

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

AGREEMENT FOR PROFESSIONAL SERVICES

WITH

PINE GROVE HOUSING SERVICE LLC

THIS AGREEMENT is made and entered into as of the **1st day of January, 2019**, by and between the **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**, a public body corporate and politic, located at 735 E. Michigan Avenue, Lansing, Michigan 48912 ("**Authority**") and **PINE GROVE HOUSING SERVICE LLC**, a Michigan limited liability company, located at P.O. Box 2535, Portage, MI 49081 ("**Contractor**") for the purpose of providing case management services to the Authority's Family Self-Sufficiency (FSS) participants. The Authority and the Contractor are collectively referred to as the Parties.

WITNESSETH THAT:

The Authority and the Contractor do mutually agree as follows:

1. **Services Rendered/Scope of Work.** The Contractor shall, in a satisfactory and proper manner as determined by the Authority, render the services described in Exhibit A and in accordance with the Performance Measures specified in Exhibit B. Exhibits A and B are attached and made a part of this Agreement.
2. **Term.** TIME IS OF THE ESSENCE to this Agreement in connection with the delivery of the products or services or both ("Products and Services") described in the Scope of Work attached and incorporated into this Agreement as Exhibit A. The performance of Products and Services shall begin on or after the execution of this Agreement by the Authority and shall be completed no later than December 31, 2020.

3. **Contract.** Price and Payment.

a. The Contractor has been awarded Vouchers in Region 8. Throughout the terms of this Agreement the Authority will pay the Contractor a fixed price monthly fee of **\$35.00 (thirty five dollars) per Voucher in Region 8**. A qualifying Voucher is one that is; (a) under an executed Housing Assistance Payment (HAP) Contract, and (b) under an active Family Self-Sufficiency (FSS) Contract with the Authority. A map of FSS regions is incorporated into this Agreement as Exhibit E.

b. In addition, the Contractor may be able to earn the following bonuses:

1. Participant went 0 HAP and was subsequently EOP'ed ("end of participation") from the Voucher. **\$100.00**
2. Completed an associate, bachelor degree, or trade program. Must provide copy of diploma/certificate. **\$100.00**
3. Doubles his/her hourly rate of pay and is working a minimum of 20 hours per week (e.g. no employment to employment OR \$8.00 per hour to \$16.00 per hour): **\$100.00**
4. Accepted into the Key To Own program and completes the homeownership and financial capability classes: **\$100.00**
5. Purchased a home either through Key to Own or other homeownership program. Must provide HUD-1 or purchase agreement. Must notify MSHDA no later than one week after the closing. **\$200.00**
6. Pull credit score within the first quarter of participant joining FSS. Soft pull credit score every 12 months.
 - a. 60-point credit score improvement from first pull: .. **\$100.00**
 - b. Participant achieves a credit score of 640: **\$100.00**

The Contractor is responsible to assist Authority staff in identifying when these conditions apply, to submit documentation to the Authority, and to maintain documentation for their case fee.

Contractor agrees to pay half of any bonus received to the FSS Resource Coordinator directly involved with the participant. This agreement or bonus payment does not create a third-party beneficiary relationship with the FSS Resource Coordinator. Contractor will maintain a list of all bonuses paid and provide documentation to the Authority upon request. Contractor agrees to follow and apply all tax laws and regulations relating to the payment of bonuses to FSS Resource Coordinators.

c. **WORK PERFORMED OR PROVIDED PRIOR TO THE TERMS OF THIS AGREEMENT SHALL NOT BE ELIGIBLE FOR PAYMENT.**

4. **Permits and Licenses.** The Contractor shall be responsible for obtaining any and all permits, licenses, and other proper authorization or permission-related documents required for the performance of this Agreement.

5. **Insurance.** The Contractor shall maintain professional liability insurance sufficient in the amount to provide coverage for any errors or omissions arising out of the performance of this Agreement. If, during the term of this Agreement, changed conditions should, in the judgment of the Authority, render inadequate the Contractor's current insurance limits, the Contractor will furnish to the Authority proof of additional insurance as may be required. All insurance required under this Agreement shall be acquired at the Contractor's expense, under valid and enforceable policies, issued by insurers of recognized responsibility. The Authority reserves the right to reject as unacceptable any insurer.

6. **Record Keeping.** The Contractor and the Authority shall maintain such personnel records as are deemed necessary by the Authority to assure a proper account for all engagement costs. These records will be made available for audit purposes to the Authority and the Auditor General of the State of Michigan, or any authorized representative, and will be

retained for three years after the expiration of the Agreement unless permission to destroy them is granted by both the Authority and the State of Michigan.

7. **Reports.** The Contractor shall promptly submit to the Authority's **Contract Administrator**/designated project representative (see Section 11) any reports prescribed in Exhibit A attached and incorporated into this Agreement.

In addition to the project completion report and other submissions, the Contractor shall submit to the Authority a quarterly progress report in the form and containing the completion material prescribed by the Authority for that project period for each quarter this Agreement is in effect.

8. **Nondiscrimination.** In accordance with Acts No. 220 and 453 of the Public Acts of 1976, as amended, the Contractor hereby agrees in connection with the performance of Products and Services under this Agreement not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status, familial status, or disability. Breach of this covenant may be regarded as a material breach of this Agreement.

9. **Failure to Perform.** In the event the Contractor fails to perform Products and Services required under this Agreement or performs Products and Services in an improper manner, the Parties agree that the damage that the Authority will sustain as a result thereof will be substantial and difficult, if not impossible, to ascertain. Therefore, the Parties agree that in the event the Contractor either fails to completely perform Products and Services or performs Products and Services in an improper manner, the Authority shall be entitled to a credit against the Contractor's current unpaid billings for amounts previously paid to the

Contractor after the Contractor's non-performance or improper performance. For the purposes of the foregoing, the Parties agree that the Authority shall have sole discretion in determining the adequacy of the Contractor's performance and the amount of credit to be taken. The damages for the Contractor's inadequate or improper performance, as provided in this Agreement, shall not be exclusive but shall be in addition to any other damages which the Authority may be entitled to for the Contractor's default under this Agreement.

10. **Assigned Personnel.** The Contractor warrants that the personnel it will assign to perform the Products and Services under this Agreement shall possess the requisite education, competence and experience. The Contractor further acknowledges and agrees that such personnel may be subject to the evaluation and approval of the Authority, who shall retain the right to determine the sufficiency of the education, competence and experience of the personnel assigned to perform the Products and Services identified in Exhibit A attached and incorporated into this Agreement.

11. **Project Representatives.** The Contractor designates the following individual as project representative for all matters concerning this Agreement:

Jena Lovelace
Housing Assistance Manager
P.O. Box 2535, Portage, MI 49081



The Authority designates the following individual as **Contract Administrator**/project representative to be the initial point of contact for all matters concerning this Agreement:

Dace Koenigs knecht
Agency Buyer
735 East Michigan Avenue, Lansing, MI 48909



The Contractor shall contact only the designated Contract Administrator with any

Authority-related questions, work requests, etc., as described in this Agreement, as well as any Authority-related questions, work requests, etc., falling outside the scope of this Agreement.

Except for changes to the performance schedule (not including the project's completion date), the designated project representatives shall have no authority to make promises or binding obligations on behalf of the Authority, as such authority rests with the duly authorized persons executing this Agreement.

12. **Employees of Contractor or Key Persons.**

- a. Definition of Key Person. **"Key Persons"** shall be defined in this Agreement as individuals performing the Products and Services pursuant to this Agreement and (a) have signed this Agreement on behalf of the Contractor and/or (b) are listed in Exhibit C, attached and incorporated into this Agreement. Key Persons include the names of all employees, agents and independent contractors of the Contractor who perform or render Products and Services pursuant to this Agreement.
- b. Performance of Products and Services. The Contractor acknowledges that only Key Persons shall perform the Products and Services under this Agreement.
- c. Exhibit C--Certificate Verifying Key Persons. Prior to executing this Agreement, the Contractor shall provide to the Authority the names of all Key Persons by completing Exhibit C, which is the Certificate Verifying Key Persons of the Contractor or a Subcontractor, if applicable ("Certificate"). In the event the Contractor fails to provide to the Authority the names of any Key Persons, the Parties shall consider the signatory for the Contractor to be the sole Key Person for the Contractor. **If the Contractor (or Subcontractor) wishes to add an agent, employee, or independent contractor as a Key Person during the term of this Agreement, the Contractor shall complete and submit to the Authority**

an additional or revised Certificate for that employee, agent, or independent contractor. (See Section 12a of this Agreement.)

