. Additional supplemental life insurance coverage may also be purchased.

Employees in the following employment classifications are eligible to participate in the life insurance plan:

- * Regular full-time employees

Eligible employees may participate in the life insurance plan subject to all terms and conditions of the agreement between BHA and the insurance carrier.

Details of the basic life insurance plan including benefit amounts are described in the Summary Plan Description provided to eligible employees. Contact the Executive Director for more information about life insurance benefits.

Brooksville Housing Authority

401 Timekeeping

Effective Date: 11/01/99

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require BHA to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Nonexempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Overtime work must always be approved before it is performed.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

Nonexempt employees should report to work no more than 15 minutes prior to their scheduled starting time nor stay more than 15 minutes after their scheduled stop time without expressed, prior authorization from their supervisor.

It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing. In addition, if corrections or modifications are made to the time record, both the employee and the supervisor must verify the accuracy of the changes by initialing the time record.

Brooksville Housing Authority

403 Paydays

Effective Date: 11/01/99

All employees are paid monthly. To receive pay for a given period, the employee must complete a time and attendance report which is to be approved and signed by the Executive Director. Each employee is responsible for entering his/her own time on a daily basis. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

If a regular payday falls during an employee's vacation, the employee may receive his or her earned wages before departing for vacation if a written request is submitted at least one week prior to departing for vacation.

Brooksville Housing Authority

405 Employment Termination

Effective Date: 11/01/99

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- * Resignation - voluntary employment termination initiated by an employee.
- * Discharge - involuntary employment termination initiated by the organization.
- * Layoff - involuntary employment termination initiated by the organization for nondisciplinary reasons.
- * Retirement - voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization.

BHA will generally schedule exit interviews at the time of employment termination. The exit interview will afford an opportunity to discuss such issues as employee benefits, conversion privileges, repayment of outstanding debts to BHA, or return of BHA-owned property. Suggestions, complaints, and questions can also be voiced.

Since employment with BHA is based on mutual consent, both the employee and BHA have the right to terminate employment at will, with or without cause, at any time. Employees will receive their final pay in accordance with applicable state law.

Employee benefits will be affected by employment termination in the following manner. All accrued, vested benefits that are due and payable at termination will be paid. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Brooksville Housing Authority

407 Severance Pay

Effective Date: 11/01/99

BHA provides severance pay to eligible employees whose employment is terminated for reasons that are not prejudicial to BHA, as determined by BHA in its sole discretion. Severance pay will be provided to the following eligible employee classifications:

- * Regular full-time employees
- * Introductory employees

Specifically excluded from benefits under this provision are employees who: were hired as temporary employees for a specified period of time; were offered but refused to accept another suitable position with the organization; were provided the opportunity to be retained for any length of time by a successor employer.

Brooksville Housing Authority

408 Pay Advances

Effective Date: 11/01/99

BHA does not provide pay advances on unearned wages to employees.

Brooksville Housing Authority

409 Administrative Pay Corrections

Effective Date: 11/01/99

BHA takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the Executive Director so that corrections can be made as quickly as possible.

Brooksville Housing Authority

410 Pay Deductions and Setoffs

Effective Date: 11/01/99

The law requires that BHA make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. BHA also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." BHA matches the amount of Social Security taxes paid by each employee.

Pay setoffs are pay deductions taken by BHA, usually to help pay off a debt or obligation to BHA or others.

If you have questions concerning why deductions were made from your paycheck or how they were calculated, your supervisor can assist in having your questions answered.

Brooksville Housing Authority

501 Safety

Effective Date: 11/01/99

To assist in providing a safe and healthful work environment for employees, customers, and visitors, BHA has established a workplace safety program. This program is a top priority for BHA. Its success depends on the alertness and personal commitment of all.

BHA provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the appropriate supervisor. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

Brooksville Housing Authority

502 Work Schedules

Effective Date: 11/01/99

The normal work schedule for all employees is 8:00 AM to 5:00 PM, 5 days a week. Supervisors will advise employees of the times their schedules will normally begin and end. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

Brooksville Housing Authority

504 Use of Phone and Mail Systems

Effective Date: 11/01/99

Personal use of the telephone for long-distance and toll calls is not permitted. Employees should practice discretion when making local personal calls and may be required to reimburse BHA for any charges resulting from their personal use of the telephone.

The use of BHA-paid postage for personal correspondence is not permitted.

To ensure effective telephone communications, employees should always use the approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only after the caller has done so.

Brooksville Housing Authority

505 Smoking

Effective Date: 11/01/99

In keeping with BHA's intent to provide a safe and healthful work environment, smoking is permitted in designated areas only.

This policy applies equally to all employees, customers, and visitors.

Brooksville Housing Authority

506 Rest and Meal Periods

Effective Date: 11/01/99

Each workday, full-time nonexempt employees are provided with 2 rest periods of 15 minutes in length. To the extent possible, rest periods will be provided in the middle of work periods. Since this time is counted and paid as time worked, employees must not be absent from their workstations beyond the allotted rest period time.

All full-time employee are provided with one meal period of 60 minutes in length each workday. Supervisors will schedule meal periods to accommodate operating requirements. Employees will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time.

507 - Overtime & Comp Time

Status: Accepted

Effective Date: 11/1/1999

Revision Date: 4/2/2001

When operating requirements or other needs cannot be met during regular working hours, employees will be given the opportunity to volunteer for overtime work assignments. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Time off on sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

Comp. time will be permitted for all exempt employees. At the discretion of the Executive Director payment for comp. time will be permitted.

Comments:

508 - Use of Equipment and Vehicles

Status: Accepted

Effective Date: 11/01/99

Revision Date: 11/01/00

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Please notify the supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

All employees must have a current and valid State of Florida Drivers Licence.

Comments:

Brooksville Housing Authority

510 Emergency Closings

Effective Date: 11/01/99

At times, emergencies such as severe weather, fires, power failures, or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be paid.

In cases where an emergency closing is not authorized, employees who fail to report for work will not be paid for the time off.

Brooksville Housing Authority

514 Visitors in the Workplace

Effective Date: 11/01/99

To provide for the safety and security of employees and the facilities at BHA, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

Because of safety and security reasons, family and friends of employees are discouraged from visiting. In cases of emergency, employees will be called to meet any visitor outside their work area.

All visitors should enter BHA at the main entrance. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on BHA's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

Brooksville Housing Authority

516 Computer and E-mail Usage

Effective Date: 11/01/99

Computers, computer files, the e-mail system, and software furnished to employees are BHA property intended for business use. Employees should not use a password, access a file, or retrieve any stored communication without authorization.

BHA strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, BHA prohibits the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

E-mail may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

BHA purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, BHA does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. BHA prohibits the illegal duplication of software and its related documentation.

Employees should notify their immediate supervisor, the Executive Director or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

Brooksville Housing Authority

517 Internet Usage

Effective Date: 11/01/99

Internet access to global electronic information resources on the World Wide Web is provided by BHA to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. All Internet usage is limited to job-related activities. Personal use of the Internet is not permitted.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of BHA and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

Abuse of the Internet access provided by BHA in violation of law or BHA policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- * Sending or posting discriminatory, harassing, or threatening messages or images
- * Using the organization's time and resources for personal gain
- * Stealing, using, or disclosing someone else's code or password without authorization
- * Copying, pirating, or downloading software and electronic files without permission
- * Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- * Violating copyright law
- * Failing to observe licensing agreements
- * Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted Internet services and transmissions
- * Sending or posting messages or material that could damage the organization's image or reputation
- * Participating in the viewing or exchange of pornography or obscene materials
- * Sending or posting messages that defame or slander other individuals
- * Attempting to break into the computer system of another organization or person
- * Refusing to cooperate with a security investigation
- * Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- * Using the Internet for political causes or activities, religious activities, or any sort of gambling

Brooksville Housing Authority

- * Jeopardizing the security of the organization's electronic communications systems
- * Sending or posting messages that disparage another organization's products or services
- * Passing off personal views as representing those of the organization
- * Sending anonymous e-mail messages
- * Engaging in any other illegal activities

Brooksville Housing Authority

518 Workplace Monitoring

Effective Date: 11/01/99

Workplace monitoring may be conducted by BHA to ensure quality control, employee safety, security, and customer satisfaction.

Because BHA is sensitive to the legitimate privacy rights of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

Brooksville Housing Authority

522 Workplace Violence Prevention

Effective Date: 11/01/99

BHA is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, BHA has adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of BHA without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening.

BHA will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical.

Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

BHA encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Executive Director before the situation escalates into potential violence. BHA is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

Brooksville Housing Authority

524 Ergonomics

Effective Date: 11/01/99

BHA has developed an ergonomics program to minimize repetitive motion injuries (RMIs) in the workplace. The primary elements of the ergonomics program include: (1) worksite evaluations, (2) control of exposures that may have caused RMIs, and (3) ergonomics training of employees. The ergonomics program also focuses on educating employees on their personal responsibility to ensure good work habits (such as posture and body mechanics) and adequate fitness for work.

RMIs are musculoskeletal injuries, identified and diagnosed by a licensed physician, which can result from a job, process, or operation where employees perform the same repetitive motion tasks. Examples of repetitive motion tasks include, but are not limited to, sustained computer keyboard and mouse usage; assembling materials and products; or lifting, carrying, and loading objects.

Employees are provided with training that includes an explanation of the ergonomics program, exposures that have been associated with RMIs, the symptoms and consequences of injuries caused by repetitive motion, the importance of reporting symptoms and injuries, and the methods used to minimize RMIs.

All employees are encouraged to immediately report to the Executive Director all suspected RMIs, RMI symptoms, or other ergonomic concerns. All employees are required to report to the Executive Director all workplace RMIs as soon as possible after they have been identified and diagnosed by a licensed physician.

Brooksville Housing Authority

601 Medical Leave

Effective Date: 11/01/99

BHA provides medical leaves of absence without pay to eligible employees who are temporarily unable to work due to a serious health condition or disability. For purposes of this policy, serious health conditions or disabilities include inpatient care in a hospital, hospice, or residential medical care facility; continuing treatment by a health care provider; and temporary disabilities associated with pregnancy, childbirth, and related medical conditions.

Employees in the following employment classifications are eligible to request medical leave as described in this policy:

- * Regular full-time employees

Eligible employees should make requests for medical leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

A health care provider's statement must be submitted verifying the need for medical leave and its beginning and expected ending dates. Any changes in this information should be promptly reported to BHA. Employees returning from medical leave must submit a health care provider's verification of their fitness to return to work.

Eligible employees are normally granted leave for the period of the disability, up to a maximum of 12 weeks within any 12-month period. Any combination of medical leave and family leave may not exceed this maximum limit. If the initial period of approved absence proves insufficient, consideration will be given to a request for an extension. Employees will be required to first use any accrued paid leave time before taking unpaid medical leave.

Employees who sustain work-related injuries are eligible for a medical leave of absence for the period of disability in accordance with all applicable laws covering occupational disabilities.

Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits will be provided by BHA until the end of the month in which the medical leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from medical leave, benefits will again be provided by BHA according to the applicable plans.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on medical leave is requested to provide BHA with at least two weeks advance notice of the date the employee intends to return to work. When a medical leave ends, the employee will be reinstated to the same position, if it is

Brooksville Housing Authority

available, or to an equivalent position for which the employee is qualified.

If an employee fails to return to work on the agreed upon return date, BHA will assume that the employee has resigned.

Brooksville Housing Authority

602 Family Leave

Effective Date: 11/01/99

BHA provides family leaves of absence without pay to eligible employees who wish to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child; or to care for a child, spouse, or parent with a serious health condition. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider.

Employees in the following employment classifications are eligible to request family leave as described in this policy:

- * Regular full-time employees

Eligible employees should make requests for family leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

Employees requesting family leave related to the serious health condition of a child, spouse, or parent may be required to submit a health care provider's statement verifying the need for a family leave to provide care, its beginning and expected ending dates, and the estimated time required.

Eligible employees may request up to a maximum of 12 weeks of family leave within any 12-month period. Any combination of family leave and medical leave may not exceed this maximum limit. If this initial period of absence proves insufficient, consideration will be given to a written request for a single extension of no more than 30 calendar days. Employees will be required to first use any accrued paid leave time before taking unpaid family leave. Married employee couples may be restricted to a combined total of 12 weeks leave within any 12 month period for childbirth, adoption, or placement of a foster child; or to care for a parent with a serious health condition.

Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits will be provided by BHA until the end of the month in which the approved family leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from family leave, benefits will again be provided by BHA according to the applicable plans.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on family leave is requested to provide BHA with at least two weeks advance notice of the date the employee intends to return to work. When a family leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified.

If an employee fails to return to work on the agreed upon return date, BHA will assume that the employee has resigned.

Brooksville Housing Authority

603 Personal Leave

Effective Date: 11/01/99

BHA provides leaves of absence without pay to eligible employees who wish to take time off from work duties to fulfill personal obligations. Employees in the following employment classification(s) are eligible to request personal leave as described in this policy:

*** Regular full-time employees**

As soon as eligible employees become aware of the need for a personal leave of absence, they should request a leave from their supervisor.

Personal leave may be granted for a period of up to 30 calendar days every 1-year. If this initial period of absence proves insufficient, consideration will be given to a written request for a single extension of no more than 30 calendar days. With the supervisor's approval, an employee may take any available sick leave or vacation leave as part of the approved period of leave.

Requests for personal leave will be evaluated based on a number of factors, including anticipated workload requirements and staffing considerations during the proposed period of absence.

Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits will be provided by BHA until the end of the month in which the approved personal leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from personal leave, benefits will again be provided by BHA according to the applicable plans.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

When a personal leave ends, every reasonable effort will be made to return the employee to the same position, if it is available, or to a similar available position for which the employee is qualified. However, BHA cannot guarantee reinstatement in all cases.

If an employee fails to report to work promptly at the expiration of the approved leave period, BHA will assume the employee has resigned.

Brooksville Housing Authority

605 Military Leave

Effective Date: 11/01/99

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

Employees will continue to receive full pay while on leave for two-week training assignments and shorter absences. The portion of any military leaves of absence in excess of two weeks will be unpaid. However, employees may use any available paid time off for the absence.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

Vacation, sick leave, and holiday benefits will continue to accrue during a military leave of absence.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Contact the Executive Director for more information or questions about military leave.

Brooksville Housing Authority

607 Pregnancy-Related Absences

Effective Date: 11/01/99

BHA will not discriminate against any employee who requests an excused absence for medical disabilities associated with pregnancy. Such leave requests will be evaluated according to the medical leave policy provisions outlined in this handbook and all applicable federal and state laws.

Requests for time off associated with pregnancy and/or childbirth, such as bonding and child care, not related to medical disabilities for those conditions will be considered in the same manner as other requests for unpaid family or personal leave.

Brooksville Housing Authority

701 Employee Conduct and Work Rules

Effective Date: 11/01/99

To ensure orderly operations and provide the best possible work environment, BHA expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- * Theft or inappropriate removal or possession of property
- * Falsification of timekeeping records
- * Working under the influence of alcohol or illegal drugs
- * Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- * Fighting or threatening violence in the workplace
- * Boisterous or disruptive activity in the workplace
- * Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- * Insubordination or other disrespectful conduct
- * Violation of safety or health rules
- * Smoking in prohibited areas
- * Sexual or other unlawful or unwelcome harassment
- * Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- * Excessive absenteeism or any absence without notice
- * Unauthorized absence from work station during the workday
- * Unauthorized use of telephones, mail system, or other employer-owned equipment
- * Unauthorized disclosure of business "secrets" or confidential information
- * Violation of personnel policies
- * Unsatisfactory performance or conduct

Employment with BHA is at the mutual consent of BHA and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

Brooksville Housing Authority

702 Drug and Alcohol Use

Effective Date: 11/01/99

It is BHA's desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

While on BHA premises and while conducting business-related activities off BHA premises, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

To inform employees about important provisions of this policy, BHA has established a drug-free awareness program. The program provides information on the dangers and effects of substance abuse in the workplace, resources available to employees, and consequences for violations of this policy.

Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor or the Executive Director without fear of reprisal.

Brooksville Housing Authority

703 Sexual and Other Unlawful Harassment

Effective Date: 11/01/99

BHA is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, or any other legally protected characteristic will not be tolerated.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- * Unwanted sexual advances.
 - * Offering employment benefits in exchange for sexual favors.
 - * Making or threatening reprisals after a negative response to sexual advances.
 - * Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
 - * Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
 - * Verbal sexual advances or propositions.
 - * Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
 - * Physical conduct that includes touching, assaulting, or impeding or blocking movements.
- Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Executive Director or any other member of management. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Executive Director or any member of management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

Brooksville Housing Authority

704 Attendance and Punctuality

Effective Date: 11/01/99

To maintain a safe and productive work environment, BHA expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on BHA. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

Brooksville Housing Authority

705 Personal Appearance

Effective Date: 11/01/99

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image BHA presents to customers and visitors.

During business hours or when representing BHA, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true if your job involves dealing with customers or visitors in person.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. If your supervisor feels your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, you will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability.

Brooksville Housing Authority

706 Return of Property

Effective Date: 11/01/99

Employees are responsible for all BHA property, materials, or written information issued to them or in their possession or control. Employees must return all BHA property immediately upon request or upon termination of employment.

Brooksville Housing Authority

708 Resignation

Effective Date: 11/01/99

Resignation is a voluntary act initiated by the employee to terminate employment with BHA. Although advance notice is not required, BHA requests at least 2 weeks' written resignation notice from all employees.

Prior to an employee's departure, an exit interview will be scheduled to discuss the reasons for resignation and the effect of the resignation on benefits.

Brooksville Housing Authority

710 Security Inspections

Effective Date: 11/01/99

BHA wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, BHA prohibits the possession, transfer, sale, or use of such materials on its premises. BHA requires the cooperation of all employees in administering this policy.

Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of BHA. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of BHA at any time, either with or without prior notice.

Brooksville Housing Authority

712 Solicitation

Effective Date: 11/01/99

In an effort to ensure a productive and harmonious work environment, persons not employed by BHA may not solicit or distribute literature in the workplace at any time for any purpose.

BHA recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time. (Working time does not include lunch periods, work breaks, or any other periods in which employees are not on duty.)

In addition, the posting of written solicitations on company bulletin boards is prohibited. Bulletin boards are reserved for official organization communications on such items as:

- * Affirmative Action statement
- * Employee announcements
- * Job openings
- * Organization announcements
- * Workers' compensation insurance information
- * State disability insurance/unemployment insurance information

Brooksville Housing Authority

714 Drug Testing

Effective Date: 11/01/99

BHA is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. To help ensure a safe and healthful working environment, job applicants and employees may be asked to provide body substance samples (such as urine and/or blood) to determine the illicit or illegal use of drugs and alcohol.

Copies of the drug testing policy will be provided to all employees. Questions concerning this policy or its administration should be directed to the Executive Director.

Brooksville Housing Authority

716 Progressive Discipline

Effective Date: 11/01/99

The purpose of this policy is to state BHA's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

BHA's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with BHA is based on mutual consent and both the employee and BHA have the right to terminate employment at will, with or without cause or advance notice, BHA may use progressive discipline at its discretion.

Disciplinary action may call for any of four steps -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed.

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to termination of employment.

BHA recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.

While it is impossible to list every type of behavior that may be deemed a serious offense, the Employee Conduct and Work Rules policy includes examples of problems that may result in immediate suspension or termination of employment. However, the problems listed are not all necessarily serious offenses, but may be examples of unsatisfactory conduct that will trigger progressive discipline.

By using progressive discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and BHA.

Brooksville Housing Authority

718 Problem Resolution

Effective Date: 11/01/99

BHA is committed to providing the best possible working conditions for its employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from BHA supervisors and management.

BHA strives to ensure fair and honest treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with BHA in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when employees believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The employee may discontinue the procedure at any step.

1. Employee presents problem to immediate supervisor within 10 calendar days, after incident occurs. If supervisor is unavailable or employee believes it would be inappropriate to contact that person, employee may present problem to Executive Director or any other member of management.
2. Supervisor responds to problem during discussion or within 10 calendar days, after consulting with appropriate management, when necessary. Supervisor documents discussion.
3. Employee presents problem to Executive Director within 10 calendar days, if problem is unresolved.
4. Executive Director counsels and advises employee, assists in putting problem in writing, visits with employee's manager(s), if necessary, and directs employee to Appeals Committee for review of problem.
5. Employee presents problem to Appeals Committee in writing.
6. Appeals Committee reviews and considers problem. Appeals Committee informs employee of decision within 10 calendar days, and forwards copy of written response to Executive Director for employee's file. The Appeals Committee has full authority to make any adjustment deemed appropriate to resolve the problem.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees and management develop confidence in each other. This confidence is important to the operation of an efficient and harmonious work environment, and helps to ensure everyone's job security.

Brooksville Housing Authority

800 Life-Threatening Illnesses in the Workplace

Effective Date: 11/01/99

Employees with life-threatening illnesses, such as cancer, heart disease, and AIDS, often wish to continue their normal pursuits, including work, to the extent allowed by their condition. BHA supports these endeavors as long as employees are able to meet acceptable performance standards. As in the case of other disabilities, BHA will make reasonable accommodations in accordance with all legal requirements, to allow qualified employees with life-threatening illnesses to perform the essential functions of their jobs.

Medical information on individual employees is treated confidentially. BHA will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

Employees with questions or concerns about life-threatening illnesses are encouraged to contact the Executive Director for information and referral to appropriate services and resources.

Brooksville Housing Authority

806 Suggestion Program

Effective Date: 11/01/99

As employees of BHA, you have the opportunity to contribute to our future success and growth by submitting suggestions for practical work-improvement or cost-savings ideas.

