



Commonwealth of Massachusetts  
DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Janelle L. Chan, Undersecretary

July 13, 2018

Joseph A. Hart  
Managing Director  
Groveland Housing Authority  
10 River Pines Road  
Groveland, MA 01834

Re: Management Contract Between Groveland and Haverhill Housing Authorities

Dear Mr. Hart,

I have reviewed the management contract between the Groveland Housing Authority (Owner) and the Haverhill Housing Authority (Management Agent). Unfortunately, revisions to the proposed contract are necessary before it can be approved by the Department.

As you are aware, there are numerous administrative requirements and submissions that are overdue from the Groveland Housing Authority (GHA) and operational standards that are not being met. Because of this, Groveland is considered an LHA with Extraordinary Operational Challenges. This designation requires the proposed management contract include the use of Attachment B to PHN 2018-09: *Management Services Agreement for LHA with Extraordinary Operational Challenges*. In addition, the contract must include the submission a *Management Work Plan* (Attachment F to PHN 2018-09). The submitted work plan must include an aggressive timeline to resolve all outstanding reporting, certifications and submission in compliance with Department of Housing and Community Development (DHCD) guidelines and notices. In addition, the work plan must include a timeline for the resolution of findings by the Department of Housing and Urban Development. I have attached a checklist of outstanding reporting to DHCD. This list is not exhaustive. It is the responsibility of the Haverhill and Groveland Housing Authorities to review all necessary reporting and requirements independently and incorporate the requirements into the Management Work Plan.

In addition, because the HHA plans on sharing staff between the two authorities, the HHA must submit a staffing plan that details the hours and staff services provided under the contract.

Finally, it was noted on your submitted Management Fee Calculation Worksheet that the percentage used to determine the Executive Director's salary from the management fee was 40%. This is incorrect. The percentage is based upon the size of the Managing Agent (Haverhill HA). Haverhill has units in excess of 500 and therefore, the percentage applied should be 20%. When you resubmit the contract, please update

the Executive Director Salary Calculation Worksheet to version 1.2 that was attached to Public Housing Notice 2018-01 (enclosed).

Please revise the proposed contract in accordance with PHN 2018-09 and the items noted here and resubmit the contract for review. This will necessitate another vote by each board. I encourage you to retain the provisions contained in Amendment 1 of your submission for the Evaluation of the Contractor. The evaluation should be expanded, however, to include compliance with the Management Work Plan.

Please contact me if you have any questions by calling 617-573-1224 or at [Melanie.loveland-hale@mass.gov](mailto:Melanie.loveland-hale@mass.gov).

Sincerely,

A handwritten signature in blue ink that reads "Melanie Loveland Hale". The signature is written in a cursive, flowing style.

Melanie Loveland Hale  
Housing Management Specialist  
Bureau of Housing Management

Cc: Groveland Board of Commissioners

Enclosures

## **Checklist of Necessary Reporting from Groveland**

### **Budgets for 2018:**

- Submit FY2018 6/30/2018 Budget for review. DHCD approved the FY'2017 budget on 3/22/2018.

### **2016 and 2017 Fiscal Year End Certifications:**

- ☐ Submit the **Fiscal Year End Certifications** for 6/30/2017 through the HAFIS screen
  - ☐ Print the certs from the FYE Certifications screen.
  - ☐ Get Board signatures and Board vote certifying.
  - ☐ Scan the signed certifications (3 pages).
  - ☐ Attach the scanned forms on the FYE Certifications screen then submit to DHCD.
- ☐ Submit 2016 Fiscal Year End Certification 6/30/2016 as a hard copy.