- d. 2007 PA 95, MCL 38.68c. The Contractor and its employees, agents, and independent contractors acknowledge 2007 PA 95, MCL 38.68c, as amended, requires retirees of the State Employees Retirement System (i.e., former state employees who have pensions with the State of Michigan) (“Pensioned Retirees”) who become employed by the State, either directly or indirectly through a contractual arrangement with another party, on or after October 1, 2007, to forfeit their state pension for the duration of their reemployment. Effective October 2, 2010, “employed by the state” includes engagements of pensioned retirees as independent contractors.

Pensioned retirees who provide or render Products and Services under this Agreement as key persons must forfeit their pensions during the term of this Agreement if the pensioned retiree (a) is employed by the State, (b) is employed by the Contractor, (c) is a holder of an ownership interest in the Contractor, (d) is a subcontractor of the Contractor, or (e) is an employee of a subcontractor.

The Contractor acknowledges and agrees to secure the Authority’s prior written consent before retaining, employing or subcontracting with a pensioned retiree to perform Products and Services under this Agreement. Retaining, employing or subcontracting with a pensioned retiree to perform Products and Services under this Agreement without the Authority’s prior written consent shall be (a) a material breach of this Agreement and (b) grounds for the Authority to terminate this Agreement and provide notice to the Office of Retirement Services that the retiree has received pension payments and payments directly or indirectly through this Agreement.

If the Contractor employs or retains a pensioned retiree as Project Persons

or subcontracts with a pensioned retiree, the Contractor must submit a copy of the pensioned retiree's directions to the Office of Retirement Services ("ORS"), to withhold the retiree's pension payments during the term of this Agreement. Find more information on the ORS website:

<http://michigan.gov/ORS>.

The Contractor and the pensioned retirees it employs acknowledge and agree that neither the State, nor the Authority, nor its employees, directors, agents nor board shall be liable to the Contractor or pensioned retiree for the forfeiture of the retiree's pension payments during or after the term of this Agreement. The Contractor and pensioned retiree acknowledge that the Authority has no responsibility to confirm whether the ORS has or will forfeit the retiree's pension.

13. **Conflicts of Interest.** The Contractor acknowledges that its employees, members, shareholders, agents, or independent contractors, or subcontractors and their employees, members, shareholders and agents, prior to or during the term of this Agreement are not employees of the State of Michigan or its units. Prior to the execution of this Agreement, the Contractor acknowledges and confirms that it has delivered to the Authority a written list of all interests of the Contractor, or its officers and employees, which may create conflicts between the interests of those entities or parties and the interests of the Authority. Should a constructive or actual conflict of interest arise during the term of this Agreement, the Contractor shall contact the Authority's Director of Legal Affairs immediately and describe in detail the conflict of interest.

14. **Prohibited Methods and Procedures.** The Contractor and its agents, subcontractors, employees, and representatives, in the course of the performance of Products and Services under this Agreement, shall not specify, recommend, use, or permit the use of

any system, method, plan, design, process, procedure, patent, or copyright which, if used, infringes upon a proprietary interest or necessitates the payment of any royalty, fee, or commission. The Contractor shall not use or permit the solicitation for or securing of any agreement or employment in connection with this Agreement upon an agreement or arrangement for payment, either directly or indirectly, of a commission, percentage, brokerage, or contingent fee.

If Federal funds are used to pay the Contractor under this Agreement, no part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to members of Congress on the request of any member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business. 18 U.S.C. § 1913 (2002).

15. **Participation in Other Authority Programs.** With the exception of providing Products and Services to the Authority as described in Exhibit A of this Agreement, neither the Contractor nor the Contractor's employees, agents, officers, directors, shareholders, members or subcontractors will participate in Authority housing programs or do business with the Authority under any program in which the Authority has a direct or indirect relationship without securing approval from the Authority's Director of Legal Affairs.

16. **Indemnity and Non-Limitation. Mich. Const. art. IX, § 18.** The Contractor agrees to defend, indemnify and hold harmless the Authority from any claims, damages or expenses, including reasonable attorneys' fees, arising or alleged to arise in whole or in part from damage or injury caused by or resulting from any action or inaction of the Contractor, its agents or employees, or sustained in connection with the violation of any law, statute, ordinance or regulation by the Contractor, its agents or employees, or sustained in connection with the performance of this Agreement by the Contractor, its agents or employees, or sustained as a result of any breach of this Agreement by Contractor.

In any and all claims against the Authority or any of its officers, agents, or employees by an employee of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation under this section shall not be limited in any way by any limitation in the amount or type of damages, compensation, or benefits payable by or for the Contractor or by or for any subcontractor under worker's compensation acts, disability benefit acts, or other employee benefit acts.

17. **Nonassignability and Delegation.**

- a. The Contractor shall not assign or otherwise transfer any interest in this Agreement or in the project in any manner not provided for in this Agreement.
- b. The Contractor shall not delegate any duties or obligations under this Agreement to a subcontractor or independent contractor unless the Authority's Contract Administrator and Director of Legal Affairs has given written consent to the delegation. When submitting the request to subcontract, the Contractor shall include the following information about the subcontractor:
 - i. **Name of Subcontracting Firm;**

- ii. **Work that will be subcontracted;**
 - iii. **Names of individuals who will perform the subcontracted work;**
 - iv. **Subcontractors project representative and/or Key Persons (See Section 12); and**
 - v. **List any and all Authority programs through which the subcontractor or the subcontractor's employees, officers, directors, members, shareholders or officeholders participate.**
- c. In the event the Contractor retains a subcontractor in accordance with Section 17b above, the Contractor shall insert into each subcontract executed in connection with this Agreement appropriate and enforceable provisions requiring compliance with this Agreement by the subcontractor and the persons acting for it. Throughout the performance of any subcontracts, the Contractor shall monitor and verify the compliance of all subcontractors and persons acting for them and shall immediately take any affirmative or remedial measures prescribed by the Authority or otherwise deemed necessary in the opinion of the Contractor for enforcing compliance under such subcontracts.
- d. **Delegation of duties or obligations under this Agreement to a subcontractor or independent contractor without the prior written consent of the Authority's Contract Administrator or Director of Legal Affairs shall be a material breach of this Agreement.** In the event a subcontractor is approved by the Authority's Contract Administrator and Director of Legal Affairs, the Key Persons for the subcontractor shall be subject to the requirements set forth in Section 12 (Employees of Contractor or Key Persons) of this Agreement, including, but not limited to, the restrictions on pension payments if a pensioned retiree is a Key Person of the subcontractor or an independent contractor retained by the Contractor.
- Subcontracting work to be performed under this Agreement without the prior written consent of the Authority's Contract Administrator and Director of Legal Affairs shall be a material breach of this Agreement.**

18. **Suspension and Debarment.** Pursuant to 1980 PA 278; MCL 423.322 *et seq.*, the Contractor, in performing this Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name has been listed in the register maintained by the State of Michigan, Department of Licensing and Regulatory Affairs, of employees who have been found in contempt of court by a federal court of appeals, on not less than three occasions involving different violations during the preceding seven years, for failing to correct an unfair labor practice as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 U.S.C § 158.

The Authority may void this Agreement if the name of the Contractor or the name of a subcontractor, manufacturer, or supplier used by the Contractor in performing this Agreement subsequently appears in the register during the period of this Agreement.

The Contractor certifies, by signing this Agreement, that it possesses business integrity and that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in grants or contracts by any federal, state, or local department or agency.

The suspension of the Contractor by the State of Michigan, an agency of the State or a department of the Federal Government, shall be at the option of the Authority, a material breach and grounds for the immediate termination of this Agreement.

19. **Independence of Contractors.** The Authority shall retain the Contractor as an independent contractor, and the Contractor hereby accepts such independent contractor relationship, upon the terms and conditions set forth in this Agreement. Nothing in this

Agreement shall be construed to create the relationship of employer and employee between the Authority and the Contractor or any of its employees or agents. **The Contractor, its employees and subcontractors, shall be deemed at all time and for all purposes to be independent contractors.** The Contractor acknowledges and agrees that all payments by the Authority to the Contractor shall be made without deduction for federal, state or local income taxes, social security taxes and similar items, and that the Contractor shall be solely responsible to report income under this Agreement to the Internal Revenue Service and other appropriate taxing authorities and to pay such taxes (including, without limitation, being solely responsible to make periodic estimated payments of such taxes in accordance with applicable law). The Contractor further acknowledges and agrees that all payments under this Agreement to the Contractor by the Authority shall be reported to the Internal Revenue Service and other appropriate taxing authorities on Form 1099 (or equivalent or replacement forms). Finally, the Authority acknowledges that the manner and means of producing the Products and Services described in Exhibit A are under the control and at the discretion of the Contractor.