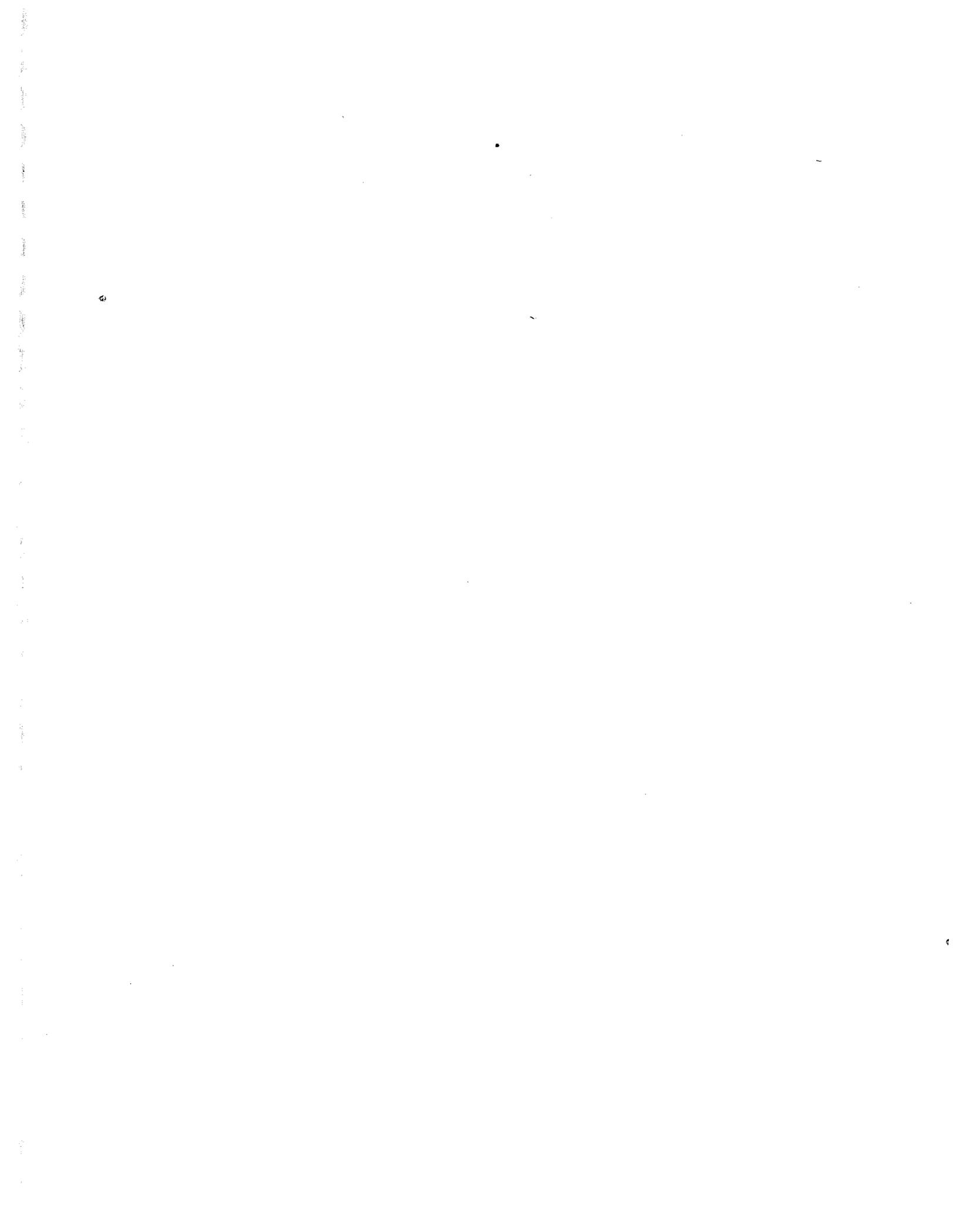
All regular employees are eligible to participate in the suggestion program.

A suggestion is an idea that will benefit BHA by solving a problem, reducing costs, improving operations or procedures, enhancing customer service, eliminating waste or spoilage, or making BHA a better or safer place to work. Statements of problems without accompanying solutions, or recommendations concerning co-workers and management are not appropriate suggestions.

All suggestions should contain a description of the problem or condition to be improved, a detailed explanation of the solution or improvement, and the reasons why it should be implemented. If you have questions or need advice about your idea, contact your supervisor for help.

Submit suggestions to the Executive Director and, after review, they will be forwarded to the Suggestion Committee. As soon as possible, you will be notified of the adoption or rejection of your suggestion.

Special recognition will be given to employees who submit a suggestion that is implemented.



**Board of Commissioners Training
Brooksville, Florida Housing Authority**

SYLLABUS

SMART, INC., CONTRACTOR

INSTRUCTOR: C. Knox LaSister

LOCATIONS: Brooksville City Hall Chambers

DATES OF TRAINING: March 18,19,25 and26, 2008

HOURS OF SESSIONS: 3:00 a.m. to 7:00 p.m.

TRAINING OBJECTIVE: The objective of these training sessions is to enhance the knowledge of the Brooksville Housing Authority Board of Commissioners through the delivery of 16 hours of instruction in PHA operations, regulations and Board responsibility. This training, delivered in 6 modules over the course of two days, will address the following topics:

- Finance and Accounting for Low Rent Public Housing Program
- Basics of Financing
- Effective Monitoring Techniques (staff & PHA action)
- Procurement Requirements and Practices:
- Regulatory Requirements and the Importance of Clear Policies:
- State and Local Laws
- Annual Contributions Contract (ACC):
- Board's Role in the Public Housing Assessment System (PHAS)
- General Responsibilities

Daily Course Descriptions:

Training Module 1: Introduction and the Role of the Commissioner

The first module opens with introductions of the trainer and solicits names and backgrounds from the board members in attendance. The primary purpose of the first module is to offer board members a comprehensive overview of how a public housing authority works and its relationship to federal, state and local regulatory bodies. The training will go through the major contracts that the Brooksville Housing Authority has with the United States Department of Housing and Urban Development through the Annual Contributions Contract and the Memorandum of Agreement, the State Government through its role as a political subdivision, and the local government through

Training Module 4: Finance and Accounting

The second day of training opens with a thorough treatment of Brooksville Housing Authority's budgets and budget process. The training seeks to instruct commissioners on how to be part of the budget process, how to review and understand financial reports, and how to effectively provide oversight and fiscal controls.

The training will cover the conventional public housing budget, subsidy calculation, the capital fund budget, the annual audit, and financial professionals.

Training Materials	
Presentation/Instructional Booklet	Finance and Accounting: Understanding the Numbers Powerpoint/Guidebook
Agency Materials	BHA Conventional Public Housing Budget BHA Capital Fund Budget

Training Module 5: Procurement

This training module presents commissioners with information regarding the procurement process; the role that the board holds in the process; how to improve BHA's performance and compliance; and ethical issues involved with procurement.

Commissioners are given an overview of procurement policy including federal, state, and local regulations. The commissioners are introduced to the various types of procurements and policies and procedures surrounding each type. Agency procurement policy is treated as a part of the agency's overall plan.

Training Materials	
Presentation/Instructional Booklet	Procurement Powerpoint/Guidebook
Agency Materials	BHA Agency Plan BHA Procurement Policy

Training Module 6: The Agency Plan

The final module offers instruction in the Agency Planning process. The objective of the session is to provide information necessary for the Board of Commissioners to make informed decisions regarding the relationship between the Five-year Plan and the Annual Plan as well as long term agency goals and objectives. The training identifies the elements of the Five Year Plan and Annual Plan, specifies their importance, and background of each.

Training Materials	
Presentation/Instructional Booklet	The Agency Plan Powerpoint/Guidebook
Agency Materials	BHA Agency Plan

Cooperation Agreements and PILOT arrangements in effect with the City of Brooksville. Historical context will be given for all of these contractual arrangements.

After providing an overview of the “operating environment” of the Brooksville Housing Authority, the training module will focus upon the specific roles and responsibilities of the Board of Commissioners. The training will posit that the Board of Commissioners has a responsibility for furthering the best interests to the residents of public housing, the tax payers, and the community as a whole. In working toward this goal, Commissioners act as policy maker, leaders, financial trustees, advocates, and agency monitors. The training will describe nature of these roles and present a cursory discussion of the methods and tools that a board should use in fulfilling them. These topics will be elaborated upon in later training sessions.

Training Materials	
Presentation/Instructional Booklet	Introduction and the Role of the Commissioner Powerpoint/Guidebook

Training Module 2: Monitoring the Agency

Training Module 2 offers board members instruction on their roles in monitoring agency operations and performance, seeking to familiarize them with the various tools at their disposal. The training begins by providing commissioners with instruction in the policy making process. Guidance is provided in creating clear policies that can be effectively implemented and monitored.

The training seeks to offer commissioners a roadmap for directing and monitoring agency operations. The monthly board of commissioners meeting is established as the primary forum through which the board performs its monitoring duties. The training offers a suggested list of agenda items to be regularly addressed by the board including a monthly report by the executive director, PHAS scoring status; MOA updates, departmental reports, audit reports, inspection reports; and community and resident input. The training offers guidance on understanding these reports and how to gauge agency performance using them

Training Materials	
Presentation/Instructional Booklet	Monitoring the Agency Powerpoint/Guidebook

Training Module 3: The Board’s Critical Task: Supervising the Executive Director

This training module begins with a general discussion of the function of management and critical planning functions performed by the Board of Commissioners. The key planning areas of establishing the mission of the agency, establishing and approving goals, and board participation in the agency tie directly into the hiring and motivation of the Executive Director.

The training discusses the job responsibilities of an executive director including organizing, agency operations and staffing and roles that commissioners hold in the performance of these duties, including appropriate limits.

Training Materials	
Presentation/Instructional Booklet	Understanding the Executive Director’s Job Powerpoint/Guidebook

Module 1: The Role of the Commissioner

1. Core Program

A. Public Housing

- Annual Contributions Contract
- Cooperation Agreement
- State law

B. Relationship to the Federal Government

- The Annual Contributions Contract – the ACC is the contract between the Federal Government and the Brooksville HA
 - Federal Government is free to make unilateral changes
 - Sets out terms and conditions for operations and defines default
 - The MOA is an amendment to the ACC

C. The Annual Contributions Contract

The ACC

Let's Take A Closer Look

- The mission of HUD and BHA
- The Cooperation Agreement
- Covenant against disposition and encumbrances
- Declaration of trust
- Depository Agreement
- Civil rights requirements
- Insurance requirements
- Employment requirements
- Books of accounts, records and government access
- Notices, defaults and remedies
- Conflict of interest

D. The MOA

- The Memorandum of Agreement
 - Is an amendment to the ACC
 - Non-performance under the MOA could be grounds for a default under the ACC
 - This was the case with the St. James Parish Housing Authority
 - They were placed in administrative receivership
 - During this period I served in the same capacity as the Board in Brooksville
- The Board needs to keep up with progress under the MOA

- The staff should copy the Board and Mayor when they send the required monthly electronic report to HUD
 - The high points or problems should be discussed at each monthly meeting
 - The MOA is a serious matter and should be treated accordingly

E. Who is HUD?

- The Housing and Urban Development – HUD
 - Cabinet level department
 - Charged with implementing Congressional Laws in the areas of Housing and Development
 - Also charged with program oversights
 - They also control the MONEY!

F. More on Federal Housing Law

- When Congress amends the 1937 Act-
 - HUD interprets Congressional intent and either issues a Proposed Rule or Interim Rule.
 - It then publishes it in the Federal Register for comment
 - Comments are considered, then HUD issues a Final Rule

G. Relationship to State Government

- The Brooksville Housing Authority is a political subdivision of the State of Florida
- It is State law that provides the details regarding how the Board is appointed

H. State And Local Laws

- Look to Florida State Law and Brooksville codes for:
 - Appointment of members
 - Term of Commissioners
 - Elections for Chairpersons, Vice Chair etc
 - By-Laws
 - Conflicts of interest
 - Adopting resolutions
 - Sunshine law/executive sessions
 - Standards of conduct
 - Making records available

I. Contractual Relationship to Local Government

- The Cooperation Agreement
 - Between the City and the Brooksville Housing Authority
 - Provides for similar level of services

- PILOT payment instead of property taxes
- PILOT
 - A payment in lieu of taxes is determined by a formula
 - Rent from tenants – cost for utilities x 10%
 - So this will be a different amount every year
 - Typically paid at the end of the PHAs fiscal year

J. The 1937 Housing Act

- Created the Public Housing program
 - Amended 20 + times
 - Initially all developments intended for Families
 - Developments for seniors and individuals with disabilities added during the 50's
 - Lack of a mortgage payment and property taxes permits lower rents

K. Significant Amendments

- The 1969 amendment – known as the Brooke Amendment
 - Limited tenant rents to 25% of income
 - Prior to 1969 rents charged had to be high enough for the PHA to operate
 - Lowering many rents to meet this new restriction required the Federal Government to provide Operating Subsidy
 - All rents now must be calculated using Federal Guidelines – which hurt many working families

- 1974 Housing Act
 - Huge addition of rules including:
 - Federal Lease and Grievance requirements
 - Further restrictions on rental payments
 - Many did not favor working families
 - Shifting from building additional units to housing families with greatest need
 - Created a funding system known as PFS
 - PHAs not funded equally
 - Also created the Section 8 program

- The Housing Act of 1991
 - To address Homeless crisis instituted Federal Preferences
 - House homeless persons and families first
 - The homeless crisis and the Master Plan
 - Major impact on Senior developments
 - Many feel that Federal Preferences changed the face of Public Housing

L. Back to the Future

- The 1998 Housing Act, aka, Quality Housing Work Responsibility Act (QHWRA), aka the Public Housing Reform Act
 - Eliminated Federal Preferences
 - Eliminated One-for-One replacement requirement
 - And lots of other good stuff
 - More on QHWRA later

Summary of the Act as Amended

- 1940 – 1969 Public Housing occupied by working low income families and retired seniors and disabled
- 1970 – 1998 shift to housing families on some form of Public Assistance
- 1999 - ? Shifting back to housing "Mixed" income families

Program Shift Issues – More than Economic

- Congress realized that communities with high concentrations of non-working families was not a good place to live
 - Public Housing became the address for illegal drugs
 - What caused this?

M. The Future?

- Many in Congress would like to see Public Housing – at least for families go away
 - Will this ever happen?
 - GW's 2004 Fiscal year budget proposed to send the Voucher Program to the States
 - The Home Rule concept

2. General Responsibilities

- To our residents
 - Addressed by Federal, State and Local laws and codes
- To tax payers
 - Including local tax payers
- To the Community
 - Actions taken by the Board should be based on community need
 - The Public Housing Reform Act of 1998, aka, Quality Housing Work Responsibility Act
 - Requires an assessment of community needs prior to setting goals as part of the 5 year planning process

- For entitlement communities the Mayor must sign a statement that the plan is "consistent" with the needs of the community

A. Your Role?

- Let's fill in the blanks
- 1
- 2
- 3
- 4
- 5

Your Role

- Policy Maker
- Leader/Director
- Financial Trustee
- Advocate
- Monitor Agency Performance

1. As a Policy Maker

- KEY POLICY DOCUMENTS
- New! Agency Plan
- 1. By-laws
- 2. Operations Manual
- 3. Admissions Policy & Administrative plan
- 4. Budgets

Agency Plan:

Covered in day 2

By-Laws

- Directed by State statute and by the City
- Shaped by local practice

Operations Manual

- How the agency is supposed to operate
- Fiscal and Accounting
- Purchasing
- Personnel
- Details governed by Federal and State statutes and local practice
- More flexibility than one might imagine

Admission Policy

- Admissions and Continued Occupancy Policy for public housing
- More options and flexibility since QHWRA
- Not approved by HUD - only reviewed for compliance

- HUD does review a portion known as the Tenant Selection and Assignment Plan (TSAP)

Budgets

- The implementing end of the mission
- Should be evaluated against Mission statement and goals and objectives
- The tactical side of the strategic plan
 - Operating and Capital Fund

More on Budgets Later

Overload - How Can We Keep Up with All This Stuff???

- Current requirements, especially for a troubled PHA are extensive
 - Because the Board is responsible for oversight, a reasonable level of Program knowledge is required

Annual Events

- Agency Plan - 5 months prior to fiscal year
- Budget (3 to 6 mos. prior to fiscal year)
- Capital Fund – changed this year to one date for all PHAs – Back to the future again
- Fiscal year
- Audit
- PHAS submission
- PHAS results
- Evaluation of ED

2. Your Role As a Leader/Director

- As in “As a policy maker,” many choose to remain in background
- Often depends on leadership and performance of ED
- Need to be satisfied that policies are being followed
- Board sets policy - Staff implements
- Provide clear directions – with one voice
- How you interact with the Executive Director and/or staff will set the tone for the agency
 - Hard on issues and soft on people
 - Doing the right thing is as important as doing things right

3. Your Role As a Financial Trustee

- Does budget move agency toward established objectives?
- Is the agency wisely spending public money?

- Are the funds properly maintained and accounted for?
- Is the agency in sound, financial condition?
 - How would you know?
 - What is the situation in Brooksville?

More on Financial Monitoring Later

4. Your Role as an Advocate

- How you feel about this will shape your feelings about the mission and goals for your agency.
- An advocate for whom?
 - 1
 - 2
 - 3
 - 4

- 1. For low income families
- 2. The community
- 3. Tax payers in general
- 4. All of the above

3. Board Leadership

A. Setting the tone for the Agency

- What is the organizational climate for your agency?
 - Is it both bottom line and people oriented?
 - Are staff members treated as partners?
- Is there an orientation program for new commissioners?
 - There needs to be an on-going process

B. How to Minimize Conflicts

- Acknowledge differences and be tolerant
- Focus on a give and take arrangement
- Share with other members how you feel
- Agree to disagree without being disagreeable

C. Principled Directed Agreements

- Avoid "positional" negotiations
- Use technique of identifying options
- Seek objective criteria to use for making decisions
- Seek agreements that enhance relationships and will be lasting

D. Volunteers In Charge?

1. Advantages of a Volunteer Board?

- Let's list them:
- 1
- 2
- 3

Advantages

- No direct vested interest
- No direct link to the voters
 - Semi-political independence
 - Individual members can be removed
 - The process is spelled out in state law
 - Can also be found in the By-laws of the independent agency

2. Disadvantages?

- 1
- 2
- 3

Disadvantages?

- No direct obligation
- No established/required structure
- No prescribed duties other than office status
- No established qualification for appointment

3. How to Minimize the Drawbacks

- Assume responsibility
- Establish operating structure/duties via individual assignments
- Acknowledge accountability
- Participate in appointment process
- Develop indoctrination process

E. Working in the Sunshine

1. What's the Spirit of the Law?

- No action in private session
- Formal action to occur in "Open" session
- Florida's open meeting law started what is often referred to as the Sunshine Law

Private Deliberations

- The Florida's Open Meetings Act
 - Speaks to deliberations where a quorum exists

Training Module 2: Agency Policies and Monitoring Procedures

1. Overview of Module 2 Topics

- A. Setting policies
- B. How to ensure sound operations
- C. Monitoring, using assessment tools provided by HUD
 - PHAS (Public Housing Assessment System)
 - Annual Audit

2. Goals & Policies

- A. Goals and Policies required by the '98 Act:
 - A 5-year plan with specific goals and objectives
 - An Annual Plan to work toward identified goals and objectives
- B. Issue with Goals and Policies
 - Do current policies move the agency toward achieving adopted goals and objectives?
 - Adopting a policy counter to adopted goals could require a revision to the agency's "Plan"
 - Evaluate new policies against Mission, Goals, and Objectives

3. Keep Your Finger on the Pulse

- A. Are there procedures in place to ensure that your policies are being followed?
- B. Monthly reports provided by the Executive Director are a good idea
 - The Brooksville H A will need to review monthly MOA performance reports
- C. What do you hear in the community?
 - Do you share this information with others?

4. Setting Policy

- A. First question – what is the purpose of this policy?
- B. Why is it needed?
- C. When will we know if it worked?
- D. What tools are available to monitor this policy?
- E. How long should we track the changes caused by this policy?

5. Creation of Policy

The three phases of policy creation

- Formulation
- Determination
- Implementation

A. Formulation

- Often begins as " what do you think about us doing _____?"
(Fill in the blank)

- May come from either the Board or staff
- Any and everyone can be involved

B. Determination

Overlap between Formulation and Determination

As you are debating the Formulation phase, the actual policy is taking shape

- Clear minutes and/or sum-up activities are critical
- The example of the "cap" comment when implementing a new component to the retirement plan

Finishing Up

- Try to get all the specifics nailed down-- written out if possible
- Read the minutes to see if what you thought you agreed to is what actually happened
- Are the minutes read at the next meeting?
- Is there a member responsible for reviewing the minutes?

Follow-up Is Critical

- If there are decisions still unanswered:
 - Add to the minutes - who is to provide the information?
 - Set a date for this information
- Did the policy do what it was supposed to do?
- How long should you track a policy?

C. Implementation of Policies

The Board's Role in Implementation

- Do not dictate implementation issues if possible
- You will hold the Director accountable for implementation
- The Board's role is to monitor implementation

Overlap during Oversight

- Eclipses by the Board into Administration
 - Should be temporary
- When would this be reasonable?
- Eclipses occur in both directions
 - A long-term ED with a relatively new Board
 - New Boards are often reluctant to get involved in oversight activities

What is the proper balance?

- Macro verses Micro management

6. The Directing/Monitoring Roadmap

- The Agenda
- Director's Monthly Report
- PHAS & MOA current status

- Departmental reports
- Audits
- Inspections by outside/inside sources
- Community and residents
- Site visits
- Group Discussion Activity

A. Agenda Issues

- Who controls what is on the monthly agenda?
 - The Chair?
 - The Board individually / collectively?
 - The Executive Director?

B. Internal/External Agency Assessments

- PHAS (Public Housing Assessment System)
- First score issued for June 30, 2001
- Congress directs HUD to not adversely impact any PHA due to overall PHAS score until system is validated
- All indicators on-line 9-30-01

7. PHAS: The New Public Housing Assessment System

A. Program goals:

- To effectively and fairly measure PHA performance, using standards that are:
 - Objective
 - Uniform
 - Verifiable
 - A work in progress!
- Major problems with Physical Inspection Protocols

B. PHAS Indicators & Scoring

- Physical condition of properties
 - 30 points maximum
- Financial condition of the PHA
 - 30 points maximum
- Management operations
 - 30 points maximum
- Residents' assessment
 - 10 points maximum

C. PHAS Scoring Categories

- High Performer
 - Overall score of 90 & must pass all indicators
- Standard Performer
 - Less than 90 but more than 60
- New concept of being "At risk of being troubled"
 - Scoring less than 70% but more than 60% on indicators 1, 2, or 3

- Troubled Performer
 - Troubled overall-Less than 60% overall or less than 60% on more than one indicator
 - Substandard – Scoring less than 60% on indicator 1, 2, or 3

D. PHAS Indicators

Indicator 1: Physical Conditions

- Use of outside contractors
- Will inspect a sample of units, building, exteriors, sites, common spaces and major systems
- Replaces HQS (Housing Quality Standards)
- Added concept “in good repair”
 - A major issue still under discussion

Indicator 2: Financial Condition

Compares each PHA with peer group for:

- Current Ratio (current resources/obligations)
- Number of months without income
- Tenant Revenue outstanding
- Occupancy loss
- Expense management
- Net income/loss

Indicator 3: Management Operations

Most of the old “PHMAP” indicators are relocated here

- Vacant unit turnaround time
 - Capital fund
 - Work orders
 - Inspections
 - Security
 - Self Sufficiency

- Score is based on data provided by us
 - Our auditor should check to see if there is supporting documentation
 - Often this is not the case
 - Until FO does a review we won't know for sure

Indicator 4: Resident Services & Satisfaction

Indicator built around survey

- 5 points for actual survey results
- 5 points for how the PHA participated in the survey process and follow up
- Threshold indicator
 - That the survey was conducted following HUD guidelines
 - How did we do?