### **Operating Statements:**

- ☐ **Submit Missing Operating Statements:**
  - ☐ **6/30/2017 Operating Statement**
    - ☐ Print FA/ED certification (fee acct/ED) and sign.
    - ☐ Print 6/30/2017 Board Certification. Sign.
    - ☐ Submit Operating Statement 6/30/2017 online through HAFIS.
  - ☐ **9/30/2017 Operating Statement:**
    - ☐ Print FA/ED certification (fee acct/ED) and sign.
    - ☐ Print 9/30/2019 Board Certification. Sign.
    - ☐ Submit Operating Statement 9/30/201 online through HAFIS.
  - ☐ **12/31/2017 Operating Statement**
    - ☐ Print FA/ED Certifications and sign.
    - ☐ Print 12/31/2017 Board Certification. Sign.
    - ☐ Submit Operating Statement 12/31/2017 online through HAFIS
  - ☐ **3/31/2018 Operating Statement**
    - ☐ Print FA/ED Certifications and sign.
    - ☐ Print 12/31/2017 Board Certification. Sign.
    - ☐ Submit Operating Statement 3/31/2018 online through HAFIS.



**FYE 2016 AUP – Provide DHCD with Statement of Corrected Findings:**

- ☐ Draft Rent Collection Policy (Use Haverhill policy as template if drafted).
  - ☐ Have board adopt and notify tenants.
- ☐ Draft Capitalization Policy.
  - ☐ Have board adopt
- ☐ Maintain Contract Register.
  - ☐ Use template spreadsheet attached above.
- ☐ **Verify by email to DHCD that re-certifications are being done on time.**

**FYE 2017 AUP – Schedule and Complete**

-Must schedule and complete and submit to DHCD.

**DCHD Required Reporting:**

- Energy Reports:** Submit last 12 months (Note: GHA has *saved* the March 2018 but not submitted). No 2018 reports have been submitted to date.  
X no 2016 submitted  
X no 2017 submitted
- Lead Certification:** Submit FYE 6/30/2017 Lead Cert
- Board Attendance:** April and May 2018 are overdue for submission. The GHA has submitted 2017
- Tenant Accounts Receivables (TAR):** The Tenant Accounts Receivable (TAR) application has been folded into the Certifications and Reporting Submissions criteria and the year-end certification form has been updated to include the TAR data. A new metric on TAR has also been included within the Performance Management Review (PMR). TAR data is submitted quarterly through the HAFIS application.
- Groveland must submit TAR reporting from 9/30/2017 to present.
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**ATTACHMENT H**  
**MANAGEMENT FEE CALCULATION WORKSHEET**  
*(For Agreements with Small LHA Owners with 1-199 units)*

Use this worksheet to calculate the Maximum Management Fee and Executive Director Salary from Fee.

**Owner LHA:** \_\_\_\_\_

**Management Agent:** \_\_\_\_\_

**Step 1. Calculate the Maximum Management Fee**

Enter Owner's LHA Calculated Salary Maximum: =  (a)

Multiply (a) by 1.25 =  (b)

Enter (b) =  1

*This is the Maximum Management Fee (annual).*

**Step 2. Enter the Negotiated Management Fee**

Enter the negotiated Management Fee (annual) =  2

*This amount can be less than, but must not exceed (1) above.*

**Step 3. Calculate the Maximum Executive Director Salary from Fee**

Enter Percent based on Size of Management Agent =  (a)

If Management Agent has 1 - 199 Units, enter 40%

If Management Agent has 200 - 499 Units, enter 30%

If Management Agent has 500 - 999 Units, enter 20%

Enter (2) from above =  (b)

Multiply (a) and (b) =  3

*This is the Maximum Executive Director Salary from Fee (annual).*

**Step 4. Enter the Board-Approved Executive Director Salary from Fee**

Board-Approved Executive Director salary from Fee =  4

*This amount can be less than, but must not exceed (3) above.*

## MANAGEMENT WORK PLAN

(Management Services Agreement must attach a work plan that includes the following)

This MANAGEMENT WORK PLAN ("Work Plan") is to commence on the \_\_\_\_\_ of \_\_\_\_\_, 20\_\_\_\_ and is incorporated in the Management Services Agreement between \_\_\_\_\_ Housing Authority (the "Owner") and \_\_\_\_\_ Housing Authority (the "Management Agent.")

