Commonwealth of Massachusetts
EXECUTIVE OFFICE OF HOUSING & LIVABLE COMMUNITIES
Maura T. Healey, Governor ◆ Kimberley Driscoll, Lieutenant Governor ◆ Edward M. Augustus Jr., Secretary

PHN 2023-17
Addendum 1

To: Local Housing Authorities (LHAs)

From: Ben Stone- Director, Division of Public Housing

Re: EOHLC Vacancy Initiative: Addendum 1

Date: Originally published: October 11, 2023- Updated October 20, 2023

Question: Can exempt employees receive overtime compensation as part of this initiative?

Answer:
Yes, some exempt employees may receive overtime compensation as part of this initiative, but they are not *required* to be paid overtime. This is a business decision of the housing authority.

The answer changes depending on the position and some other factors.

In general, overtime compensation of 1.5x the hourly wage is paid for non-exempt employees after 40 hours worked. Holiday pay for a day when an employee does not work is not included in the 40 hours for purposes of overtime calculation. Please note that your Authority's collective bargaining agreement(s) or personnel policy may have different terms. Part-time employees may voluntarily work additional hours and will be eligible for overtime after 40 hours worked in a week (see additional guidance below).

Salaried exempt employees: Salaried exempt employees are eligible for overtime as part of this initiative but it is at the discretion of the Housing Authority, This includes "highly-compensated employees" as defined by the IRS, i.e. employees with annual earnings over $107,432 who perform at least one exempt duty, such as supervising two or more employees, or exercising executive authority. .

Executive Directors are not eligible for overtime as part of this initiative, please see further information below.

- **Salaried Full-time executive directors:** May not receive overtime compensation through this initiative.
- **Salaried Part-time executive directors:** May be compensated for increased hours spent on this initiative, up to (and not to exceed) the equivalent of fulltime pay. This should be paid at what is equivalent to their hourly rate rather than the 1.5x overtime rate.
- **Interim executive directors:** Because circumstances may vary, please contact your HMS for further guidance.

All other part-time employees: A non-exempt part-time employee is eligible to increase their hours up to 40 hours. After they reach 40 hours, overtime compensation would apply to all hours worked over 40. Normally, an employee's classification as part-time is not affected when they voluntarily agree to work additional hours on a project-based short-term arrangement. LHAs may exercise discretion in approving additional hours on a long-term basis as there is a potential for impacts on an employee's benefit eligibility and tax withholding requirements.

Please note that while this is EOHLC's general guidance, LHAs are independent employers and prior practice, personnel policies, and or collective bargaining agreement(s) may have different terms.

Question: Can LHAs receive budget exemptions to cover the cost of maintenance turn-over of units?

Answer: Yes.

Question: Can LHAs utilize other LHA partners that do not appear on the published technical assistance list? Are those partnerships eligible for reimbursement through this initiative?

Answer: Yes, the published list is meant to be a resource but not exclusive in any way. If an LHA has an already established partnership with an LHA that does not appear on the list, that is acceptable and costs are eligible for reimbursement. We have also updated the list with several more LHAs willing to be resources for vacant unit turnovers or tenant selection.

Question: Is EOHLC considering the 5% vacancy threshold by program or by total number of units?

Answer: We are looking at total number of state aided PH units by LHA, not by program.

Question: What is the time frame for reimbursement of costs incurred on vacancies? Can we get reimbursed for vacant units that were turned over prior to the initiative?

Answer: The initiative will cover costs incurred from 9/21/2023 forward. Due to funding constraints, we will be unable to reimburse for units turned over prior to the start of the initiative.