



ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Special Attention of:

All Public Housing Agencies

All Multifamily PBRA Project Owners

Notice PIH 2025-15

Issued: May 22, 2025

Expires: This notice remains in effect until amended, superseded, or rescinded.

Supersedes: Notice PIH 2024-32

SUBJECT: Family Self-Sufficiency Grant Program General Funding Requirements and Procedures – Revised

I. Purpose.

This Notice establishes ongoing application and program administration rules (in accordance with 2 CFR § 984.107: FSS award funds formula) related to HUD's Family Self-Sufficiency (FSS) Program funding, in place of previous funding Notice of Funding Opportunities (NOFOs). The purpose of this document is to communicate the general application criteria and processes, which will be further detailed in Annual Funding Notices. This Notice should be read together with each year's Annual Funding Notice for the full guidance to FSS applicants and awardees.

II. Background.

FSS provides funding to Public Housing Agencies (PHAs) and Project-Based Rental Assistance (PBRA) Owners to hire or retain FSS Program Coordinators who help HUD-assisted residents achieve financial stability and reduce reliance on federal assistance programs. Program Coordinators work with residents to identify and pursue financial and employment goals. Participating households that increase their household earnings will have the incremental increase in their rental payment credited to an escrow to build wealth.

The Office of Public and Indian Housing (PIH) within HUD is responsible for administering the FSS Program for PHAs and PBRA owners, along with promulgating PIH FSS program regulations¹ and PBRA FSS regulations². The FSS program was established by Section 554 of the Cranston Gonzalez National Affordable Housing Act (Pub. L. 101-625, approved November 28, 1990), which amended the United States Housing Act of 1937 by adding a new section 23 (42 U.S.C. 1437u) to create the FSS program. The FSS program was further amended by the Economic Growth Act of 2018, with the latest regulations published on May 17, 2022 (87 FR 30020).

¹ <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-984>

² <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-VIII/part-887>

To streamline the annual funding of FSS programs and reduce administrative burden for applicants and awardees, HUD is using this Notice to replace the previous annual FSS Notice of Funding Opportunity (NOFO) process. This Notice and accompanying Annual Notices outline how to receive FSS grant funding for running an FSS program.

All provisions in this Notice and accompanying Annual Notices are subject to Congressional appropriations for the fiscal year in which they are appropriated, in addition to other applicable program and regulatory requirements (such as 2 CFR § 200).

III. Application Process.

A. Annual Notice. Each year, HUD may publish an “FSS Annual Notice” which will include specific application details, including but not limited to all required documentation, narratives, any required systems and forms.

- 1. Eligibility for Renewal.** Subject to Congressional appropriation and available funds, HUD will annually publish a Renewal Funding List with all previous FSS awardees that are eligible to apply for FSS Renewal Awards based on program requirements. HUD will also provide the reason that any awardees that would otherwise be a renewal applicant is not eligible. Eligible awardees will then have an opportunity to accept their award or request an increase or decrease according to the terms of the Annual Funding Notice.
- 2. Requesting Additional Renewal Positions.** Renewal applicants may be given an opportunity to increase their number of renewal positions, subject to Congressional appropriation and available funds. The availability and method for requesting such positions will be outlined in the Annual Funding Notice. The Renewal Funding List will indicate any FSS Renewal Awards that are eligible for additional positions and the number of positions for which they are eligible.
- 3. New Applicants.** New Applications may be considered for funding according to the terms of the Annual Funding Notice. New Applications will be accepted and evaluated on a rolling basis at any time. Applications may be processed in the order received, and applicants will receive confirmation once their applications are deemed eligible or ineligible for funding. HUD will publish an annual New Funding list with all eligible and unfunded New Applications.

B. Appeals. Applicants may appeal funding determinations at any time after an announcement of awards under an Annual Funding Notice for a minimum period of 30 days, or until another Annual Funding Notice is published, if longer. Appeals may be considered by HUD in a timely manner. If it is determined that an error was made, HUD will make every attempt to award back-funding, pending the availability of funds, and to mitigate consequences from such errors in future funding years.

IV. Responsibilities of FSS Program Coordinators.

Recipients of FSS funds must use these funds to employ the designated number of FSS Program Coordinators, in accordance with the program’s requirements for the use of funds (24 CFR § 984 for PHAs & 24 CFR § 887 for PBRA owners, and 2 CFR § 200

Subpart E). The FSS Program Coordinator is essential for the full execution of the FSS program.