### 1. Subject of Management Responsibilities:

- A. The property (the "Development") to be managed by the Management Agent under this Work Plan is a housing development or developments consisting of the land, buildings, and other improvements described in Attachment A.
- B. The programs (the "Programs") to be managed by the Management Agent under this Work Plan include rental voucher programs and other programs administered by the Owner other than public housing programs and are also identified in Attachment A.

### 2. Scope of Work:

In addition to the scope of work set out in the management services agreement, a written plan must be provided by the Management Agent that addresses areas of deficiency at the Owner LHA. The Work Plan may be organized in any format but shall include, without limitation, an assessment of the following items and a plan to remedy any deficiencies found.

#### A. Administration & Finance

- a. Table of Organization indicating positions currently employed by the Management Agent and how they will interact with current staffing at the Owner LHA.
- b. Job Descriptions
- c. General Policies
  - i. Administration of records (Privacy & Confidentiality)
  - ii. Personnel Policy
  - iii. Collective Bargaining Agreements (if applicable)
  - iv. Sexual Harassment Policy
  - v. Workforce Analysis and Affirmative Action Plan
  - vi. Language Access Plan
  - vii. Reasonable Accommodation Policy
- d. Fiscal Policies and Procedures
  - i. Procurement
  - ii. Credit card
  - iii. Reimbursement for expenses
- e. Budget and Budget monitoring
  - i. Budget submission
  - ii. Reserves
  - iii. Other



- f. Financial Reporting
    - i. Operating Statements
    - ii. Audit reports:
      - 1. AUP
      - 2. Single Audits
      - 3. State Audits
- B. Occupancy Policy and Procedures
  - a. Tenant Selection
  - b. CORI Policy
  - c. Rent Determination and Rent Collection
  - d. Lease Policy and Procedures
    - i. Fees
    - ii. Common area use
  - e. Tenant Grievance Policy and Procedure
  - f. Legal & Evictions
  - g. Vacancy
    - i. Vacancy Reporting
    - ii. Marketing/Affirmative Action and Fair Housing
    - iii. Wait List Management
- C. Maintenance Policies and Procedures
  - a. Staffing structure and reporting policy
  - b. Preventive maintenance
  - c. Work order policy and system
  - d. Deferred maintenance
  - e. Planning & Capital Improvements
    - i. CIP Plans
    - ii. Annual Plan
- D. Security and Safety
- E. Tenant Participation (including Local Tenant Organization)
- F. Tenant Services and Amenities
- G. Compliance
  - a. Annual Inspections
  - b. REAC (Section 8 developments)
  - c. Annual, Quarterly and Monthly Reports
  - d. State Sanitary Code

## **ATTACHMENT A**

Identify all Owner Developments and Programs under the Management Agent's management.



**MANAGEMENT SERVICES AGREEMENT**  
**Between**  
**LOCAL HOUSING AUTHORITIES**  
**With**  
**Management Work Plan**

This Agreement, made this       day of       , 20       , by and between the       Housing Authority (hereinafter called the "Owner" or "Owner Housing Authority") and the       Housing Authority (hereinafter called the "Management Agent.")

The purpose of this Management Services Agreement (hereinafter called the "Agreement") is to set forth the terms and conditions of a contract under which the Management Agent will carry out the day-to-day management and operations of the Owner Housing Authority. The day-to-day management and operations shall include, but not be limited to all of the responsibilities that are described in the Management Work Plan which is attached to this Agreement and incorporated by reference herein as Exhibit A.

