Frequently Asked Questions about the Family Self Sufficiency Program

1. **Who is eligible to participate in FSS?**

   The FSS program is open to all members of a household with a Housing Choice (Section 8) voucher, including RAD residents. Any member of the household 18 years of age or older may be the primary participant. The primary participant is the person who sets, meets program goals and receives the escrow payment. If the primary participant is not the Head of Household, they will need the approval of the Head of Household.

2. **Can Section 8 *voucher holders* who live in NYCHA developments participate in FSS?**

   Section 8 voucher holders who live in a NYCHA development can and do participate in the FSS program.

3. **What is an escrow account?**

   An escrow account is a savings account in which funds earned by an FSS participant are deposited. The account is maintained by NYCHA and is paid upon graduation.

4. **What determines when a participant graduates from FSS?**

   Participants graduate when they achieve the goals in their Contract of Participation (CoP) and meet the following other conditions:

   - *The participant is suitably employed. At a minimum, this means full-time if able-bodied and part-time if disabled.*
   - *The participant nor any member of the household is receiving cash public assistance benefits. Food stamps and medical assistance are OK.*

5. **How long is the FSS contract?**

   The length of the FSS contract is five years from the date of the participant's first income recertification following enrollment. However, participants may graduate early if they have met their goals in the program. Participants may terminate their contracts anytime by simply notifying NYCHA in writing that they longer wish to be in the program.

6. **When do participants receive the money in their escrow accounts?**

   Participants receive the money in their escrow account upon graduation. Participants may also request interim disbursements if they achieve certain goals in the CoP and need the money to help them achieve other goals.

7. **Are the escrow payments taxed upon disbursement?**

   The IRS has determined that FSS escrow payments are not taxable.

8. **Can the Contract of Participation be amended if a participant achieves his/her goals before the contract expires?**

   There is no need to amend such a contract. Participants may graduate anytime during the term of the contract once they achieve their goals. The contract terminates upon graduation.

9. **Can the participant extend the duration of the contract beyond five years?**

   Contracts may be extended for two additional years if the participant is unable to achieve the goals specified in the contract due to circumstances beyond his or her control -- for instance, the participant lost a job because of a staff layoff or was unable to achieve an education goal because of illness. Contracts may also be extended if the participant wishes to pursue an additional goal (e.g., obtain enhanced job training, a master's or other degree) for which they need more time).

10. ***Can I change my goals in the program?***

    Participants may change their program goals if necessary. However, they cannot do so in the last six months of the contract.

11. **How do escrow payments affect my rent calculation?**

    FSS escrow payments are not considered when calculating a resident's rent.

12. **Does the escrow savings account earn interest?**

    Upon graduation, participants receive their escrow balance plus accrued interest.

13. **What documentation must a participant provide when applying for an interim disbursement?**

    Participants are required to substantiate the need for an interim disbursement by providing proof such as school acceptance letters, tuition bills, invoice in connection with a business startup or other documents in support of their request for the disbursement. When applying for an interim disbursement, participants must have achieved or partially achieved a goal. For instance, a participant enrolled in a college degree program but needs funds to purchase textbooks or pay for a related expense. A participant started a taxi business but needs funds to help pay the liability insurance.

14. **Do participants receive a statement of their escrow savings?**

    Participants receive a yearly statement of their escrow account.

15. **How does REES help participants to determine and meet their Contract of Participation goals?**

    Upon enrollment, the FSS Coordinator assesses the participant's education, skills and job experience as a basis for setting the goals they want to achieve in the program and how best to achieve those goals. Staff refers participants to one or more of REES's partner agencies and provide support throughout the length of the contract. Participants may select their own approved providers

15 **I had a rent increase just prior to joining FSS, will I immediately earn escrow**?

   No. When you join the program, whatever rent you are paying at the time is your base rent. You will earn escrow with your next rent increase provided that the increase is due to increased income from employment or a business. Income from other sources will not generate escrow.