



Commonwealth of Massachusetts
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Acting Undersecretary

Public Housing Notice 2018-08

To: Local Housing Authorities
From: Amy Stitely, Associate Director, Division of Public Housing
Date: March 21, 2018
Re: PMR Second Year Clarifications

As the Bureau of Housing Management begins a new cycle of the Performance Management Review (PMR) program, we want to reach out to housing authorities with a few clarifications and updates.

What's changed in the Performance Management Review (PMR)?

- **Section A – Deadlines:** This section provides some key deadline changes for the PMR. The main updates to this deadline table are extending the deadline to submit the year end certifications, the year end Top 5 Form, quarterly operating/financial statements, and the Tenant Accounts Receivables (TAR) data from 45 days after the quarter's end to 60 days after the quarter's end (*this deadline extension to 60 days was effective last summer for the 6/30/17 quarter end; the addition of Tenants Accounts Receivables data is effective for quarter ending 3/31/18*).
- **Section B – TAR in the PMR:** (*Effective starting with PMRs with FYE 3/31/18*)
 - A new metric on Tenants Accounts Receivables (TAR) has now been included within the PMR.
 - The Tenants Accounts Receivables (TAR) application has been folded into the Certifications and Reporting Submissions criteria. This criteria has reduced requirements for timeliness of submissions.
 - The year-end certification form has been updated to include the Tenants Accounts Receivables data. Start using this updated form when submitting year end certifications in the Fiscal Year End Certifications application.
- **Section C – Inspections and Work Order Systems Criteria in the PMR:**
 - (*Effective immediately*) Clarifications pertaining to the on-site review of maintenance documents by Facilities Management Specialists (FMS).
 - (*Effective starting with PMRs with FYE 3/31/18*) DHCD's sample "Emergency List" has changed. If you used our sample list to meet the PMR requirements, please see the new updates to the emergency list to meet the requirements for this coming year.

Section A. Important PMR Dates

This section updates the PMR important dates table issued in PHN 2016-36, with the **main changes highlighted in light blue below**. The changes are extending the deadline to submit year end certifications, the year end Top 5 Form, Tenant Accounts Receivables (TAR) data and quarterly/year-end financial statements from 45 days after the quarter's end to 60 days.

On the table below, find the column with your housing authority's FYE. Use that column to identify major dates and deadlines.

Event	FYE: December 31	FYE: March 31	FYE: June 30	FYE: September 30
Budget Revisions	November 1 st	February 1 st	May 1 st	August 1 st
Vacancy certifications due to DHCD and All Vacancy Waiver Requests In*	1 st Qtr. Apr. 30 2 nd Qtr. Jul. 31 3 rd Qtr. Oct. 31 Year-End: January 31	1 st Qtr. Jul 31 2 nd Qtr. Oct. 31 3 rd Qtr. Jan. 31 Year-End: April 30	1 st Qtr. Oct. 31 2 nd Qtr. Jan. 31 3 rd Qtr. Apr. 30 Year-End: July 31	1 st Qtr. Jan. 31 2 nd Qtr. Apr. 30 3 rd Qtr. Jul. 31 Year-End: October 31
NEW* Due 60 days after quarter end: #1) Year End Certifications and Top 5 Form #2) Quarterly/Year-End financial statements due to DHCD #3) Quarterly Tenants Accounts Receivables data	1 st Qtr. May 30 2 nd Qtr. Aug. 29 3 rd Qtr. Nov. 29 Year-End: March 1 (if leap year, Feb 29)	1 st Qtr. Aug. 29 2 nd Qtr. Nov. 29 3 rd Qtr. Mar 1 (if leap year, Feb 29) Year-End: May 30	1 st Qtr. Nov. 29 2 nd Qtr. Mar 1 (if leap year, Feb 29) 3 rd Qtr. May 30 Year-End: August 29	1 st Qtr. Mar 1 (if leap year, Feb 29) 2 nd Qtr. May 30 3 rd Qtr. Aug. 29 Year-End: November 29
NEW* Site visits: DHCD staff visit housing authority	Exact date to fall between late March and early May	Exact date to fall between late June and early August	Exact date to fall between late September and mid-November	Exact date to fall between late December and early February
Prepare for inspection: notify all tenants of possible unit inspection.	No fewer than 48 hours before scheduled site visit. Best practice is two weeks.	No fewer than 48 hours before scheduled site visit. Best practice is two weeks.	No fewer than 48 hours before scheduled site visit. Best practice is two weeks.	No fewer than 48 hours before scheduled site visit. Best practice is two weeks.

