

# COLLECTION POLICY



Approved by the Delaware Tribal Council on February 6, 2012

# Delaware Tribe Housing Program

## Collection Policy

### Low Rent, Affordable, and Mutual Help Programs

**Policy Statement:** A Collection Policy is essential for the effective operation of the Delaware Tribe Housing Program (hereinafter "DTHP") and serves several purposes. Rent and homebuyer payments (hereinafter "payments") contribute to the financial stability of the DTHP, maintenance costs and to the effective operation associated with the Programs operated by the DTHP.

This policy applies to the Low Rent and Homeownership Opportunity Programs.

I. **POSTING / DISTRIBUTION:** A copy of this policy shall be posted prominently in the DTHP office and shall be provided to all participants at move-in. The provisions of this policy shall be incorporated into the DTHP's Lease with Option of Purchase and Lease Agreements (hereinafter referred to as "Contracts"). All current participants of DTHP programs shall be provided a copy of this policy.

II. **DUE DATE FOR RENT, MONTHLY PAYMENTS AND OTHER CHARGES:** All rent, monthly payments, and other charges (hereinafter "payments") shall be due on or before the first (1<sup>st</sup>) day of each month. Payments received after the tenth (10<sup>th</sup>) day of the month shall be considered delinquent and shall be assessed a \$10.00 flat rate late fee. Exceptions to late fee assessment shall be: 1) payroll deduction payments 2) compliant with Plan of Action Agreement 3) written approval by the Collections Officer.

III. **TIME, PLACE AND METHOD FOR PAYMENTS OR OTHER CHARGES:** All monthly payments are due and payable, in full, on or before the first day of each month, whether or not billing statements have been sent by the DTHP.

**Time:** Each participant is responsible for making the required monthly payment directly to the DTHP during business hours from 8:30 a.m. and 5:00 p.m., Monday through Friday. A drop slot is provided for payments made after hours, on week-ends or holidays, only at the Chelsea office. There currently is no drop box at the Bartlesville office.

- a) Payments received in the drop slot will be posted the next working day, and
- b) A flat rate late fee of \$10.00 may be assessed if posted after the tenth (10<sup>th</sup>).

**Place:** Payments may be delivered in person or mailed to the DTHP at the following address:

Delaware Tribe Housing Program  
5100 Tuxedo Blvd.  
Bartlesville, OK 74006

Or  
Lakeside State Bank

Highway 66  
Chelsea, OK 74016

**Method of Payment:** Payments shall be in the form of cash, (exact amount ONLY), check, cashier's check or money order and can be made in person or sent by mail. **Do not send money in the mail. Lakeside State Bank requires a deposit slip with your address on the slip.**

a) DTHP will accept payments made by payroll deduction with approval of the Collection Officer. Participants are responsible for making the necessary arrangements with their employer.

**Proof of Payment:** Participants shall be issued a computer generated numbered receipt for payment received by the DTHP. If payment is received through the mail or drop slot a payment receipt shall be mailed to the participant the day payment is posted.

**Credit Bureau Reporting:** The DTHP will report all delinquencies to the Credit Bureau. The DTHP will also comply with written requests from a participant to notify the Credit Bureau of a good payment history.

IV. **ESTABLISHMENT OF RENT OR HOMEBUYER PAYMENTS:** Calculation of payments does not vary according to program. All payments are based on the same principal: calculated anticipated annual income, anticipated adjusted annual income, anticipated adjusted monthly income and required monthly payment (see definitions reference). The Low Rent and Homeownership Program payments are based on 20% of anticipated monthly adjusted gross income. Not to exceed established ceiling rent or amortized payment whichever is the lesser of the two.

V. **ADDITIONAL POSSIBLE INCURRED COST:** Additional costs that may be incurred by a participant may include, but are not limited to, the following:

1. Security deposits for rental housing; and/or
2. Pet deposits for rental housing; and/or
3. Charges for utility usage; and/or
4. Charges for damages to unit; and/or
5. Charges for maintenance and other services for homebuyer's; and/or
6. Cost for storage of abandoned property/possessions; and/or
7. Other charges as specified in Leases, Homebuyers Agreement and in any policy or regulation adopted by the DTHP.

VI. **COLLECTION PROCEDURE – DELINQUENT ACCOUNTS:** For the purpose of the Collection Policy, the Plan of Action Agreement will be referred to as the Agreement. It is the

intent of the DTHP to assist participants in every way possible to maintain and live in decent, safe and affordable housing. Plan of Action Agreements are considered the last extension of the DTHP's obligatory service. Participants who do not honor and/or choose to abuse the privilege of this service shall have eviction actions taken against them immediately upon breach of the Agreement.