20. **Ownership of Documents, Reports and Other Products.** All documents, reports and any other products developed and/or delivered to the Authority under this Agreement shall become and be the property of the Authority.

21. **Disclosure of Information.** Other than as contemplated by this Agreement, the Contractor, its agents, and subcontractors, without the prior consent of the Authority shall not:
 - a. disclose information or documents created or maintained in connection with this Agreement to anyone;

- b. use information or documents created or maintained in connection with this Agreement to further any private interest.

Use or disclosure of documents or information without the prior written consent of an authorized officer of the Authority shall be a material breach of this Agreement.

22. **Modifications.** The Authority or the Contractor may request modification of the scope of work, products, budget, or project work schedule to be performed by the Contractor. Modifications shall comport with the intent and purpose of this Agreement and shall be consistent with applicable state and federal regulations, limitations, guidelines, policies, and interpretations prescribed by the Authority pursuant to law. All requests for modification shall be submitted in written form by the duly authorized representative, as specified in Section 11, of the party requesting modification prior to modification implementation. Failure to obtain prior approval will result in the disallowance of expenditures.

No verbal representation, understanding, agreement, or interpretation of any officer, agent, employee of the Authority or Contractor, either before or after execution of this Agreement, shall modify any of the terms of this Agreement, unless such representation, understanding, agreement, or interpretation is expressly stated in this Agreement or an amendment to this Agreement executed by both parties.

23. **Termination of Agreement.** Termination is the cancellation of this Agreement, in whole or in part, at any time prior to the date of completion.
- a. Termination for cause. The Authority may terminate this Agreement, in whole or in part, at any time before the date of completion, whenever it is determined that the

Contractor has failed to comply with the terms and conditions of this Agreement. The Authority will promptly notify the Contractor in writing of the termination and the reasons for the termination, together with the effective date. Payments made to the Contractor or recoveries by the Authority under this Agreement when it is terminated for cause will be in accordance with the legal rights and liabilities of the parties.

- b. Termination for convenience. The Authority or the Contractor may terminate this Agreement in whole or in part when the Parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The Parties will agree upon the termination conditions, including the effective date, and in the case of partial terminations, the portion to be terminated. An amendment of the terms of this Agreement is required for all terminations for convenience.
- c. Termination by Contractor. At any time prior to the first payment on the Agreement, the Contractor may, with written notification to the Authority, unilaterally cancel this Agreement. Once initiated, no Product or Services financed with Authority assistance shall be terminated by the Contractor prior to satisfactory completion without approval of the Authority. After the first payment, the Product or Services may be terminated, modified, or amended by the Contractor only by mutual agreement of the Parties. Termination requests prior to completion of the Product or Services must fully explain the reasons for the action and detail the proposed disposition of the uncompleted Product or Services.
- d. Termination of Agreement for Unavailability of Authority or Federal Funds.

It is the intent and understanding of the Parties that this Agreement is contingent upon the availability of Authority or Federal funds or the receipt by the Authority of Federal funds. If Authority funds or Federal funds approved or obligated by the Authority in connection with this Agreement are at any time rendered unavailable,

the Authority shall then have the right to terminate this Agreement by the giving of a written notice, the basis, and the effective date of the termination to the Contractor. Should this Agreement be terminated by reason of the unavailability of Authority or Federal funds for the purposes of this Agreement, all finished or unfinished documents, data, studies, reports, and other materials prepared by the Contractor under this Agreement prior to the effective date of the termination shall be delivered in a format specified by the Authority.

In the event of termination under this section for lack of Authority or Federal funds, the Contractor shall be entitled to receive payment for Products and Services incurred under this Agreement prior to the effective date of termination.

- e. Commitments. If this Agreement is terminated, the Contractor will not incur new obligations for the terminated portion after the effective termination date. The Contractor will at its own expense cancel any outstanding obligations. Costs incurred after the effective date of the termination will be disallowed. In the event of termination, all finished or unfinished documents, data, studies, reports, and other materials prepared by the Contractor under this Agreement prior to the effective date of termination shall become the property of the Authority. The Contractor will provide all finished and unfinished material as previously described within 30 days of terminating. However, the Contractor will be entitled to retain copies. The Contractor, in the event of termination under this provision, is entitled to receive reimbursement for Products and Services satisfactorily performed under this Agreement prior to the effective date of such termination. Notwithstanding the foregoing, the Contractor shall not be relieved of its liability to the Authority for the damages sustained by the Authority as the result of any breach of this Agreement until the Authority so releases the Contractor and has determined for the purpose

of set-off the exact amount of damages due the Authority.

24. **Severability of Provisions.** It is declared to be the intent of the parties that if any provision of this Agreement executed by both parties or its application to any persons or circumstances is adjudged by any court of competent jurisdiction to be invalid, the court's judgment shall not affect or invalidate the remainder of this Agreement nor its application to other persons or circumstances, unless so provided by the court or unless the severance of the invalid provision alters the basic intent or purpose of this Agreement, would cause an increase of the Authority's financial obligation, or renders impossible the compliance with any applicable statute, regulation, limitation, guideline, policy.
25. **Michigan Law.** This Agreement shall be governed by the laws of the State of Michigan and shall be binding upon the Contractor's successors, assigns, and legal representatives. All records pertinent to this Agreement are subject to public disclosure under the Michigan Freedom of Information Act; 1976 PA 442; MCL 15.231 *et seq.* The Contractor shall insert the provisions of this section into any subcontract entered into to accomplish the terms of this Agreement.

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IN WITNESS WHEREOF the Authority and the Contractor have executed this Agreement as of the date first above written.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

By: _____

Earl Poleski, Executive Director

OR

Brian Mills, Chief of Staff

PINE GROVE HOUSING SERVICE LLC

By: _____

Christina Shepard, Officer

EXHIBIT A

SCOPE OF WORK

I. Overview

The Contractor is to provide case management services to current and incoming Family Self-Sufficient (FSS) participants.

II. Objectives, and Tasks & Activities

A. Objectives. To successfully perform the services described in Section I above, the Contractor must satisfy the following objectives:

1. Provide case management and wrap-around services to the FSS Head of Household (HOH) and other participating adult household members.
2. Complete an Individual Training and Services Plan (ITSP), as required by HUD, for each participating adult household member enrolled in the FSS Program.
3. Assist the participating adult household member(s) in completing HUD and Authority requirements for successful completion of the FSS Program.

B. Tasks & Activities. To achieve the objectives, the Contractor must perform the following tasks and activities:

1. FSS Program Contract of Participation (HUD-52650; “FSS Program Contract”) Enrollment

- a. The Authority FSS staff will provide the Contractor with a copy of the FSS participant’s enrollment packet consisting of the: executed FSS Program Contract between the Authority and the FSS participant, Certification of Income (FSS-107), and the original FSS Application (FSS-322).
- b. The Contractor must contact the FSS participant to schedule the initial briefing.
 - i. Contact can be made by phone, letter on their agency letterhead, or the Briefing 1st Notice (FSS-1634).
 - ii. All contact attempts must be documented in case notes.
- c. The initial briefing must be scheduled and conducted within 45 calendar days of receiving the FSS participant’s enrollment packet.
 - i. If the FSS participant fails to respond to the initial briefing after two attempts, the Contractor will mail the FSS Participant Case Closure-10 Day Notice (FSS-96a).
 - ii. If the FSS participant fails to respond within 10 calendar days, the FSS Participant Case Closure (FSS-96b) will be completed and sent to the Authority’s FSS staff to complete the termination process.
- d. Conduct the initial briefing.
 - i. Outline for the FSS participant the requirements for graduation:
 - Completed ITSP;
 - Completion of Financial Capability classes in the first 12 months of the contract;

- Employed in the final 12 months of the FSS Program Contract; and
 - No family member residing with the FSS participant receiving the benefit of the HCV Program can receive Temporary Aid to Needy Families (TANF) cash assistance in the final 12 months of the FSS Program Contract.
- ii. Initiate the completion of the following forms by the FSS participant and forward them to the Authority's FSS staff:
 - Briefing Summary (FSS-145);
 - ITSP (FSS-325);
 - Financial Capability Referral (FSS-101);
 - Key to Own Program Participation Confirmation (HO- 204)
 - iii. If the participant does not already have an active email address, the Contractor must help them set one up at the initial briefing or require that they establish one within 30 days of the briefing appointment.