*Note: The dates presented in the table above for waiver requests are the last possible dates vacancy waivers can be submitted in order for the waivers to be processed by DHCD in time for the "snapshot" of PMR data and for fee assessments. Any waiver requests submitted after these dates will not be processed by DHCD in time for the "snapshot" or to avoid fee assessments for that quarter end. Depending on the date the unit became vacant, waivers may need to be requested prior to the deadlines stated above. Best practice is to apply for a vacancy waiver as close as possible to the vacated date.

Section B. Tenants Accounts Receivables (TAR) criteria added to PMR

What is the PMR metric for TAR?

As mentioned in PHN 2017-13, a new Tenants Accounts Receivables (TAR) criteria has been added to the PMR starting with the LHAs with a FYE of 3/31/18. There will be four TAR ratings on your PMR: one TAR rating for each program you have (667, 705, 200) and then one cumulative TAR rating for all programs combined.

The TAR formula for the PMR will be:

$$\frac{\text{TAR (Account 1122 from the Balance Sheet) minus Normal Repayment Agreements* (per TAR application)}}{\text{DIVIDED BY Shelter Rent (account 3110 from the Operating Statement)}}$$

Criteria is:

At or below 2% - No Findings

More than 2%, but less than 5% - Operational Guidance

5% or more – Corrective Action

*Fraud/Retroactive Repayments are not included in the PMR formula.

For more information on changes around Tenants Accounts Receivable, please see PHN 2017-13 or reach out to your Housing Management Specialist (HMS).

Changes to Criteria for On-Time Submissions of Certifications and Reporting

There are two main changes to the Certifications and Reporting Submissions criteria effective with the 3/31/18 quarter end.

1) Due to the inclusion of the Tenants Accounts Receivables (TAR) within the PMR, the timely submission of Tenants Accounts Receivable Application will now be part of the Certifications and Reporting Submissions criteria, along with the four quarterly financial statements and four quarterly vacancy certifications.

2) The criterion will now provide more flexibility in regards to timeliness of total submissions.

	Before	Currently In Effect
No Findings	<ul style="list-style-type: none"> 100% of all 8 reports submitted (4 financial and 4 vacancy certifications) 100% on time 100% 4th quarter on time 	<ul style="list-style-type: none"> 100% of all 12 reports submitted (4 financial, 4 TAR, and 4 vacancy certifications) 80% on time 100% 4th quarter on time
Operational Guidance	Don't meet <u>all</u> conditions above	Don't meet <u>all</u> conditions above

Update to Year End Certification

With the launch of the Tenants Accounts Receivables (TAR) application, the year end certification form found in the “Documents/Forms/Letters” in the DHCD Housing Applications webpage was updated to include the Tenants Accounts Receivables data. The Board will now be asked to certify to the Tenants Accounts Receivables data, along with the Top 5 and Financial Statements data.

Please download and use the new form when uploading year end certifications into the Fiscal Year End Certifications application.

Section C. Inspections and Work Order Systems Criteria in the PMR

DHCD Sample Emergency Definition and List Changes

The section provides an update to the PMR requirements for LHAs to have a definition and list of what is considered to be an emergency. In an effort to maintain consistency, DHCD is providing a definition and sample list of what is considered an emergency as adopted by the State Sanitary Code 105 CMR 410 and other applicable standards.

Previously, DHCD had issued one sample emergency definition and list. DHCD is now updating that to provide two sample emergency lists, each with a different purpose and audience.

Attached to this public housing notice are two addenda. The first document, Addendum A, is an emergency definitions sheet that can be distributed to tenants, LHA staff, and answering service staff (if applicable) to give readers a clear understanding of the types of events that the housing authority considers an emergency and how one should report that emergency. This list is not exhaustive and should be customized to an LHA’s specific operations.

The second document, Addendum B, is a more comprehensive list of the events and findings that LHA staff should mark as an emergency in their LHA’s work order delivery system.

If adopted by LHAs, these sample lists will be acceptable for the purpose of the PMR by the DHCD Facility Management Specialists (FMS).

See addendums A and B for more information. If you have any questions, please feel free to contact Bruce Budrick, Lead Facility Management Specialist at bruce.budrick@state.ma.us

Clarifications to Inspections and Work Order Systems Criteria Portion of PMR

The next section details clarifications pertaining to the on-site review of maintenance documents for the purposes of meeting PMR criteria.