Resident Satisfaction

How Did We Do?

- While not a perfect score, we did receive 9 of the 10 points possible
 - Maintenance
 - Communication
 - Safety
 - Services
 - Appearance

8: PHAS - Good News or Bad?

- Long term it should improve the overall performance of the industry
- Will provide Boards with a more comprehensive assessment of the condition of the agency
- Automatic triggers might become a problem for some
- The Law requires Troubled Agencies like BHA to be corrected within 2 years

A. A New Ballgame

- How will your agency rate under the new PHAS?
- Being a "High Performer" will be much more difficult
- Being a "Standard" may be a challenge
 - At this time we understand there are to be approximately 500 troubled agencies, out of 3300 PHAs nationwide

Module 3: The Board's Critical Task- Understanding the Executive Director's Job

1. The Classical Five Functions of Management

- Planning
- Organizing
- Staffing
- Directing
- Controlling
 - We'll go through each focusing on where you fit in

2. Key-Planning Areas

- Establishing agency's mission
- Establishing/approving short-term and long-term goals
- Participating in setting the tone of the agency
- Hiring, motivating and retaining an Executive Director

3. The Agency Mission

- Shaped by:
 - The needs of your community
 - Federal and State law
 - Agency needs
 - The collective wisdom of the board and executive staff

4. Mission-Directed Goals and Objectives

- Mission Statements are general in nature and broad in scope - typically easier to gain agreement
- Goals and Objectives are more difficult due to being specific
- Agreement is critical to impart direction to Executive Director and staff

5. Clear Direction

- The Executive Director's performance should be in terms of what the Board wants accomplished
 - Most common mistake: "They (the Board) never told me what they wanted me to do!"
 - Next in line mistake: The Board could not agree on what should be accomplished
- QHWRA requirements help fix this common problem

6. Barriers to Agreement

- Frank discussions are sometimes difficult in a public meeting

- In some States you can go into a closed session to discuss employment issues
 - Executive Director is often in the middle, if Board is very diverse
 - Members must balance personal philosophies to move ahead
- The Mechanics of Planning
- The Executive Director and staff will develop a plan--both long and short term to accomplish the goals and objectives set by the Board
 - The plan is presented to the Board for consideration/modification
 - Once adopted, the plan becomes the Board's plan for directing the agency

7. Development of Goals and Objectives

- The '98 Act requires a 5-year and an annual plan
- The long term goals must relate to the identified needs in the community
- Community needs extend beyond public housing areas

8. What Else Do You Want Accomplished?

- Can be non-program issues
 - You (collectively) might be concerned regarding the working environment
 - You might ask the Executive Director to develop goals and objectives to improve employee satisfaction
- Remember, success must be measurable
 - Tie back to what caused the perceived need

The Board's Attitude about the Future Direction of the Agency

- Does the Board want a "maintaining" program versus a program to "modify" the agency's future
 - A decision here is critical to your choice and level of leadership required of your Executive Director
- This is also a major point of contention among Board members
 - Where does your agency stand?

9. The Skills Required for Your Executive Director

- The Board's decision regarding the direction of the authority will dictate expertise of their Executive Director
 - Small agencies are potentially more difficult.
 - A "management" versus "leadership" Executive Director
- New options may be incompatible with traditional "management" persons

Executive Director Skills (Continued)

- Executive Director for the Brooksville HA
 - Needs to be a hands-on Director

- Our small size will require a Director to be capable of actually doing work!
 - While this sounds odd
 - As Director of a department of over 250 employees, I never actually did WORK
 - I made sure my staff did the work
- Because we do have a staff that this person will have to direct – next slide
- Leadership will also be important
 - The ideal candidate will also have good leadership skills
 - Such skill can be enhanced over time with good mentoring
 - Coaching and feedback are essential

10. **Keys to Retaining and Motivating**

- Tie pay to performance through an objective performance appraisal program - more on this later
- Give the director the authority to get the job done
- Have reasonable tolerance for mistakes - A well thought out and executed plan that falls short is not necessarily that bad

We Need to Hire an Executive Director – Now!

- This will be the most important decision you make as a board member
- Who calls the shots?
 - In Brooksville, who does the HA Executive Director actually report to?

Hiring (Continued)

- Check out your final choice
 - The suggestion of a site visit is a good idea-if possible
 - Insisting on this may eliminate a good candidate
 - If you used a search firm, they can typically validate the 'resume' to reality

11. **Organizing Function**

- The Executive Director and staff should be able to establish the organizational structure
- This structure and related documents may be developed using outside consultants
- The structure is presented to the Board for consideration/modification/adoption

The Ability to Empower

- A Director that can get the staff involved and to assume ownership is on the right track

- Empowerment is not without cost
 - Geese flying in formation or ducks in a row?
- The Director's tolerance for miscues will be directly tied to your tolerance for mistakes

12. Staffing

- Because of BHA's small size
 - The need for cross training
 - Possible transition plan

Directing

- Should always be left to the Director
- If the Board has concerns regarding style or approach, intervention should be through the Director
- The Board's attitude and leadership style WILL trickle down
- If you have a "0" tolerance for mistakes, so will your Director

Your Director as a Leader

- Creating a positive work environment is an essential job requirement
- Matching the type of leadership style to the situation and the person is the key to being a good leader

13. Leader/Follower Relationship

- Different situations requires different styles
 - Crisis management situations do require more authoritative-based leadership
 - Use of authority does not mean being an autocratic dictator
- The all-around good leader blends all sources of leadership into a consistent, predictable package

Controlling

- The primary control exerted by the Board is through the evaluation of the Executive Director
- It begins in the planning process
 - Setting realistic, measurable goals and objectives is the critical first half of the evaluation process

Controlling (Continued)

- Process should be on-going
 - The monthly reports should key in on important areas such as PHAS scores to date, budget estimates, occupancy rate, etc. AND MOA progress
- Feedback should be on-going
- The annual performance appraisal should be a summary of feedback already provided

14. Agency Versus Individual Performance

- They are related but separate
- Individual performance is the process side of the equation of the bottom line
- Use of a two-part system
 - The bottom line - did we meet our goals
 - The human element/leadership component
 - Did we do it by empowering our people?

Splintered Authority

- Who does the Executive Director work for?
 - How would you like to have 5 supervisors?
 - Who will he/she work with on a daily basis?

15. Questions??

Module 4: Finance and Accounting - Understanding the Numbers

1. Key Roles

- Being part of the budget process
- Review and understand financial reports
- Oversight and fiscal controls

2. The Budgets

- BHA has 2 primary budgets:
 - Conventional Public Housing
 - Capital fund
- Budget types:
 - Might also have:
 - PHA owned project-based Section 8
 - State or local programs
 - Mixed-financed developments
 - Budgets for non-profit
 - HOPE VI Demo

3. Conventional Public Housing

A. How much can you spend?

- Under New Operating Fund
- $PEL - Income = Subsidy + Utilities$
 - PEL (property expense level)
 - Income (rental and non-rental income)
 - Not exactly-more on this later
- $Subsidy + Income + = Total Available$
 - Total available would also include Reserves

B. The Harvard Cost Study

- Your PELs are based on FHA numbers for subsidized housing
 - Formula PELs will convert to actual costs in 2009
 - Elimination of ability to transfer \$ between projects unless there is a surplus
 - Central Office Cost Center (COCC)
 - Funded by fees paid from individual projects

C. Subsidy Calculation

- An annual event
- Based on a formula
 - Such items as charges for excess utilities, maintenance charges, etc reduce the level of subsidy eligibility
 - Utilities are considered an add-on
 - While actual costs are reviewed at the end of the year

D. The HUD Budget Form

- 3 primary areas:
 - Income
 - Routine Expenses
 - Non-Routine Expenses
- The Form
 - Built in trend analysis
 - Last year's actual
 - This year's planned budget
 - Proposed estimates for next year

E. Budget Line Items

BLIs

- While all should be subject to Board review and oversight the following should be under a higher level of scrutiny
 - Administrative salaries
 - Maintenance labor and contract costs
 - Employee fringe benefit costs

F. Eyeball Analysis

- Look for items that "jump out"
- Each \$1.00 in PUM (per unit month) = an amount of \$\$
 - Each Unit Months available = \$1.00
- What is this amount for Brooksville?
 - Number of units x 12
 - $126 \times 12 = 1,512$
 - Each PUM dollar = \$1,512
- If you don't actively participate in the budgeting process
 - Asking questions as to what makes up big differences would be REASONABLE and REQUIRED!
 - If you see the salaries line item increase by \$20 PUM from one year to the next
 - How much money is involved?
 - $1,512 \times 20 = \$30,240$

G. Income Issues

- '98 Housing Act provides that you can keep monies generated from entrepreneurial activities
 - Historically, such income merely off-sets operating subsidy
 - Remember? PEL - Income = Subsidy
- Non-Routine
- Typically big ticket items
 - Three classifications:
 - Extraordinary
 - Replacement of Equipment
 - Betterments and Additions

Strategies- How Much to Spend?

- Brooksville must have a plan to build up reserves
 - We should have a reserve level between 50% of our routine expenses
 - And 40% of the above
 - HUD would be happy with between 3 and 6 months of the cost to operate
 - Either would be great

H. HUD Approvals

- High performer and Standard performers, the submission of the Agency Plan replaces traditional submission
 - Field Offices typically do not look closely at operating budgets for most PHAs
 - Brooksville is under full detail review
 - They can and will cut off funds!

4. Capital Fund Program

- Next in discussion because of interface with Operating Budget
- '98 amendment eliminated both CGP and CIAP
- New Capital Fund formula has been developed
- All sizes of PHAs now eligible -noncompetitive grant
- Existing programs, CGP/CIAP, convert to new Capital Fund rules
- Good news
 - Brooksville is now eligible

- Remember Capital Funds are currently:
 - Fully fungible between the Capital Fund and the Operating fund for PHAs less than 250 units
 - One way for Brooksville to build up reserves would be to use this feature
 - We could also borrow against the Capital Fund

- This is where most of the DISCRETIONARY money comes from and where most of the decisions will need to be made
- This budget MUST agree with your 5-Year Plan and the Annual Statement

A. Use of the Capital Fund

- Being able to use modernization for development is a major change
- Communities will be able to create their own HOPE VI programs through the use of the Capital Fund, coupled with such concepts as Tax Credits and Mixed Financing

B. Your Approval

- When you approve the Agency Annual Plan you will be approving the Capital Fund Budget
 - Consider authorizing spending for current year

- Spending on items in years 2-5 require Board notification

C. Movin' On

- Any budget-related questions before we shift into financial monitoring issues?
- Financial Monitoring

- "Comparative Income and Expense Statement"

- The Audit

Comparative Income Statements

- Shows last year's actual for income and expenses

- Current year totals
- Year-to-date

- The new Capital Fund will be monitored by program year in the Annual Plan
 - Previously reviewed and approved separately

D. Possible Problems Areas

- Conventional Public Housing is reasonably straightforward
 - What you see is what you get/got
 - Individual budget will require individual comparative income and expense statements
- Capital Fund can become a shell game
 - Multi-year projects make it difficult for a Board to keep up with total dollars spent on a particular project

5. The Annual Audit

- Good News! The Single Audit Act of 1984
- Really cut down on possible shell games
 - All programs are done at one time by one audit firm
 - Let's look at the Brooksville audit for last year
 - "Findings and question costs"
 - "Action on prior year findings"
- The new Agency Plan template is the easiest place to see the current status of the audit process
- The new PHAS also evaluates the results of current and most previous audits

A. The Independent Auditor and the Board

- A local or generalist firm versus a firm that specializes in PHAs?
 - PHA audit requires the auditor to evaluate "program" as well as financial issues
 - If the auditor doesn't understand the program how can they evaluate performance?
- Pre-audit meetings and exit conferences
- IP audits are much broader than a financial review
 - IAs are filling in the gap caused by HUD's downsizing
- Who pays for the IA?
 - HUD pays
- New January 2000 –

- HUD reserves the right to pick your auditor

B. Internal Controls

- Internal Control's primary purpose is to make fraud less likely
 - Notice the key word "less"
 - You can never completely eliminate the possibility of fraud
 - Internal control typically involves a concept known as ?
- Internal Controls (Continued)
- Separation of duties
 - What does this mean?
 - Many feel there is an increase in the possibility of fraud with long-term Executive Directors or key staff
 - Why might this be?
 - Boards must stay involved and focused
 - Collusion in the right place is very difficult to detect
 - Two (2) in cahoots is difficult- Three (3) or more almost impossible
 - Possibilities of collusion are not good reasons to ignore internal control
 - Duty rotations are good ways to detect or reduce likelihood of fraud by collusion
 - Good internal controls are more difficult in Brooksville
 - Why?
 - Never sign a blank check
 - Make it against policy
 - Never have checks payable with one (1) signature
 - Require a back-up paper trail for all payments

6. Financial Professionals

- Fee accountants - A big help for small PHAs
- Ideally, they should be CPAs
- Different from Independent Public Auditors
- Fee accountants help you set things up to get clean audits!

On The Other Hand

- Depending on the expertise of staff AND
- The computer software used
 - Brooksville could save money by managing their financial records directly

Questions?

Module 5: Procurement and Ethics For Commissioners

1. Your Specific Needs

- What problems have you experienced with procurement?

2. Objectives

- To provide information regarding the procurement process
- To identify your role in the process
- How to improve your Agency's performance and compliance
- To address ethical issues
- The right questions to ask

3. Procurement Is

- Buying goods and services
 - Often one of the most difficult areas, especially for small PHAs
 - Due to lack of knowledge of what is required
 - Failing to plan

4. Federal Requirements Relating to Procurement

- The OMB Circulars
 - The Common rule 24 CFR Part 85
 - More on next slide

The Relationship between 24 CFR & Handbook 7460.8

- 24 CFR 85 implements OMB A-102 the "Common Rule"
 - Issued to direct "grantees" receiving money from HUD
- Handbook 7460.8 Rev 2 issued March 2007 is based on 24 CFR –
 - Specifically 24 CFR 85.36

Handbook 7460.8

- Based on regulation set out in 24 CFR 85.36
- Entitled "Administrative requirements for grants and cooperative agreements to state and local governments."

5. Procurement Policy

- Recommend using the HUD model adjusted for local conditions/laws
- Hardcopy included in handbook 7460.8

A. General Provisions

- Purpose of Procurement policy
 - To insure all purchasing actions are in compliance with Federal, State and local laws
- Application
 - All procurements

- Price
 - Technical and other factors specified in the solicitation for competitive proposals
 - Unsuccessful firms notified in 10 days
- Work is inspected before payments are made and payments are made promptly
- The BHA complies with HUD review requirements
- Planning
- Contracts in writing
- Procurement history
- Public notice (over small)
- Full compliance with 24 CFR 35.36
- Cost estimates
- Contracts to responsible contractors
- Work is inspected before payments
- Payments made promptly
- HUD review requirements

Contractor's Responsibilities

- Must have the technical and financial competence to do the work
- The PHA is to:
 - Review contractor they are not familiar with
 - Maintain documentation on contractors
 - Check with others that have used the contractor
 - Review debarred list

The Board's Responsibilities

- Let's make a list
 - 1
 - 2
 - 3
 - 4

The Board's Responsibilities

- Establish/adopt policies
 - Details later
- Oversight to insure that policies are being followed
 - Reviewing the audit trail
 - Knowing what to look for
- Participate in the selection of the Auditor
 - Why is this important?
 - Staying engaged during the audit process

Responsibilities Continued

- Insure that public funds are wisely spent

- Procurement means contracts, modifications for construction, non-Construction, rentals and leases
- Executive Director/Staff

Executive Director's Responsibilities

- The Executive Director is to ensure that:
 - Purchases are subject to a planning process
 - Contracts and modifications are in writing
 - Supporting documentation regarding the history of procurement includes:
 - Type of procurement chosen
 - Selection of contract type
 - Rationale for selecting/rejecting offers
- To ensure
 - Procurement history
 - Basis for the contract price
 - Contracts and modifications were executed by an official designated by the Contracting Officer
 - Sample form in back of 7460.8 between 8&9
 - For other than "small purchases"
 - Public notice is given
- To ensure:
 - For other than "small purchases"
 - Adequate time is given to prepare bids/proposals
 - Notice of the award is made public
 - Solicitations are in full compliance with 24 CFR 35.36
 - An independent cost estimate, aka the ICE is prepared
 - Before the solicitation
 - Cost estimate is safeguarded for all purchases above the "small purchase" level
 - Price analysis is conducted on all responses
- Contract is made to:
 - Responsive/Responsible bidder (sealed bid)
 - The proposal that offers greatest value considering:
 - Greatest value considering:

- Direct involvement for small PHAs
 - More on this later

More on Policies

- Establish/adopt policies
 - The Procurement policy
 - Capitalization policy
 - Disposition policy
 - Internal control policies/procedures
 - Employee conduct policy
 - Budget
- Should use the one found in the HUD Procurement Handbook
 - Modified to meet State and Local Laws
 - Specific needs of BHA
 - Should be reviewed by HUD
 - They can not approve a sole source procurement unless your policy complies with all of the Federal requirements

The Capitalization Policy

- This policy determines what is carried on the books as a fixed asset
 - Fixed assets would be included in your official inventory and be reviewed by your auditor
 - PHAs have more flexibility than in the past
 - Can be \$100, \$500, \$1,000
 - What are some of the issues here?
 - Relationship to the Budget
 - Tools and Equipment inventory
 - Not typically addressed during the Audit
 - Can they be?

Disposition Policy

How Items Are Disposed

- Would include
 - Real Estate
 - Fixed Assets
 - Non-capitalized property
 - Remember if your Capitalization number is high such items as my laptop would not be carried in your inventory
 - A complicated process results in junk laying around and/or the process costing more than it is worth
 - Over simplification may result in fraud and waste

Internal Controls

- Can be reflected in each individual policy
- Much more difficult for small agencies
 - Why?
 - The more people involved the better
 - Individual Board members might need to directly participate
 - Provide the second signature on checks
 - Remember your role is more than signing the check – it is to insure that policies have been followed
- Before signing a check
 - Review all documentation supporting the procurement
 - Is the documentation sufficient?
 - Was the item in the Budget?
 - Never sign a blank check
- Periodic look see
 - Someone needs to determine that the items were used as planned
 - Plywood and paint sometimes walk off
 - Are they in the inventory?

Being Involved Continued

- Who evaluates internal controls?
 - Are you sure?
 - This is why you need to stay connected, no matter the size of your Agency

Employee Conduct

- While part of ethics we should discuss the benefits of a stand alone policy
 - Part of the employee handbook with similar language in the Personnel Policy
 - Specific examples of unacceptable behaviors
 - Consequence for non-compliance
 - Part of orientation program
 - Revisit during annual cycle

The Right Questions

- Does this procurement/budget item, move us toward our Goals and Objectives
- Does it make sense?
- Is it prudent given the use of public funds?
 - Why is this an issue?

- More Boards and Directors have gotten into trouble for not asking this question
- Impact of de-control
 - Next slide

De-Control

What is this?

- High and Standard performing PHAs under PHAS
 - Do we know what PHAS is?
 - No longer submit budgets to HUD
 - Is this an issue?
 - Some auditors spend less than one day on-site for a small PHA audit
 - How many internal control reviews get conducted
 - This is why “stuff” happens – no one is looking
 - For sure not looking at appropriateness of BLIs

C. Questions Regarding Who Does What by When?

- ????

4. The Agency Plan and Procurement Planning

- This is not the chicken and the egg deal – Good Agency Planning must occur before the annual procurement planning

A. General Considerations

- Good market analysis
 - Is there a need for our units in this market?
 - Should we continue to spend money on these units?
- Who do we/should we be providing housing?
 - Was the comprehensive needs assessment done with this group in mind?
 - Would they really live there if all of this work is done?
- Everything is an emergency
 - When to stock big ticket items?
- No central procurement authority
 - Maintenance men off to the store
 - Not a good use of manpower
 - Procurement can and does impact your Agency's PHAS score
 - Stuff needs to be the right stuff and on-hand when needed

B. Planning and Inventory

- Too much is just about as bad as too little
 - Communication is essential

- Purchasing needs to know if you plan to renovate kitchens next year so they can let stock of existing replacement faucets reduce
 - Just like any other business, profit or excessive cost is often sitting on shelves
 - The sales person selling direct to field level staff
 - Keeping shelves stocked automatically by an outside vendor may not be a good idea!

C. The Actual Plan

- Can be simple or complex
- Should involve planners and doers
 - A simple format is in the appendix of the Procurement Handbook
 - Special ones for complex procurements, such as for Computer systems
- The lack of planning is often the cause of non-compliance
 - With both procurement rules and spending specifications under the capital fund
 - Obligate by 2 spend by 4

The Process Should Also

- Identify recurring needs such as:
 - Pest control contract
 - Supplemental service agreements
 - Expiring contracts with attorneys and other professionals, including the auditor
 - Remember HUD must approve all contacts longer than two years
 - Including contracts with Executive Directors
 - Every item above requires about 3 months
 - Without planning it won't happen on time

D. Practices That Adversely Impact Procurement

- Restrictive specifications
- Practice of extending/renewing contacts
- Slow to pay
- Unreasonable response times
- Poorly written specifications

E. Qualified Bidders List

- Make list large enough to insure competition
- Permit contractors to be added during solicitation period
- Try to get at least 2 bidders
 - Why?

F. Competitive Specifications

- Review specifications to ensure they are not restrictive
- Functional or performance specs preferred
 - Why is this not typically done?
- Avoid detailed product specifications if possible
 - The use of "or equal" reference

G. Limitation on Competition

- Avoid geographic restrictions
- Avoid unnecessary bonding
- Avoid brand names or equal specifications
 - Unless they list the minimum essential characteristics the item must conform to
 - How to do this and still get what you need?
 - Field test the item being offered to insure that it meets your need

H. Procurement Methods

- Small purchases
 - Sealed bids
 - Competitive proposals
 - Non-competitive proposals
- Cooperative Purchase Agreements
- With other government agencies
 - Requires a written agreement setting out:
 - Who is authorized to make purchases
 - How items are to be inspected
 - How payments are made
 - How does this relate to purchasing from state contracts?