2. Required Actions During the FSS Program Contract

- a. For the duration of the FSS Program Contract, the Contractor will deliver case management services to the FSS participant.
- b. FSS case management includes, but is not limited to the following:
 - i. Evaluating the FSS participant's job marketability;
 - ii. Provide referrals to the local Michigan Works! Agency and other agencies in the community to obtain employment;
 - iii. If employed, encourage methods of improving or advancing within their current career;
 - iv. Providing supportive counseling;
 - v. Providing constructive feedback for goal completion;
 - vi. Client advocacy;
 - vii. Technical assistance;
 - viii. Exploring problem solving methods;
 - ix. Referrals to community resources; and
 - x. Addressing other barriers to self-sufficiency as identified by the FSS participant.
- c. At a minimum, the Contractor must meet with the FSS participant four times per calendar year – once per quarter.
 - i. All four meetings should be face-to-face unless the FSS participant requests that two meetings be by phone due to employment or transportation issues.
- d. The Contractor should offer the participant the option to meet outside of traditional business hours, if requested.
- e. All quarterly meetings must be documented on the FSS Participant Contact Form (FSS-326) and maintained in the FSS participant's file.
- f. The Contractor must assess the FSS participant's ITSP progress during the quarterly meetings.
 - i. If the Financial Capability requirement is not met within the initial 12 months of the FSS Program Contract, the FSS participant must be terminated. Exceptions to this requirement must be submitted to the Authority's FSS staff for review and approval/denial.
 - ii. If the FSS participant's household does not meet the TANF requirement within the final 12 months of the contract, the FSS

- participant must be terminated or a request for a FSS Program Contract extension submitted to the Authority's FSS staff.
- iii. If the FSS participant does not meet the employment requirement within the final 12 months of the contract, the FSS participant must be terminated or a request for a FSS Program Contract extension submitted to the Authority's FSS staff.
 - iv. If the FSS participant fails to make progress on their personal goals outlined within the ITSP, the FSS participant must be terminated or a re-evaluation of their goals must be completed and documented.
- g.** If the FSS participant fails to meet the quarterly contact requirement or to meet the requirements outlined in the ITSP, the Contractor will mail the FSS Participation Case Closure -10 Day Notice (FSS-96a).
- h.** If the FSS participant fails to respond within 10 calendar days, FSS Participation Case Closure (FSS-96b) will be completed and sent to the Authority's FSS staff to complete the termination process.
- i. The entire FSS case file must be included with the termination form.

3. FSS Program Contract Graduations

- a.** Graduations based on the FSS Program Contract End Date.
- i. The Contractor must meet with the FSS participant 60 calendar days prior to their set graduation date to evaluate their final eligibility for graduation.
 - ii. FSS graduation is considered a positive exit to this voluntary program and may include the release of accrued FSS escrow funds.
 - iii. FSS participation can be concluded as a graduation when the FSS participant has fulfilled their obligation under the FSS Program Contract on or before the expiration of the FSS Program Contract end date. The following criteria must be met to consider graduation:
 - The FSS participant must be employed for the final 12 months of the FSS Program Contract. The 12-months of employment must be consecutive and consistent.
 - Exceptions to the 12-month employment requirement must be submitted to the Authority's FSS staff for review and approval/denial.
 - iv. No family member residing with the FSS participant receiving the benefit of the HCV Program can receive TANF cash assistance in the final 12 months of the FSS Program Contract.
 - v. The FSS participant must have completed the required Financial Capability course in their initial 12 months of the FSS Program Contract.
 - vi. All FSS ITSP goals must be completed.
- b.** Early Graduations
- i. All of the above criteria is applied, but the graduation date is set based on the date the family goes over-income for the FSS and/or HCV Program, the agreed upon date for homeownership, porting the HCV out of state, or other eligible reason evaluated by the Authority's FSS staff on a case-by-case basis.
 - ii. As outlined by HUD, the FSS participant can go over-income for the FSS and/or HCV Program when:

- 30 percent of the monthly-adjusted income equals or exceeds the published Fair Market Rent (FMR) for the family unit size for which the family qualifies, AND
 - The family has exceeded the HCV payment standards leading to over income and/or \$0 paid in Housing Assistance Payment (HAP).
- iii. If it is determined that FSS participant can graduate early from the FSS program, the following documentation must be submitted to the Authority's FSS staff:
- All case notes and correspondence;
 - Final ITSP signed and dated by the FSS participant;
 - Proof that Financial Capability classes were completed (copy of the Financial Capability Counseling Referral (FSS-101) or Certificate of Completion);
 - FSS Participant Exit Interview (FSS-149); and
 - Welfare Status form (FSS-148).
- iv. In addition to the documentation outlined above, early graduation requests must also include:
- A completed and signed Early Graduation Request (FSS-35);
 - A written statement from the FSS participant on why early graduation from the FSS Program should be granted; and
 - A written statement from the Contractor on why early graduation from the FSS Program is professionally supported and should be granted.

4. FSS Program Contract Extensions

- a. The initial FSS Program Contract is for a five-year period. FSS Program Contract extensions can be granted for up to 24 months beyond the initial five-year contract end date. All requests for FSS Program Contract extensions must be submitted within 60-calendar days of the initial FSS Program Contract end date to be considered. The Contractor may submit an FSS Program Contract extension request for the following reason(s):
- i. The FSS participant or immediate family member has a documented serious emotional, mental, or physical illness of long term duration during the FSS Program Contract.
 - ii. The FSS participant experiences an involuntary loss of employment within the required 12-month period for graduation eligibility. The involuntary loss of employment must be documented. Evidence of active job search for up to six months must be provided.
 - iii. The FSS participant's household has experienced an involuntary change of household composition due to death or desertion. If the FSS participant is no longer a part of the HCV household, the new HCV Head of Household may assume FSS Program Contract. The FSS participant must develop an ITSP and meet all the requirements previously outlined to successfully graduate the FSS Program.
- b. The Contractor must submit the following documentation to the Authority's FSS staff within 60 calendar days of the initial FSS Program Contract end date to request a FSS Program Contract extension:
- i. Complete and sign the Participation Extension Request form (FSS-34);

- ii. A written statement from the FSS participant on why the FSS Program Contract extension should be granted; and
- iii. A written statement from the Contractor on why the FSS Program Contract extension is professionally supported and should be granted.

5. FSS Program Contract Terminations for Non-Compliance

- a. The Contractor must assess the FSS participant's ITSP progress during the quarterly meetings.
 - i. If the Financial Capability requirement is not met within the initial 12 months of the FSS Program Contract, the FSS participant should be terminated. Exceptions to this 12-month requirement must be submitted to the Authority's FSS staff for review and approval/denial.
 - ii. If the FSS participant's household does not meet the TANF requirement within the final 12 months of the Program Contract, the FSS participant must be terminated or a request for a FSS Program Contract extension submitted to the Authority's FSS staff.
 - iii. If the FSS participant does not meet the employment requirement within the final 12 months of the Program Contract, the FSS participant must be terminated or a request for a FSS Program Contract extension submitted to the Authority's FSS staff.
 - iv. If the FSS participant fails to make progress on their personal goals outlined within the ITSP, the FSS participant must be terminated or a re-evaluation of their goals must be completed and documented.
- b. If the FSS participant fails to meet the quarterly contact requirement or to meet the requirements outlined in the ITSP, the Contractor will mail the FSS Participation Case Closure-10 Day Notice (FSS-96a).
- c. If the FSS participant fails to respond within 10 calendar days, FSS Participation Case Closure (FSS-96b) will be completed and sent to the Authority's FSS staff to complete the termination process. The entire FSS case file must be included with the termination form.

6. Termination by the Authority Due to HCV Program Violation(s)

- a. If at any time the FSS participant is terminated for violations of the HCV Program, he/she will automatically be terminated from the FSS Program and will forfeit any accumulated escrow.

7. Key to Own Homeownership Program

- a. The Contractor will encourage homeownership as an ITSP goal and promote enrollment in the Authority's Key to Own homeownership program.
- b. At the initial FSS briefing the FSS participant will complete the Key to Own Program Participation Confirmation (HO-204).
- c. If homeownership is an ITSP goal, the Contractor will coordinate with Authority Key to Own staff to determine the appropriate sub-goals for the ITSP.
- d. If homeownership is not an initial ITSP goal, the Contractor will initiate discussions on the Authority's Key to Own homeownership program at all quarterly face-to-face meetings with the FSS participant.

8. Required Attendance and Presentation at Continuum of Care Meetings

- a. The Contractor will attend at least one Continuum of Care meeting per year. If the Contractor covers more than one Continuum of Care area, they must meet this requirement for each area they represent.
- b. The Authority's FSS Program must be presented by the Contractor at the attended Continuum of Care meeting.
- c. Proof of attendance and presentation must be provided to the Authority's FSS staff. Accepted proof includes the Continuum of Care meeting agenda and sign-in sheet showing the name of the Contractor's representative.

