



HOPWA Income Eligibility Packet

All HOPWA applicants must be income eligible – annual gross income cannot exceed 80% of the area median income (as determined by the HUD income limits table <http://www.huduser.org/datasets/il.html>). Income must be verified at least annually or as income changes for Rental Assistance clients. Income must be verified each time a client applies for STRMU.

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Form A
Annual Gross and Adjusted Income Worksheet

(Must be updated and resigned at least annually or as client's income information changes and each time a client applies for STRMU. If no information changed, form may be photocopied but must be resigned and dated.)

Complete this worksheet to determine income eligibility for all HOPWA applicants, annual gross income cannot exceed 80% of the area median income. For STRMU applicants, the monthly annual adjusted income must be determined for monthly STRMU assistance on the STRMU worksheet (complete to line 19). The total income of the household (Annual Gross Income) is from all sources anticipated to be received in the 12-month period following the effective date of the income certification.

(See Attachment 1 for Suggested Forms of Income Verification and Documentation of Expenses and Attachment 2 for Income Exclusions.)

1.	The full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, other compensation for personal services prior to payroll deductions. (Applies to client and all household members 18 and older. For full-time students 18 and over, only \$480 of annual earned income should be included here). However, if the 18+ full time student is the head of the household, spouse, or co-head of the household, then all of the income of the student is counted).	\$
2.	Periodic payments from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, excluding lump sum payments for the delayed start of a periodic payment.	\$
3.	Payments in lieu of earnings, such as unemployment, disability, worker's compensation, and severance pay.	\$
4.	PUBLIC ASSISTANCE, including payments made under other programs funded, separately or jointly, by federal, state, or local governments, which are not excluded by Federal Statutes (see Attachment 2 Income Exclusions).	\$
5.	Periodic allowances including alimony and child support payments, and regular contributions or gifts received from organizations or persons not residing in the residence.	\$
6.	Net income from operation of a business or profession. Interest, dividends, and other net income of any kind from real or personal property.	\$
7.	All regular pay, special pay and allowances of a member of the Armed Forces (Except Hostile Fire Pay).	\$

8.	ANNUAL GROSS INCOME* TOTAL OF LINES 1-7 Note: Annual income must be reassessed at least annually. However, if there is substantial change in the household's income during the year, an adjustment must be made to the resident rent to reflect the change in income.	\$
9.	ENTER THE AMOUNT OF THE HUD LOW-INCOME LIMITS TABLE, ADJUSTED FOR FAMILY SIZE. IF LINE 8 IS GREATER THAN THE LOW-INCOME LIMIT, THE CLIENT IS NOT ELIGIBLE FOR HOPWA ASSISTANCE. IF LINE 8 IS LESS THAN THE LOW-INCOME LIMIT, CONTINUE TO LINE 10	
10.	<u>Monthly GROSS income</u> (Line 8 divided by 12 months)	\$
11.	<u>10% of MONTHLY GROSS INCOME</u> (Line 10 multiplied by 10%)	\$

Per HUD regulations 24CFR5.611(a) the annual <u>adjusted</u> income is determined by deducting the following allowances from the annual <u>gross</u> income.		
12.	Enter annual gross income from Line 8.	\$
13.	<u>\$480.00 FOR EACH DEPENDENT</u> Dependents, including household members under the age of 18, elderly dependents, handicapped, disabled, or full-time students, but not the family head, spouse or foster children	-\$
14.	<u>\$400 FOR ANY ELDERLY OR DISABLED FAMILY MEMBER.</u> This allowance is provided to any family whose <u>head, spouse, or sole member</u> is at least 62 years of age OR is handicapped/disabled. This deduction <u>always</u> applies to households with persons with HIV or AIDS (ONLY ONE DEDUCTION PER FAMILY/HOUSEHOLD PER YEAR) -	-\$400.00
15.	<u>ANY REASONABLE CHILDCARE EXPENSES</u> These are expenses anticipated during the year for children 12 years of age and under that enable a household member to work, seek employment, or to further education. Deductible expenses for childcare to enable a person to work shall not exceed the amount of income received from such work. Childcare <u>cannot</u> be paid to another member of the household. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES ARE ALLOWED.)	-\$