- 1) To be allowed to maintain occupancy, each participant with debt balances is required to set up an Agreement acceptable to the DTHP. There are two Agreements, Voluntary and Mandatory.

**Voluntary:** Agreement may be entered into, at the discretion of the Collections Officer with approval from the Housing Director. The participant must contact the DTHP when they foresee a difficulty in making their required monthly payment within the month it is due. Contact must be on or before 5:00 PM on the 10<sup>th</sup> of the month. Voluntary Agreements cannot be used more than two times per year or at the discretion of the Collections Officer with approval from the Housing Director.

**Mandatory:** Collections Officer will review accounts on the 11<sup>th</sup> of each month. Participants with delinquent accounts that are one month or more and have not used the benefit of the Voluntary agreement option shall be required to enter a Mandatory Agreement. Mandatory Agreements cannot be entered into more than once every two years or at the discretion of the Collections Officer with approval from the Housing Director.

**Please Note:** Execution of Agreements are contingent upon the determination of DTHP staff that the participant is still capable of and committed to fulfilling all obligations of the original Contract as well as this Agreement. The ability to meet financial obligations is a requirement for continued occupancy. (Also see (4) below)

- 2) Agreements are ***binding*** and must be honored by the participant. If a hardship befalls a participant after an Agreement has been issued, the Collection Officer may re-negotiate the Agreement, only if, the DTHP determines and can verify that a hardship situation actually exists. ***Re-negotiation*** shall mean, for the purpose of this policy, to decrease, for a temporary period of time, the amount due under a duly executed Agreement. It does not mean to terminate, eliminate or disregard any of the conditions and terms of the Original Agreement. A minimum monthly payment amount must be established to assure the participants account balance continues to decrease.
- 3) All Agreements shall be reviewed every (30) days, to determine compliance, and shall continue until such time the Agreement terms have been fulfilled. Re-negotiated Agreements may be reviewed every (10) days until such time payments can resume at a higher rate.
- 4) The participant will be required to pay 10% (percent) of the total amount due in order to enter into an Agreement for the remaining balance. DTHP must receive this payment within (5) working days from the date of the mandatory meeting in order to execute the Agreement. Option to pay more than 10% (percent) will be at the discretion of the participant.

- 5) An Agreement, Voluntary or Mandatory, shall not exceed a twelve (12) months. Extensions may be allowed at the discretion of the Collection Officer with the approval of the Housing Director.
- 6) Allowing a participant to enter into an Agreement does not negate the DTHP's ability or right to terminate any "contract" or expedite termination for just cause.

**VII. INSUFFICIENT CHECK:** If a participant issues a check for payment that is returned "Insufficient Funds or Account Closed" the participants shall be notified by phone and in writing immediately upon notice to the DTHP. Written notice shall inform the participant that their account is now delinquent, the total amount required to retrieve the check, that partial payments shall not be accepted and that the check must be retrieved by cash, cashier's check or money order. The participant shall be allowed five (5) days to retrieve the check. The total amount to retrieve the check shall be the amount of the check plus late fee in the amount of \$10.00 plus returned check fee in the amount of \$25.00.

If the participant complies and retrieves the check within the time frame allowed (five days) the participant shall be allowed to maintain continued occupancy without interruption to established agreements, if any.

If a participant issues an insufficient check a second time, the same procedures shall apply, but, the DTHP shall maintain the right to refuse checks from the participant for a six (6) month period thereafter. The participant shall be required to make payments by cash, cashier's check or money orders for the six month period.

If a participant issues an insufficient check a third time the DTHP shall retain the right to refuse payment by personal check for the duration of tenancy.

**VIII. FAILURE TO RETRIEVE INSUFFICIENT CHECK:** If the participant fails to retrieve the insufficient check within the time frame allowed (five days) the DTHP shall proceed with established collection procedures. This is if the account is not more than one month delinquent and collection procedures have not already begun.

If a participant has not entered into any agreements and the participant fails to retrieve the insufficient check the follow actions shall be taken:

- a). The participant shall be issued a (30) day of termination made retro-active to the first day of month in which the check was written; and
- b). Participants shall be required to follow the established collection procedures. If the collection procedures process has already been implemented, in any form, (usually one month or more months delinquent) and the participant fails to retrieve a check within the time allowed (five days) the following action shall apply:
  - a). All agreements shall be considered null and void; and
  - b). The Housing Director shall have the right to expedite Termination of Occupancy and issue a fourteen (14) Notice of Termination without regress.

