

Exhibit 13-5

Cash Management

As part of the pre-occupancy leasing and briefing session, all prospective tenants are advised of their rent payment obligations, methods of payment, and locations where they may pay.

13-5.1 TENANT PAYMENT FORMS

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

13-5.1.A Cash

AHFC does not accept cash or give change.

- Prior to the first day of each month, tenants may “prepay” on their account in any amount.
- If a tenant tenders a payment in excess of the amount due, a credit will accrue to the tenant’s account.

13-5.1.B Personal Checks

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

13-5.1.C Non-Tenant Checks

AHFC will not accept third-party¹ checks, post-dated² checks, or checks from non-tenants with one exception: checks payable to AHFC from legal guardians, payee services, or social service agencies on behalf of the tenant.

13-5.1.D New Admission

For a new admission, the tenant may tender payment with a bank check, cashier check, or money order. AHFC will not accept a personal check for the initial rent or security deposit payment.

¹ A third party check is any check that is not directly payable to AHFC. For example: Joe Smith receives a check from ACE Construction. Mr. Smith wants to sign the check over to AHFC for his rent payment. This is a third party check and is not acceptable.

² Post-dated means that the instrument is dated for the future. For example, if AHFC receives a check on June 1 that is dated for June 7, the check is post-dated.

13-5.2 PAYMENT LOCATIONS

As part of an occupancy briefing, families are informed where AHFC accepts payment.

13-5.2.A Office

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

13-5.2.B Mail

Tenants are given the mailing address for payments. Tenants may choose to mail payments to AHFC, but are still 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, staff may waive any late fee or late notice.
- Payments postmarked after the first of the month and received after the grace period are late.

13-5.2.C Drop Box

If the office location has a drop box, clients 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.

13-5.3 FIRST DAY OF THE MONTH

Balances are due and payable on the first day of each month. Effective the first day of each month, the following balances are due:

- **Rental payments** - the full monthly amount due or balance of the full monthly amount.
- **Payment agreement** - the full amount of the monthly installment or balance of the full monthly amount.
- **Other charges** - each charge is due in full upon the expiration of the notice period. AHFC will accept partial payment towards these fees unless the client has received a notice demanding payment in full.

Exceptions may be granted when a payment agreement is being offered. Refer to Chapter 13 for guidelines. Exceptions may also be granted to this policy with the approval of the Regional Manager.

13-5.3.A Prepayment

Prior to the first day of each month, tenants may “prepay” on their account in any amount. If a tenant tenders a payment in excess of the amount due, a credit will accrue

to the account. The tenant may specify where he or she wishes the credit to accrue; otherwise, the credit will always accrue to rent.

13-5.3.B Maximum Credit Balance

AHFC will allow tenants to accumulate a maximum credit equal to two month's rent on their account.

13-5.4 SIXTH DAY OF THE MONTH

Tenants have until the close of business on the sixth (6th) day of each month to make their payment without penalty. Payments tendered, mailed, or received after the sixth day of the month are late. See the section above regarding Drop Boxes. See Chapter 13 for instructions on tenant debt.

13-5.5 CHECKS RETURNED BY THE BANK

Checks from tenants returned by the bank for nonsufficient funds or other reasons are received and posted at the Boniface office. The checks are returned to the location with a copy of the transmittal slip from Accounting and the adjustment slip prepared by Central Office staff.

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

13-5.5.A Prepaying a Returned Check

Sometimes, a tenant may come into the office to tender payment for a returned check before AHFC receives the check back from the bank. If the tenant presents funds for a returned check before the returned check is received and posted, accept the funds. The account will balance when the Boniface office receives and posts the returned check.

13-5.5.B Maximum Number of Returned Checks

It is the manager's responsibility to keep track of the number of returned checks tendered by his or her tenants.

- A tenant 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 tenant'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 tenant to pay with a personal check.
- Managers (asset supervisors or technicians) are responsible for making changes in the computer to apply and remove personal check suspension periods.

13-5.6 RECORDKEEPING

Each Daily Work folder is completed daily. Items are filed in reverse chronological order. This means that the collections at the end of the month are on the top, and the items from the first day of the month are on the bottom. If the amount of daily work is small, all items may be kept on the right side. Otherwise, each area's Daily Work folder will be organized as follows:

13-5.6.A Right Side

- The cash receipts batch report for each day with the calculator tape for the total instruments attached.
- Any handwritten cash receipts included in that day's business.

13-5.6.B Left Side

- The bank deposit report.
- The confirmation deposit slip from the bank, if received, taped/stapled to the front of the report.

13-5.6.C Archiving

Daily Work Folders/Receipts for any given fiscal year will be retained at the field office until the end of the first quarter in the next fiscal year. At the end of the first quarter (September), the receipts for the previous fiscal year (July through June) are sent to archive for retention.