The Owner and the Management Agent identified above agree herein as follows:

**Article 1. Scope of Work.**

- A. Upon signing this Agreement, the Management Agent shall assist Department of Housing & Community Development (DHCD) and the Owner to develop a Management Work Plan which will describe in detail the work to be performed by the Management Agent and will identify deficiencies at the Owner Housing Authority and how these deficiencies will be corrected in accordance with an agreed upon schedule. The Management Work Plan will be completed within thirty (30) business days of DHCD's conditional approval of this Agreement, and will become a part of this Agreement. Failure to complete the Management Work Plan within the thirty (30) business days of DHCD's conditional approval will render this Management Agreement null and void.
- B. The Management Agent shall perform all the routine functions required for the administration of the Owner Housing Authority including but not limited to all planning, coordinating and carrying out all responsibilities of the Owner's operations, such as the administration of programs and maintenance of properties of the Owner, and will be responsible for the assignment, direction and supervision of the Owner's existing staff (if any) and / or its own staff, in accordance with the attached staffing plan, in performing its responsibilities under this Agreement. The Management Agent will operate within the parameters of pertinent Massachusetts General Laws, DHCD regulations and guidelines, and all other laws, rules and regulations applicable to the operations of the Owner Housing Authority.

**Article 2. Owner Board Responsibilities.** The Owner's Board will provide Management Agent access to the administration office(s) and other Owner property, and will provide access to any Owner records requested by the Management Agent. The Management Agent agrees that it shall hold any Personal Data of Owner tenants and applicants in accordance with the Fair Information Practices Act, G.L. c. 66A, and the DHCD Privacy and Confidentiality regulation at 760 CMR 8.00 *et seq.*

**Article 3. Term of Agreement.** The Management Agent shall commence work under this Agreement on . This Agreement shall become effective upon the written approval of the DHCD, and shall automatically terminate ( ) years from its effective date.

**Article 4. Suspension and Termination.** This Agreement may be suspended or terminated without cause and without penalty by either party hereto as of the end of any calendar month, provided at least sixty (60) days' advance written notice is given to the other party and to DHCD. Notices under this paragraph shall be sufficient if delivered in writing to the following:

For Owner:

Housing Authority  
Attn: Chairperson

, MA

For Management Agent:

Housing Authority  
Attn: Chairperson

, MA

For DHCD:

Department of Housing and Community Development  
Attn: Director, Bureau of Housing Management  
100 Cambridge St., Suite 300  
Boston, MA 02114

**Article 5. Agreement Sum.** The Owner shall pay the Management Agent in current funds for the performance of the work hereunder the annual contract sum of , prorated monthly at a rate of . Payments will be made on a monthly basis.

**Article 6. Conflict of Interest.** The Management Agent covenants that: (1) presently, there is no financial interest and no such interest, direct or indirect, shall be acquired which would conflict in any manner or degree with the performance of services required under this Agreement or which would violate M.G.L. c.268A, as amended or violate the federal conflict of interest provisions at 24 CFR 570.489 and the federal Hatch Act, 5 U.S.C. §§ 1501 *et seq*; (2) in the performance of this Agreement, no person having any such interest shall be employed the Management Agent, and; (3) no Board Member or employee of the Management Agent is related by blood or marriage to any Board Member or employee of the Owner.

**Article 7. Non-Discrimination and Equal Opportunity.** The Management Agent shall not against any person on the basis of race, color, religious creed, national origin, sex, sexual orientation, gender identity, genetic information, age, ancestry, disability, marital status, veteran status, membership in the armed forces, presence of children, or political beliefs, receipt of public assistance, rental assistance or housing subsidy or any other basis prohibited by law. The Management Agent will its best efforts to employ qualified tenants of the Owner for any positions that are open at the time the Agreement is awarded or which become open during the term of the Agreement.



**Article 8. Modification.** This Agreement constitutes the entire understanding and agreement between the parties hereto with regard to the subject matter hereof, and supersedes all prior understandings and agreements. This Agreement may not be revised, supplemented, or otherwise modified except by an amendment in writing signed by the parties hereto and approved by DHCD.