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EXHIBIT B

PERFORMANCE MEASURES

I. Overview

The Authority shall measure the Contractor's performance of the activities described in the Scope of Work based on the following performance measures:

- o Quality On-Site Review(s);
- o Data Entry and Quarterly Reports; and
- o Responsiveness to the Authority's staff.

II. Quality On-Site Reviews

A. Quality On-Site Reviews will be completed at a minimum once per calendar year. The Authority FSS staff reserves the right to conduct On-Site Reviews more frequently as needed. During the Quality On-Site Review, Authority FSS staff will come to the physical location of the Contractor and will pull at a minimum ten (10), or 25 percent of the case load, randomly selected FSS participant files in the counties to which the Contractor is assigned. Files will be rated either pass, pass with comment, or incomplete. Files are rated based on the following criteria:

1. Presence of required forms in files; and
2. Evidence of required quarterly contact with participants.

B. The Contractor's ratings will be determined by the following criteria:

1. **Meets Expectations.** To achieve an overall Meets Expectations Rating, the Contractor must have achieved 80 percent pass or pass with comment ratio on the ten files reviewed.
2. **Low Performing.** An overall Low Performing Rating will be assigned to any Contractor who has less than 80 percent of files receiving a pass or pass with comment rating.

III. Data Entry and Reports Criteria

A. The review of Data Entry and required Quarterly Reports will be completed in accordance with the Monitoring Guidelines set forth in the FSS Program Guidelines. Review of Data Entry and Reports will be completed at a minimum once per Quarter. The Authority reserves the right to review more frequently as deemed necessary. The Authority FSS staff will measure the following standards when conducting Data Entry and Reports ratings:

1. FSS Participant Graduation, Extension or Termination paperwork processed and forwarded to MSHDA within 60 days of the last day of the participant's contract.
2. Individual Training and Service Plan's (ITSP) entered into Elite within 14 days' of briefing the FSS participant.
3. Submission of the required quarterly data reports by April 15 (First Quarter), July 15 (Second Quarter), October 15 (Third Quarter), and January 15 (Fourth Quarter).

B. The Contractor's ratings will be determined by the following criteria:

1. **Meets Expectations.** To achieve an overall Meets Expectations Rating, the Contractor must have achieved 80 percent consistency with data entry, data reports and submission of documents.
2. **Low Performing.** An overall Low Performing Rating will be assigned to any Contractor who has less than 80 percent consistency with data entry, data reports and submission of documents.

IV. Responsiveness to Authority Staff

A. Review of Responsiveness to Authority FSS Staff will be completed at a minimum once per Quarter. The Authority FSS staff reserves the right to review more frequently as deemed necessary. The Authority FSS staff will measure the following standards when conducting Responsiveness to Staff Standard:

1. Responds to all calls, emails and correspondence from the Authority staff within two business days.

B. The Contractor's ratings will be determined by the following criteria:

1. **Meets Expectations.** To achieve an overall Meets Expectations Rating, the Contractor must have achieved 80 percent consistency in regard to responding to Authority staff.
2. **Low Performing.** An overall Low Performing Rating will be assigned to any Contractor who has less than 80 percent consistency in regard to responding to Authority staff.

V. Uncorrected Deficiencies

A. If the standards set forth for performance in this Exhibit are not met, a Corrective Action Plan will be required and must be submitted no later than five (5) business days to the Homeless Programs Manager of the Rental Assistance and Homeless Solutions Division for review and approval. The Contractor will be given the specific standard that the Contractor is deficient in and what expectations the Authority has for meeting expectations for that standard. The Contractor must provide the following to the Authority:

1. Specific steps that will be taken to correct the deficiencies.
2. The time frame adhered to and when the Contractor expects the deficiencies to be rectified.

B. Identify specific staff that will be responsible for rectifying the deficiencies. No more than one Corrective Action Plan will be executed during a twelve (12) month period during the term of an awarded agreement. Failure to meet the terms outlined in the Corrective Action Plan may result in a material breach of an awarded agreement.

EXHIBIT C

**AGREEMENT TO USE AND RELEASE INFORMATION
KEY PERSONS OF THE CONTRACTOR**

**AGREEMENT TO USE AND RELEASE INFORMATION CERTIFICATE VERIFYING KEY
PERSONS OF THE CONTRACTOR**

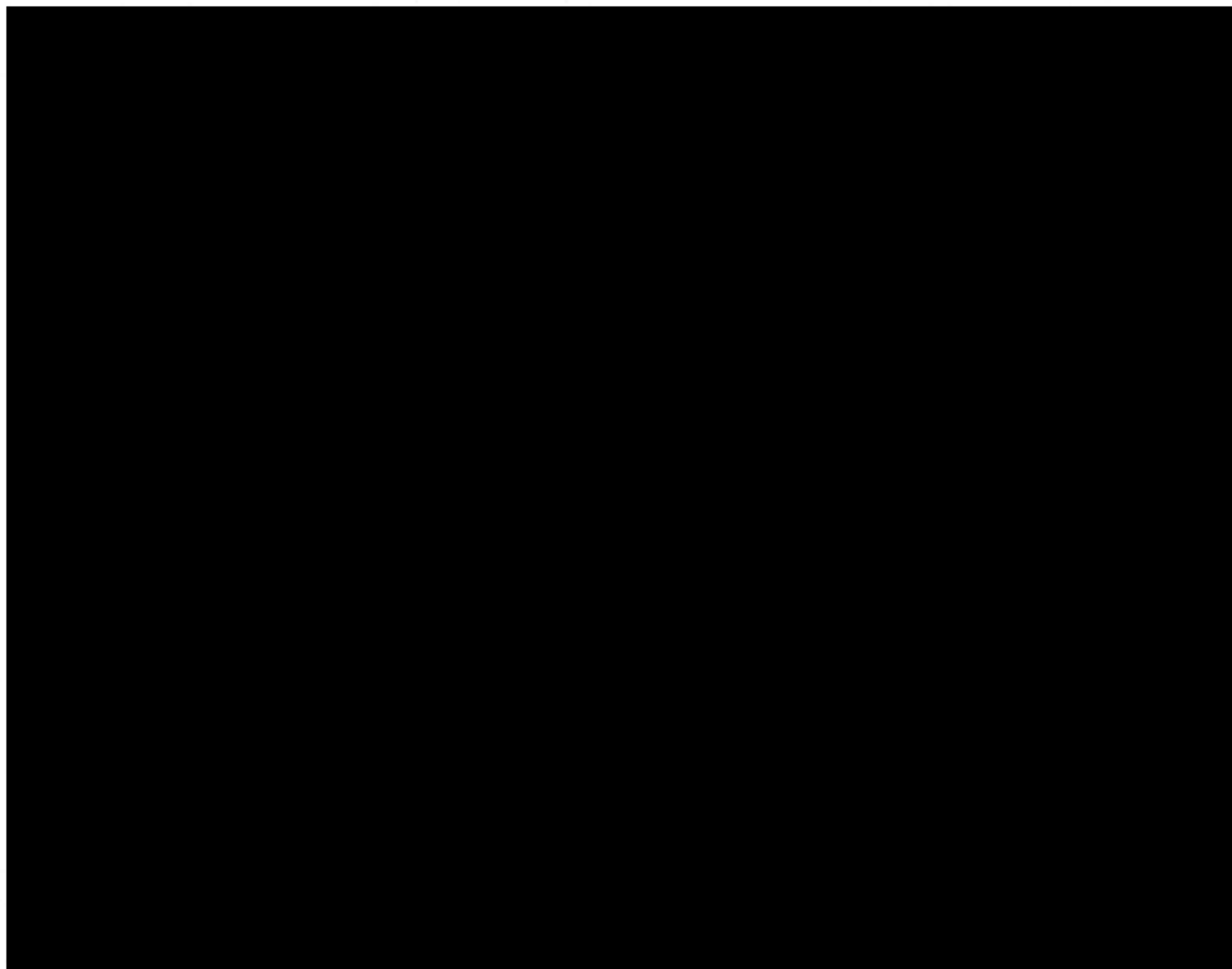
“Key Persons” are those individuals performing services and those performing services who may be subject to the State Employees’ Retirement Act, 2007 PA 95, MCL 38.68c. The Contractor acknowledges that the following personnel are Key Persons of the Contractor in accordance with Section 11 of the Housing Agent Agreement. Please have each Key Person sign the Exhibit F – *Agreement to Use and Release Information to Authority* (“Release”), as well as the questions regarding the State Employees’ Retirement Act. The Authority will approve a Key Person only if (a) the Key Person signs the Release, (b) the Criminal Screenings review does not reveal any criminal records that the Authority, in its sole discretion, deems unacceptable, and (c) is not an active Participant on the Program or a current Waiting List Applicant for the Program. Please use one Release for each Key Person who shall be performing. In addition, the selected Contractor will be required to submit additional forms for new service personnel performing services who may be considered Key Persons.

