

## **Exhibit 13-5 Cash Management**

This policy outlines Alaska Housing Finance Corporation's acceptance of payments, payment due dates, maximum account balances, and non-sufficient funds processing methods.

### **1. Payment Forms**

AHFC accepts money orders, bank checks, cashier checks, and traveler's checks.

#### **1.A Cash**

AHFC does not accept cash or give change.

#### **1.B Personal Checks**

AHFC will accept a personal check from a vendor. AHFC will accept a personal check from any authorized, adult household member.

#### **1.C Other Checks**

AHFC will not accept third-party or post-dated checks. AHFC will also not accept checks from persons not in an AHFC-subsidized family with one exception: checks payable to AHFC from legal representatives, payee services, or social service agencies on behalf of a family.

#### **1.D New Admission Payments**

Families moving into an AHFC housing unit for the first time may be required to tender payment for rent, a security deposit, or other fees. AHFC will not accept a personal check for these initial move-in fees. Families may tender payment with a bank check, cashier check, traveler's check, or money order.

### **2. Payment Locations**

When requesting payment for a debt, AHFC will advise the debtor where payment may be tendered.

#### **2.A Office**

The office address and hours of operation are provided to debtors.

## **2.B Mail**

Debtors that choose to mail payments to AHFC are responsible for timely receipt of payment.

- Payments received through the mail must be **postmarked** by the first of that month to avoid any late fee or late notice.
- If postmarked by the first and received after the grace period, AHFC may waive a late fee or late notice.
- Payments postmarked after the first of the month and received after the grace period are considered late.

## **2.C Drop Box**

If the office location has a drop box, debtors are notified where it is and when it is checked. When the end of the grace period falls on a weekend, any payments in the drop box at first pick-up are not considered late. Any payments left in the drop box after the first pick-up are late.

## **3. Payment Due Dates**

AHFC will notify debtors of all payment due dates in writing. If charges are subject to a grievance procedure, charges are due in full upon expiration of the grievance request period. AHFC accepts payments that exceed the monthly installment amount.

### **3.A Partial Payments**

Effective the first day of each month, the full amount or balance remaining of the monthly rent, payment agreement installment, or other monies owed are due in full. AHFC will accept partial payment during the month toward any debt unless the debtor has received a notice demanding payment in full.

Once a notice demanding payment in full of a debt has been served, a regional manager may grant an exception to the payment due date for no more than ten (10) business days.

### **3.B Grace Period**

AHFC offers a grace period for payment of monthly rent or installment payments.

- S8N Multifamily Housing Rent - debtors have until the fifth (5<sup>th</sup>) day of each month to make their required monthly rent and payment agreement payments without penalty.
- Unassisted Housing Rent - debtors have until the sixth (6<sup>th</sup>) day of each month to make their required monthly rent and payment agreement payments without penalty.
- Public Housing Rent - debtors have until the seventh (7<sup>th</sup>) day of each month to make their required monthly rent and payment agreement payments without penalty.

Payments tendered, mailed, or received after the expiration of the grace period are late and may be subject to an additional fee or penalty. See the section above regarding Drop Boxes.

### **3.C Maximum Account Balance**

#### **HUD Regulation 24 CFR 960.253(c)**

(4) The PHA may elect to establish policies regarding the frequency of utility reimbursement payments for payments made to the family.

(i) The PHA will have the option of making utility reimbursement payments not less than once per calendar-year quarter, for reimbursements totaling \$45 or less per quarter. In the event a family leaves the program in advance of its next quarterly reimbursement, the PHA must reimburse the family for a prorated share of the applicable reimbursement. PHAs exercising this option must have a hardship policy in place for tenants.

#### **HUD Regulation 24 CFR 982.514**

(c) The PHA may elect to establish policies regarding the frequency of utility reimbursement payments for payments made to the family.

(1) The PHA will have the option of making utility reimbursement payments not less than once per calendar-year quarter, for reimbursements totaling \$45 or less per quarter. In the event a family leaves the program in advance of its next quarterly reimbursement, the PHA would be required to reimburse the family for a prorated share of the applicable reimbursement. PHAs exercising this option must have a hardship policy in place for tenants.

#### **AHFC Policy**

1. AHFC will allow a maximum credit equal to two (2) month's rent to accumulate to an account. Credits over that amount will be refunded.
2. Utility reimbursements with small monthly credits will be accumulated by AHFC for a maximum period of three (3) months or a balance of \$45, whichever occurs first. AHFC will then refund these credit balances.

## **4. Checks Returned by the Bank**

Checks returned by a bank for nonsufficient funds or other reasons are received and posted at the Boniface office. Any applicable bank fees charged to AHFC are assessed to the debtor's account.

- If the returned check was for a payment agreement, AHFC will immediately follow the default of payment agreement policy. A copy of the returned check documentation is attached to the notice served.
- If the returned check was for rent, AHFC will immediately follow the rent nonpayment policy. A copy of the returned check documentation is attached to the notice served.

### **4.A Prepaying a Returned Check**

A debtor may want to tender payment for a returned check before AHFC receives the check back from the bank. If funds for a returned check are presented before the returned check is received and posted, AHFC will accept the funds. Any applicable bank fees charged to AHFC are assessed to the debtor's account.

### **4.B Maximum Number of Returned Checks**

Asset supervisors or technicians will track the number of returned checks tendered by his or her debtors.

- A debtor will be allowed a maximum of one (1) returned check in any 12-month period.
- A second returned check within a 12-month period will result in AHFC suspending the debtor's ability to pay with a personal check for a period of 12 months.
- Once the suspension period is up, AHFC may again allow the debtor to pay with a personal check.

## **5. Recordkeeping**

Cash management documentation is archived in accordance with the Records Retention exhibit.

### **Numbered Memo**

20-11 Late Rent Fee Suspension and Partial Payments