**Article 9. Governing Law & Agreement Validation.** This Agreement shall be governed by the laws of the Commonwealth of Massachusetts. This Agreement will not be valid until signed by the Undersecretary of DHCD or his/her designee.

**Article 10. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and in pleading or proving any provision of the agreement it shall not be necessary to produce more than one such counterpart. No counterpart shall be effective until each party has executed at least one counterpart. For the convenience of the parties, facsimile and pdf signatures shall be accepted as originals.

In Witness whereof, the parties hereto cause this instrument to be executed under Seal.

**MANAGEMENT AGENT**

**OWNER**

(Name of Housing Authority)

(Name of Housing Authority)

By:  
(Name & Title)

By:  
(Name & Title)

Witness: \_\_\_\_\_

Attest: \_\_\_\_\_

**APPROVED:**

**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

\_\_\_\_\_  
**Undersecretary or Designee**

\_\_\_\_\_  
**(Date)**

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
**Local Housing Authority Executive Director Salary Calculation Worksheet**

Effective for Fiscal Years Beginning: July 1, 2017, October 1, 2017, January 1, 2018, April 1, 2018

**Instructions:**

Use this Worksheet to determine the LHA Calculated Salary Maximum and to enter the Board-Approved Salary. Print and submit this Worksheet signed by the Board Chair along with an extract of the minutes of the Board vote to your Housing Management Specialist (HMS) by email only no later than your LHA's budget submission deadline. An executive director of two LHAs (Dual ED) will need to submit two Worksheets, one for each LHA.

Enter data in clear cells only (see Worksheet sections with this arrow (→))  
 Gray cells will auto-calculate


**LHA Info:** →

LHA Name:

LHA Office Hours:

Executive Director:

Current Required Work Hours / Week:

(Full Time Executive Director, enter 37.5)

(Dual EDs enter current required work hours for one LHA only)

37.5

Full Time

For Existing Executive Directors Only:

Enter composite salary from most recent DHCD-approved budget (Current Approved Salary):

\$ -

**Step 1. → Determine LHA's Size by the Total Number of Units**

**Note:** Count only the units that are owned and operated by the LHA from programs that have created housing for income-eligible households, and count only the units currently "leased," not "contracted," for the LHA's voucher programs which are directly administered by the LHA.

Do not include units or vouchers where the LHA does not own the unit or receive direct funding to administer the voucher, but instead receives a fee pursuant to a Management Services Agreement, or by another contract with a separate public or private entity where the contract is temporary or otherwise may terminate. Do not count resident service programs such as ABL, FSS, or MassLEAP.

Enter all information into the chart below. Please note that this Calculation Worksheet does not pro-rate salary share.

	Program	All Units	State Family Units
1	Chapter 200	-	-
2	Chapter 705	-	-
3	Chapter 667 Regular	-	-
4	Chapter 667 Congregate	-	-
5	Chapter 689	-	-
6	Massachusetts Rental Assistance Program (MRVP)	-	-
7	Alternative Housing Voucher Program (AHVP)	-	-
8	Federal Conventional Public Housing	-	-
9	Section 8 Housing Choice Voucher Program (HCVP)	-	-
10	Section 8 New Construction / Substantial Rehabilitation	-	-
11	Section 8 Moderate Rehab	-	-
12	Other(s) Do not count resident service programs such as ABL, FSS or MassLEAP:	-	-
13	<b>Total Units</b>	-	-

Does the LHA participate in the following programs for LHA-owned c. 200, 705, or 667 units?