- c). The DTHP shall retain the right to turn the check over to the local authorities and begin legal actions against the participant, and
- d). The DTHP retains the right to charge collection expenses to the participant. These charges shall include, but are not limited to, legal expenses, court costs, server fees, any other expenses that can be lawfully contributable to the collection process.

**IX. BILLING STATEMENTS:** This is a reminder that the required monthly payment is due on or before the first of the month. Billing statements will not be mailed regarding voluntary or mandatory agreements.

**X. LATE FEE ASSESSMENT:** A flat rate late fee of \$10.00 will be assessed to any account with a balance due on the 11<sup>th</sup> of the month. (See also Due Date for Rent, Monthly Payments, and Other Charges)

**XI. DUE PROCESS OF NOTIFICATION:** Proper notification may include, but is not limited to, one or more of the following: regular mail, posting on unit, hand delivered with signature of legal ages person and/or certified mail with return receipt. Any certified letters returned as "Refused" or "Unclaimed" will become a matter of record and will be taken as, "No response" by the participant and shall be deemed "Good service". Any certified letter returned as "Refused" or "Unclaimed" shall be placed in the participants file and shall be a factor to be considered in any subsequent action by the DTHP.

**XII. LEAVING WITH DELINQUENCY:** If an Agreement with the terminated participant cannot be executed or successfully followed:

- a) Ex-participants with terminated contracts that have a debt balance may be processed through court proceedings; and
- b) Ex-participants with terminated contracts may be reported to the credit reporting agencies; and
- c) Ex-participants with terminated contract or applicants with outstanding debt balances due the DTHP shall not be permitted to reside with any active participant of DTHP programs; and
- d) Ex-participants with terminated contracts that have debt balances due the DTHP shall not be placed on the waiting list for future housing assistance from the DTHP until all outstanding debts have been paid in full.

**XIII VACANCY WITHOUT NOTICE:**

- 1) If it is discovered that a unit has been abandoned, the DTHP shall;
  - a). Secure the unit; and
  - b). Post a three (3) day notice of abandonment; and

- c). Inspect the home to make sure adequate utilities are on, inspect for needed immediate repairs and take pictures and/or video of unit for documentation of unit condition.
- 2) After three (3) days if the participant has not contacted the DTHP, the DTHP shall;
- a) Take full possession of the unit; and
  - b) Personal possessions / property left in the unit by the ex-participant, which appears to have any value, shall be stored for thirty (30) days by the DTHP. Notice of this intent shall be posted on the units door, written notice mailed to ex-participant's last known address and copy mailed in care of nearest living relative listed on ex-participants original application.
  - c) After the thirty (30) days have been exhausted the DTHP shall retain the right to dispose of the property in one or more of the following manners:
    - i) Deliver property to a local non-profit organization, or
    - ii) Dispose of property at a local land fill with receipt of delivery.
  - d) Expenses incurred shall be charged to the ex-participant's account. This shall include, but not limited to:
    - i) DTHP shall charge the participant for payment equal to the required 30 day notice; and
    - ii) All expenses incurred in the removal/storage of possessions/property, and
    - iii) Cleaning of unit; and
    - iv) Damage / repairs required to bring the unit up to standards for occupancy.
  - e) If the DTHP determines, due to past history of the ex-participant, condition of the unit or solid evident that there may be a need for testing and abatement due to possible drug contamination, the full cost shall be charged to the ex-participants account.

**The DTHP shall be held harmless if a participant abandons or moves out of a unit and fails to remove all personal property and possessions. Storage shall be provided for such items for a period of 30 days, in accordance to the Oklahoma Residential Landlord and Tenant Act. The DTHP shall provide storage, at the cost of the participant, for such items but shall not be held responsible for lost, stolen, broken or damaged.**

**XIV. NOTICE NOT REQUIRED:** The following circumstances, the Housing Director may implement immediate eviction proceedings without any notice required.

- a) There is clear and evident damage, or threat of damage to DTHP property.
- b) There is a life-threatening situation to the surrounding community.

- c) The breach is related to drug activity as outlined in DTHP agreements and drug policy.

XVI. EVICTON FOR OTHER PROGRAM VIOLATIONS: See Termination and Eviction Policy.

XVII. GRIEVANCE OPPORTUNITY:

- 1) The opportunity to be heard by the Grievance Panel shall be afforded to all participants involved in tenancy or eviction matters. Should a hearing be requested and granted by the Housing Director, the decisions of the hearing panel shall be considered final.