These responsibilities include, but are not limited to, the implementation or supervision of the following activities:

- A. Develop and maintain an approved FSS Action Plan.
- B. Establish and maintain partnerships with employers and service providers in the community, including forming a Program Coordinating Committee (PCC) with local service providers for PHAs, to ensure that participants in the Family Self-Sufficiency (FSS) program are connected to supportive services. It is mandatory for PHAs to have a PCC, while owners of PBRA are encouraged to do so.
- C. Job development functions, such as outreach to potential employers, to support participants in achieving economic independence.
- D. Increase access to financial capabilities that ultimately help them reach their goals and achieve self-sufficiency and financial stability.
- E. Design and implement an outreach plan to enroll FSS participant families.
- F. Execute a Contract of Participation (CoP) between the PHA or PBRA owner and participating families.
- G. Prepare Individual Training and Services Plans (ITSP) with the designated FSS Head of Household and each additional adult member of the FSS family who elects to participate in the FSS program and appended to the Contract of Participation.
- H. Ensure that the services and support included in the participants' CoPs are provided on a regular, ongoing and satisfactory basis.
- I. Monitor participants' progress and connect them with supports to help them fulfill their responsibilities under their CoPs, promote opportunities for them to increase their income, and help address and eliminate barriers to program advancement and graduation.
- J. Establish and maintain FSS escrow accounts for eligible families, including ensuring that funds are transferred monthly to PHA's or PBRA Owner's financial institution, providing at least an annual statement of the escrow account balance to participants, and ensuring that interest is properly credited.
- K. Oversee and administer the account of forfeited escrow funds in accordance with 24 C.F.R. § 984.305(f)(2) and local policy.

V. Eligible and Ineligible Uses of Funds.

HUD-disbursed FSS funds are exclusively for the employment of FSS Program Coordinators to fulfill specific FSS program requirements, as per FSS statutes (24 CFR § 887 for PHAs & 24 CFR § 984 for Multifamily Owners), FSS rules (87 FR 30020), FSS guidance (such as HUD's FSS Website), federal regulations (2 CFR § 200, Subpart E: Cost Principles), Congressional appropriations, and this Notice.

These funds cannot be allocated to support the Resident Opportunities and Self-Sufficiency (ROSS), Jobs Plus, Multifamily Housing Service Coordinator, Elderly/Disabled Service Coordinators, or any other Supportive Services Programs.

Should FSS Program Coordinators undertake standard housing operation duties—for instance, rental calculations and reexaminations—HUD's prior written approval is mandatory. In such approval requests, grantees must demonstrate that these duties are limited to FSS participants, advantageous to the FSS program, not excessively time-consuming, and that they do not impede the program's execution.

V. Eligible and Ineligible Applicants.

A. Eligible Applicants. The following types of organizations are eligible for FSS funding under this Notice:

- 1. PHAs** administering any of the following programs:
 - a. Public Housing** program under section 9 of the 1937 Act
 - b. Project-Based and/or Tenant-Based Rental Assistance** program under Section 8(o) of the 1937 Act
 - c. Housing Choice Voucher (HCV) Homeownership** program under Section 8(y) of the 1937 Act
 - d. Section 8 Moderate Rehabilitation** program for low-income families or Moderate Rehabilitation Single Room Occupancy for homeless individuals under 24 C.F.R. part 882
- 2. PBRA Owners** of multifamily rental housing properties that are assisted by PBRA Housing Assistance Payments (HAP) contracts (24 C.F.R. part 887). Only the Legal Ownership Entity may apply.
 - a. Legal Ownership Entity** is the mortgagor entity, single asset mortgagor, single purpose ownership entity, or other corporate entity that directly owns eligible assisted housing.

B. Ineligible Applicants.

- 1. Individuals**, including individual HUD-assisted families and households.
- 2. Tribes**, Tribally Designated Housing Entities (TDHEs), and Indian Housing Authorities (IHAs).
- 3. Nonprofit Service Providers**, other than PBRA Owners with a HAP contract.
- 4. Management agents and partners**, such as a managing general partner.

C. Multiple Applications. An eligible new applicant should only be listed on a single application for FSS Funding. Where a PHA or PBRA Owner is listed on multiple applications, HUD may seek clarification as to which application should take precedence, and applicants may be asked to modify or withdraw excess applications to maintain eligibility.