I hereby agree to disclose my name, title, and Social Security Number, to the Michigan State Housing Development Authority (“Authority” or “MSHDA”) for the purpose of allowing the Authority to perform an Internet Criminal History Access Tool review. I understand that the Authority will use the Criminal Screenings review to determine whether I can serve as a Key Person for the Contractor and perform Services as an employee or agent of the Contractor under the Housing Agent Agreement between the Contractor and the Authority. I understand that my Social Security Number will not be available to the public.

Further, I agree to authorize the Authority to use the information I have provided above to perform a background check. The background check includes, but is not limited to, criminal screenings and assessments to ensure Key Persons are not either Participants or Applicants for the MSHDA Housing Choice Voucher (“HCV”) Program.

Certificate Verifying Key Person of the Contractor

Instructions to Contractor: Please have each Key Person sign the *Agreement to Use and Release Information to Authority* ("Release"). The Michigan State Housing Development Authority ("Authority") will approve a Key Person only if (a) the Key Person signs the Release, (b) the Authority Criminal Screenings review does not reveal any criminal records that the Authority, in its sole discretion, deems unacceptable, and (c) is not an active Participant on the Program or a current Waiting List Applicant for the Program. Please use one Release for each Key Person.



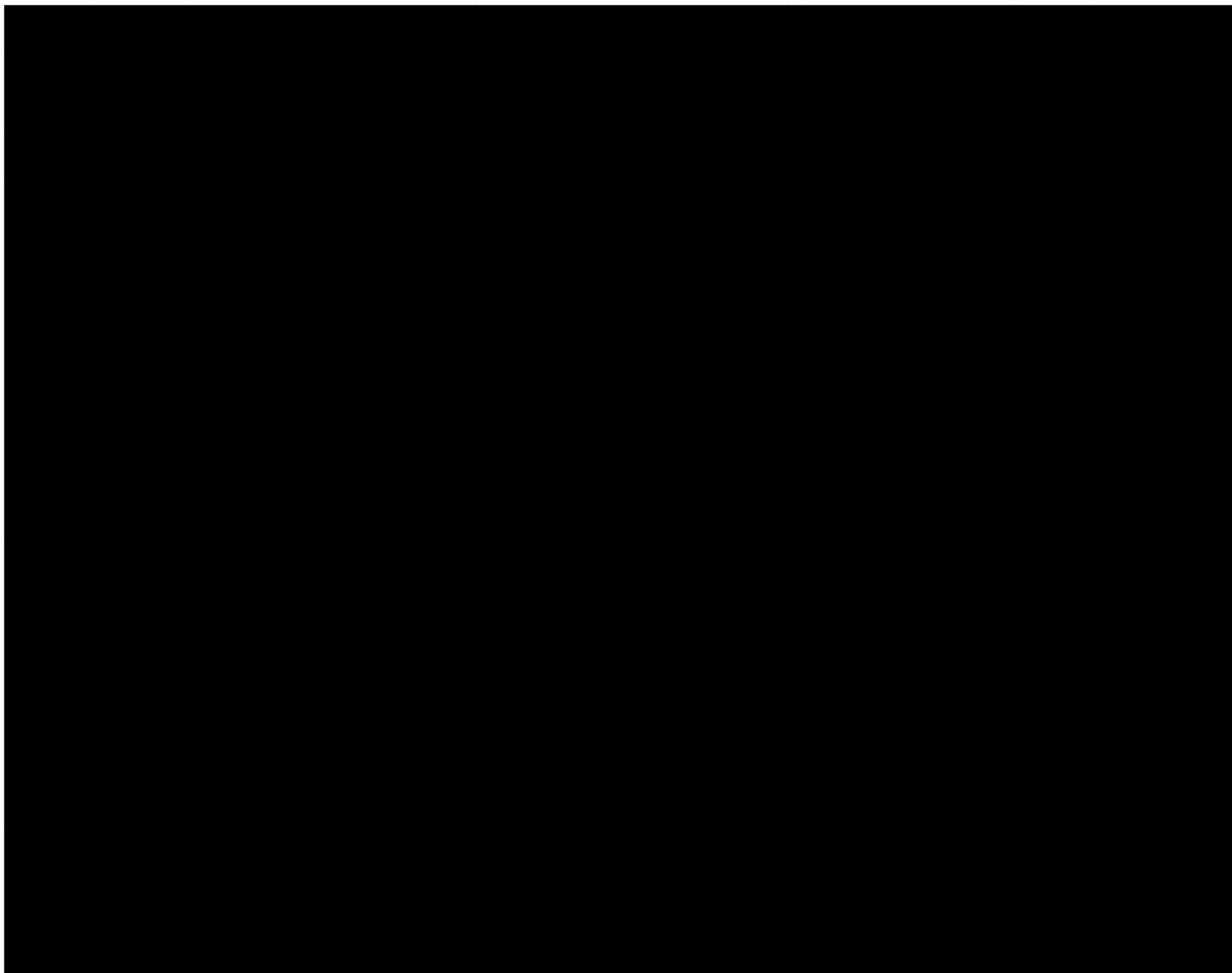
MSHDA USE ONLY:

- Passed Criminal Screenings
- Passed Database (Elite/WL) Assessment

Approved By (Initials of Authority Staff): _____

Certificate Verifying Key Person of the Contractor

Instructions to Contractor: Please have each Key Person sign the *Agreement to Use and Release Information to Authority* ("Release"). The Michigan State Housing Development Authority ("Authority") will approve a Key Person only if (a) the Key Person signs the Release, (b) the Authority Criminal Screenings review does not reveal any criminal records that the Authority, in its sole discretion, deems unacceptable, and (c) is not an active Participant on the Program or a current Waiting List Applicant for the Program. Please use one Release for each Key Person.



MSHDA USE ONLY:

- Passed Criminal Screenings
- Passed Database (Elite/WL) Assessment

Approved By (Initials of Authority Staff): _____

EXHIBIT D

SECURITY REQUIREMENTS

The Contractor must safeguard and prevent potential breaches of all Personally Identifiable Information (“PII”) and Sensitive PII required by the Michigan State Housing Development Authority (“Authority” or “MSHDA”) for administration of the Family Self-Sufficiency (“FSS”) Program. The Contractor must submit this Exhibit with the FSS Agreement certifying compliance with the security requirements outlined in this Exhibit.

Failure to comply with the security requirements outlined in this Exhibit and/or failing to promptly notify the Authority of a security breach will be considered a material breach of this Agreement.

1. Definition

Sensitive PII is defined as information which can be used to directly or indirectly distinguish or trace an individual’s identity. Sensitive PII can be used either alone or in combination with other personal or identifying information that is linked or linkable to that individual. Sensitive PII is PII, which if lost, compromised, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual.

To *distinguish* an individual is to identify an individual. To *trace* an individual is to process sufficient information to make a determination about a specific aspect of an individual’s activities or status.

Linked information is information about or related to an individual that is logically associated with other information about the individual. *Linkable* information is information about or related to an individual for which there is a possibility of logical association with other information about the individual.

The following personal identifiers are Sensitive PII even if they are not linked with additional PII or contextual information:

- a. First and last name or alias;
- b. Complete (9-digit) SSN;

- c. Alien Registration Number (A-Number);
- d. Driver's license or state identification number;
- e. Passport number;
- f. Taxpayer identification number;
- g. Internet Protocol (IP) or Media Access Control (MAC) address or other host-specific persistent static identifier;
- h. Telephone number;
- i. Vehicle registration number or title; or
- j. Biometric Identifiers (e.g., fingerprint, iris scan, facial recognition, voice print)

The following information is Sensitive PII when linked with the person's name or other unique identifier, such as an address or phone number:

- a. Portions of an SSN including the last four digits;
- b. Place of birth;
- c. Full date of birth;
- d. Citizenship or immigration status;
- e. Authentication information such as a parent name(s) or maiden name(s);
- f. Medical information;
- g. Criminal history;
- h. Education information;
- i. Financial information;
- j. Credit card numbers;
- k. Bank account numbers; or
- l. Other data created by MSHDA or HUD to identify or authenticate an individual identify such as an Alternate Identification Number (AID) referred to as "H-Number" by the Authority.