I. Small Purchase Procedures

- General
 - Any contract/purchase not exceeding \$100,000
 - Referred to as the "simplified acquisition threshold"
 - Florida State law and Brooksville codes may add requirements and/or lower thresholds
- Petty cash
 - Can be used for purchases less than \$500
 - Establish fund to a period (one month)
 - Designate who has access
 - Conduct periodic audits
 - Match up to capitalization policy
 - Create a tools/equipment list for items that might walk off
- Small purchase less than \$2,000

- This purchase is now referred to as a Micro Purchase
 - Next slide

Small Purchase Procedures Continued

- For purchase less than \$2,000
 - Only required to receive quote from one source
 - If price is considered reasonable
 - How do you know the price is reasonable?
 - Distribute opportunities among qualified sources
 - Try not to go to the same source on successive purchases
 - This time to Lowe's – next time to Home Depot
 - Make them keep their pencils sharp

Special Concerns for Credit Card Use

- Reconcile monthly statements
- Require documentation before paying statement
- Address items that need to be capitalized

Small Purchase over the Micro Level

- Up to \$100,000 or the amount specified in your policy – Check State Law
 - Must receive at least 3 quotes
 - May be oral or in writing
 - May use non-price factors
 - Must disclose this to all offers
 - Maintain documentation
 - Who contacted and the date contacted
 - The amount of each quote
 - Make available to the public

J. Simplified Acquisition Threshold and Good Public Policy

- Have Board approval be for some amount less than \$100,000
 - For example have Board approval required for all purchases over \$10,000
 - Or lesser amount depending on size of the PHA and the experience of the Executive Director

Use of Small Purchase Procedure

- For annual audit services
- Listed items such as experience, cost and time to complete audit
- Sent invitation to 6 firms
- Selected best firm
- Signed contract

Determining Reasonable Cost

- Always required
 - Catalog prices
 - Previous purchases
 - Quotes from others

K. Blanket Purchase Orders

- Similar to a charge account with pre-agreed to prices
- Should ask several vendors to submit pricing on a common list of frequently used items
 - Awards agreement with lowest firm
 - Convenience and stocking issues can be a factor if you advise each firm in advance

L. Sealed Bidding

- Use when the following conditions are met:
 - Complete, adequate and realistic specs are available
 - Two or more bidders are willing to compete
 - The procurement lends itself to a fixed price
- The preferred method for construction
- Required for Capital Fund exceeding "Simplified Acquisition Threshold"
- Do not use for professional services contracts
- Solicitation and Receipt of Bids – IFB
 - Recommended once each week for two weeks
 - Should read – XYZ authority will be soliciting bids on a date (after the advertisement runs)
 - The advertisement period runs before the bid period
 - For example – if the advertisement is on November 1st and 7th and the bid period is for 30 days the bid opening date would have to be after December 8th.

M. Invitation For Bidders

IFB

- For Construction
 - Cover letter
 - Mandatory Clauses
 - HUD 5370
 - Required Certifications
 - HUD 5369-A
 - Instructions to Bidders
 - HUD 5369
 - Appendix 26 in 7460.8
- For Non-Construction
 - Cover letter
 - Mandatory Clauses
 - HUD 5370-A
 - Required Certifications
 - HUD 5369-C

- Instructions to Bidders
 - HUD 5369-B
 - Appendix 26 in 7460.8

N. Alternative Bids, Add-Ons, and Deducts

- Use of Alternative Bids
 - Better to have a base bid that includes what you want
 - Use a system of deducts if cost is the issue
 - Deduct the least desired items first until the project comes in budget
 - Should evaluate overall lowest bidder independent of individual item differences

Amendments

- Addendums
 - Must indicate number and date
 - Must be sent to all that picked up/were sent a bid package
 - Acknowledgement required
 - Provide sufficient time if addendum is issued close to bid opening date
 - This is especially true if one of the bidders pointed out the need for the addendum

O. Pre-Bid Conference

- Good idea for major renovation projects
- Consider providing a sample unit
- Send a transcript to all bidders even if they didn't attend
- Do not make attendance mandatory

P. Bid Opening

Each bid date stamped

Stored in a lock box

Bids opened and read

State bidders name and price

Record information

Make no comments at the bid opening

- Questions/Disagreements should be taken under advisement
- If tie bids are received
 - Resolve by drawing lots or similar method
- If only one bid is received a cost or price analysis indicates that the price is reasonable

Contractor Responsibility

- Determine if the bidder is responsive
 - Are all of the documents and certifications present?
- Is the Contractor responsible?

Mistakes in Bids

- Review bid for mistakes
 - If you find a mistake contact the bidder
- Minor informalities
 - Matters of form rather than substance
 - Not signing a form or submitting multiple copies
 - Mistake before opening – permit to correct
 - Mistake after – typically not permitted
 - When would you permit a correction/withdrawal?

Q. Bonds

- Bid guarantee
- Performance Bond
- Payment Bond

Bid Guarantee

- Also called a Bid Bond
 - 5% of the bid price
 - Certified check, Government Bonds or Surety
 - Insures that the bidder will stick to the bid
 - If not submitted reject the bid
 - If renege -bidder forfeits the bid guarantee
 - Withhold all guarantees until contract award

Performance Bond

- Guarantees that if the contractor is unable to complete, the surety will step in and complete
- Amount varies depending on funding source
 - General construction 100% of bid
 - For PH construction 100% of bid or 20% cash or 25% irrevocable letter of credit
 - For Capital Fund over \$25,000 either 100% or a separate performance and payment bond at least equal to 50% or 20% cash or 25% credit (pg 4-12)

Payment Bond

- Insures that the contractor will pay subcontractors
- Performance and Payment Bond usually issued by same surety and on the same form
- Amounts same as last slide
- See appendix 19 for sample

R. Competitive Proposals

- Primary alternative to sealed bids
- Allows discussions with each offeror
- No public bid opening is held

- Changes are permitted even after opening
- Withdrawn prior to award
- Condition for use:
 - When detail specifications are not available
 - When you are unsure about requirements
 - May not base award solely on lowest price
 - A/E contracts and contracts for professional services such as the annual audit should use this approach
- Solicitation
 - Clearly identify importance of price and other factors
 - Assign points to each item and include this in the solicitation
 - Describe how points will be assigned
 - Try to have at least 3 individuals review and assign points
 - Do not disclose number, names or details of proposals

Handling The Proposals

- Date stamped and secured
- Not opened publicly
- Not shared with PHA staff except for panel members
- Vendor can withdraw at any time
 - This is different than sealed bidding where a bid bond is involved

The Review Panel

- Panel members should be from the department funding or using the service
- Consider concealing identity of offers
 - Easier said than done
- Evaluate each proposal against the RFP
- Evaluation report
 - Rank each proposal
- Perform a evaluation of cost

Evaluation Plan

- The plan should provide for an impartial, consistent and fair – and an objective assessment of qualifications
 - While this is the goal, it ends up being just that – a goal
 - Three independent raters will, no matter how clear the areas are defined have a different interpretation of what is provided
 - Like reading resumes
- This will include the scoring protocols

Scoring

- Agree on how to award points

- Allows ratings to be averaged
- Consider scoring each area across all proposals
 - Give maximum points to offer that provided the best response to a particular area
 - Could give same points to all if all respond the same
 - For example – Time to complete project

Negotiations

- The Competitive Range concept
- Can have discussions with firms to address problems with RFPs
 - Can be both technical and cost related
 - Design/build RFPs are a good example where you might want to have discussions with all prior to final consideration

More on Negotiations

- Negotiations with all – or “Award without discussions?”
 - Indicate in the RFP if this is possible
- Discussions with those in the “Competitive Range”
 - Can discuss Price and Technical issues
 - Best and Final Offers
 - Prepare Price Negotiation Memo
 - Explains the basis for the award decision

Award

- Post a notice in a public place identifying the successful awardee
- Notify unsuccessful offerors by mail
 - Offer opportunity for debriefing session
 - They do not have access to Proposals submitted by other vendors

S. Special Procurements

- A/E services
- Legal
- Audit
- Executive Director
 - Is this a procurement?
 - It is if the ED is considered a contract employee
- Information Systems

Architect/Engineer Services

- Can use
 - Small purchase procedures
 - Competitive proposals
 - With price being a factor
 - Qualifications-based selection

- Cost not a factor –check your state law
- Qualifications-based selections – QSB
 - Can only be used for A&E services
 - Rank each proposal
 - Negotiate price with top firm
 - If agreement can't be reached go to next highest ranked firm
- Full Service Concept
 - Issue awards in phases
 - Typically covers a period of time

More on A&E RFPs

- Required clauses use HUD forms 51915 for development or 51915.1 for Capital Fund
 - If AIA contract is used be sure HUD forms are also used
 - Again contract term can not exceed 2 years without HUD approval

Procurement of Legal Services

- HUD Notice 2003-24
 - Urges use of Contract Addendum
 - Points to common practice of procurement of Legal Services without regard to competition
 - Next slide

Legal Services

- May use the "small purchase" procedure
 - Check with field office to see if \$100,000 applies
- If procurement exceeds use Competitive Proposals approach
 - Contracts longer than two year – HUD approval
- Litigation services
 - Requires HUD concurrence if over threshold

Legal Services Continued

- Use of program funds to defend the PHA
 - See Litigation handbook 1530.1
 - Contact the field office

The Auditor

- Use the RFP process
 - Include cost as a factor
 - But give it a low number
 - Why does this make sense for most PHAs?
 - A Board member could be on the review panel
 - Actually the entire panel?
 - Why would you want to do either of the above?
 - Open meetings law issues

F. Cost-reimbursement Contracts

- Same as above
- Allowable
- Able to allocated
- Reasonable

G. Allocation

- Must be able to tie in cost to the project
 - Direct – tied back to project
 - Indirect – PHA should only pay a fair percentage
- This ties back into the PHA's need to audit the financial records of the contractor
 - Remember this applies to Change Orders if:
 - The scope of work is changed
 - More on Change Orders later

H. Cost Reasonableness

- Is the proposed cost:
 - In line with 'what has been previously paid?
 - Is the price what would be commonly paid by a prudent business manager acting at an arms' length bargaining?

I. Profit

J. Cancellation of Solicitations

- If no longer needed
- Funding issues
- Major changes
- Convert from seal bid to RFP
- Document file

K. Cooperative Purchasing

Buying From State Contract?

- Requires that the PHA and the Government Entity execute an agreement
 - Almost never done
- Entering into relationship with local government to provide services beyond their normal scope is to be treated as a procurement
 - Buying gas or hiring cops not a procurement from local government

L. Contractor Responsibility

- Scope of service & Compensation
- Contract period & Option to extend
- Bonding & Insurance
- Indemnification & Liability Insurance

T. Noncompetitive Proposals

- Condition for use?
 - When all else fails
- Why?

Noncompetitive Proposals

- Condition for use – At least one of the follow applies:
 - Item/service available from one source
 - An emergency exists
 - HUD authorizes
 - After solicitation competition is determined inadequate
- Justification
 - A written justification is required
- Price Reasonableness
 - This is where it gets complicated
 - To be continued

5. Cost and Price Analysis

A. Objective

- Is the item or service provided at a Reasonable Cost?
 - Price analysis - the bottom line
 - Most common method
 - Introduction to handbook 2210.18 provides guidance
 - PHA is required to conduct internal price estimate

B. Small Purchases - Up to \$100,000.

- Be sure to check state law for threshold
- Compare quotes to independent estimate
- No cost analysis required

C. Sealed bids

- Reasonableness established by comparing bids to cost estimate

D. Noncompetitive Proposals

- Cost break down “must” be provide
- Individual elements are reviewed

E. Contract modifications (change orders)

- Must conduct a cost analysis using the principles in handbook 2210.18

The Executive Director

- While relatively free regarding the process there are issues
 - A Board is free to appoint an Executive Director (in most States) without going through any specified process
 - Aware that someone is available, qualified and interested
 - Someone moves and another seconds – all in favor say I and it is done
 - Almost
- When might this approach be appropriate?
- When not?
- The other end of the spectrum
 - The National search
 - This is when contracts are frequently used
 - And when the process looks more like a procurement
 - Remember contracts longer than 2 years require PRIOR HUD approval

Information Systems Procurements

- Can be one of the most complicated procurements
 - Issues such as software suitability are difficult to determine
 - Often requires a site visit to see for sure if what the vendor says really works
 - Maintenance agreements related to software and hardware are difficult to determine appropriate cost
 - Travel to and from your location often a major issue
- Depending on complexity an independent consultant may be helpful
 - Be sure their role ends when the procurement takes place
 - Always?
 - Also be sure you procure their services as you would for any other professional service provider

Insurance Procurements

- Health, auto and other coverage can also be difficult for the non-professional person to evaluate
 - The use of a professional to be sure you're comparing apples to apples may not be a bad idea

Professional Services Contracts

- HUD review
 - Required for any contract term exceeding 2 years
 - This includes contracts with Executive Directors
 - This includes renewal provision going beyond 2 years
 - HUD's review will include

- PHA determination – items to consider:
 - Previous work for the PHA
 - Suspended or Debarred
 - Check the list
 - LDPs are different
 - Satisfactory work for other PHAs
 - For contracts over \$50,000. Contractors submit Previous Participation Certificate

6. Types of Contracts

A. Fixed Price

- Generally preferred
- You may pay too much
 - Why?
 - Cost reimbursement
- Difficult to monitor effort
- Under some circumstances a reasonable choice

B. Fixed Price with special provisions

- Price adjustments
- Price incentive
- Level of effort

C. Cost reimbursement

D. Cost sharing

E. Cost plus fixed fee

- Cost plus incentive fee
- Cost plus award fee
- Time and material
- Requirements
- Fixed prices for either goods or services over a period of time

F. Indefinite Quantity

- Requires a minimum purchase of either services or goods

G. Definite Quantity

- You know how many but not when

H. Basic ordering agreement

- While not a contract it is an arrangement hammered out in advance to save time when items/services are needed
 - This could be for emergency services such as providing back-up housing in case of a disaster

I. Letter contract

- Would be issued in an emergency so work can begin
 - A formal contract should be executed prior to the completion of 50% of the work

J. Indefinite delivery contracts

- Quantity and delivery time unknown

K. Prohibited Contract Types

- Cost Plus a Percentage of Cost
 - As the cost increases so does profit
- Percentage of Construction Cost
 - Fees increase along with the complexity of design
- Performance Based Acquisition
- Results based acquisition
- The end result is stated rather than describing the process
 - Payment is based on results not level of effort

L. Options

- The ability to continue to receive products or services over time
- Option period can't exceed two years – without HUD approval
- Should exercise within 30 days of expiration of original deal

7. Contract Clauses

- Use of HUD 5369 (for construction) and 5369 C (for non-construction)
 - Required for solicitations
 - See appendix in 7460.8 REV 2
 - HUD form 5370 is to be used for construction
 - HUD form 5370-A for non-construction contracts
 - HUD 51915 for development and 51915-A for Capital fund A/E contracts

8. Contract Administration

According to HUD this is often the most ignored area in procurement

A. Planning for Contract Administration

- May vary depending on how complex the contract
- Consider a document spelling out WHO does WHAT and WHEN

B. Post-Award Conferences and Notice to Proceed

- Should be held for all construction contracts
- How about for non-construction?
- Address safety and other administrative issues
- Re-emphasize issues mentioned during pre-bid conference that were probably ignored
 - This is the time to insure that everyone understands what is expected

C. The Notice to Proceed

- Prepare an original and at least two copies
- Consider sending by registered mail
- Have Contractor sign each – retain one and return two
- Place one in contract file and send one to HUD if required

D. Receiving Items

- How might you “force” the counting of items?
- Materials stored issues
- Usually for major items not sundry supplies
 - When might boxes of nails be “ok to pay” ?
- Must be stored in a location suitable to the PHA
- Must be covered by insurance
- Should have been addressed in payment schedule

E. Monitoring and Inspections

Timing Is Everything

Construction Contracts

- Have frequent meetings with contractor and staff
- Prepare a written summary of the meeting and distribute
- Insure that whoever is conducting the inspections is qualified and is awake!
- How would you do this?
- All noted deficiencies should be communicated in writing to the Contractor

Warranty Inspections

Millions lost on a national level due to lack of follow-up

- While not specific to construction routine refrigerator failures within first 5 years are almost never processed as a warranty claim
- CIAP/CGP required 11 month inspection
- Capital Fund ?

Progress Payments

CIAP/CGP and Development & Capital Fund?

- Requires a construction progress schedule prepared by the Contractor
 - Requires recommendation by Architect
 - Approval by PHA
- Contractor prepares schedule of amounts using form HUD – 51000
 - Also must be reviewed by the Architect and approved by PHA

- Payments are made for "Acceptable" work and materials Delivered and stored on Site
 - Typically at 30 day intervals – Do Not! REPEAT Do Not get talked into processing payments on demand.
 - Be sure the Contractor understands when payments will be made.
 - In by the 1st paid on the 25th etc
- Payment request submitted on HUD 51001, Periodic Estimate for Partial Payment
 - Also submit other forms if applicable

Prior to making payment the PHA shall determine:

- If the request is consistent with schedule
- Does not include retained amounts
- Work has been performed CORRECTLY
- All forms completed correctly
- PAYROLLS have been submitted and reviewed for correctness!!!!

F. Construction Contracts – Time Extensions

Construction Contract Issue

Time Extensions and the Construction Log

The Construction log should document:

- Daily temperature and precipitation
- Delays in obtaining labor and materials and Reason for such delays
 - Some delays may be under the contractors ability to correct
 - Sub-Contractors not being on site is fixable
- Labor disputes or strikes
- Delays of others – such as public improvements
- Other delays caused by fires, floods or vandalism or court orders

Criteria for Grant Time Extension

Upon receipt of written request –

- PHA responds indicating consideration will be given forthwith or will be evaluated at the end of the job
- The PHA reviews documentation to determine if the Contractor's request has the necessary data to ascertain if the request meets criteria
- PHA prepares a "Finding of Fact"
 - Is the request reasonable and justifiable

G. Warranties

Warranty period for construction SHALL be at least 365 from date of final acceptance

- For phased work from date PHA accepts unit or item
 - Major area frequently overlooked
- Need a system to remind PHA staff of outstanding warranties
 - Contractor also responsible for damages resulting from failure – such as water damage.

H. Completion of Work

Contractor is to provide Written notification

- Do not make final payment or release retainage until final inspection has been completed
 - How about release of a portion of retainage?
- Once notified final inspection is to occur within 10 days
 - HUD to participate if contract amount exceeds \$10,000.
- Post-inspection meeting to address seasonal issues and/or punch list
 - Documentation – items to be submitted by the Contractor:
- Certificate of occupancy – if one is issued by local code enforcement agency
 - What if one is not available? – What should a PHA do?
- One notarized original and two copies of the Contractor's release and certification
 - The Contractor's release must indicate:
 - Work completed in accordance with specifications
 - Total amount due
 - Releases HA for all claims
 - Wages paid consistent with wage determination
- Other required documentation
 - Assignment of warranties
 - Payment request indicating "Final Request"
- Accepting part of a project – The following conditions must be met:
 - Dwelling units ready
 - Contractor agrees to concept
 - Will not inconvenience or pose a safety risk to tenants
 - HA receives occupancy permits
 - Contractor accepts responsibility to complete entire project by established completion date

Final Payment

- Review previously mentioned certifications
 - Submit documentation to Field Office

- HUD Labor relations staff should advise if there are any known labor problems
- HUD should then advise that is ok to make payment to the contractor
 - This final payment may not be all of the monies covered by the contract if there are seasonal items still not completed – or items in dispute
 - Withheld amounts over \$50,000 require HUD approval

I. Reports

- Maintain a progress inspection report file
- Note conditions of work and any issues
 - Specific procedures vary by program
 - Capital fund – use CGP handbook until or if HUD ever provides a handbook for the CFP
 - Development use PH Development handbook

J. Contract Administration Systems

The PHA is required to have a system to:

- Inspect
 - Supplies
 - Services
 - Construction & contract performance
- Conduct wage field interviews
- Review weekly payrolls from contractors
- Contract log to support time extensions

- When in the field be observant
 - Are laborers using tools of the trade?
 - Do workers commonly paid piece rate know their hourly wage?

K. Contract Modifications

Contract modifications - Change orders

Rule of thumb

- For increases you probably pay too much
- For deduction you probably don't get enough
 - Requires "cost analysis" as previously discussed

Use of AIA forms for change orders

Limitations on change orders

- "Changes such as increasing the number of items being purchased or other types of new work are not considered within the scope of the contract or within the authority of the Changes clause."
- What? I can't add items???

- Functional or performance specs
 - Outline what you want and allow the contractor to decide how to meet your wishes
 - Most homeowners, when replacing or up-grading home HVAC systems use this approach
- Design specifications
 - Details clearly expressed
- Purchase descriptions
 - Clear descriptions of item –
 - Avoid specific brands if possible - The use of “or equal” concept

Construction Contracts

- Recommend that work be performed under One contract
 - Overlapping sometimes confuses who is responsible for what
- Realistic construction periods critical
 - Speed can translate into poor work and/or increased \$\$

Limitations

- Design so as NOT to restrict to one bidder or supplier
- Avoid
 - The term “as per sample” unless sample can be provided to all bidders
 - The term “best commercial quality”
 - If possible clearly define what you expect the end product or result to be

Geographic Restrictions

- Shall avoid geographic preferences
 - Exceptions – Section 3
 - This requirement does not preempt State licensing laws
 - Providing points or preference for a local A/E firm permitted so long as there are a sufficient number of qualified firms

Resident-owned Businesses

- Competition can be limited to ROB with certain restrictions – see chapter 9

Brand name usage

- Shall not be used unless:
 - No other design is available
 - A bona fide need for consistency or standardization
 - Use is in the best interest of the PHA
 - Suggest that this be adopted by the Board –Why?

