



# FREQUENTLY ASKED SHIP QUESTIONS

## State Housing Initiatives Partnership Program

**QUESTION:** I am working to determine if an applicant is income eligible. She receives her monthly social security income as a deposit on a “Direct Express” pre-paid debit card. I have counted the social security as income and now I am calculating asset income. In the past, recipients of social security often would deposit this monthly income into a bank account which I would count as an asset. How do I treat this pre-paid card asset?

**ANSWER:** More and more households are receiving their social security benefit on a debit card, which must be counted as an asset. This subject is addressed in the HUD Hot Topics publication from April 2015, which instructs administrators to count the current balance of the debit card as the cash value of the asset in the same manner as a savings account. The debit card has no interest rate so there is no actual income from this asset. However, if the total value of this account and other household assets exceed \$5,000, calculate imputed income by multiplying by the current passbook rate of .06 percent.

HUD’s Multifamily Housing website provides additional guidance on asset verification for a direct express debit card. Acceptable verification may include an applicant-provided account balance no more than 120 days old from an ATM, a print out from the online account service, or a paper statement. The verification document must identify the account number and the account holder’s name.

**QUESTION:** My applicant had her identity compromised in the past, so she feels uncomfortable listing her asset account information on forms in the SHIP file. I know that I need to verify the assets. How do I protect the applicant's privacy if there is a public record request?

**ANSWER:** You are indeed required to collect the asset information as part of the income and asset verification process. Florida’s open records law addresses the applicant’s concern. Bank account numbers and debit, charge, and credit card numbers are exempt from disclosure. This public records rule is stated in Section 119.071(5)(b) of the Florida Statutes. The account numbers you ask about may be redacted according to the applicant’s wishes whenever a public record is requested:

“(b) Bank account numbers and debit, charge, and credit card numbers held by an agency are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption applies to bank account numbers and debit, charge, and credit card numbers held by an agency before, on, or after the effective date of this exemption.”

**QUESTION:** I am updating my community’s three-year Local Housing Assistance Plan (LHAP). It contains no major changes from how we have implemented SHIP in recent years, so may I use the spreadsheet for the ‘Housing Delivery Goals Chart’ from my current LHAP as I update the plan?

**ANSWER:** Do not use the spreadsheet from your current LHAP since the template has been updated by Florida Housing Finance Corporation. The LHAP governs the activities the local government will undertake during the three fiscal years governed by the plan. You and almost half of all SHIP communities have a new LHAP due on May 2, 2019. The Housing Delivery Goals Chart is included as Exhibit C with the LHAP. Florida Housing Finance Corporation staff have updated Exhibit C, so download and use the updated version, available with all the LHAP materials at [https://www.floridahousing.org/programs/special-programs/local-housing-assistance-plan-\(lhap\)/lhap-template-and-exhibits](https://www.floridahousing.org/programs/special-programs/local-housing-assistance-plan-(lhap)/lhap-template-and-exhibits).

The goals chart has been updated to recognize that many SHIP recipients are assisted with amounts that are less than the maximum award amount. The chart is a spreadsheet with formulas that total up amounts for assistance and administrative expenses. Fill out the spreadsheet and compare the amount in “Total All Funds” to “The amount of estimated Funds” near the top of the spreadsheet. If total funds are less than estimated funds, increase the number of applicants to assist until total funds meet or exceed the amount of estimated funds. It is acceptable to submit a spreadsheet on which total funds exceed the amount of estimated funds. In such a case, a note will appear to the right of the “Total All Funds” amount stating, “This total is over the allocation and will require less than the maximum amount be awarded per applicant”. This notation recognizes that many assisted by SHIP receive an award that

is less than the maximum amount per applicant listed on this goals chart.

**QUESTION:** I am calculating asset income for an applicant who has a GoFundMe account. Is this considered an asset?

**ANSWER:** SHIP monitors have recently addressed this topic. First, the money is not counted as income. GoFundMe is primarily used for charitable donation-based crowdfunding. The organization's website states that "donations made to GoFundMe campaigns are usually considered to be 'personal gifts' which, for the most part, aren't taxed as income in the US." Exhibit 1 of the HUD Handbook's List of Income Exclusions contains "Temporary, nonrecurring, or sporadic income (including gifts)...".

Second, the money is not counted as an asset while it is in the GoFundMe account. If, however, the money is deposited in an applicant's checking or other bank account, it is counted as part of that asset. For example, the asset value of a checking

account is its 6-month average balance, which includes deposits from the GoFundMe account. This guidance is based on paragraph 5-6 Q of the HUD Handbook which addresses lump sum payments counted as income: "inheritances, insurance settlements, or proceeds from sale of property are considered assets, not income. Lottery winnings paid in one payment are treated as assets."

A SHIP Administrator must monitor the amount of money in a GoFundMe account to prevent the possibility of an applicant with \$100,000 in such an account who is waiting until after applying for SHIP to deposit GoFundMe money into a bank account. It is acceptable to exclude money in a GoFundMe account unless its amount plus the household's other assets total \$5,000 or greater. In such a case, make it a requirement that the GoFundMe balance be deposited into a checking or other bank account, so that imputed income from assets may be properly calculated.

### Benefit from Catalyst Training and Assistance

The Catalyst Program funds a variety of SHIP training and technical assistance. The Affordable Housing Catalyst Program in Section 420.531 of the Florida Statutes is designed to provide specialized technical support to local governments and community-based organizations to implement HOME, SHIP and other affordable housing programs.

Visit <http://www.flhousing.org/events/> to register for upcoming Catalyst workshops and webinars. Contact [chaney@flhousing.org](mailto:chaney@flhousing.org) to request customized training for your office or region.

**MORE GUIDANCE IN TECHNICAL BULLETINS** | Florida Housing Finance Corporation provides SHIP-specific written guidance in Technical Bulletins. Some of the most recent bulletins have addressed the subjects of record retention, NOFA advertisements, and SHIP audit and monitoring requirements. You may access the bulletins on Florida Housing's website, [www.floridahousing.org](http://www.floridahousing.org). Find SHIP by selecting Programs and then Special Programs from the pull-down menu.



MICHAEL CHANEY

**Michael Chaney** is a Technical Advisor for the Florida Housing Coalition, specializing in SHIP, homebuyer counseling, and foreclosure prevention programs. He has 21 years of experience providing technical assistance to local government, nonprofit housing professionals, and consumers throughout Florida. Michael holds a Bachelor's degree from Loyola University in New Orleans and a Master's of Social Work Administration from Florida State University, where he has served as an adjunct faculty member of the housing department.

### QUESTIONS ABOUT THE SHIP PROGRAM?

Free telephone technical assistance is available to help you successfully implement your SHIP funded work. **Call the Florida Housing Coalition's SHIP hotline at (800) 677-4548, Mon.-Fri. 8:30-5:00.**