

Exhibit 13-5 Cash Management

Families and vendors (debtors) are advised of their payment obligations, methods of payment, and locations where they may pay when AHFC bills for a debt.

1. Payment Forms

AHFC accepts money orders, bank checks, and cashier checks. AHFC also accepts personal checks from adult household members.

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 will not be 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 will accept payments that exceed the monthly installment amount.

3.A Prepayments

AHFC will accept partial prepayment during the month toward any debt unless the debtor has received a notice demanding payment in full.

3.B First Day of the Month

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 not accept partial payment toward monthly rent or payment agreement installments.

AHFC will accept partial payment toward debt that is not under a payment plan unless the debtor has received a notice demanding payment in full. Exceptions may be granted to this policy with the approval of the regional manager.

3.C Grace Period

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

- Payment Agreements – debtors have until the sixth (6th) day of each month to make their required installment payment without penalty.
- Public Housing Rent – debtors have until the seventh (7th) day of each month to make their required monthly rent payment without penalty.

- S8N Multifamily Housing Rent - debtors have until the seventh (7th) day of each month to make their required monthly rent payment without penalty.
- Unassisted Housing Rent - debtors have until the sixth (6th) day of each month to make their required monthly rent payment 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.D Maximum Account Balance

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.

Utility reimbursements with small monthly credits will be accumulated by AHFC for a maximum period of three (3) months or a balance of \$10, 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 of 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 will again allow the debtor to pay with a personal check.

5. Recordkeeping

Receipts and deposits will be kept in a daily work folder. Cash management documentation will be archived in accordance with Chapter 12 policy.

Administrative Desk Manual

Chapter 12 Archiving

Exhibit 13-5 Cash Management, Internal Controls-Addendum, AHFC-Owned Site

Exhibit 13-5 Cash Management, Internal Controls-Addendum, HCV Site

Exhibit 13-5 Cash Management, Internal Controls-Field

Exhibit 13-5 Cash Management, Laundry Coin Collection

Exhibit 13-5 Cash Management, Petty Cash

Exhibit 13-5 Check Scanning Instructions

Frequently Asked Questions – CHECKscan Best Practices