Records

- Suggested that the PHA maintain a contract file with a register of modifications
- Should show
 - The number of modifications
 - Description of each modification
 - Cost of modification
 - HUD approval if required

L. Contract Terminations

Can be for "Convenience" or "Default"

- Why might a PHA terminate a contract for Convenience?
 - Can be the entire contract or a portion
- Defaults
 - Failure to perform
 - Contract violations including Labor issues

The Termination Notice to include:

- Whether for convenience or default
- In whole or part
- If for default outline HA's rights to charge excess cost of "re-procurement"
- Effective dates
- Contractor's right to proceed under the un-terminated portion of the contract
- Any specific instructions SEND CERTIFIED MAIL

Terminations for convenience

- Settlements
 - Contractor submits settlement proposal
 - Contracting officer negotiates fair settlement with the Contractor
- Compensation
 - Paid for work completed AND for preparation for the work that was cancelled

Termination for default

- PHA to provide a 10 day notice with opportunity for the Contractor to "cure" the default
- Be sure to notify Surety if project cover by a Bond

M. Specifications

Three basic types of Specifications

- The “or equal” concept
 - Unless characteristics are commonly known include a description of the item
 - State specific issues that make the Brand you have specified desired
- All other brands that have the same features should be considered
- Allow all bidders the opportunity to demonstrate how their product / process can meet your needs
- Let's talk about standardization
 - Does it really work?

Organizational conflicts of interest

- When might this come up?
- Consider including a clause in applicable procurements where the bidders must disclose any such relationship

9. Statement of Work SOW

Depending on how clearly the SOW can be defined will determine whether you use sealed bids or competitive proposals. Careful wording is important

- Do not limit what you are looking for to the extent that you restrict competition
- Don't ask for something that you cannot justify – For example – years of experience – is 10 just as good as 20?

A. Elements of the SOW

At a minimum, every SOW should

- Give a precise statement of objectives
- Identify the work to be performed
- Set parameters to measure performance
- Require some “end product”

10. Level-of-effort - Where work is to be paid for by the hour

- Describe kind of personnel
 - Master plumber and helper etc
- Nature of work
 - Plumbing repairs such as ...
- Required deliverables
 - Documentation of work etc

B. Appeals and Remedies

Perception of fairness –How you deal with contractors is important

- Why?

- Initial complaint can be verbal to the Contracting Officer
 - If not resolved a written complaint is required to proceed
- Informal resolution is the goal
- Consider having discussion by individuals not involved in the dispute

Bid Protest

- Any protest against a solicitation must be filed before bid/or proposal due date
- Any protest against an award must be within 10 days of the award
- All protests shall be in writing and a written response from the Contracting officer is required
- Any formal protest
- Requires a written response
- Contracting officer may suspend procurement pending resolution

C. Contract Claims

CO required to provide a letter containing the following by certified mail:

- Description of controversy
 - Reference pertinent clauses in contract
 - Statement of factual areas of agreement/disagreement
 - A statement of CO's opinion and rationale
 - Right to appeal to Executive Director
 - Time for decision
- If CO doesn't respond in 60 days contractor may proceed as if an adverse decision had been received.

Contract Records should include:

- Detailed job record
- Disputes and claims file
- Correspondence and minutes of any meeting

Disputes clauses

- See language in HUD – 5370
- HUD's role limited to whether PHA followed policy and responded according to contract

11. Assistance to Small and Other Businesses

- Include contract clauses that require contractors to provide opportunities in accordance with 24 CFR 135
- Require contractors to do all of the above when subcontracting
- Be sure to advise contractors of Section 3 requirements
- Clause contains requirements in HUD 5370

- **Definitions:**

- A small business does not dominate its' field of operation
- A minority owned business is owned by 51 % of one of the minority groups
- A women's business is owned by 51% of the women who own and operate the business
- A Section 3 business is in the area of development

- **Specifics regarding Minority Owned (MBE)**

- The PHA Shall
 - Provide the MBE every feasible opportunity to participate
- The PHA May
 - Adopt a Board resolution establish a goal to award a percentage of Capital Funds to MBEs,
 - When a main construction contract is awarded to MBE
 - Count entire dollar amount toward goal
 - If subcontract count only sub amount

- **Resident Owned Businesses**

HUD rule issued in 24 CFR 963 provides alternative procurement process

- PHA prepares independently
- Solicit quote from one or more ROB
 - Contracts for less than \$50,000.
- Quote is reasonable
- Award contract and document file

12. Ethics in Public Contracting

A. Conflicts of interest in a nutshell

- If you are involved in any way with a procurement
- Neither you or any member of your family can benefit financially
- Disclosure
 - Discovery of potential or actual conflict requires a written statement of disqualification
 - Applies to Board members
 - Restrictions on employment of present or former employees
- If you were involved before leaving you can't deal with the PHA on the company's behalf

B. Prohibition against selling to the PHA

- On year following the end of employment

C. Contingent Fees

- It is a breach of ethical procedures for a contractor/consultant firm to hire someone to solicit a contract with the PHA for a fee

D. Sanctions

- Should be developed in concert with state law
- Enforced by the Executive Director and Board

13. HUD Approvals

- Solicitations that don't comply with 24 CFR 85.36
- Noncompetitive procurements over \$100,000
- Brand name procurements over \$100,000
- Awards over \$100,000 to other than low bidder
- Contract changes over \$100,000
- Contracts longer than 2/5 years
- Litigation contracts
- Contracts exceeding development budget

A. Approval Exemptions

Can request HUD to review your policy to see if it complies with procurement standards

Self certification

CGP (now the Capital Fund) HUD does not routinely set thresholds unless

- If they are made aware of problems - they may

14. Procurement

Questions?

Module 6: The Agency Plan

1. Introduction: Quality Housing and Work Responsibility Act of 1998 (QHWRA)

Commissioners and the Act

- Responsibilities include:
 - Policy development
 - Leadership
 - Approval of new plans and policies
- Assist agency by:
 - Publicizing positive changes in the program
 - Obtaining local government and community support

2. Session Objectives

- Provide a level of information necessary to make informed decisions regarding:
 - Relationship between the Five Year Plan (your strategic plan) and the Annual Plan
 - Long term agency goals and objectives

Congress & the President Mandate Local Control

- How and what type of housing assistance now a local call
- The XYZ Housing Authority is the administering agency for the City of XYZ

3. The Agency Plan

A Five-Year Plan & An Annual plan

A. Agency Planning Issues

- Requires a Resident Advisory Board
- To include tenant-based Section 8 participants
- Minimum requirement - a copy of the plan 45 days prior to the public meeting
- Public hearing and comment period
- Board holds a public meeting prior to submission to HUD
- Plan must include comments received and the agency's response
- HUD Review and Approval:
 - 75 days to disapprove
 - Managed by the "Exception Principle"
 - Maybe – Maybe not
 - HUD's involvement to be ongoing for sure- "when notified"

B. The Five-Year Plan

- Contains 2 elements
 - A mission statement
 - Goals and objectives
 - See template - Five year plan, page 1 for listed options

- Don't over click or overlook the option of "other"
- In subsequent years you will be required to list progress toward reaching goals
- While the template is a required reporting document to HUD it also serves as a notice to the community

C. The Annual Plan - Elements

- Housing needs
- Financial resources
- Eligibility/Selection
- Rent policies
- Operations
- Grievance policies
- Capital needs
- Demo/Dispo
- Designated Housing
- Conversion policy
- Homeownership
- Community work
- Safety & Crime
- Pet ownership
- Civil rights cert.
- Audit
- Asset management
- Additional info

#1. Housing Needs

You must examine:

- Jurisdictional Needs
- Waiting list needs
- Housing Needs Statement
 - Consistent with Consolidated Plan
 - Include information on:
 - Extremely low-income families (< 30% AMI)
 - Elderly and disabled families
 - Breakdown by racial/ethnic group
 - Assessment to include:
 - Affordability
 - Supply
 - Quality
 - Accessibility
 - Size of unit
 - Location

- Assessment must also include:
 - How you plan to address your needs
- "Strategy for Addressing Needs" page 7
 - Why you chose this strategy

Major Contact Point For Community Comment

- Are the Community's needs accurately reflected in the Plan?
- Does the Community agree with your selection of which Needs to address?

#2. Financial Resources

- General Requirement
 - Statement of Federal & Non-federal resources available to support PH and Tenant Based Section 8
 - Describe resource utilization

#3. Eligibility, Selection, and Admissions

Describe policies governing:

- Eligibility
- Selection
- Admissions
- Assignment of units and Section 8
- Deconcentration and Income Mix
- Targeting

Eligibility Issues

- Definition of family
- Screening issues
- Previous residents

Selection Issues

- Preferences are now local
- Victims of Domestic Violence
- Loss of elderly preference
- Keep the system simple

Use of Site-Based Waiting List

Specific Requirements

- Assessment of impact on racial, ethnic, and disabled groups
- Use an "independent tester" every 3 years
- Take steps if impact is adverse
- Must develop process to advise applicants of options

Deconcentration & Income Mixing

- Required to develop policies that:
 - Move lower income tenants into higher income areas

- Move higher income tenants into low income areas
- Can offer incentives
- Required to compare average income in all family developments to individual projects
 - Range 115% - 85%

Targeting

- Public housing must admit at least 40% of their new admissions under 30% of Median Income.
- Section 8 must admit at least 75% of their new admissions under 30% of Median Income.

Another Possible Hot Spot

- New income targets could result in not housing those with highest needs
- Aggressive program may overwhelm some neighborhoods

Issues Continued

- Preferences are determined by the Board - but the community will have the annual right to review and comment

#4. Rent Setting Policies

A statement describing the rents charged to public housing residents and Section 8 participants

Key Areas:

- Minimum rent
- Flat rents
- Earned income disregard
- Income exclusions
- Ceiling Rents

Minimum Rents

- Agency sets minimum rent
 - Not to exceed \$50
 - For Public Housing, Sec. 8 voucher, and Sec. 8 mod rehab residents
- HUD has set minimum rent for project-based Section 8 at \$25

Hardship Waivers

Provided due to:

- Loss of eligibility for or awaiting federal, state, or local assistance (includes legal alien)
- Changed circumstances, i.e. loss of employment
- Death in the family

Hardship Waivers and Eviction

- Granted if family would be evicted as a result of minimum rent
- Other PHA-determined waivers

Minimum Rent Exemptions

Upon receipt of request of hardship:

- Minimum rent MUST BE suspended for 90 days
- Agency determines if hardship is:
 - Temporary
 - Long-Term

Minimum Rent Exemptions

If hardship is temporary:

- No minimum rent exemption allowed
- Repayment required

- No eviction for non-payment of minimum rent during 90-day period for either temporary or long-term hardships

If hardship is long-term:

- Agency applies exemption retroactive to date of request
 - Date of request can be retroactive to October 21, 1998

 - PHA must reimburse if long-term hardship is established
- The Real Issue
- Philosophical not economic
 - Probably!

Flat Rents

- Agency must set flat rents for all Public Housing units
- Based on market value of units
- Can exceed operating costs
- Income reviews up to every 3 years

Annual Tenant Rent Choice

- Residents choose flat or income-based rent (up to 30% of income)
- Rent switching for financial hardship

Ceiling Rents

- Applies to Public Housing
- Serves as a safety net for family switching to income based rent due to a hardship

- Families can only qualify for flat rent once annually
- New family ceiling rent method:
 - Not less than 75% operating cost
 - Rent losses may be offset by the operating fund
 - Elderly, disabled ceiling rents not less than 100% of operating costs

Permissive Exclusions

- Excess transportation for work or school
- Earned income determined by agency
 - Cost for “permissive exclusions”

Rent Increase for Earned Income Disregard

- Eligible Public Housing or Sec. 8 families
 - Who have not worked for one year prior, or
 - Who are enrolled in self-sufficiency or job training, or
 - Who received TANF in the last 6 months

Rent Increase Phase-In

- Rent increase phase-in:
 - No rent increase 1st year
 - 2nd year, up to 50% of increase
 - 3rd year, full rent increase in effect
- 48 month life time benefit

Section 8 Rents

- No flat rent provision
- Modified Brooke applies
- Establish payment standards
- Rent phase-in for welfare to work if funded

#5. Operations and Management

- A listing of all Board approved policies
- Must include a statement on cockroach prevention and eradication

Operations and Management
continued

- Where policies can be reviewed

- Description of organization is required
- List all programs, participation, and turnover

#6. Grievance Procedures

- Your grievance policies do not change, just who can take advantage of them
- Check the boxes

#7. Capital Improvement Needs

- Forms used almost identical to the Comprehensive Grant Program
- When you approve the "plan" you will also be approving capital expenditures for the next year/5years
 - As well as revisions to any open grant

#8. Demolition/Disposition Plans

- Check the boxes.
- Formal application must still be submitted to HUD as in the past
- One-for-one replacement has been permanently eliminated

#9. Designated Housing

- Like Demo/Dispo existing rules continue to apply
- Required to analyze impact in 5-year intervals

#10. Conversion of Public Housing to Tenant-Based Assistance

Describe any voluntary or mandatory conversion of Public Housing to tenant-based Section 8

Mandatory Conversion

- Requires conversion if:
 - 250 units on one site
 - Units are distressed
 - Can't be rehabilitated reasonably to assure long-term viability
 - Would be less expensive to voucher out compared to useful life of property

Voluntary Conversion

- Local choice - requires HUD approval
- Agency may opt to conduct conversion at any time
 - Must update plan if more than 1-year old
 - Conversion must meet cost test
- Not more expensive than operating units for balance of useful life

#11. Homeownership Programs

- Requires a listing of HOPE I, 5(h), or Turnkey III home-ownership programs underway or planned for the coming year

- Under QHWRA there are home-ownership programs for both Public Housing and Section 8
- Requires HUD approval

#12. Community Service and Self-Sufficiency Programs

- Coordination with Welfare Agency
- A listing of all programming providing services and amenities to residents
- A description of how you are complying with the income changes for welfare recipients
- A description of how the agency will comply with the Community Service requirement
- FSS is different from this requirement
- Consider administering in-house versus contracting out

Community Service/Self-Sufficiency

- Requires each adult Public Housing resident to contribute 8 hours per month in community service, or
- To participate in a self-sufficiency program
- Unless they are exempted

Exemptions:

- Persons 62 or older
 - Blind or disabled and care-giver
 - Employed
 - Exempt from work activity
 - Section 8 family
 - A member of a family that is in compliance with welfare to work
- Work requirement must be included in Lease and ACOP
 - 30 days prior to renewal of lease, PHA must determine tenant compliance with work requirement
 - Renewal of lease must be denied for noncompliance
 - Provide for a "cure period"

#13. Safety and Crime Prevention

- Describe need
- Describe current and planned activities
- Describe coordination with police
- Must consult with local law enforcement officials
- This section will substitute for PHDEP applications in the future

#14. Pet Ownership Policies

- Pets can no longer be prohibited in family developments, but can be controlled
 - Can set restrictions
 - Can require a deposit

– Can charge a fee

#15. Civil Rights Certification

- HUD has furnished a form
- Required to affirmatively further fair housing

#16. Audit Results

- Separate submission is not required
- Template asks about audit findings

#17. Asset Management

- Answer a few questions
- Optional table
- Consider conducting a review of each site

#18. Additional HUD Required Information

- Table of Contents
- Executive Summary-Optional
- In subsequent years, a brief description of progress toward meeting goals and objectives

Resident/Public Comments

- Describe the process
- Document the process
- Summarize comments and your responses to those comments
- Include names of Resident Advisory Board Members

4. Consistency with Consolidated Plan

- Your Plan must be consistent with your jurisdiction's Consolidated Plan
- "Appropriate official" must certify consistency

5. The Annual Planning Cycle

- The Template sets out the issues you must address every year
- The Board needs to review these items annually to be sure directions still valid
- Five year plan is your Strategic Plan
- The Annual Statement is how you propose to implement your "Plan"



U. S. Department of Housing and Urban Development
Jacksonville Field Office
Charles Bennett Federal Building
400 West Bay Street
Suite 1015
Jacksonville, Florida 32202-4410

FEB 29 2008

Mr. Randy Woodruff
Chairman, Board of Commissioners
Brooksville Housing Authority
801 South Broad Street
Brooksville, FL 34601-3106

SUBJECT: On-Site Visit

Dear Mr. Woodruff:

This letter is to inform you that HUD staff from the Jacksonville Field Office will be conducting an on-site visit to your agency from March 17 through 21, 2008. The purpose of this visit is to conduct Public Housing Assessment System (PHAS) Certification Review of the Management Operations (MASS) Certification that was submitted for Fiscal Year End (FYE) 12/31/2006, as well as the FYE 2007 submission. We will also be reviewing tenant files to ensure their completeness and accuracy.

The purpose of the PHAS is to improve the delivery of services in public housing and enhance trust in the public housing system among public housing agencies, public housing residents, HUD, and the public. This is accomplished by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations, including rewards for high performers and consequences for poor performers. The review is designed to: (1) assess problem areas in-depth; (2) verify compliance and performance for accountability monitoring purposes; and (3) provide technical assistance. The review will entail an examination of all the data and documentation used to support each of the six Sub-Indicators comprising Indicator Number three, Management Operations.

Due to the Troubled status received for the FYE 12/31/2006 PHAS score, it is necessary for the Housing Authority to enter into a MOA that will cover an initial twelve-month period. This MOA has been developed with an emphasis on assisting the agency in improving its performance in the areas of Management, Finance, Physical, and Resident relations. The Memorandum of Agreement (MOA) will be presented for review and execution by the Housing Authority and the Board of Commissioners.

HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination.

The HUD Team will consist of Ms. Sonia D. Samuels, Public Housing Revitalization Specialist; Mr. Derry Loftus, General Engineer; and Ms. Roslyn Panichas, Financial Analyst. If you have any questions or additional information is desired, please contact Ms. Samuels (904) 208-6053 or via email at Sonia.D.Samuels@hud.gov.

Sincerely,



John G. Niesz
Director
Office of Public Housing

c: Mr. Ronnie McLean
Executive Director
Brooksville Housing Authority
800 Continental Drive
Brooksville, FL 34601-3500



U. S. Department of Housing and Urban Development
Jacksonville Field Office
Charles Bennett Federal Building
400 West Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

November 30, 2007

Mr. Steven Zeledon
Chairman, Board of Commissioners
Brooksville Housing Authority
32270 Marchmont Circle
Ridge Manor, FL 33523

Dear Mr. Zeledon:

Subject: Initial Assessment of the Brooksville Housing Authority

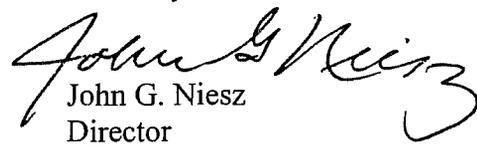
The U.S. Department of Housing and Urban Development (HUD), with staff from the Office of Public Housing, the Recovery and Prevention Corps, and the Real Estate Assessment Center, performed an Initial Assessment (IA) of the Brooksville Housing Authority (BHA) during August-September, 2007. This letter will serve as the transmittal of the Final IA report to the BHA.

The two major tasks of the IA were to conduct an assessment of BHA's management and operations to identify strengths, weaknesses and vulnerabilities, and to propose appropriate corrective actions to address assessment results.

Since the conclusion of the on-site review, the BHA has been designated as a Troubled Housing Authority and will be subject to a Memorandum of Agreement (MOA). This MOA will become an amendment to the Annual Contributions Contract and will require the BHA to implement a broad range of corrective actions and strategies that will assist the BHA to return to an acceptable level of performance. The MOA will establish specific targets and time frames, based on the results of the IA, and will be developed jointly over the course of the next few weeks by HUD and the BHA. You will be contacted under separate cover regarding the start of this process.

If you should have any questions related to this matter, please feel free to contact me at 904-232-1777, ext. 2142.

Sincerely,


John G. Niesz
Director
Office of Public Housing

Enclosure

cc: Mr. Ronnie McLean, Executive Director
Mr. David Pugh, Mayor, City of Brooksville

HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination.

Memorandum of Agreement (MOA)
Part A

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0237
(exp. 10/31/2011)

Public reporting burden for the collection of information required for Parts A and B of the Memorandum of Agreement is estimated to average 13.74 hours depending on size of Public Housing Agency (PHA). This includes the time for collecting, reviewing, and reporting the data. The information will be used for monitoring PHA progress in bringing performance up to standard levels. Response to this request for information is required in order to receive the benefits to be derived, including eligibility to apply for funding. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

MEMORANDUM OF AGREEMENT

This Agreement is made this the 18th day of **March**, 2008, by and between the **Brooksville Housing Authority**, State of **Florida** (PHA), and the Secretary of the United States Department of Housing and Urban Development (HUD) acting by and through the Director of the **Jacksonville** Field Office pursuant to the requirements of Section 6 (j)(2)(C) of the United States Housing Act of 1937, 42 U.S.C. 1437 ("the Act"), as implemented in the Public Housing Assessment System (PHAS), 24 CFR Part 902, et seq.).

The PHA entered into a Low Rent Public Housing Annual Contribution Contract ("ACC") Number A-4130 pursuant to the authority of the Act on **February 2, 1996**, as subsequently amended, with HUD. As a result, HUD provides funding to the PHA to operate and maintain affordable and decent, safe, and sanitary public housing to its low-income residents.

Under the authority of 6(j) of the Act, the PHA was evaluated in accordance with the provisions of PHAS and was designated as "troubled" as defined at 24 CFR Section 902.67(c).

Under the requirements of the Act and 24 CFR Section 902.75, those housing authorities which are designated as troubled must enter into a binding contractual agreement designated as a Memorandum of Agreement (MOA) with HUD. The primary purpose of this MOA is to "substantially improve" the Authority's PHAS score as that term is defined at 24 CFR Section 902.75 (g)(2). However, this MOA is not intended to reflect every performance defect that the PHA may have.

Accordingly the parties agree to the following:

1. The parties agree that this MOA is a binding contractual agreement between the PHA and HUD.
2. This MOA shall consist of:
 - a. This Part A, Terms and Conditions;
 - b. Part B, Performance Targets and Strategies, which sets out the:
 - 1) Baseline Data
 - 2) Strategies to be used by the PHA in achieving the performance targets within the time period of the MOA;
 - 3) Target dates for completion of strategies;
 - 4) Technical assistance to the PHA provided or facilitated by HUD. The

description of the involvement of local public and private entities, including PHA resident leaders in carrying out the agreement and rectifying the PHA's problem in accordance with the requirements of 24 CFR Section 902.75(b)(8).

