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Special Needs Assistance Program (SNAP)

2020 Funding Manual

SNAP

Funding Manual Table of Contents

This manual is designed to guide you through the SNAP submission and funding process. It provides fillable templates of the required disbursement request forms and descriptive instructions for completing the forms. Unless otherwise specified, each form, accurately completed and signed where indicated, must be provided for each disbursement request. Failure to provide all required forms and supporting documentation will result in delayed processing of the disbursement request.

During the SNAP application period, members will upload disbursement request submissions to our online portal, Grant Connect, accessible at MyFHLB.com. Members who need log-in access to MyFHLB.com should send an email to ahp@fhlb.com, or contact us by phone (800.362.2944) to have their access permission established.

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SNAP Questions and Answers

Q. How can non-profits and other organizations be involved with SNAP?

A. SNAP allows for the involvement of an intermediary organization working in conjunction with an FHLB Dallas member institution. A developer fee is allowed; however, the combined third-party inspection fees and developer fee cannot exceed 15% of the rehabilitation cost portion of the SNAP grant. If there are no inspection fees, the developer fee cannot exceed 10% of the rehabilitation cost portion of the SNAP grant.

Q. Why are pre- and post-inspections of the rehabilitation work required?

A. The pre-rehabilitation and post-rehabilitation inspection requirements have been implemented to mitigate the potential risk of fraud and help protect both the homeowner and the member from claims of incomplete or defective workmanship. The Bank does not have a specified inspection report form; the inspector may use their own report format. However, the pre-rehabilitation inspection report must contain the specific items that require modification/rehabilitation or confirm an attached scope of proposed work. All inspection reports must reflect the inspector name and contact information and contain the inspector's signature. In addition, the post-rehabilitation inspection report must confirm that the original scope of work was completed in an acceptable manner. The inspector must be selected by the member. **Both reports must include photos.**

Q. Who can perform the inspections?

A. The inspections must be conducted by an independent third party selected by the member. Unless the intermediary is a government-controlled entity, the third-party inspector must not be related to the intermediary. In addition, we recommend that the same inspector conduct both the pre- and post-inspections on a given project.

Q. Why does the Bank require documentation before releasing grant funds?

A. In order to determine that grant recipients are eligible for SNAP funds and to reduce the potential for recapture of funds from our members, we require documentation supporting the need for the requested home repairs and independent verification of income on each prospective SNAP recipient.

Q. Can a homeowner receive cash-back related to the rehabilitation?

A. No. This is strictly prohibited and may result in the recapture of the grant.

Q. Are you concerned with the date of the income documentation?

A. Some income documentation, such as paychecks and verification of employment letters, must be dated within 3 months prior to the date the member determined the household was income qualified to receive SNAP funds. Please refer to the Verification of Income form in this Funding Manual to determine acceptable income documentation.

Q. How is annual household income determined?

A. There are several acceptable methods of calculating income depending upon the source of the income and the income documentation. For wage earners, the preferred method is a calculation of annualized income utilizing the Income Calculation Tool that is available on our website under the SNAP Funding Manual. Please contact our office if you have questions regarding the determination/calculation of income.

Q. How is the household size determined?

A. Any individual who is permanently residing in the household at the time of income qualification must be included and listed on the Household Income Certification, along with his or her income, if applicable. Non-wage income of minors (such as social security or disability) must be included. A pregnant woman is counted as one individual within the household size.

Q. Does the rehabilitation have to be completed prior to receiving SNAP funds?

A. No. We will accept signed cost estimates or work proposals to disburse the funds, but will require a final verification of the completed rehabilitation work within 60 days of the Bank's disbursement of funds to the member. Failure to provide the final completion documentation in the time required may result in a delay of future funding and/or a recapture of prior disbursed funds related to the deficient document(s).

Q. Can SNAP funds be combined with any other approved AHP funds (competitive application funds or homeownership set-aside funds) awarded by any Federal Home Loan Bank?