Sensitive PII requires stricter handling guidelines because of the increased risk to an individual if the data is compromised.

A Security Breach is defined as the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons, other than authorized users and for an unauthorized purpose, have access or potential access to PII in a usable form, whether hard copy or electronic. The

term encompasses both **suspected and confirmed** incidents, whether intentional or inadvertent, involving PII which raise a reasonable risk of harm.

2. Types of Media

Hard copy media is physical representations of information, most often associated with paper printouts. However, printer and facsimile ribbons, drums, and platens are all examples of hard copy media. The supplies associated with producing paper printouts are often the most uncontrolled. Electronic (or soft copy) media are the bits and bytes contained in hard drives, random access memory (RAM), read-only memory (ROM), disks, removable memory devices, phones, mobile computing devices, networking devices, office equipment, and email (list is not all inclusive).

Removable memory devices include, but are not limited to, thumb drives, CDs, and external hard drives.

Electronic Data and Access Codes is collectively defined as (a) any and all program data in an electronic format; (b) and all codes, passwords, access keys and any other data that allows the Contractor to connect to and access Database Software (presently Elite) and HUD required programs.

3. Authority and HUD Requirements

In performing its duties and responsibilities as specified in this Agreement, the Contractor will comply at all times with all applicable HUD and Authority rules, regulations, and requirements, including Equal Opportunity rules. Additionally, the Contractor is responsible for complying with the following:

- a.** Identity Theft Protection Act (2004 PA 452: MCL 445.61 et seq., as amended by 566 PA 2006)
- b.** Social Security Number Privacy Act (454 PA 2004; MCL 334.81 et seq.)
- c.** State of Michigan Computer Crime Law (Public Acts 1979-53)
- d.** All federal and state laws concerning confidentiality and the security of PII and Sensitive PII that is in its possession.
- e.** All State and Federal laws regarding confidentiality to protect an individual's rights and privacy.

The Contractor and Key Persons of the Contractor must attend annual security awareness sessions and complete required forms before performing services for the Authority.

4. Manage Access to Sensitive PII

The Contractor shall not disclose information or documents created or maintained in connection with an awarded contract to anyone other than the Contractor's staff assigned to an awarded contract or Authority staff, without the direction or prior consent of Authority staff. Neither the Contractor nor its Key Persons or agents shall use information or documents created or maintained in connection with the awarded contract to further any private interest without the prior written consent of the Authority.

The Contractor will not use the State's data for any purpose other than providing the services set forth in an awarded contract, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public, to specific third parties or commercially exploited by or on behalf of the Contractor, nor will any Key Person of Contractor other than those on a strictly need to know basis have access to the State's data. The Contractor shall only use PII as strictly necessary to provide the services and shall disclose such information only to its Key Persons who have a strict need to know regarding such information. The Contractor shall comply at all times with all laws and regulations applicable to such PII.

- a. Only collect Sensitive PII that you have the legal authority to collect.
- b. Never leave Sensitive PII unattended and unsecured.
- c. Only share or discuss Sensitive PII with personnel who have a need to know for purposes of their work. Challenge anyone who asks for access to Sensitive PII for which you are responsible.
- d. Avoid discussing Sensitive PII if there are unauthorized personnel, Contractors, or other third parties in the adjacent cubicles, rooms, or hallways who may overhear your conversations.
- e. Hold meetings in a secure space (i.e., no unauthorized access or eavesdropping possible) if Sensitive PII will be discussed or viewed. Treat notes and minutes from such meetings as confidential unless you can verify that they do not contain Sensitive PII.
- f. Record the date, time, place, subject, chairperson, and attendees at any meeting involving Sensitive PII.

- g. Do not distribute or release Sensitive PII to MSHDA employees, Contractors, or other third parties unless the release is authorized, proper and necessary.
- h. When discussing Sensitive PII on the telephone, confirm that you are speaking to the identified person or their designated representative before discussing any information. Inform the caller that the discussion will include Sensitive PII.
- i. Never leave messages containing Sensitive PII on voicemail.
- j. Only print, extract, or copy Sensitive PII when required for administration of the Housing Choice Voucher Program.
- k. Before emailing, printing, or making paper copies, redact Sensitive PII that is not necessary for your immediate use or required for administration of the Housing Choice Voucher Program.
- l. Never leave Sensitive PII unattended on a desk, network printer, fax machine, or copier.
- m. All computer systems, electronic devices, and portable media used to conduct business with the Authority will be used for business purposes only.
- n. Use a privacy screen if you regularly access Sensitive PII in an unsecured area where the public can see your screen.
- o. Lock your computer when you leave your desk.
- p. Do not permit your computer to remember passwords.
- q. All computer systems used to conduct business with the Authority must be encrypted.
- r. All electronic devices and portable media must be password protected.
- s. Do not use your personal computer to access, save, store, or host Sensitive PII.
- t. Do not transfer files to your home computer or print records on your home printer.
- u. Do not forward e-mails containing Sensitive PII to your personal email account so you can work on it on your home computer.
- v. Do not post Sensitive PII on any Internet site.
- w. If someone sends you Sensitive PII in an unprotected manner, you must protect that data in the same manner as all Sensitive PII you handle once you receive it.
- x. If someone sends unsecured Sensitive PII in the body of an e-mail to you, you must encrypt that data if you wish to email it to anyone else.

5. Transporting Sensitive PII

- a. Physically secure Sensitive PII when in transit.

- b. Never leave paper files, computers, electronic devices, or portable media in plain sight in an unattended vehicle. If you must leave it in a car, lock it in the trunk so that it is out of sight.
- c. Do not leave your paper files, computers, electronic devices, or portable media in your car overnight.

6. Transfer of Sensitive PII

- a. When mailing outbound correspondence that contains Sensitive PII, use the following quality controls:
 - i. Seal Sensitive PII materials in an opaque or tinted envelope.
 - ii. If using window envelopes, place the Sensitive PII away from the window so it cannot be seen.
- b. Email Sensitive PII within an encrypted attachment with the password provided separately (e.g., by phone, another email, or in person). Do not send Sensitive PII within the body of an email.
- c. Limit the transmission Sensitive PII by fax. Take appropriate measures to protect the confidentiality of the fax:
 - i. Alert the recipient prior to faxing so they can retrieve it as it is received by the fax machine.
 - ii. After sending the fax, verify the recipient received the information.

7. Storage of Files Containing Sensitive PII

All files are to be maintained in the office(s) designated by the Contractor and are subject to all security requirements outlined within the awarded contract and all Exhibits. The Contractor shall take reasonable steps to prevent the theft of paper and electronic files that contain PII. Such steps shall include but not be limited to:

- a. Physically secure paper files containing Sensitive PII when not in use or not otherwise under the control of the Contractor. Store all documents containing SSNs or other data elements of personal information in a physically secure manner, such as in locked drawers, cabinets, desk, or file room.
- b. Prevent unauthorized access of Sensitive PII by members of the public or persons not designated by the Contractor.
- c. All files must be stored in fire proof cabinets (Underwriters Laboratories - UL rated file cabinets) and/or the Contractor must have a fire suppression system in place.

The files must be secured from the general public either by containing locking mechanisms with keys provided to only Key Persons or located in a locked room. All files must be labeled **CONFIDENTIAL**.

- d. Keep accurate records of where Sensitive PII is stored, used, and maintained.
- e. Only store Sensitive PII on computers, other electronic devices, or portable media that can be secured. SSNs must not be stored on computers, other electronic devices, or portable media that are not secured against unauthorized access.
- f. Physically secure electronic devices or portable media that contain Sensitive PII when not in use or not otherwise under the control of the Contractor. Store all documents containing SSNs or other data elements of personal information in a physically secure manner, such as in locked drawers, cabinets, desk, or file room.
 - i. All computers used for the administration of the FSS Program must have current up-to-date encryption software.
 - ii. All computers used for the administration of the FSS Program must have current up-to-date anti-virus software.
 - iii. All computers used for the administration of the FSS Program must be used for business purposes only and by authorized personnel.
 - iv. All other electronic devices and portable media must be password protected.
 - v. Do not place Sensitive PII on shared drives, multi-access calendars, the Intranet, or the Internet.