3. The PHA agrees that the performance targets, strategies, and time frames specified in this MOA are reasonable and that it will take all actions within its control to complete them as set out in this Agreement.
4. HUD agrees to provide technical assistance as stated in Part B to the Authority and, based upon the compliance with the MOA, give the PHA appropriate consideration for discretionary or competitive funding resources, as those resources are available to HUD.
5. The Executive Director of the PHA shall provide to the HUD staff (as designated in Part B), a monthly written progress report based upon that month's scheduled targets and strategies as set out in Part B. This report shall be furnished no later than the 15th of the succeeding month following the end of a scheduled reporting period and shall identify the accomplishment and/or failure of each task/goal to be completed that period. The Executive Director shall also complete quarterly and annual reports as required by Part B.
6. Subsequently, the designated HUD staff shall provide a response, no later than the 1st of the succeeding month after receipt of the monthly written report provided, to the Executive Director of the PHA that identifies the current accomplishments/shortfalls for the period. The HUD response will be based upon that period's PHA progress report and supporting documents. The Executive Director shall include the report on the agenda for discussion or action for the immediately upcoming monthly PHA Board Meeting.
7. A substantial default of this agreement will occur if HUD determines that the PHA has failed to meet any of the terms of, or to make reasonable progress to meet any requirements included in this MOA. Such failure specifically includes but is not limited to, the failure to provide the written progress reports required under paragraph 5.
8. Failure by the PHA to achieve any of the performance targets or any of the terms of this MOA may result in HUD's imposition of sanctions, such as the imposition of management budget controls by HUD, declaration of substantial default, and subsequent actions, including but not limited to the appointment of a receiver, or other actions deemed appropriate by HUD.
9. This MOA does not supersede, modify or amend the ACC or in any way excuse the PHA from complying fully with its obligations under the ACC or the Act and its implementing regulations. HUD does not waive its rights under the ACC, the Act, or its implementing regulations. The PHA continues to be obligated to comply with all applicable requirements contained in the ACC, the Act, and its implementing regulations. The PHA's satisfaction of, or failure to meet, the goals set forth in this MOA does not limit, modify or preclude HUD's right to take any remedial action allowed by the ACC or any provision of the Act or its implementing regulations. If HUD determines that the PHA is in substantial default of the ACC, the Act, or its implementing regulations, this MOA shall terminate without further notice.
10. This MOA creates no third party benefits or right in any person or entity not a party to this Agreement.

11. The PHA affirmatively states that it has complied with all State and Local requirements precedent to entering into this MOA.

12. This agreement shall be in full force and effect, binding the parties from April 1, 2008 (date of MOA) to March 31, 2009 (one year from date). This document may be amended by a document signed by all parties to this original agreement.

Brooksville Housing Authority

By: *Randy Woodruff*
Chairperson

Date

By: *Ronnie C. McLean*
Executive Director

Date

U.S. Department of Housing and Urban Development

By: *John G. Niesz*
Director
Office of Public Housing
Jacksonville Field Office

Date

Memorandum of Agreement (MOA) Part B

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0237
Expires 2/28/2011

Public reporting and recordkeeping burden for the collection of information is estimated to average 13.74 hours for Parts A and B of the Memorandum of Agreement depending on the size of Public Housing Agency (PHA). This includes the time for collecting, reviewing, and reporting the data. The information will be used for monitoring PHA progress in bringing performance up to standard levels. Response to this request for information is required in order to receive the benefits to be derived, including eligibility to apply for funding. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

PHA Name: Brooksville Housing Authority

PHA FYE: 12/31

MOA Term: 04/01/08 – 03/31/09

Operational Area: 1. GOVERNANCE

Targets and Strategies	Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD
1.1 Establish PHA Board compliance with by-laws and applicable State laws. [Reference: 24 CFR §811.105; State Law; 1937 Act as amended]	Initial Assessment 11/30/2007	Full By-Law Compliance	06/30/2008	Board of Commissioners; Executive Director;
A. Review, revise, and adopt by-laws (as necessary).		Full By-Law compliance	06/30/2008	Board of Commissioners; Executive Director;
B. Comply with State Open Meeting Law, including posting notification as appropriate.		Full By-Law compliance	09/30/2008	Board of Commissioners; Executive Director;
1.2 Establish appropriate oversight and monitoring by the Board of Commissioners. [Reference: 24 CFR §811.105; State Law; 1937 Act as amended]	Initial Assessment 11/30/2007	Improved governance	03/31/2009 ongoing	Board of Commissioners; HUD Jacksonville Field Office
A. Provide training to the Board and Appointing Officials to increase the knowledge of their roles and oversight responsibilities.		Improved governance	09/30/2008	Board of Commissioners; HUD Jacksonville Field Office
B. Participate in training provided by State or national industry groups.		Improved governance	12/31/2008	Board of Commissioners; HUD Jacksonville Field Office

C. Establish a mentoring relationship with high performing housing authorities		Improved governance	03/31/2009 ongoing	Board of Commissioners; HUD Jacksonville Field Office
D. Review current Board meeting packet and determine the departmental reports and information the Board should receive prior to its monthly meetings.		Improved Governance	03/31/2009 ongoing	Board of Commissioners; HUD Jacksonville Field Office
1.3 Monitor implementation of the MOA. [Reference 24 CFR §902.75a]	Troubled Status Designation	MOA accomplished	03/31/2009 ongoing	Executive Director; Board of Commissioners; HUD Jacksonville Field Office
A. Develop a process for reviewing MOA progress through monthly reports to HUD.		MOA accomplished	03/31/2009 ongoing	Executive Director; Board of Commissioners; HUD Jacksonville Field Office
1.4 Take steps to establish rights under Cooperation Agreement for PHA jurisdiction. [Reference: 24 CFR §811.105; State Law; Local Law]	Initial Assessment 11/30/2007	Updated Cooperative Agreement	09/30/2008	Board of Commissioners; Executive Director
A. Review and discuss baseline public services (e.g. water, sewer, trash collection, fire protection, ambulance/emergency services).		Updated Cooperative Agreement	09/30/2008	Board of Commissioners; Executive Director
B. Review and discuss Payment in Lieu of Taxes (PLIOT).		Updated Cooperative Agreement	09/30/2008	Board of Commissioners; Executive Director
C. Negotiate resolution of any deficiencies with appropriate local government agency.		Updated Cooperative Agreement	09/30/2008	Board of Commissioners; Executive Director
D. Amend Cooperation Agreement as needed.		Updated Cooperative Agreement	09/30/2008	Board of Commissioners; Executive Director
E. Adopt necessary resolutions and execute MOUs between Housing Authority and appropriate local government agencies to resolve deficiencies under the Cooperation Agreement.		Updated Cooperative Agreement	12/31/2008	Board of Commissioners; Executive Director
1.6 Establish short and long-term goals and objectives for the PHA. [Reference: 24 CFR §903.1; Public	Initial Assessment	Updated/ Compliant	10/15/2008	Executive Director; Board of Commissioners

Previous editions obsolete

Page 2 of 30

form HUD-53336-B (2/08)

Housing Reform Act of 1998]	11/30/2007	Agency Plan		
A. Develop a Five-Year Agency/Annual Plan that states PHAs views and objectives in compliance with HUD Public Housing Reform Act of 1998. <i>Review, revise and adopt as necessary.</i> <i>Done / 2008</i>		Updated/ Compliant Agency Plan	10/15/2008	Executive Director; Board of Commissioners
B. Coordinate with local jurisdictions and obtain public comment as required.		Updated/ Compliant Agency Plan	09/15/2008	Executive Director; Board of Commissioners
1.7 Ensure permanent records of PHA comply with applicable laws & regulations. [Reference: 24 CFR 990.201, 990.315, HA By-laws]	Initial Assessment 11/30/2007	Compliance/ Improved record management	06/01/2008	Executive Director; Board of Commissioners
A. Resolutions must be tracked annually and reviews made as necessary.		Compliance/ Improved record management	03/31/2009 ongoing	Executive Director; Board of Commissioners
B. Board must post appropriate notice for special meetings, as well as document compliance.		Compliance/ Improved record management	03/31/2009 ongoing	Board of Commissioners; Executive Director
C. Board must document compliance with applicable laws and regulations that no meetings are being held inappropriately.		Compliance/ Improved record management	03/31/2009 ongoing	Board of Commissioners; Executive Director
1.8 HUD will provide Technical Assistance as appropriate.	Initial Assessment 11/30/2007	Compliance/ Improved management	03/31/2009 ongoing	HUD Recovery and Prevention Corps; HUD Jacksonville Field Office
A. Commissioners' Training to include ethics training.		Compliance/ Improved management	10/01/2008	HUD Jacksonville Field Office
B. New Executive Director's Training		Compliance/ Improved management	03/31/2009 ongoing	HUD Jacksonville Field Office

Previous editions obsolete

Page 3 of 30

form HUD-53336-B (2/08)

C. Other program training as appropriate		Compliance/ Improved Management	03/31/2009 ongoing	HUD Jacksonville Field Office
--	--	---------------------------------------	-----------------------	-------------------------------

Previous editions obsolete

Page 4 of 30

form HUD-53336-B (2/08)

Operational Area: **2. ORGANIZATION AND STAFFING**

Targets and Strategies	Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD
2.1 Review, develop, adopt, and implement PHA Administrative Policies. [Reference: 24 CFR §965.201; HUD Guidebooks 7401.7 & 7401.1] A. Personnel Policy. B. Standards of Conduct Policy. C. Use of PHA owned equipment (Vehicle) policy and procedures. D. Record Retention Policy. E. Travel Policy.	Initial Assessment 11/30/2007	Updated and complete policies Updated and complete policies Updated and complete policies Updated and complete policies Updated and complete policies	10/01/2008 10/01/2008 10/01/2008 10/01/2008 10/01/2008	Executive Director Executive Director Executive Director Executive Director Executive Director
2.2 Develop Operational policies and procedures manual for entire agency. [Reference: HUD Guidebooks 7401.1 & 7401.7; Public Reform Act of 1998]	Initial Assessment 11/30/2007	Updated and complete policies	10/01/2008	Executive Director
2.3 Develop a training plan for staff on general program administration. [Reference: HUD Guidebook 7401.7] A. New employee orientation.	Initial Assessment 11/30/2007	More skilled and efficient staff More skilled and efficient	03/31/2009 ongoing 05/01/2008	Executive Director; HUD Jacksonville Field Office Executive Director; HUD Jacksonville Field Office

Previous editions obsolete Page 5 of 30 form HUD-53336-B (2/08)

		staff			
B. Ethics training.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
C. Formal program training.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
D. Public Housing Assessment System (PHAS) training.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
E. Procurement training.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
F. Public Housing Management Certificate training.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
G. Basic finance procedures for non-finance staff.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
H. Occupancy, Rent Calculation, Rental Housing Integrity Improvement Project (RHIMP) training.		More skilled and efficient staff	05/01/2008	Executive Director; HUD Jacksonville Field Office	
2.4 Develop a calendar of all HUD required reports and dates due to HUD (i.e. PHAS, form HUD-50058s, PHA Plan, Operating Subsidy, LOCCS updates, etc.)	Initial Assessment 11/30/2007	Improved/ Timely PHA submission	04/30/2008	Executive Director	
2.5 Review, develop and implement position descriptions and staff performance standards. [Reference: HUD Guidebooks 701.1 & 7401.7]	Initial Assessment 11/30/2007	Accurate positions/ Improved staff performance procedures	04/30/2008	Executive Director	
A. Implement position descriptions and performance standards.		Improved performance	05/31/2008	Executive Director	

Previous editions obsolete

Page 6 of 30

form HUD-53336-B (2/08)

		review process		
B. Obtain employee signature upon receipt of position descriptions and place a copy in personnel files.		Improved performance review process	05/31/2008	Executive Director
C. Conduct evaluation of staff performance and document in accordance with Personnel Policy		Improved performance review process	11/01/2008	Executive Director

Operational Area: **3. FINANCE AND PROCUREMENT**

PHAS Performance Targets		Baseline as of:	1 st qtr Performance Target	2 nd qtr Performance Target	3 rd qtr Performance Target	Final Performance Target
Indicator #: 2	Name: Financial	12/31/2006.				
2-1	Current ratio	0.0	2.0	4.0	6.0	9.0
2-2	Expendable Fund Balance	0.0	2.0	4.0	6.0	9.0
2-3	Tenant Receivable/Outstanding	3.2	3.6	3.9	4.2	4.5
2-5	Expense Management/Utilities	0.0	0.5	0.8	1.1	1.5
2-6	Net Income/Loss Divided by the Expendable Fund Balance	0.0	0.5	0.8	1.1	1.5

Targets and Strategies		Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD
3.1 Improve financial management of the PHA [Reference: HUD Guidebooks 7510.1 & 7475.1]		PHAS Assessment FYE 12/31/06/ Forensic Audit 10/18/2007	Improved financial management	03/31/2009	Executive Director
A. Review/Develop/Update and Implement Financial Management policies as needed.					
1)	Disposition Policy <i>done</i>		Updated policies	10/01/2008	Executive Director
2)	Capitalization Policy <i>done</i>		Updated policies	10/01/2008	Executive Director
3)	Collection Losses/Charge-Off Policy <i>done</i>		Updated policies	10/01/2008	Executive Director
4)	Check Writing Authorization Policy <i>done</i>		Updated policies	10/01/2008	Executive Director

Previous editions obsolete

5) Cash management (includes Petty Cash and Oververages/Shortages) <i>None</i>		Updated policies	10/01/2008	Executive Director
6) Investment Policy		Updated policies	10/01/2008	Executive Director
B. Prepare Operating Budget and submit to HUD for review and approval 90 days prior to the start of the PHA's fiscal year.		Internal financial control improvement	10/01/2008	Executive Director; Board of Commissioners
C. Prepare monthly reports comparing budget to actual income and expenses, and the accounts receivables and payables		Internal financial control improvement	10/01/2008	Executive Director
3.3 Produce Financial Data Schedule by HUD described deadlines [Reference: Annual Contributions Contract (ACC), and Uniform Financial Reporting Standards for HUD Programs]	PHAS Assessment FYE 12/31/06/ Forensic Audit 10/18/2007	Timely submissions/ Approvable FDS	06/30/2008 ongoing	Executive Director; Board of Commissioners
A. Arrange staff training in how to prepare information for the Fee Accountant in order to enable the Fee Accountant to provide timely and accurate information to the Executive Director, Board of Commissioners and HUD.		Timely submissions/ Approvable FDS	06/30/2008	Executive Director; Board of Commissioners
B. Improve ongoing record-keeping and controls over General Ledger. Analyze accounts on a monthly basis.		Timely submissions/ Approvable FDS	12/31/2008 ongoing	Executive Director
C. Increase frequency of internal financial reporting to at least quarterly. Reports should include a comparison of budget to actual for revenue and expenses.		Timely submissions/ Approvable FDS	03/31/2009 ongoing	Executive Director

Previous editions obsolete

Page 9 of 30

form HUD-53336-B (2/08)

D. Reconstruct accounting records and update the official books of records.		Determination of financial position	06/30/2008	Executive Director
3.4 Provide PHA Technical Assistance and/or Training in Financial Planning	Forensic Audit 10/18/2007/ Initial Assessment 11/30/2007	Improved staff efficiency/ Financial management activities	06/30/2008	Executive Director; HUD Jacksonville Field Office
A. Budgeting (PHA-wide, program specific and departmental)		Improved staff efficiency	09/30/2008	Executive Director; HUD Jacksonville Field Office
B. Financial Management:		Improved staff efficiency	06/30/2008	Executive Director; HUD Jacksonville Field Office
1) Include bookkeeping (formal) and cash management/ Internal controls		Improved staff efficiency	06/30/2008	Executive Director; HUD Jacksonville Field Office
2) Basic financial training for non-financial staff and Board of Commissioners		Improved staff efficiency	06/30/2008	Executive Director; HUD Jacksonville Field Office
C. Performance Funding System (PFS)		Improved staff efficiency	09/30/2008	Executive Director; HUD Jacksonville Field Office
3.5 Ensure proper Procurement procedures followed. [Reference: 24 CFR 85.36; ACC Section 306, HUD Guidebook 7460-8 REV 1]	Initial Assessment 11/30/2007	Improved procurement of contracts and services	03/31/2009 ongoing	Executive Director
A. Review and update, as necessary, Procurement Policy.	<i>done</i>	Updated and compliant policy	06/30/2008	Executive Director
B. Adopt and implement updated Procurement policy.	<i>done</i>	Updated and compliant policy	06/30/2008	Executive Director; Board of Commissioners
C. Develop a spreadsheet to list all procurement activities on small purchases and submit monthly to HUD for review.		Improved knowledge and	03/31/2009 ongoing	Executive Director; HUD Jacksonville Field Office

Previous editions obsolete

Page 10 of 30

form HUD-53336-B (2/08)

D. Submit all documentation, including cost estimates, related to procurement of contracts and services to HUD for review and approval.

performance
Improved
knowledge and
performance

03/31/2009
ongoing

Executive Director; HUD
Jacksonville Field Office

Operational Area: **4. HOUSING MANAGEMENT**

PHAS Performance Targets		Baseline as of: 12/31/2006	1 st qtr Performance Target	2 nd qtr Performance Target	3 rd qtr Performance Target	Final Performance Target
Indicator #: 2	Name: Management					
3-1	Vacant Unit Turnaround Time	0.0	2.0	3.5	4.5	5.22
2-4	Occupancy Loss	3.0	3.5	4.0	4.5	4.5
Targets and Strategies						
<p>4.1 Comply with current requirements regarding admission and occupancy of Public Housing. [Reference: 24 CFR §960.205; Public Housing Reform Act of 1998, Section §578; HUD Guidebook 7465.1, Chapter 5]</p> <p>A. Review, update and revise the Public Housing Admissions and Continued Occupancy Policy (ACOP) along with other policies to comply with current requirements of the Public Housing Reform Act of 1998. Include as a minimum:</p> <p>1) Current Income Limits.</p> <p>2) Mandated Community Service Requirement.</p> <p>3) Resident Charges List.</p>						
	Initial Assessment 11/30/2007	Updated & compliant policies	Updated & compliant policies	Updated & compliant policies	Updated & compliant policies	Updated & compliant policies
	Estimated Completion Date	10/01/2008	10/01/2008	10/01/2008	10/01/2008	10/01/2008
	Lead staff for PHA and HUD	Executive Director; Housing Manager	Executive Director; Housing Manager	Executive Director; Housing Manager	Executive Director; Housing Manager	Executive Director; Housing Manager

Previous editions obsolete

4) Utility Allowances.		Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
5) Security Deposit.	<i>done</i>	Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
6) Rent Collection.		Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
7) Grievance Procedures.		Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
8) Pet Policy.	<i>done</i>	Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
9) Transfer Policy.		Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
10) Flat Rent Schedule.		Updated & compliant policies	10/01/2008	Executive Director; Housing Manager
B. Post revised policies for 30-day comment period. Communicate with residents regarding the impact of revised policies		Updated & compliant policies	11/01/2008	Executive Director
C. Adopt and implement revised policies.		Updated & compliant policies	12/01/2008	Executive Director; Board of Commissioners
D. Provide training and copies of revised policies to staff.		Improved program implement/improved customer svcs	12/01/2008	Executive Director; Housing Manager

Previous editions obsolete

Page 13 of 30

form HUD-53336-B (2/08)

<p>4.2 Review and Update Dwelling Lease. [Reference: 24 CFR §966.4; Public Housing Occupancy Guidebook]</p> <p>A. Update dwelling lease to comply with current regulations and needs of the housing authority/development. <i>done</i></p> <p>B. Adopt updated dwelling lease. <i>done</i></p> <p>C. Devise schedule for ensuring new lease is presented and signed by all residents.</p>	<p>Initial Assessment 11/30/2007</p>	<p>Improved housing management</p>	<p>10/01/2008</p>	<p>Executive Director; Housing Manager</p>
<p>4.3 Reduce vacancy days. [Reference: Public Housing Reform Act of 1998]</p> <p>A. Establish method for routine coordination between maintenance and leasing staff.</p> <p>B. Develop and implement a plan to address problems identified as the root cause(s) of the vacancies; may include deprogramming request, conversion request, improving services, improving curb appeal, etc.</p>	<p>PHAS Assessment 12/31/2006</p>	<p>Reduce vacancy days to <30 days</p>	<p>12/31/2008</p>	<p>Executive Director; Housing Manager; Maintenance Supervisor</p>
<p>4.3 Reduce vacant unit turnaround time. [Reference: 24 CFR §901.10 & §902.43(A)(1)]</p> <p>A. Develop Vacancy and Unit Turnaround log to include at a minimum:</p> <p>1) Date the unit becomes vacant.</p>	<p>PHAS Assessment 12/31/2006</p>	<p>Reduce unit turnaround to <25 days</p>	<p>12/31/2008</p>	<p>Executive Director; Housing Manager; Maintenance Supervisor</p>
<p>Reduce unit turnaround to <25 days</p> <p>Reduce unit turnaround to <25 days</p>		<p>Reduce unit turnaround to <25 days</p>	<p>06/30/2008</p>	<p>Executive Director; Housing Manager; Maintenance Supervisor</p>

Previous editions obsolete

Page 14 of 30

form HUD-53336-B (2/08)

2) Date the unit is assigned to maintenance or deferred to modernization.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
3) Date completed by maintenance and returned to occupancy.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
4) Date leased.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
5) Total number of turnaround days.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
6) Total number of maintenance days exempted for capital fund or for other reasons.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
7) Average number of calendar days units were in down time.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
8) Average number of calendar days units were in make ready time.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
9) Average number of calendar days units were in lease up time.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
B. Develop a plan to address making viable units market ready. Include repairs and upgrades needed to meet current market standards.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
C. Identify units that need to be deferred to modernization or disposed of (if any).		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor

Previous editions obsolete

Page 15 of 30

form HUD-53336-B (2/08)

D. Evaluate the feasibility of contracting vs. in-house vacancy prep by maintenance.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
E. Complete all make ready work within 21 days.		Reduce unit turnaround to <25 days	12/31/2008	Executive Director; Housing Manager; Maintenance Supervisor
F. Improve coordination between maintenance & management to:		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
1) Provide projected availability dates;		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
2) Schedule move-in inspection in a timely manner;		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
3) Prioritize vacant unit prep to ensure waiting list needs are met;		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
4) Notify applicants in a timely manner to minimize lease-up time; and		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
5) Minimize downtime by communicating between maintenance and management of a vacancy.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
G. Submit an updated Vacant Unit turnaround Log to the Board of Commissioners/HUD monthly.		Reduce unit turnaround to <25 days	06/30/2008	Executive Director; Housing Manager; Maintenance Supervisor
4.4 HUD to provide technical assistance as needed.	Initial Assessment 11/30/2007	Improved housing management	03/31/2009 ongoing	HUD Jacksonville Field Office

Previous editions obsolete

Page 16 of 30

form HUD-53336-B (2/08)

A. Basic Occupancy Guidance		Improved housing management	03/31/2009 ongoing	HUD Jacksonville Field Office
B. Administration of housing authority programs		Improved housing management	03/31/2009 ongoing	HUD Jacksonville Field Office