14	Supportive Senior Housing Initiative (through the Executive Office of Elder Affairs)	No
15	Local Housing Authority Transitional Housing Program (LHATHP)	No



**Step 2. Full Time Unit-Based Salary**

(Auto-calculates)

Salary from "At Lowest Unit Count in Range"	
Incremental Units	
Increment Factor	
Incremental Salary	
Full Time Unit-Based Salary	

**Step 3. → Program Factor**

(Auto-calculates)

Number of Programs	-
Applicable Program Factor	

**Step 4. Family Factor**

(Auto-calculates)

Number of Family Units	0
Applicable Family Factor	0

**Step 5. LHA Calculated Salary Maximum (Not to Exceed \$180,000)**

(Auto-calculates)

Full Time LHA Calculated Salary Maximum	
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*Note: The LHA Calculated Salary Maximum is the maximum annual salary that an executive director may receive, not to exceed \$180,000, the Salary Cap for an executive director directly employed by one or two LHAs.*

**Step 6. Salary from Other Sources / Program Activities (Not to Exceed \$198,000)**

*Note: Include here all salary from other program activities, if any (i.e. Management Services Agreements and other contracts with public and private entities that are temporary or otherwise may terminate). Resident service programs such as ABL, FSS, or MassLEAP do not count as Other Program Activities. This amount is the LHA Calculated Salary Maximum plus salary from all other program activities and contracts, and must not exceed \$198,000.*

**→ Enter Salary from Management Services Agreement Fees (if applicable)**

Management Services Agreement #1	\$ -
Management Services Agreement #2	\$ -
Management Services Agreement #3	\$ -
Management Services Agreement #4	\$ -

**Owner LHA**


**→ Enter Salary from Other Program Activities / Contract Fees (if applicable)**

Other Program Activity / Contract #1	\$ -
Other Program Activity / Contract #2	\$ -
Other Program Activity / Contract #3	\$ -
Other Program Activity / Contract #4	\$ -
Other Program Activity / Contract #5	\$ -
Other Program Activity / Contract #6	\$ -
Other Program Activity / Contract #7	\$ -
Other Program Activity / Contract #8	\$ -

**Source / Description**


Full Time LHA Calculated Salary Maximum Including Other Sources	#VALUE!
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**Step 7.**

**Board-Approved Salary**

**Note:** Board-Approved Salary is not to exceed the lesser of the LHA Calculated Salary Maximum or \$180,000 for executive directors directly employed by one or two LHAs (see Step 5, above).

For executive directors that also receive salary from Management Services Agreement(s) or from other program activities, the LHA Calculated Salary Maximum plus that additional salary (total salary) may not exceed \$198,000 per year (see Step 6, above).

**Exception:** if an existing executive director's Current Approved Salary exceeds the maximum in Step 5 or Step 6 above, enter the Current Approved Salary in "Enter Board-Approved Salary" below and check the applicable box. The Current Approved Salary will remain the same until DHCD publishes a new Salary Schedule and the Current Approved Salary does not exceed the new limits.

**Note:** Executive Director salary increases must be: absorbed within the LHA's ANUEL as published in the most current DHCD Budget Guidelines; receive Board approval after the Board considers and carefully analyzes potential short and long-term impacts that a salary increase may have on the LHA's overall operating needs; determines that the increase is reflective of the executive director's performance to-date; is calculated in accordance with this Schedule; and granted only if the LHA is in conformance with applicable guidelines and all other rules and regulations in effect during the executive director's contract term.

**Summary**

Local Housing Authority:	
Executive Director:	
Total Programs:	-
Total Units:	-
Full Time LHA Calculated Salary Maximum:	
Full Time LHA Calculated Salary Maximum Including All Other Sources:	

→ **Enter Board-Approved Salary**

Use this salary in LHA budget submission to DHCD

\$	-
#VALUE!	

→ **For Existing Executive Directors (check applicable box):**

- ED is eligible for a salary increase up to the LHA Calculated Salary Maximum  
 ED is not eligible for a salary increase, and will stay at the Current Approved Salary

<input type="checkbox"/>
<input type="checkbox"/>

Signature of LHA Chairperson: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

**Print and submit this signed Executive Director's Salary Calculation Worksheet and an extract of the minutes of the Board vote by email only to the LHA's Housing Management Specialist on or before the DHCD Budget Submission Deadline for your LHA.**