16.	<p>i. <u>EXPENSES FOR NON-ELDERLY DISABLED FAMILY MEMBERS.</u> This allowance covers reasonable expenses anticipated during the period for attendant care (provided by a non-household member) and/or auxiliary apparatus for any disabled household member that enables that person or any other household member to work. Deduction may not exceed the amount of income generated by the person enable to work. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES IN EXCESS OF 3% OF ANNUAL GROSS INCOME ARE ALLOWED).</p> <p>ii. <u>MEDICAL EXPENSES AND/OR ASSISTANCE FOR ANY ELDERLY OR DISABLED FAMILY MEMBER</u> If deductions are taken on i and ii line for medical expenses, the deduction on line 13 must also be taken. (ONLY EXPENSES NOT REIMBURSED FROM ANY OTHER SOURCES IN EXCESS OF 3% ANNUAL GROSS INCOME ARE ALLOWED)</p>	-\$
	a. ENTER TOTAL non-reimbursed expenses for this category (add amounts listed under heading i and ii).	\$
	b. Multiply Annual Gross Income by 3%	\$
	Subtract b. from a. and enter difference	\$
17.	<u>EARNED INCOME DISREGARD (EID)/SELF-SUFFICIENCY INCENTIVES FOR PERSONS WITH DISABILITIES.</u> In addition to deductions mandated in 24CFR5.611(a) , HUD requires disregard for income to previously unemployed persons with disabilities who have earned income as described in 24CFR5.617(a)(b)(c)(d) . If applicable, enter amount of Income disregard as calculated on lines 3 or 4 of Form B Earned Income Disregard worksheet, depending on applicable exclusion period.	-\$
18.	<u>ANNUAL ADJUSTED INCOME.</u> Subtract the sum of lines 13-17 from the Annual Gross Income (line 12)	\$
19.	<u>MONTHLY ADJUSTED INCOME.</u> (Line 18 divided by 12 months)	\$
20.	<u>30% of MONTHLY ADJUSTED INCOME</u> (Multiply Line 19 by 30%)	\$
21.	Enter the higher amount of line 11 or line 20. TBRA clients must pay this portion of rent. If either the 10% gross or 30% adjusted income amount are greater than the Fair Market Rent or the resident’s actual rent, the applicant is not eligible for TBRA.	\$

*I verify that the above information is true and accurate and any changes to the above information will be updated within 14 business days of the change.
Yo verifico que la informacion es verdadera y correcta y cualquier cambio a la informacion en este formulario sera actualizada dentro de 14 dias.*

Client Name/ID Client Signature	Date
Case Manager Name Case Manager Signature	Date
Supervisor's Signature	Date

Attachment 1
Suggested Forms of Income Verification and Documentation of Expenses

Below are listed different ways in which to verify income and document expenses. This can be done by reviewing documentation (bills, statements, receipts etc.), or through oral communication with an appropriate third party (ex. Social Security Office staff, medical providers etc.). If using oral communication as a form of verification, the contact must be documented, signed and dated by Project Sponsor staff.

	A. Types of income and expenses	B. Third party written	C. Third party oral
1.	Wages and salaries including statement indicating base and overtime rates, bonuses contact with employer and incentive payments by phone or in person specifying amount to be earned per pay period.	Pay stubs, earnings statement or W-2 form identifying employee and showing amount earned and period of time covered by employment. Signed and dated form or letter from employer specifying amount to be earned per pay period and length of pay period.	Oral verification from employer specifying amount to be earned per pay period and length of pay period, documented by Project Sponsor staff.
2.	Tips/gratuities and self-employment	Notarized statement from applicant or form 1040/1040A showing amount earned and employment period.	None.
3.	Income maintenance, TANF, Social Security including statement indicating <u>dates</u> and <u>amount</u> received	One copy of check issued by agency. Award letter signed by agency.	Oral verification from the income provider, <u>showing amount and period</u> received and documented by Project Sponsor staff
4.	Unemployment/Worker's Compensation statement.	Same as 3B.	Same as 3C.
5.	Child Support Payments received.	Copy of payment records furnished by court, signed and dated, showing amount received.	Oral verification from paying parent, documented by Project Sponsor staff.