8. Destruction of Sensitive PII

Sensitive PII shall be destroyed when retention of the data is no longer required. Retention schedules for paper files and electronic data will be outlined by the Authority. If the Contractor no longer needs program data to render Services, or if the Contractor ceases to provide Services, the Contractor shall remove/dispose Electronic Data and Access Codes from any and all storage media that may be used, including but not limited to hard drives, flash drives, CDs, PCs, laptops, DVDs, zip drives, hand-held organizer, and storage services on the World Wide Web. When the Contractor ceases to use a computer, the Contractor shall:

- a. Dispose of paper files containing Sensitive PII appropriately by using cross-cut shredders, burn bags, or a professional destruction service agency. Secure all

information awaiting removal. Sensitive PII must **not** be discarded in waste baskets, trash or the usual recycling receptacles.

- b. Dispose of electronic files containing Sensitive PII appropriately by **permanently erasing** (not just delete) electronic records. At least three (3) passes with a disk wiping utility is required.
- c. Dispose of portable media containing Sensitive PII appropriately by **permanently erasing** (not just delete) electronic records. At least three (3) passes with a disk wiping utility is required. See Department of Information Technology Procedure 1350.90 Secure Disposal of Installed and Removable Digital Media.
- d. If the Contractor believes it is required to retain program data, the Contractor shall:
 - i. Advise the Authority's FSS Coordinator in writing of the requirement; and
 - ii. Retain the data in a manner and format described in this Exhibit. If the Contractor ceases to administer the Services set forth in this Agreement and the Exhibits attached and incorporated into this Agreement, the Contractor must send written notice to the FSS Coordinator indicating all removal methods have been completed. Failure to comply with this provision will result in the Contractor not receiving any final payments.

9. Username and Password Protection

- a. All usernames and passwords issued by the Authority for administration of the FSS Program shall remain confidential and shall not be shared with anyone other than the person assigned to that username and password.
- b. The Contractor must submit a revised Key Person form (Exhibit D) and a MSHDA 1796 form to the FSS Coordinator to acquire access to information systems and databases for new personnel.
- c. The Contractor must notify the FSS Coordinator within two (2) business days of the termination of a Key Person as identified in Exhibit D of this Agreement so that access to information systems and databases can be revoked.

10. Security Breach

In the event of a security breach, the Contractor shall take prompt corrective action to cure any such deficiencies and any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.

- a. You must report all Security Breaches, whether suspected or confirmed, to the FSS Coordinator promptly, but no later than one (1) business day, of the incident. If the FSS Coordinator is unavailable, or if there is a potential conflict of interest, report the incident to the Homeless Programs Manager or the Director of Rental Assistance and Homeless Solutions.
- b. Document or maintain records of information and actions relevant to the incident as they may be required in the Security Breach handling report.
 - i. Date and time of Security Breach;
 - ii. Type of Security Breach (e.g. virus, hacking, e-mail, etc.);
 - iii. Person(s) involved in Security Breach, if identifiable; and
 - iv. Date and time Security Breach was reported and to whom.
- c. Any alleged violations that may constitute criminal misconduct, identify theft or other serious misconduct, or reflect systemic violations within the management of the Program will be reported to the MSHDA Compliance Unit as part of the Security Breach reporting Process.
- d. When reporting a Security Breach, do not further compromise the information or risk causing another Security Breach:
 - i. Do not forward the compromised information when reporting an incident
 - ii. If and when the compromised PII is needed, you will be given instructions regarding the individual to send it to and the process for submission.

If you see Sensitive PII in an email that you suspect constitutes a Security Breach, remember that the information is duplicated and further compromised if you forward or reply to it.

SECURITY AGREEMENT

The Contractor shall comply with the security requirements outlined within Exhibit D. The Authority reserves the right to inspect files and electronic information for the purpose of confirming the adequacy of the Contractor's security practices. The Contractor agrees to respond to Authority requirements concerning the security plan to the Authority's reasonable satisfaction. The Contractor shall complete and submit to the Authority the Security Requirements Plan attached and incorporated into this Agreement as Exhibit D upon execution of this Agreement.

The Contractor understands that failure to comply with the security requirements outlined in Exhibit D will be considered a material breach of this Agreement. Further, the Contractor understands that failing to promptly notify the Authority of a security breach will also be considered a material breach of this Agreement.

As the Authorized Signatory for the Contractor, I have read and understand the security requirements outlined in Exhibit D. The Contractor understands and agrees to comply with all contents found within Exhibit D. The Contractor understands that failure to comply with the security requirements outlined in Exhibit D will be considered a material breach of this Agreement. Further, the Contractor understands that failing to notify the Authority of a security breach will also be considered a material breach of this Agreement.

PINE GROVE HOUSING SERVICE LLC

Signature: _____

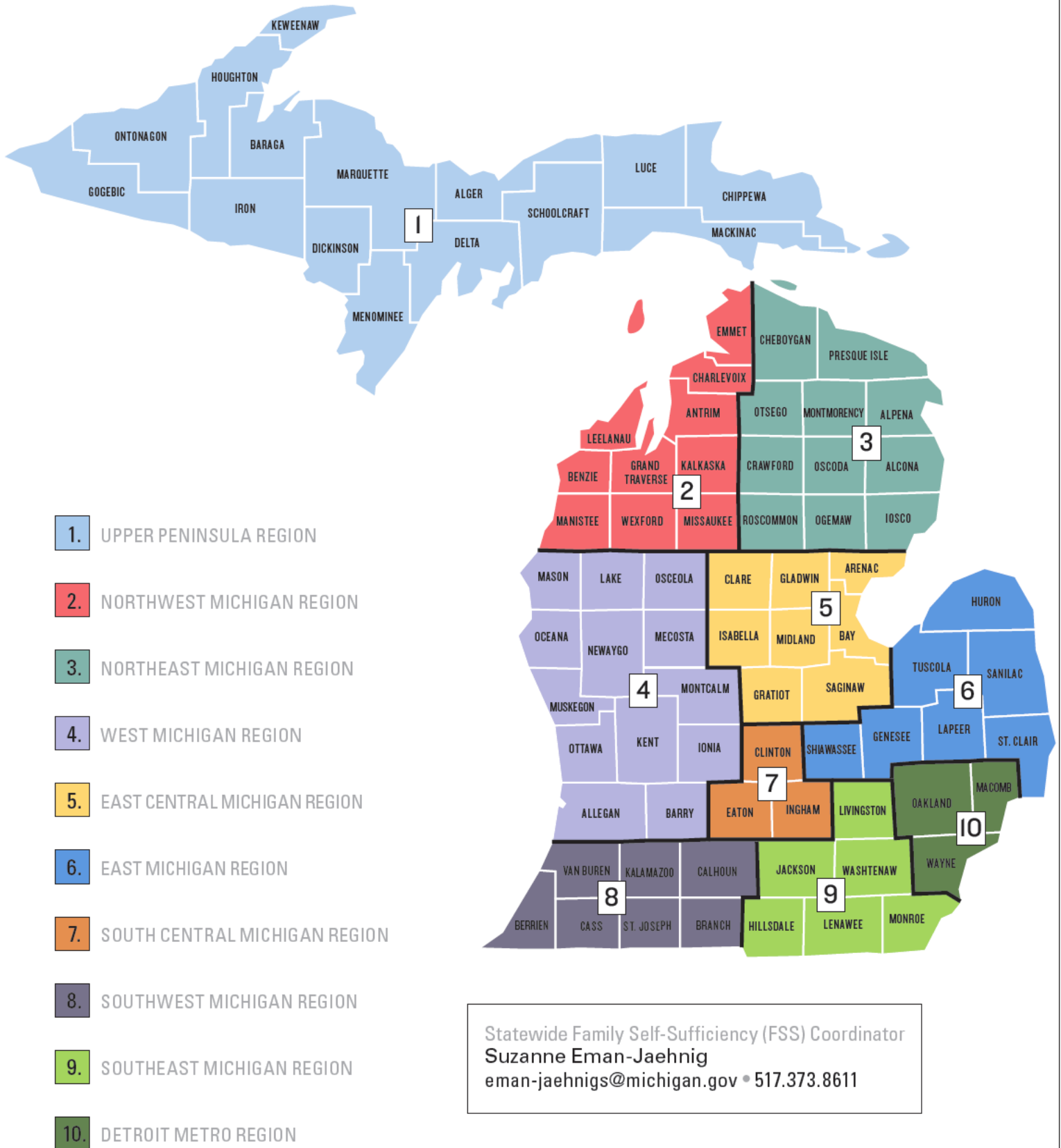
Christina Shepard
Officer

Date: _____

12/20/18

EXHIBIT E
REGIONS MAP

Family Self-Sufficiency Map



Statewide Family Self-Sufficiency (FSS) Coordinator
Suzanne Eman-Jaehnig
 eman-jaehnigs@michigan.gov • 517.373.8611