D. Meeting all FSS Program Requirements. Grantees that fail to satisfactorily meet FSS program requirements, as per statutes (24 CFR § 887 for PHAs & 24 CFR § 984 for Multifamily Owners), rules (87 FR 30020), regulations (2 CFR § 200), guidance (FSS Resources Page), and this Notice may be deemed ineligible for funding, at HUD's discretion.

E. Prohibitions. An applicant may be prohibited from participating in federal programs, including but not limited to a debarment, suspension, or limited denial of participation

that pertains to HUD Public Housing, Multifamily PBRA, or Fair Housing programs, or outstanding Civil Rights matters. Failure to qualify under these criteria disqualifies an entity from receiving FSS funding until all such prohibitions are resolved to HUD's satisfaction (2 CFR § 200.214: Suspension and debarment).

- F. Resolving Civil Rights Matters.** Outstanding civil rights matters must be resolved before the final application submission deadline. Applicants with unresolved civil rights matters at the final application deadline are deemed ineligible. Applications from ineligible applicants will not receive HUD funding.

An applicant or renewal grant is ineligible for funding if the applicant has any of the charges, cause determinations, lawsuits, or letters of findings listed below, which are not resolved to HUD's satisfaction before or on the final application deadline date:

1. Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex (including sexual orientation), national origin, disability or familial status;
2. Status as a defendant in a Fair Housing Act lawsuit filed by the United States alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. § 3614(a);
3. Status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act, Violence Against Women Act, or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;
4. Receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; Violence Against Women Act; or the Americans with Disabilities Act; or
5. Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, or lawful source of income.

HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the final application deadline date will resolve the matter. Examples of actions that may be sufficient to resolve the matter include:

1. Current compliance with a voluntary compliance agreement signed by all parties
2. Current compliance with a HUD-approved conciliation agreement signed by all parties

3. Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter
4. Current compliance with a consent order or consent decree
5. Current compliance with a final judicial ruling or administrative ruling or decision
6. Dismissal of charges.

VII. Funding Priority.

A. First Priority for Renewal Awards. First funding priority will be for Renewal Awards of existing FSS grantees. Subject to Congressional appropriation and available funds, every effort will be made to fully fund renewal programs, which may include an annual cost-adjustment from the previous year's funding, for all Renewal Positions.

1. **Participant Count.** Funded positions will be assessed based on the number of participants you have served the past three calendar years. This includes each enrollment, ongoing participation, or exit of a participating FSS family. Your Participant Count is your highest count from the past 3 years, based on:
 - a. **PHAs.** Family data from Housing Information Portal (HIP) or Inventory Management System / Public and Indian Housing Information Center (IMS/PIC) reports detailing enrollment, progress and exits from the previous calendar year as recorded in Section 17 of the HUD-50058, Section 23 of the HUD-50058- Moving to Work (MTW), or HUD-50058-MTW Expansion. This also includes reports submitted in the prior year competition before the implementation of the HUD-50058 for original 39 MTW agencies.
 - b. **PBRA Owners.** Participant reports from Annual Multifamily FSS Reports.
2. **Funding for a Single Part-time Position.** A single Part-time position may be funded for applicants without a Full-time position.
3. **Renewal Proration Method.** If there are not enough funds available to fully fund all Renewal Positions, funds will be awarded according to the following method:
 - a. Every Part-time Renewal Position and first Full-time Renewal Position for each eligible program will receive funding, distributed equally one dollar at time, until all initial Renewal Positions are funded or the funds are depleted, whichever comes first.
 - b. If funds remain, all second Renewal Positions will be funded in the same manner, subsequently continuing, one-by-one for all further Renewal Positions, until either all Renewal Positions are funded or no funds remain.
 - c. Should additional eligible funds become available later, HUD may make supplemental awards by continuing to fund Renewal Positions from where it left off until either all Renewal Positions are funded or no funds remain.
 - d. Regardless of the amount funded, Renewal Programs will remain eligible for future Renewal Awards based on their full Renewal Funding and Renewal Positions of their previous eligible request.

Example: If you were previously funded for one Renewal Position and you continue to qualify for one Renewal Position based on your Participant Count, we will prioritize funding your and all other first Renewal Positions

before funding any further Renewal or Expansion Positions for you or anyone else.

- B. Second Priority for Expansion Positions and New Programs.** Second funding priority will be for Expansion Positions for existing FSS grantees and/or New Programs, subject to the Congressional appropriation and available funds.

The consideration and prioritization of any Expansion Positions and/or New Programs may be set in an Annual Notice.