		Copy of divorce decree showing amount of support	
		Copy of uncashed check.	
		Written and signed statement from paying parent.	
6.	Interest/dividends	Passbook showing interest received and period covered.	Oral verification from savings institution, documented by Project Sponsor staff showing amount and period received.
		Income tax return.	
		Dividend statement from bondholder or stock company.	
7.	Income-generating assets such as rental property, etc.	Tax records, rental checks, lease agreement	None.
		Statement signed by applicant specifying assets.	
8.	Child care expenses	Receipts, canceled checks.	Oral verification from childcare provider, documented by Project Sponsor staff.
		Letter from childcare agency, babysitter, or person providing care showing amounts received or expected and period of service.	
		Itemized list signed by applicant.	
9.	Medical expenses	Receipts, canceled checks	Oral verification from hospital or physician payment, documented by Project Sponsor staff.
		Records of insurance	
		Itemized list signed by applicant.	
10.	Rent, mortgage, and utilities	Bills statements, receipts, canceled checks.	Oral verification from landlord, etc. documented by Project Sponsor staff.
		Letter received from landlord showing amount of rent paid.	

Other Information that May Require Verification

	A. Review of documents	B. Third party written	C. Third party oral
1.	<p>Dependent children</p> <ul style="list-style-type: none"> • Age • Relationship 	<p>Income tax returns; Support payment records; Marriage certificates; Social Security records; Birth certificates; VA records; Divorce records</p>	None.
2.	<p>Disability Same as 2B but with telephone or in-person contact.</p>	<p>Doctor's statement furnished by applicant.</p>	
<p>Social Security Administration records indicating nature of disability.</p>			
3.	<p>Full-time student status Same as 3B but with telephone or in-person contact.</p>	<p>School identification card or school records specifying period of time attended and indicating full-time status.</p>	
<p>Written statement, dated and signed, from school specifying that applicant is enrolled full-time and the dates attending.</p>			

Income Exclusions

(For complete regulations, refer to 24CFR5.609(c))

Annual Gross Income Does Not Include:

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a live-in aide;
6. The full amount of student financial assistance paid directly to the student or to the educational institution;
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8.
 - (a) Amounts received under training programs funded by HUD;
 - (b) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income (SSI) eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - (c) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Public Housing Authority (PHA) or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the

PHA's governing board. No resident may receive more than one such stipend during the same period of time;

- (e) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment-training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program;
- 9. Temporary, nonrecurring or sporadic income (including gifts);
- 10. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- 11. Earnings in excess of \$480 for each full-time student 18 years or older (excluding the head of household and spouse);
- 12. Adoption assistance payments in excess of \$480 per adopted child;
- 13. Deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
- 14. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- 15. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- 16. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24CFR5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. The value of an allotment provided to an eligible household under the Food Stamp Act of 1977 is excluded;
- 17. EARNED INCOME DISREGARD/SELF-SUFFICIENCY INCENTIVES FOR PERSONS WITH DISABILITIES. In addition to deductions mandated in 24 CFR 5.611(a), HUD requires disregard for income to previously unemployed persons with disabilities who have earned income as described in 24 CFR 5.617(a)(b)(c)(d).

Form B
Earned Income Disregard (EID) Worksheet

STEP 1: Determine Eligibility

A. A disabled household receiving assistance through one of the following programs:

- HOPWA (Housing Opportunities for Persons with AIDS)
- HOME (Housing Opportunities Made Equal)
- SHP (Supportive Housing Program)
- Housing Choice Voucher (Section 8)

AND

- B. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; **OR**
- C. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; **OR**
- D. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

- If eligible proceed to Step 2 -

STEP 2: Calculate Amount of Earned Income Disregard

1.	Current annual gross income. Income should be verified and proper documentation maintained in the file.	\$
2.	Pre-employment/previous annual income (if any) If Line #2 is higher than Line #1 the Disregard cannot be applied at this time. Enter "0" in Line 17 on page 3 and continue with income calculations.	\$
3.	100 % Income Disregard: If currently in the first 12-month exclusion period subtract Line #2 from Line #1. Enter this amount on Page 3, Line 17 and continue with remaining income calculations.	\$
4.	50% Income Disregard: If currently in the second 12-month exclusion period divide Line #3 by two. Enter this amount on page 3, Line 17 and continue with remaining income calculations.	\$

Attachment 3
Earned Income Disregard (EID) Instructions

In February 2001 HUD finalized regulations that require housing providers in certain HUD programs to disregard some or all of the earned income for tenants with disabilities. The Earned Income Disregard, as it is commonly called, allows qualified individuals and families receiving housing assistance to keep more of their earned income for a period of up to two years following an increase in employment income. The purpose is to assist persons with disabilities in obtaining and retaining employment, as an important step toward economic self-sufficiency.