1) Inspection Reports:

- a. Each inspection report should have the date the inspection was conducted, as well as the name of the individual who conducted the inspection. Inspection reports cannot be blank; they must have some indication that the inspection was conducted.
- b. Move in and move out inspections are **not** used to evaluate the annual inspection report and work order criteria.
- c. DHCD recommends to all local housing authorities that inspections be conducted over the course of the fiscal year instead of conducting all inspections within a short span of time.

2) Work Orders:

- a. All work orders must be categorized by type (example: Emergency, Routine, etc.).
- b. All work orders must have a start date and closeout date AND a list of work items to be completed. General statements such as “windows” or “see inspection report” will not be accepted for the purposes of the PMR.

3) Work Order Reports:

- a. *(Effective starting with PMRs with FYE 3/31/18)* For the purposes of the PMR, work order reports must have a work order number, a work order category, description of work to be completed, and a work order start date and closeout date (if the work is complete).

4) Emergency Definition:

- a. All work orders categorized as “emergency” should have work items listed that correspond to the housing authority’s definition of emergency.
- b. There should not be multiple categories of emergency work order types. For example, a housing authority should not have work order categories such as “urgent” or “exigent.” If the type of work corresponds to the housing authority’s definition of emergency, then the work order category should be “emergency.”

Addendum A – Emergency Definition and List

If you have a medical, police, or fire emergency, you need to contact 911 immediately.

Emergency definition and lists

Definition of a maintenance emergency – **A condition that is immediately threatening to the life and safety of residents, staff, or structures.** (See Property Maintenance Guide (PMG) page 1-5 to 1-10)

The following is the minimum list of emergencies that should be called out to maintenance for immediate repair:

Examples of Emergencies to be called out:

- Fires of any kind (Call 911)
- Gas leaks or Gas odor (Call 911)
- Electric power failures
- Electrical hazards, sparking outlets
- Broken water pipes or flooding
- No water or unsafe water
- Sewer or toilet blockage
- Roof leaks
- Lock outs
- Door or Window lock failure
- No heat
- No Hot water
- Snow or ice storm
- Dangerous structural conditions
- Inoperable Smoke or CO detectors, beeping or chirping detectors
- Elevator stoppage or entrapment

If a tenant has an emergency during normal business hours, they should call () _____

If a tenant has an emergency after hours, weekends, or holidays, they should contact the _____ Housing Authority's answering service at () _____. The answering service will contact a member of our staff to respond to the emergency.

If you have a medical, police, or fire emergency, you need to contact 911 immediately.

Addendum B – Emergency List for LHA Staff Creating Work Orders

The following list of deficiencies should be marked as emergencies in your work order system:
(Includes all “Call Out” emergencies (Addendum A) plus additional emergency deficiencies)

- Fires of any kind (Call 911)
- Gas leaks / Gas odor (Call 911)
- Electric power failures
- Electrical hazards, sparking outlets
- Broken water pipes, flood,
- No water / unsafe water
- Sewer or toilet blockage
- Roof leak
- Lock outs, Door or Window lock failure
- No heat / Heating system does not work
- No Hot water
- Snow or ice storm
- Dangerous structural defects
- Inoperable Smoke / CO detectors, beeping or chirping
- Elevator stoppage, entrapment
- Inoperable emergency lighting or exit signs
- Inoperative refrigerator or Stove
- Blocked egress /exits
- Blocked electrical panel
- Exposed wires, Unsecured or missing covers, open breaker port, missing knockouts
- Call for Aide not working or cord missing, blocked , tied up or does not reach to floor
- Clogged sink, toilet, or drain, Sewer odor
- Heater / Exhaust system leaking dangerous gases
- GFCI Outlet is inoperable
- Evidence of Leak/Mold/Mildew
- Window will not stay up, Window will not lock, Broken Window pane
- Flammables improperly stored
- Excessive garbage in area not designated for storage
- Infestation of Rodents or Insects
- Sharp edges that could pose a cutting hazard
- Tripping hazards
- Leaking pipes
- Drip legs do not extend within 12” of floor
- Door hardware is inoperable
- Self-closing door does not latch
- Risk of falling chimney pieces
- No running water in unit or building
- Elevator inoperable
- Fire Extinguisher expired
- Fire Sprinkler components missing or damaged