- 1. Expansion Positions.** If a grantee has received funding for fewer Positions than they need to operate their program successfully, they may request to increase the number of Positions for which they are funded.
- 2. FSS Performance Measures.** Subject to Congressional appropriation language and as outlined in an Annual Funding Notice, funds may be prioritized based on FSS Performance Measures (in accordance with 24 CFR § 984.107), such as the FSS Achievement Metrics (FAM Score, 88 FR 78374).
- 3. Expansion Proration Method.** Within each Performance Category, as defined in the Annual Notice if applicable, or else across all eligible applicants, will be awarded according to the following method:
 - a. Eligibility for Expansion Positions will be ranked in order of each program's Participant Count, divided by the number of that program's total number of funded Renewal and Expansion Positions up to that point (ties will be broken by random lottery), until either all programs eligible for Expansion Position are increased from one to two Positions are fully funded or no funds remain.
 - b. If funds remain, all Expansion Positions from two to three funded Positions will be funded in the same manner, subsequently continuing one-by-one for all further Expansion Positions, until either all Expansion Positions are funded, up to any cap of total positions per program in an Annual Notice, or no funds remain.
 - c. Should additional eligible funds become available later, HUD may make supplemental awards by continuing to fund Expansion Positions from where it left off until either all grantees eligible for Expansion Positions are funded or no funds remain.

Example: There are three Renewal programs eligible for Expansion Positions of up to three funded Positions each:

- Program A has one Part-time Renewal Position.
- Program B has one Full-time Renewal Position.
- Program C has two Full-time Renewal Positions.
- Pending available funding, Expansion Positions would be issued as follows:
 - Program A increases from one Part-time to one Full-time Position.
 - Programs A and B increase from one to two Full-time Positions.

- Programs A, B, and C increase from two to three Full-time Positions.
- If there is limited funding for any of these steps, the highest Participant Counts (or a random lottery in case of a tie) would be prioritized:
 - Between Programs A & B for a second Full-time Position.
 - Among Programs A, B & C for third Full-time Positions.

C. New Programs. All new applicants will be initially eligible for one Full-time Position, which may be increased if otherwise eligible for Expansion Positions.

- 1. Random Lottery.** If insufficient funds are available to fund all eligible applicants for New Programs, the Department may select New Programs based on a lottery of all eligible new applications, as follows:
 - a. New Applicants that remain unfunded from the first two years of funding available under this Notice may be selected for funding until either all such applicants are fully funded, up to any cap of total new programs in an Annual Notice, or else no funds remain.
 - b. If funds remain, New Applicants that remain unfunded from the second two years of funding available under this Notice may be selected in the same manner, continuing one-by-one for all further two-years of funding available under this Notice, until either all such applicants are fully funded, up to any cap of total new programs in an Annual Notice, or else no funds remain.
 - c. Should additional funds become available, HUD may make supplemental awards by continuing to fund new applicants from where it left off until either all new applicants are funded, up to any cap of total new programs in an Annual Notice, or else no funds remain.
- 2. Weighting.** The random lottery may be weighed based on location, type of applicant, or other factors as described by the Annual Funding Notice in the year that awards are made.
- 3. Continued Eligibility.** Any eligible applications for New Programs that are unfunded may be retained and considered for funding in the following year. Each year, HUD may publish a list of unfunded New Applicants and provide an opportunity for Applicants to update their applications. Applicants from the previous year may withdraw or update their applications at any time.

D. Incentives for Innovation and High Performance. Subject to Congressional appropriation, per the FSS statute and regulations, HUD may set aside up to 5% of available funds to make awards as incentives for innovation and high performance. When offered, the method of applying, criteria, and permitted uses for such awards will be part of an Annual Funding Notice.

VIII. Funding Formula. Detailed funding formulas for Renewal Programs, Expansion Positions, and New Applicants may be outlined in an Annual Funding Notice. That Notice may address each of the following funding types:

A. Funding Limits.

1. **Funding Floor.** HUD may establish a Funding Floor in the Annual Funding Notice, below which adequate justification is required, with HUD approval. Under no circumstance will this be less than the Local, State, or Federal Minimum Wage per Eligible Position.
 2. **Funding Ceiling.** HUD may establish a Funding Ceiling in the Annual Funding Notice, above which no Position may be funded.
- B. Renewal Funding.** Renewal Funding is based on the previous year's eligible award, whether funded or not, plus an annual cost adjustment that may be set in an Annual Funding Notice, subject to Congressional appropriation and the Funding Ceiling.
1. **Optimization of Renewal Funding.** Renewal Awards may be optimized based on historical expenditure rates (beyond the third year of operation for newly funded programs) as outlined in the Annual Funding Notice.
 2. **Funding Offset.** A Funding Offset of unexpended and unexpired prior-year grant funds may be used to reduce awards made under this notice, with an accompanying extension of the Period of Performance for any such funds. The use of a Funding Offset will not affect renewal eligibility.
- Example:** You are eligible for a Renewal Award of \$100,000.
- You have \$20,000 in unexpended funds from a previous award.
 - If you receive a Renewal Award, the Period of Performance for your previous award may be extended for an additional year.
 - In this case, your Renewal Award may be reduced to \$80,000, so that in total you still receive your \$100,000 Renewal Award for the next year.
- C. Expansion Positions.** Renewal programs may be given an opportunity to increase their number of renewal positions, subject to Congressional appropriation and available funds. The availability and method for requesting such positions will be outlined in the Annual Funding Notice. The Renewal Funding List will indicate any FSS Renewal Awards that are eligible for additional positions and the number of positions for which they are eligible.
- D. New Programs.** New Applicants are eligible for at least one Full-time Position, and if selected, are automatically eligible to renew the next three calendar years.

IX. Grant Term.

A. Period of Performance.

1. **Renewal Awards.** All renewal awards will have an initial Period of Performance within a single calendar year (from January 1 through December 31).
2. **Renewal Funding Continuity.** To ensure continuous operations for Renewal Programs, if Renewal Awards are not issued until after the start of the Period of Performance for any reason, eligible activities may still be reimbursed from the start of the Period of Performance, subject to Congressional appropriation.
3. **New Awards.** All new awards will have an Initial Period of Performance within a single calendar year (from January 1 through December 31).

- 4. Prorated New Awards.** New Awards issued in the middle of a Period of Performance may be prorated based on the percentage of Period of Performance remaining at the time of award. New Awardees that were already operating an approved unfunded program prior to a New Award may request a full year of funding, along with the ability to back-bill for eligible expenses incurred during the Period of Performance prior to the award being issued. Prorated awards will be eligible for renewal at their fully eligible amount in the following funding year.
- B. Closeout Period.** After the Period of Performance, grantees will have 120 days to request reimbursement for all eligible expenses that were incurred. If the grant has not been renewed, grantees must complete HUD's grant closeout procedures (including the requirements of 2 CFR § 200.344: Closeout) within 120 days following the Period of Performance. If the grant has been renewed, the Period of Performance may be extended an additional year for eligible grantees, and future awards may be subject to a Funding Offset equal to prior unexpended amounts.
- X. Accepting an Award.**
- A. System for Award Management (SAM) & Unique Entity Identifier (UEI):** All awardees must provide a valid [SAM](#) registration and active UEI in SAM.
- B. Verification.** Before an award is offered, HUD will confirm that the entity being awarded is the same as the entity that applied based on information provided in the application and relevant HUD data systems such as Real Estate Management System (iREMS), HIP, IMS/PIC, etc.
- C. The electronic Line of Credit Control System (eLOCCS):** Funding for the FSS program will be disbursed through HUD's eLOCCS, in accordance with each grantee's executed Notice of Award Terms and Conditions (Grant Agreement). Each grantee will be responsible for maintaining access to eLOCCS and using it in accordance with system requirements, in addition to any other systems that HUD specifies as necessary in the administration of the FSS program.
- D. Grant Agreement:** In addition, the grant recipient must execute a Grant Agreement that establishes the responsibilities required under the FSS program. The grantee must agree to serve all families under their FSS program through the end of their Contracts of Participation and execute all duties enumerated in the "Responsibilities of FSS Program Coordinators" section above. The grant recipient must administer the award in accordance with all applicable fair housing and civil rights requirements.
- E. Reporting Requirements:**
- 1. All FSS Program Providers:** Respond to FSS Annual Report Survey
 - 2. PHAs:** At least annually, for each FSS participant household, submit a HUD-50058 FSS Report (Section 17 on the HUD-50058 or Section 23 of HUD-50058-MTW/Expansion) per participant family.
 - 3. PBRA Owners:** Submit PBRA Annual Report for each property served.

XI. Contact

For more information, FSS applicants or grantees may contact FSS@hud.gov.



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