Operational Area: **5. PROPERTY MAINTENANCE**

PHAS Performance Targets		Baseline as of 12/31/2006	1 st qtr Performance Target	2 nd qtr Performance Target	3 rd qtr Performance Target	Final Performance Target
Indicator #: 2	Name: Work Orders					
1	Physical Conditions					
3-3a	Emergency WOs	2.61	2.61	2.61	2.61	2.61
3-3b	Non-emergency WOs	2.61	2.61	2.61	2.61	2.61
3-4a	Unit inspections	2.22	2.22	2.61	2.61	2.61
3-4b	System inspections	2.61	2.22	2.61	2.61	5.22
Targets and Strategies		Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD	
5.1 Enhance staff qualifications and capabilities. [Reference: 24 CFR §5.701 – 705]		Initial Assessment 11/30/2007	Improved staff efficiency	01/31/2009	Executive Director	
A. Assess maintenance employee skills and determine employee training needs.			Improved staff efficiency	05/01/2008	Executive Director; Maintenance Supervisor	
B. Obtain and conduct training to enhance employee skills as needed.			Improved staff efficiency	05/01/2008	Executive Director	
C. Provide training on Uniform Physical Conditions Standards (UPCS).			REAC inspection preparedness	12/31/2008	Executive Director; Maintenance Supervisor	
5.2 Improve Work Order Performance [Reference: 24 CFR §902.43(3); ACC Section §309]		Initial Assessment 11/30/2007 PHAS Assessment 12/31/2006	Improved performance	12/31/2008	Executive Director; Maintenance Supervisor	

Previous editions obsolete

Page 18 of 30

form HUD-53336-B (2/08)

A. Generate work orders for any deficiency revealed during inspections and document that the deficiency was corrected.	Initial Assessment 11/30/2007	Improved performance	12/31/2008	Executive Director; Maintenance Supervisor
B. Develop and implement an effective quality control system for management of work orders.	Initial Assessment 11/30/2007	Improved performance	10/01/2008	Executive Director; Maintenance Supervisor
C. Submit work order log monthly to Board and HUD	Initial Assessment 11/30/2007	Improved performance	12/31/2008 ongoing	Executive Director; Maintenance Supervisor
5.3 Improve maintenance operations. [Reference: PIH Notice 97-36; 64 FR 33708 dated 6/23/99]	Initial Assessment 11/30/2007	Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
A. Develop a Maintenance Plan to include, as a minimum, the following:		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
1) Work Order procedures		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
2) Work Order classifications (emergency, non-emergency, inspection, routine, etc.)		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
3) Schedule for inspection of all units, buildings, sites, and systems.		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
4) Inventory controls.		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
5) Work schedules.		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
6) Vacancy preparation.		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
7) Scheduled preventive maintenance.		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
8) Service contracts.		Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
9) Purchase orders/Blanket purchase orders.		Improved operations	10/01/2008	Executive Director;

		operations		Maintenance Supervisor
	10) Action plan relating to contracting vs. in-house.	Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
	11) Annual maintenance budget.	Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
	12) UPCS inspection criteria for units/buildings/systems.	Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
	13) Quality control procedures.	Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
	14) Cyclical maintenance schedule	Improved operations	10/01/2008	Executive Director; Maintenance Supervisor
	B. Adopt and implement the Maintenance Plan.	Improved operations	11/01/2008	Executive Director; Board of Commissioners; Maintenance Supervisor
	C. Assess the effectiveness of the Maintenance Plan and adjust as needed.	Improved operations	01/31/2009	Executive Director; Maintenance Supervisor
	5.4 Improve Physical Condition. [Reference: 24 CFR §901.30, §902.23, §902.43(a)(5)]	Improved physical condition and sites	12/31/2008	Executive Director; Maintenance Supervisor
	A. Analyze the most recent REAC Physical Condition inspection report to identify widespread deficiencies.	Improved physical condition and sites	06/01/2008	Executive Director; Maintenance Supervisor
	B. Develop and implement a plan to correct identified deficiencies.	Improved physical condition and sites	06/01/2008	Executive Director; Maintenance Supervisor
	C. Schedule a limited inspection of all developments to prepare for REAC inspection.	Improved physical	08/31/2008	Executive Director; Maintenance Supervisor

Previous editions obsolete

Page 20 of 30

form HUD-53336-B (2/08)

		condition and sites		
D. Report progress to Board of Commissioners and HUD.		Improved physical condition and sites	12/31/2008 ongoing	Executive Director; Maintenance Supervisor
5.6 Ensure 100% of dwelling units are inspected annually using UPCS and/or more stringent local code. [Reference: 24 CFR §901.30, §902.23, §902.43(a)(5)]	PHAS Assessment 12/31/2006 Initial Assessment 11/30/2007	Improved physical condition	12/31/2008	Executive Director; Maintenance Supervisor
A. Conduct an analysis and determine the most stringent inspection code (Federal (UPCS), State, or local housing or occupancy code)		Improved physical condition	06/30/2008	Executive Director; Maintenance Supervisor
B. Develop standardized inspection form for dwelling units using UPCS and/or more stringent local code		Improved physical condition	09/30/2008	Executive Director; Maintenance Supervisor
C. Ensure that quality control inspections are completed.		Improved physical condition	09/30/2008	Executive Director; Maintenance Supervisor
D. Ensure that work identified by the inspections is entered on the work order tracking log/system.		Improved physical condition	10/31/2008	Executive Director; Maintenance Supervisor
E. Develop a unit inspection schedule.		Improved physical condition	09/30/2008	Executive Director; Maintenance Supervisor
F. Address REAC PHAS inspection deficiencies and report progress to the Board of Commissioners and HUD.		Improved physical condition	08/31/2008	Executive Director; Maintenance Supervisor
5.7 Develop effective Inventory Control system [Reference: HUD Guidebook 7510.1]	Initial Assessment	Improved inventory	01/31/2009	Executive Director; Maintenance Supervisor

Previous editions obsolete

Page 21 of 30

form HUD-53336-B (2/08)

	11/30/2007	control		
--	-------------------	----------------	--	--

Previous editions obsolete

Page 22 of 30

form HUD-53336-B (2/08)

Brooksville Housing Authority

FYE: 12/31

MOA Term: 04/01/08 - 03/31/09

A. Standardize types of items, parts, supplies and equipment to the maximum extent possible.		Improved inventory control	01/31/2009	Executive Director; Maintenance Supervisor
B. Perform an annual physical inventory on all parts, supplies, and equipment.		Improved inventory control	03/31/2009	Executive Director; Maintenance Supervisor
C. Establish a link between work order parts usage, tenant charges, cost controls, and accountability with Inventory Control system.		Improved inventory control	01/31/2009	Executive Director; Maintenance Supervisor
E. Implement feasibility of automated inventory control system.		Improved inventory control	01/31/2009	Executive Director; Maintenance Supervisor
F. Establish procedures for security of supplies; install hardware as necessary.		Improved inventory control	01/31/2009	Executive Director; Maintenance Supervisor

Previous editions obsolete

Operational Area: **6. RESIDENT SERVICES AND INITIATIVES**

PHAS Performance Targets		Baseline as of:	1 st qtr Performance Target	2 nd qtr Performance Target	3 rd qtr Performance Target	Final Performance Target
Indicator #: 4	Name: Resident	12/31/2006				
4	Resident satisfaction	9.1	9.1	9.1	10.0	10.0
3-5	Economic self sufficiency	Excluded				Excluded
Targets and Strategies						
6.1 Increase customer satisfaction based on the results of the REAC Customer Satisfaction Survey. [Reference 24 CFR §984; PIH Notice 93-23]		PHAS Assessment 12/31/2006	Increased customer satisfaction	09/30/2008	Executive Director; Housing Manager; Maintenance Supervisor	
A. Analyze the results of the REAC survey to determine areas of weakness and strength.			Increased customer satisfaction	07/01/2008	Executive Director; Housing Manager; Maintenance Supervisor	
B. Develop a Follow-Up Plan to address identified weaknesses and build on strengths. Ensure the Plan includes the areas of: Maintenance and Repairs; Communication; Safety; Services; Development Appearance; and Overall Satisfaction. The Plan should also include methods of gathering comments on a regular basis to measure the level of customer satisfaction.			Increased customer satisfaction	07/01/2008	Executive Director; Housing Manager; Maintenance Supervisor	
C. Develop a process for effectively addressing and resolving correctable resident dissatisfaction items.			Increased customer satisfaction	07/01/2008	Executive Director; Housing Manager; Maintenance Supervisor	
D. Adopt and Implement the Follow-Up Plan			Increased customer satisfaction	07/01/2008	Executive Director; Housing Manager; Maintenance Supervisor; Board of Commissioners	

Previous editions obsolete

E. Prepare for and promote the next annual REAC Customer Satisfaction Survey.		Increased PHA performance	07/01/2008	Executive Director; Housing Manager; Maintenance Supervisor
6.2 Improve communication between management and residents to improve customer satisfaction. [Reference: Public Housing Reform Act of 1998]		Improved Resident/ PHA Relations	07/01/2008	Executive Director; Housing Manager
A. Promote active resident activities and encourage self-sufficiency.		Improved Resident/ PHA Relations	07/01/2008	Executive Director; Housing Manager
B. Distribute information on current activities to all residents on an on-going basis and provide a copy to HUD. Update bulleting boards on monthly basis in all developments.		Improved Resident/ PHA Relations	03/31/2009 ongoing	Executive Director; Housing Manager
C. Provide monthly progress report to the Board of Commissioners and HUD.		Improved Resident/ PHA Relations	03/31/2009 ongoing	Executive Director; Housing Manager
6.3 Increase involvement and participation by community service agencies. [Reference: Public Housing Reform Act of 1998]	PHAS Assessment 12/31/2006	Improved Involvement	01/31/2009	Executive Director; Housing Manager
A. Survey residents to determine needs/wants for community services and survey community to determine what services are available.		Improved Involvement	09/30/2008	Executive Director; Housing Manager
B. Establish partnerships with community entities such as colleges, churches, retailers, banks, foundations, civic groups, social service providers to provide services and/or in-kind contributions (space, funds, materials, staff time/expertise) for the benefit of PHA residents.		Improved Involvement	09/30/2008	Executive Director; Housing Manager

Previous editions obsolete

Page 25 of 30

form HUD-53336-B (2/08)

6.4 Develop Community Service Program. [Reference: Title 1 of the Act of 1937, as amended, Section §12(c); 24 CFR §960, Subpart F]	Initial Assessment 11/30/2007	Compliance with statute	10/01/2008	Executive Director; Housing Manager
A. Review/Amend/Update Community Service Policy		Compliance with statute	10/01/2008	Executive Director; Housing Manager
B. Review/Amend/Update/Develop forms to certify to, and track community service requirements.		Compliance with statute	10/01/2008	Executive Director; Housing Manager
C. Adopt and Implement.		Compliance with statute	11/01/2008	Executive Director; Housing Manager
D. Provide copies of tracking logs and update activities to HUD and Board of Commissioners monthly.		Compliance with statute	03/31/2009 ongoing	Executive Director; Housing Manager

Operational Area: **7. CAPITAL FUNDS**

PHAS Performance Targets		Baseline as of:	1 st qtr Performance Target	2 nd qtr Performance Target	3 rd qtr Performance Target	Final Performance Target
Indicator #:	2	12/31/2006				
Name: Management						
3-2a	Funds unexpended	Excluded				Excluded
3-2b	Funds unobligated	Excluded				Excluded
3-2c	Quality of work	4.57	4.57	4.57	4.57	4.57
3-2d	Contract administration	2.28	2.28	2.28	2.28	2.28
3-2e	Budget controls	2.28	2.28	2.28	2.28	2.28

Targets and Strategies	Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD
7.1 Improve the physical condition and long-term viability of the developments. [Reference: 24 CFR §970; PIH Notice 99-19]	PHAS Assessment 12/31/2006 Initial Assessment 11/30/2007	Improved physical conditions	12/31/2008	Executive Director; Maintenance Supervisor
A. Conduct a comprehensive physical needs assessment by development.		Improved physical conditions	10/01/2008	Executive Director; Maintenance Supervisor
B. Evaluate, prioritize and develop the Five-Year Action Plan to include the comprehensive physical needs assessment.		Improved physical conditions	10/01/2008	Executive Director; Maintenance Supervisor
C. Conduct energy audits for each development		Improved housing viability	03/31/2009	Executive Director; Maintenance Supervisor
D. Incorporate the results in the Standard PHA Annual and Five-Year Plan.		Improved physical conditions	10/01/2008	Executive Director; Maintenance Supervisor

Previous editions obsolete

Page 27 of 30

form HUD-53336-B (2/08)

<p>7.2 Improve the management capacity of the Authority. [Reference: 24 CFR 968.315, 903.1 – 11]</p>	<p>PHAS Assessment 12/31/2006 Initial Assessment 11/30/2007</p>	<p>Improved capacity</p>	<p>12/31/2008</p>	<p>Executive Director</p>
<p>A. Use data gathered from Sections 2 & 9 of this MOA to establish management improvement needs.</p>		<p>Improved capacity</p>	<p>10/01/2008</p>	<p>Executive Director</p>
<p>B. Evaluate, prioritize, and develop the Five-Year Action Plan to include the management needs assessment.</p>		<p>Improved capacity</p>	<p>10/01/2008</p>	<p>Executive Director</p>
<p>C. Coordinate eligible training programs with available funds.</p>		<p>Improved capacity</p>	<p>10/01/2008</p>	<p>Executive Director</p>
<p>D. Incorporate the results in the Standard PHA Annual and Five-Year Action Plan.</p>		<p>Improved capacity</p>	<p>10/01/2008</p>	<p>Executive Director</p>
<p>7.3 Comply with energy audit requirements. [Reference: 24 CFR §965.302]</p>	<p>Initial Assessment 11/30/2007</p>	<p>Compliance with statute</p>	<p>03/31/2009</p>	<p>Executive Director; Maintenance Supervisor</p>
<p>A. Incorporate results of Energy Audit in the Standard PHA Annual and Five-Year Action Plan.</p>		<p>Compliance with statute</p>	<p>03/31/2009</p>	<p>Executive Director; Maintenance Supervisor</p>
<p>B. Determine feasibility of Energy Performance Contracting.</p>		<p>Compliance with statute</p>	<p>03/31/2009</p>	<p>Executive Director; HUD Maintenance Supervisor</p>
<p>C. HUD to provide Technical Assistance as required.</p>		<p>Compliance with statute</p>	<p>03/31/2009</p>	<p>Executive Director; HUD Jacksonville Field Office</p>

Operational Area: 8. SECURITY

PHAS Performance Targets		Baseline as of:	1 st qtr Performance Target	2 nd qtr Performance Target	3 rd qtr Performance Target	Final Performance Target
Indicator #:	2	12/31/2006				
Name: Management Reporting and tracking crime		1.30	1.30	1.30	1.30	1.30
3-6a	Applicant screening	1.30	1.30	1.30	1.30	1.30
3-6b	Lease enforcement	1.30	1.30	1.30	1.30	1.30
3-6c	Grant management	Excluded	1.30	1.30	1.30	Excluded
3-6d						

Targets and Strategies	Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD
8.1 Improving and Updating Security Measurement Strategies [Housing Reform Act of 1998]	Initial Assessment 11/30/2007	Improved Security	12/31/2008	Executive Director
A. Review Service contract between housing authority and City Police Department.		Improved Security	09/30/2008	Executive Director
B. PHA should meet with law enforcement agencies and get in writing their exact usage and functionality in the onsite substation.		Improved Security	09/30/2008	Executive Director
C. Review and update policy on zero tolerance and criminal activities.		Improved Security	10/01/2008	Executive Director; Housing Manager
D. Develop a log to track criminal activities throughout the PHA developments		Improved Security	10/01/2008	Executive Director; Housing Manager
E. Implement updates regarding zero tolerance and criminal activities and incorporate in the dwelling lease.		Improved Security	10/01/2008	Executive Director; Housing Manager

Previous editions obsolete

Page 29 of 30

form HUD-53336-B (2/08)

Operational Area: **9. MANAGEMENT INFORMATION SYSTEMS**

Targets and Strategies	Baseline as of:	Final Performance Target	Estimated Completion Date	Lead staff for PHA and HUD
9.1 Resolve problems issues with existing MIS. A. Work with newly implemented computer system to determine issues/problems/needs. B. Determine that all training needs met by housing authority personnel.	Initial Assessment 11/30/2007	Improved MIS	06/30/2008	Executive Director
9.2 Establish PHA capability for electronic record keeping and transmission of required reports. A. Identify staff responsible for data input; data gathering; data security; and data submission.	Initial Assessment 11/30/2007	Improved MIS capacity	05/01/2008	Executive Director
9.3 PHA access to and use of HUD systems. A. Determine PHA access needs and status.	Initial Assessment 11/30/2007	Improved MIS interaction with HUD	05/01/2008	Executive Director; HUD Jacksonville Field Office
B. Obtain appropriate IDs, passwords, and guidebooks		Improved MIS interaction with HUD	05/01/2008	Executive Director, HUD Jacksonville Field Office
C. Provide technical assistance and training on HUD Systems.		Improved MIS interaction with HUD	03/31/2009 ongoing	Executive Director, HUD Jacksonville Field Office

Previous editions obsolete

Page 30 of 30

form HUD-53336-B (2/08)

PHYSICAL ASSESSMENT (SITES AND UNITS)

During the months of August-September, 2007 a Physical Needs Assessment and Site and Unit Inspections were completed at the Brooksville Housing Authority (BHA) by members of the review team.*

Physical Needs Assessment

BHA operates a total of 126 Public Housing units at two locations, 90 units at Hillside Estates and 36 units at Summit Villas. The Hillside Estate site consists of 50 buildings, plus one office facility, and one Maintenance building. Out of all of the 50 buildings, two buildings consisting of five one-bedroom units, with 552 square feet per unit; 14 buildings, consisting of 28 two-bedroom units, with 685 square feet per unit; 18 buildings, consisting of 36 three-bedroom units, and each unit has 1,620 square feet.

All the buildings were constructed in 1970. The construction type is Spread Footers, with 8x16x8 CMU units with floating floor, wood framed hip roofs with composition shingles. Records indicate that the development was re-roofed in 1994, and roofs are showing wear with many patches observed.

Summit Villa consists of three buildings with 12, zero-bedroom units, per building for a total of 36 units, along with a small community room and a small laundry room. The laundry facility is supplied with washers and dryers at no cost to the residents. This practice should be re-evaluated by the BHA, as this practice is not cost effective.

Since the units were built in 1970, and are constructed of concrete masonry construction, with stucco on the exterior, and wood framed hip roofs with composite shingles. The shingling of the roof appears to be early 1990, and is showing wear. Only 13 of the 36 units have hard wired smoke detectors. Those same 13 units have had complete upgrades to the electrical throughout the units. The 36 units do not have fire walls between the units. Although this was not required by code at the time of construction, this should be considered as a priority for the safety of the residents. The units have been upgraded cosmetically on the interior within the last seven to eight years to include new wall heating, air systems and electric hot water heaters. The water piping of the units appears to be, original copper water lines and galvanized waste lines. The Housing Authority will need to consider upgrading the water lines and waste lines in each unit.

The windows are aluminum single panes, double hung that were part of the original construction. The Housing Authority should consider upgrading for energy efficiency and energy savings. Exterior doors have been replaced throughout this development and appear to be in good condition.

The exterior of the structures are painted stucco. The units appear to have been painted within the last three to four years. The exterior of the structures have minor settling

cracks in the stucco (chair steps in the masonry units). The BHA will need to maintain a positive slope around all buildings, to avoid any further settling problems. The landscape and grounds appear to be well maintained.

Parking areas for the building only have a 40 feet x 20 feet lot or six spaces for each building. The parking area for the 523 building unit appears to have a natural gas tank buried in the area where residents park. Parking areas need to be resurfaced and enlarged as they do not have enough parking spaces for all of the residents.

Summit Villa is not in compliance with the 504 requirements. Many of the walkways have been retrofit, by adding an additional six to eight inches of concrete to the existing walkways to accommodate the residents in wheel chairs. Some of the walkways have been retrofitted with plywood, and this has created a trip hazard for others in the development.

This retrofit has elevated the walkways, to more than 16 inches above grade, without any handrails which has created a hazard to the residents in wheel chairs. The handicap ramps exceed the one in 12 inch slope and the turn backs which do not meet the 60 inch turning radius required by the 504. The Housing Authority should consider services of an architectural firm to address the accessibility needs, and design the required 504 accessibility requirements for this site.

The Brooksville Housing Authority operates 90 units of Public Housing known as the Hillside Estates. In the review it was noted that the BHA only has a utility allowance for electric. All, but two of the units have 100 amp electrical services as part of the original construction. The same two units have hard-wired smoke detectors. All smoke detectors are battery operated, with the exception of the two units noted above, which are hard wired.

The BHA should have a utility allowance for propane, as well as electrical and should be charging residents for propane usage, above the allowance for each bedroom size, as each unit has its own propane tank and meter. Presently, gas is not being charged to the residents. This practice needs to be reviewed and stopped, as this is a cost to the Housing Authority and should not be able to continue.

The propane tanks are rusted and pitted and not maintained, and it appears that they have not been painted or tested in many years.

The gas lines to the meters appear to have numerous leaks since there is a strong smell of propane around most of the lines. The BHA should have the propane provider maintain its tanks and lines up to the meter. The BHA is responsible for the line after the meter and throughout the unit. The lines should be tested by a licensed propane gas line inspector for the safety of the residents. In the past it appears that the BHA has abandoned the original gas line piping and has retrofit gas lines through the attic, which appear not to be in compliance with the Code. Units are heated with up-flow propane

furnaces (original equipment), and propane hot water heaters 50% of the hot water heaters have been replaced within the last five years.

In reviewing the consumption and utility allowances it was noted that the BHA has two master meters for water. All meter monitors are approximately 45 units each for half of the development. One meter consistently indicates 100,000 gallons of water more than any of the other meters. It is apparent, by the curbs buckling and the water seepage and the mere fact that the meter boxes are completely filled with water, that the Housing Authority is paying for water that the tenants are not using. The water lines at this development have had leaking problems in the past. The line that is owned by the BHA is a two-inch galvanized line, which runs around the entire development. With the water bills that the BHA is receiving, they should look at the cost of water tapes for each unit into the City's water line, and provide water meters for each unit. This would be more cost effective than the replacement of the 2-inch lines.

A review of the garbage bill from the City of Brooksville, indicates that residents of Hillside Estates are being charged \$10.00 more per month for their garbage pick up, which is more than any other residents of the City. This over charging equates to more than \$900.00 per practice has been allowed, and determine the amount of over payment that is owed to the Housing Authority. This practice is in violation of the Cooperation Agreement between the City and Housing and Urban Development (HUD).