Who qualifies for the earned income disregard?

1. A disabled household receiving assistance through one of the following programs:
 - HOPWA (Housing Opportunities for Persons with AIDS) TBRA
 - HOME (Housing Opportunities Made Equal)
 - SHP (Supportive Housing Program)
 - Housing Choice Voucher (Section 8)

The Earned Income Disregard does not apply for purposes of admission to these programs.

AND

2. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; OR
3. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; OR
4. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

Definitions

Previously Unemployed: Includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Minimum Wage: The prevailing minimum wage in the state or locality. Go to this web link to verify the minimum wage in your state: <http://www.dol.gov/esa/minwage/america.htm>

Economic Self-Sufficiency Program: Any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment)

Initial and Phase-In Exclusion Periods

Initial 12-Month Exclusion: 100% Exclusion of income over the amount of prior income (if any). This cumulative period begins on the date a member who is a person with disabilities of a qualified family is first employed OR the date the family first experiences an increase in annual income attributable to employment. The responsible entity must exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months.

Second 12-Month Exclusion/Phase-In: 50% Exclusion of income over the amount of income prior to the beginning of the initial exclusion (if any).

The second 12-month cumulative period after the date a member who is a person with disabilities of a qualified family is first employed OR the date the family first experiences an increase in annual income attributable to employment. The responsible entity must exclude from annual income of a qualified family fifty percent (50%) of any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months

Maximum 48-Month Disallowance: There is a 48-month (four year) lifetime maximum time frame for each qualifying family member to utilize the Earned Income Disregard. The 48-month period is *consecutive* and begins at the initial exclusion, either the date that a qualified family member is first employed or the date when the family first experienced an increase in annual income. The exclusion ends when the qualifying family member uses

both 12-month exclusions (initial 12-month 100% and second 12-month 50%) or until the 48-month lifetime maximum is reached, whichever comes first. No disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Documentation and Tracking

Documentation should be maintained and may include the following:

1. Date the increase in earned income was reported by the family.
2. Name of the family member whose earned income increased.
3. Reason (new employment, participation in job training program, within six months after receiving TANF) for increase in earned income.
4. Verification of income.
5. Amount of the increase in income (amount to be excluded).
6. Date the increase in income is first excluded from annual income.
7. Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if applicable).
8. Date the family member received a total of 12 months of the *initial* exclusion.
9. Date the second 12-month (phase-in) exclusion period began.
10. Date(s) earned income ended and resumed during the second cumulative 12-month period of exclusion (if applicable).
11. Date the family member received a total of 12 months of *phase-in* exclusion.
12. Ending date of the maximum 48-month disallowance period OR full utilization of both 12-month periods, whichever comes first. If all months in both the initial and phase-in periods occur consecutively, this date may be as soon as 24 months from the date the exclusion was first applied.

Form C
Verification of No Income

I, _____, have applied for HOPWA assistance through the HUD Housing Opportunities for Persons with AIDS program. The United States Government requires verification of all income.

I have stated during this verification process that I have no income at this time. I have not received income since _____. I do not expect to receive any income until _____. I applied for _____ (other financial assistance) on _____.

I understand that it is my responsibility to report any change in income, from any source, within 14 business days after such change. I verify that all statements regarding my income are true.

Client Signature	Date
Case Manager Name	Date
Case Manager Signature	
Case Manager notes:	

Formulario C
Verificación de no Tener Ingresos

Yo, _____, he solicitado ayuda de HOPWA mediante el programa de Oportunidades de Vivienda para Personas con SIDA del HUD. El gobierno de los Estados Unidos requiere verificación de todos los ingresos.

He afirmado durante este proceso de verificación no tener ingresos en este momento. No he recibido ingresos desde _____. No espero recibir nada de ingresos hasta _____. Solicité _____ (otra asistencia financiera) en/el _____.

Entiendo que es mi responsabilidad informar de cualquier cambio en los ingresos, de cualquier fuente, en los 14 días hábiles siguientes a dicho cambio. Verifico que todas mis declaraciones sobre mis ingresos son verdaderas.

Firma del Cliente	Fecha
Nombre del Gestor de Caso Firma del Gestor de Caso	Fecha
Notas del Gestor de Caso:	