



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

Charles D. Baker, Governor ◆ Karyn E. Polito, Lieutenant Governor ◆ Janelle Chan, Undersecretary

## Public Housing Notice 2019-29

To: All Local Housing Authorities

From: Amy Stitely, Associate Director, Division of Public Housing

Subject: Clarification of DHCD Standards for Reviewing Benefits Provisions of Local Housing Authority Executive Director Contracts

Date: December 11, 2019

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With this Public Housing Notice (PHN), DHCD is issuing guidance to clarify the standards being imposed regarding the review of benefits provisions of Executive Director contracts.

Statutory Authority: G.L. c.121B, §7A as added by Section 7 of Chapter 235 of the Acts of 2014.

Regulatory Authority: 760 CMR 4.04

Other Pertinent Guidelines: DHCD Guidelines for Hiring an Executive Director (2017-21), DHCD Guidelines for Executive Director Contracts (PHN 2017-25), DHCD Guidelines for At-Will Employment of Executive Director (PHN 2017-18).

DHCD has a longstanding policy of requiring that benefits to Executive Directors are not in excess of the benefits available to DHCD's administrative union National Association of Government Employees Unit 6 (NAGE) employees.<sup>1</sup> DHCD chose this specific union contract as the standard for determining the reasonableness of benefits for Executive Directors because (1) it provides a fair and consistent standard and (2) it gives Housing Authority employees the advantage of the benefits secured through collective bargaining on behalf of state employees, without imposing the duties, costs or obligation of bargaining upon Executive Directors or Housing Authority boards. Because the NAGE contract is regularly re-negotiated, this also provided DHCD with a contemporary reference point for employee benefits standards in the public sector.

The current collective bargaining agreement for NAGE is in effect from July 1, 2017 through June 30, 2020 and can be accessed online at the following webpage: <https://www.mass.gov/guides/collective-bargaining-agreements-union-contracts>.

Direct link to agreement is at: <https://www.mass.gov/files/documents/2019/05/08/UNIT%206%202017-2020%20CBA%20FINAL%20AS%20OF%20JAN%2014%202019.pdf>.

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<sup>1</sup> Some DHCD staff, in recent communications with Housing Authorities, have erroneously referenced the "Rules Governing Paid Leave and Other Benefits for Managers and Confidential Employees" (commonly referred to as the "Red Book"), available on-line at: <https://www.mass.gov/doc/red-book/download>. This is for the most part a distinction without a difference. The Red Book standard is comparable to the language in the NAGE agreement with respect to holidays, personal time and vacation pay, with the exception that newly hired employees with 0-4.5 years of directly relevant experience would receive up to 12 vacation days under the Red Book standard as opposed to the NAGE 10 day standard.

In the NAGE Agreement, Article 8 addresses sick leave and various forms of leave; Article 9 addresses vacations; and Article 10 addresses holidays.

DHCD's values are that all Local Housing Authority Executive Directors will be fairly and commensurately compensated with respect to salary and other benefits in their contracts. DHCD senior management will review Housing Authority proposed Executive Director contracts which deviate from the parameters set forth above with respect to benefits such as compensated time off to ensure that any deviations that are proposed are reasonable, consistent and fair when considered as part of the overall compensation scheme.

DHCD will review and consider a request for deviation from NAGE contract standards so long as it can be demonstrated that the deviation is reasonable (taking into account the objective standards outlined above) and that the contract terms will not negatively impact either the financial condition of the HA or the HA's staff and coverage availability. The process for review will allow senior staff to consider mitigating factors including:

- The length of time that existing contractual provisions have been in effect;
- For new hires, prior years of direct experience as an administrator of housing programs;
- Municipal standards governing contracts between the city/town and its municipal employees (as verified by the city/town);
- Whether the total allocation of paid leave or the standards for accrual, carryover and payment upon termination of service will exceed the measuring standard; and
- Other relevant information.