This site has four storm sewers. One of the storm sewers at the time of this review was functional and the other three were completely packed with trash and sand. This situation amplifies and already crucial drainage problem, as the site slopes are approximately 5 percent. The three buildings that have been taken off-line for more than 15 years are mainly due to erosion. The BHA has a Foundation Settlement Study, in place since January 30, 2006, by Bechtol Engineering and Testing, Inc. (BET). It is BET's opinion that the existing structural cracking can be attributed primarily to the consolidation of the loose fill deposits under the influence of structural loads. In addition, storm water runoff, discharged can be found adjacent to the foundation from the structures' roof which is a contribution factor. Shrinking and swelling of the plastic subsoil, is dictated by a change in soil moisture content. In brief the grade around all buildings should have a positive slope away from the buildings to prevent change in the soil moisture content. Building Code requires this to be at a minimum of eight inches.

Storm sewers being inoperable may have been a contributing factor to the erosion. The BHA will need to contact the Hernando County Storm Sewer Division and request that they jet and vacuum the storm sewers at this development.

The sewer laterals from the units consist mainly of a four inch terra cotta pipe that was part of the original development. There are two places at this site that have collection boxes, that feed into six inch manifolds to carry three units each, into the City's eight-inch main sewer line. The BHA should procure the services of the Hernando County Storm Sewer Division to have the condition of the lateral chambers of the lines at the site determined. It was noted that the past Executive Director, granted utility easement to the

City of Brooksville, in order to allow other businesses to tie into the already overburden sewer system, at the site. This would appear to be a violation of the Declaration of Trust.

Capital Improvement Work Items Completed at Hillside Estates

1. Repaired all Stucco and Concrete cracks to the exterior of the buildings.
2. Corrected all fire safety issues to meet local and NSDA codes.
3. Corrected all mold problems on the interior and exterior of the buildings.
4. Major reconstruction of bathrooms in twenty-five units.
5. Partial bathroom replacement in thirty units.
6. Replaced window locks in all units.
7. Front and side doors on all buildings have proper seals.
8. Repaired roofs on six buildings.
9. Replaced five major water sewer mains.
10. Repaired three sewer mains.
11. Dug out trenches and swells to correct flooding problems.
12. Un-boarded and fixed all broken windows in occupied units.
13. Major renovation of nineteen units.
14. In the process of pinning the foundation of three units for stabilization. These units will be completely renovated.
15. Replaced 10 water heaters.
16. Replaced/repared 20 refrigerators.
17. Repaired/patched streets and ten (10) driveways.
18. Bleached and scrubbed all buildings.
19. Cut back brush tree limbs.
20. Completed a major trash clean-up.
21. Inventoried and organized the maintenance supplies and bought a storage container for all maintenance inventory.
22. Completely reorganized the maintenance duties.
23. Inspected every unit 5 times.

Capital Improvement Work Items Completed at Summit Villas

1. Corrected all emergency fire safety issues.
2. Rebuilt all fire safety walls in the roofs in accordance with code.
3. Resealed all handicapped ramps.
4. Inspected each unit and corrected all emergency and routine maintenance item, not limited to every light socket, light switch and breaker as identified by the fire Marshall and independent electrical assessment report.

5. Repaired all washers and dryers and fire safety issues in connection with the laundry room.
6. Completely renovated five apartments.
7. Bleached and scrubbed all buildings.
8. In the process of renovating two apartments and as vacancies occur.
9. Completed a major trash clean-up.



**AGENDA ITEM
MEMORANDUM**

TO: HONORABLE MAYOR AND CITY COUNCILMEN

FROM: T. JENNENE NORMAN-VACHA, CITY MANAGER

**SUBJECT: BROOKSVILLE HOUSING AUTHORITY – PILOT AGREEMENT
REVIEW**

DATE: APRIL 4, 2008

For your workshop we are providing the following information for review and discussion regarding the Brooksville Housing Authority Pilot Agreement:

- Agenda Item from Coty Council Regular Session, March 4, 2008;
- 1969 Pilot Agreement between the City of Brooksville and the Brooksville Housing Authority; and
- Memorandum of Law provided by the Hogan Law Firm - Jennifer Rey, Attorney.

COOPERATION AGREEMENT

This Agreement entered into this 16th day of December, 1969,
by and between Brooksville Housing Authority
(herein called the "Local Authority") and the City of Brooksville, Florida
(herein called the "Municipality"), witnesseth:

In consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows:

1. Whenever used in this Agreement:

(a) The term "Project" shall mean any low-rent housing hereafter developed as an entity by the Local Authority with financial assistance of the UNITED STATES OF AMERICA (herein called the "Government"), excluding, however, any low-rent housing project heretofore covered by any contract for loans and annual contributions.

(b) The term "Taxing Body" shall mean the State or any political subdivision or taxing unit thereof in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.

(c) The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and nondwelling rents (excluding all other income of such Project), less the cost to the Local Authority of all dwelling and nondwelling utilities.

(d) The term "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health or morals.

2. The Local Authority shall endeavor (a) to secure a contract or contracts with the Government for loans and annual contributions covering one or more Projects comprising approximately 200 units of low-rent housing and (b) to develop and administer such Project or Projects, each of which shall be located within the corporate limits of the Municipality. The obligations of the parties hereto shall apply to each such Project.

3. (a) Under the constitution and statutes of the State of Florida, all Projects are exempt from all real and personal property taxes and special assessments levied or imposed by any Taxing Body. With respect to any Project, so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes; or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Municipality agrees that it will not levy or impose any real or personal property taxes or special assessments upon such Project or upon the Local Authority with respect thereto. During such period, the Local Authority shall make annual payments (herein called "Payments in Lieu of Taxes") in lieu of such taxes and special assessments and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such Project.

Page 2 (alternate)

(b) Each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project and shall be in an amount equal to either (i) ten percent (10%) of the Shelter Rent actually collected but in no event to exceed ten percent (10%) of the Shelter Rent charged by the Local Authority in respect to such Project during such fiscal year or (ii) the amount permitted to be paid by applicable state law in effect on the date such payment is made, whichever amount is the lower.

(c) No payment for any year shall be made to the Municipality in excess of the amount of the real property taxes which would have been paid to the Municipality for such year if the Project were not exempt from taxation.

(d) Upon failure of the Local Authority to make any Payment in Lieu of Taxes, no lien against any Project or assets of the Local Authority shall attach, nor shall any interest or penalties accrue or attach on account thereof.

4. The Municipality agrees that, subsequent to the date of initiation (as defined in the United States Housing Act of 1937, as amended) of each Project and within five years after the completion thereof, or such further period as may be approved by the Government, there has been or will be elimination (as approved by the Government) by demolition, condemnation, effective closing, or compulsory repair or improvement, of unsafe or insanitary dwelling units situated in the locality or metropolitan area in which such Project is located, substantially equal in number to the number of newly constructed dwelling units provided by such Project; Provided, That, where more than one family is living in an unsafe or insanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and Provided, further, That this paragraph 4 shall not apply in the case of (i) any Project developed on the site of a Slum cleared subsequent to July 15, 1949, and that the dwelling units eliminated by the clearance of the site of such Project shall not be counted as elimination for any other Project or any other low-rent housing project, or (ii) any Project located in a rural nonfarm area.

5. During the period commencing with the date of the acquisition of any part of the site or sites of any Project and continuing so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Municipality without cost or charge to the Local Authority or the tenants of such Project (other than the Payments in Lieu of Taxes) shall:

(a) Furnish or cause to be furnished to the Local Authority and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the Municipality;

(b) Vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to the Local Authority such interest as the Municipality may have in such vacated areas; and, insofar as it is lawfully able to do so without cost or expense to the Local Authority or to the Municipality, cause to be removed from such vacated areas, insofar as it may be necessary, all public or private utility lines and equipment;

(c) Insofar as the Municipality may lawfully do so, (i) grant such deviations from the building code of the Municipality as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and at the same time safeguard health and safety, and (ii) make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection of such Project and surrounding territory;

(d) Accept grants of easements necessary for the development of such Project; and

(e) Cooperate with the Local Authority by such other lawful action or ways as the Municipality and the Local Authority may find necessary in connection with the development and administration of such Project.

6. In respect to any Project the Municipality further agrees that within a reasonable time after receipt of a written request therefor from the Local Authority:

(a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas, after the Local Authority, at its own expense, has completed the grading, improvement, pavings, and installation thereof in accordance with specifications acceptable to the Municipality;

(b) It will accept necessary dedications of land, for and will grade, improve, pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned); and

(c) It will provide, or cause to be provided, water mains, and storm and sanitary sewer mains, leading to such Project and serving the bounding streets thereof (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned.)

7. If by reason of the Municipality's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or to cause to be furnished to the Local Authority or to the tenants of any Project, the Local Authority incurs any expense to obtain such services or facilities then the Local Authority may deduct the amount of such expense from any Payments in Lieu of Taxes or to become due to the Municipality in respect to any Project or any other low-rent housing projects owned or operated by the Local Authority.

8. No Cooperation Agreement heretofore entered into between the Municipality and the Local Authority shall be construed to apply to any Project covered by this Agreement.

9. So long as any contract between the Local Authority and the Government for loans (including preliminary loans) or annual contributions, or both, in connection with any Project remains in force and effect, or so long as any bonds issued in connection with any Project or any monies due to the Government in connection with any Project remain unpaid, this Agreement shall not be abrogated, changed, or modified without the consent of the Government. The privileges and obligations of the Municipality hereunder shall remain in full force and effect with respect to each Project so long as the beneficial title to such Project is held by the Local Authority or by any other public body or governmental agency, including the Government, authorized by law to engage in the development or administration of low-rent housing projects.

If at any time the beneficial title to, or possession of, any Project is held by such other public body or governmental agency, including the Government, the provisions hereof shall inure to the benefit of and may be enforced by, such other public body or governmental agency, including the Government.

IN WITNESS WHEREOF, the Municipality and the Local Authority have respectively signed this Agreement and caused their seals to be affixed and attested as of the day and year first above written.

CITY OF BROOKSVILLE, FLORIDA
(Corporate Name of Municipality)

By Edwin W. Rogan
(Title) Mayor

(SEAL)

ATTEST:

Raymond Willard
(Title) City Clerk

BROOKSVILLE DRAINAGE AUTHORITY
(Corporate Name of Local Authority)

By Murray B. Smith
Chairman

(SEAL)

ATTEST:

Charles W. Lawrence
Secretary



We mean business™

MEMORANDUM OF LAW

To: T. Jennene Norman-Vacha, City Manager
From: Jennifer C. Rey, The Hogan Law Firm, LLC
Cc: Thomas S. Hogan, Jr., George Angeliadis
Re: Brooksville Housing Authority P.I.L.O.T Agreement
Date: March 12, 2008

QUESTION:

With respect to the City of Brooksville's Cooperation Agreement with the Brooksville Housing Authority, may the City:

- (1) Declare the Housing Authority in default of the Agreement and implement ad valorem taxes instead?
- (2) Waive its right to collect past due PILOT payments?

FACTS:

The City of Brooksville entered into a Cooperation Agreement with the Brooksville Housing Authority (BHA) on December 16, 1969. Under the agreement the BHA is to make an annual payment to the city using a formula set forth in the Agreement. From the period of 1969 to 1997, the BHA did not meet its obligation under the Agreement and accrued a debt of \$10,042.58. On September 15, 1997, Council rejected the BHA's request to waive the debt and passed a motion requiring the BHA to make payment on the debt over a period of no more than 20 years. Starting in 1998, BHA made payments in the amount of \$500.00, with a payment of \$1012 received in 2001, and in 2006 the City granted a \$500 easement credit to the BHA. However, these payments have all been part of the re-payment of the amount in arrears. No annual payments under the original Agreement have been made since 1998. The actual amount due under the original Agreement is calculated by using the formula provided in the Agreement at item 3(b) and is unascertainable by the City at this time.

BRIEF ANSWER:

Property owned by the Brooksville Housing authority, if used exclusively for a municipal purpose such as low-income housing, is tax exempt under Florida Statute Chapter 423 and Title 42 USC §1437. Therefore, the City may not assess ad-valorem taxes or levy special assessments against such property. However, since such property is exempt, both Florida Statute §423.02 and Title 42 USC §1437 provide for payments in lieu of taxes. Pursuant to Title 42 USC §1437c(e), to be eligible for federal funds or financing, a local housing authority must have a cooperative agreement in place with the local governing body and such agreement shall provide for payments in lieu of taxes. However, under the Florida Statute, agreements for payments in lieu of taxes are authorized, but not required. Therefore, subject to certain limitations, the City is free to negotiate with the Brooksville Housing Authority as to the amount of payments in lieu of taxes. Based on this notion, the City is also free to either choose to enforce the terms of the existing Agreement with the Brooksville Housing Authority, renegotiate the Agreement, or to waive its rights under the Agreement to collect outstanding payments.

DISCUSSION:

Property owned by a local housing authority that is used exclusively for municipal purposes is exempt from real and personal property taxes or special assessments; and payments in lieu of taxes (PILOT) are authorized but not required under State statute. Local cooperative agreements are a requirement for local housing authorities to receive federal financial assistance and PILOT payment provisions of such agreements are negotiable, subject to certain limitations, under the terms of Title 42 USC §1437 and F.S. §423. Even though PILOT payments are offered to compensate local governing bodies for the tax exempt status of housing authority property, a local governing body may not assess taxes or levy special assessments against such property when a housing authority is in default on its agreement. The local governing body may, however, enforce its rights under the terms and conditions of the Agreement if it so chooses.

A. Tax Exempt Status of Housing Authority Property

Under the Cooperation Agreement, the Brooksville Housing Authority property is exempt from real and personal property taxes. The Cooperation Agreement, in relevant part, provides at section 3(a), that

“Under the constitution and statutes of the State of Florida, all Projects are exempt for all real and personal property taxes and special assessments levied or imposed by any Taxing Body. With respect to any Project, so long as either (i) such Project is owned by public body or governmental agency and is used for low rent housing purposes, or (ii) any contract between the Local Authority and the [U.S.] Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project of any monies due to the [U.S.] Government in connection with such Project remain unpaid, whichever period is the longest, the Municipality agrees that it will not levy or impose any real or personal property taxes or special assessments upon such Project or upon the Local Authority with respect thereto.”

This provision of the Agreement is supported in part by both Florida Statutes and federal law. The State of Florida Housing Authorities Law, Chapter 423 provides for the tax exempt status of property held by local housing authorities. Florida Statutes §423.01 states that “as a matter of legislative determination, it is found and declared that the property and debentures of a housing authority are of such character as may be exempt from taxation.” Florida Statutes §423.02 offers further guidance on tax exemption and provides in pertinent part that,

“the housing projects, including all property of housing authorities used for or in connection therewith or appurtenant thereto, of housing authorities *shall be exempt from all taxes and special assessments* of the state or any city, town, county, or political subdivision of the state.” (*emphasis added*)

In addition, the federal Fair Housing Act also provides for the tax-exemption of property where the local housing authority receives federal funding. Title 42 USCA §1437d(d) states that,

“every contract for contributions with respect to a low-income housing project shall provide that no contributions by the Secretary shall be made available for such project unless such project (exclusive of any portion thereof which is not assisted by contributions under this chapter) is *exempt from all real and personal property taxes levied or imposed* by the State, city, county or other political subdivisions...” (*emphasis added*)

The Supreme Court of Florida has considered various cases addressing the tax exempt status of property owned by local housing authorities and has consistently upheld the tax exempt status of such property so long as it is used exclusively for a municipal purpose. *Garrett v. Northwest Florida Regional Housing Authority*, 12 So.2d 448 (Fla. 1943); *Smith v. Housing Authority of City of Daytona Beach*, 3 So.2d 880 (Fla. 1941); *State ex rel. Harper v. McDavid*, 200 So. 100 (Fla. 1941); *State ex rel. Burbridge v. St. John*, 197 So 131 (Fla. 1940). In *State ex. Rel. Grubstein v. Campbell*, 1 So.2d 483 (Fla. 1941), the Supreme Court of Florida specifically

addressed arguments that such tax exemption violates due process and equal protection requirements. In *Grubstein*, the court noted,

“To the charge of lack of due process and equal protection, it is sufficient answer to say that while the lands of housing authorities go on the tax books relieved of taxation, little is actually lost because they were assessed low in the first place and what is lost in taxes is more than compensated for by saving in improved sanitation, and reduction in the cost of crime and policing.” *State ex. Rel. Grubstein v. Campbell*, 1 So.2d 483, 485 (Fla. 1941).

Therefore, the tax exempt status of the property raises no issues of violations of due process or equal protection, even without the existence of a “payments in lieu of taxes” agreement.

B. Cooperation Agreements & PILOT Payments

There are both federal and Florida statutory provisions for “payments in lieu of taxes” (PILOT) with respect to tax exempt property owned by local housing authorities. These provisions also address the calculation or amount of the payment. Pursuant to provision 3(a) of the existing Cooperation Agreement “the Local Authority shall make annual payments (“Payments in Lieu of Taxes”) in lieu of such taxes and special assessments and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such Project.” This language is supported in part by Florida Statutes §423.02 which conditions tax exemption on the provision of PILOT payments. The statute in relevant part states,

“that in lieu of such taxes or special assessments a housing authority may agree to make payments to any city, town, county or political subdivision of the state for services, improvements, of facilities furnished by such city, town, county or political subdivision for the benefit of a housing project owned by the housing authority, but in no event shall such payments exceed the estimated cost to such city, town, county or political subdivision of the services, improvements or facilities to be so furnished.” (*emphasis added*)

The state statute is permissive in that it stipulates a housing authority “may” agree to make payments; however, the federal statute is not permissive.

In order to be eligible for federal funding or financing, a local housing authority must have the approval of the local governing body and must have in place a cooperation agreement. These provisions are outlined in 42 USCA §1437c(e) which states,

“(1) the Secretary shall not make any contract with a public housing agency for preliminary loans....(i) unless the governing body of the locality has by resolution approved the application of the public housing agency for such preliminary loan; and (ii) unless the public housing agency has demonstrated to

the satisfaction of the Secretary that there is need for such low-income housing which is not being met by private enterprise; and (2) the Secretary shall not make any contract for loans (other than preliminary loans) or for contributions...unless the governing body of the locality involved has entered into an agreement with the public housing agency providing for the local cooperation required by the Secretary pursuant to this chapter..."

So long as the Brooksville Housing Authority has an outstanding federal loan or receives federal contributions, a cooperative agreement must be in place. With respect to housing authorities who have federal contracts for contributions, Title 42 USCA §1437d(d) stipulates that

“such contract shall require the public housing agency to make payments in lieu of taxes equal to 10 per centum of the sum of the shelter rents charged in such a project, or such lesser amount as (i) prescribed by State law, or (ii) is agreed to by the local governing body in its agreement for local cooperation with the public housing agency required under section 1437c(e)(2) of this title, or (iii) is due to failure of a local public body or bodies other than the public housing agency to perform any obligation under such agreement.”

Therefore, unless agreed to otherwise in the local cooperative agreement, the provisions of §1437d(d) would apply to a local housing authority receiving federal funds. In section 3(b) of the City’s Cooperation Agreement with the Brooksville Housing Authority, part of the language of the federal statute is incorporated into the PILOT provision. The provision states,

“each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project and shall be in an amount equal to either (i) ten percent (10%) of the Shelter Rent actually collected but in no event to exceed ten percent (10%) of the Shelter Rent charged by the local Authority in respect to such Project during such fiscal year or (ii) the amount permitted to be paid by applicable state law in effect on the date such payment is made, whichever amount is the lower.”

Based on a collective interpretation of both federal and Florida Statutes, the value and amount of the PILOT is negotiable as between the City and the Brooksville Housing Authority subject to certain limitations. Under a cooperative agreement required by federal law, the payment amount shall be less than or equal to 10% of the shelter rents actually collected in a fiscal year or as otherwise stipulated by state law or in the local agreement. As Florida’s statute does not stipulate a specific payment amount or formula, the City is free to negotiate the amount of the payments subject to the limitation of F.S. §423.02 which states that “in no event shall such payments exceed the estimated cost to such city, town, county or political subdivision of the services, improvements or facilities so furnished.”

There is an absence of Florida case law addressing PILOT issues with respect to housing authorities; however, the Federal District Court for the Eastern District of Washington considered a comparable federal PILOT provision. In *U.S. v. City of Milwaukee*, 49 F.Supp. 436 (E.D.Wis. 1943), the United States sought a declaratory judgment as to the tax exempt status of certain real estate and injunctive relief against taxing officials to restrain attempts to collect taxes that were already assessed. In this case, no agreement for “payments in lieu of taxes” was in place, but the housing authority made an offer of such payment as a means to settle the dispute. The city argued that the payment offered was “grossly inadequate, unreasonable, and arbitrary” and, as a result, they rejected the offer and sought recovery of the taxes assessed. The district court granted the declaratory judgment declaring the property tax exempt and the United States was entitled to an injunction as to the taxes assessed. With respect to the payment in lieu of taxes offered by United States, the court noted that although the payment seemed small the court did not have any evidence to determine the adequacy of the offer. In addition, the court concluded that a determination as to the adequacy of a payment would be “entirely an administrative function” because the language of the act did not include mandatory provisions as to the amount of the payment leaving the court without any authority to make such a determination. *US v. City of Milwaukee*, 49 F.Supp. 436, 439 (E.D.Wis. 1943).

Therefore, to the extent that F.S. §423.02 makes no mandatory provisions for calculating a PILOT and since Title 42 USC §1437 allows for discretion in the local agreement, the City may exercise its own discretion in addressing the Brooksville Housing Authority’s PILOT arrearage and future payments due under the existing Cooperative Agreement.

CONCLUSION

Based on the tax exempt nature of the housing authority property, the City may not assess ad valorem taxes or levy special assessments against property owned by the Brooksville Housing Authority even though the Authority is in default on its current agreement. Because PILOT provisions are authorized, but not required, the City may choose to waive its right to collect such payments from the Housing Authority. However, the agreement states that the Brooksville Housing Authority shall make the payments; therefore, the City may also choose to file a civil suit to enforce its existing agreement. Suit may be filed in county or circuit court depending on the total value of outstanding payments and arrearage which is not yet calculated at this time.

Since the Brooksville Housing Authority is required to have a local cooperative agreement as a condition of federal funding, another alternative the City may want to consider is to renegotiate the terms of the existing agreement in exchange for either forgiveness of the current PILOT arrearage or some other negotiated payment plan option.