A. No.

Q. How will I know if a funding request is approved?

A. Upon approval, an email will be sent to the member contact listed on the "Request for Disbursement of Funds" form.

Q. How will the member institution receive funding after a request for funds has been approved?

A. We will credit the member's DDA account in the amount approved. Upon receipt, the member serves as the gatekeeper of the SNAP grant funds and oversees the disbursement of the funds to the applicable contractor or intermediary.

Q. What is acceptable documentation to evidence special needs?

A. Examples of acceptable documentation include but are not limited to: Federal or state issued identification confirming age; Social Security Benefits Statements coded A for Aged as Elderly evidence; Social Security Benefits Statements coded DI for Disabled; Medical reports or referral letter/forms from a medical professional that evidence a special need disability; Referral letter/form/certificate that evidences treatment or participation in a program that provides services and/or treatment for a defined special need; or the completed Verification of Special Needs form available in this Funding Manual.

SNAP Request for Disbursement of Funds

Date: _____

Member: _____

FHFA ID#: _____

Member Contact: _____ Email: _____

Prepared By: _____ Email: _____

Applicant's Name: _____ SNAP Amount Requested*: \$ _____

Please provide the following items with this Request for Disbursement of Funds:

- Member Certification (executed by Member)
- Residential Funding Record
- Household Income Certification Form
- Documents to verify income (please refer to the Verification of Income form in this Funding Manual)
- Income Calculation Worksheet (if applicable)
- Evidence of Special Needs (please refer to the Question and Answer section of this Funding Manual)
- Sources and Uses of Funds
- Pre-Rehabilitation Inspection Report including photos (please refer to the Inspection and Pass-through Documentation instruction page in this manual.) **Note:** A Post-Rehabilitation Inspection Report with applicable documentation and the Final Cost Certification will be required upon completion of the work.
- Contractor's Bid or Work Order
- Executed SNAP Acknowledgment and Agreement
- Evidence of Member's contribution of at least \$350 toward the rehabilitation costs and/or inspection fees (if applicable)

Maximum SNAP assistance:

*\$6,000 without a contribution from the submitting member.

*\$7,000 with a contribution of at least \$350 from the submitting member.

Upload the disbursement request to GrantConnect via MyFHLB.com.

Email questions to ahp@fhlb.com or contact us by phone at 800.362.2944.



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SNAP Member Certification

Member Name: _____ FHFA ID#: _____

Name of Applicant: _____ (“Homeowner”)

The undersigned member (“Member”) hereby acknowledges that any Special Needs Assistance Program (“SNAP”) grant that is funded pursuant to the attached Request for Disbursement of Funds will be subject to the terms and conditions of (i) the SNAP Enrollment Application submitted by Member to the Federal Home Loan Bank of Dallas (the “Bank”), (ii) the Special Needs Assistance Program Agreement executed by the Bank and Member, (iii) the Bank’s Affordable Housing Program Implementation Plan, (iv) the Federal Home Loan Bank Act, (v) the regulations governing homeownership set-aside programs found at 12 C.F.R. part 1291, (vi) any other documents published by the Bank or the Federal Housing Finance Agency relating to SNAP or homeownership set-aside programs and (vii) any amendments to any of the foregoing documents (the “SNAP Documents”).

Member hereby certifies that the Homeowner currently requires the amount of SNAP funds requested. Member acknowledges that the requested SNAP funds may only be used for the purposes specified in the SNAP Documents.

Member hereby certifies that the SNAP funds received by Member will be provided to the Homeowner and the Homeowner is a low- or moderate-income household, meaning a household that at the time it was income qualified by Member for participation in the SNAP Program had an income of 80% or less of the median income for the area. Member hereby certifies that the total household income for the Homeowner, as shown on the attached Household Income Certification Form, has been verified by the Member. For any person listed in Part I (Household Composition) for whom no income is listed for such person in Part II (Gross Annual Income) of the attached Household Income Certification Form, Member hereby certifies that such person is either a full-time student, or has no income as evidenced by a completed Certification of Zero Income or is under the age of 18 years.

Member hereby certifies that if Member is providing mortgage or other financing in connection with the rehabilitation to the Homeowner, the rate of interest, points, fees and any other charges will not exceed a reasonable market rate of interest, points, fees, and other charges for a loan of similar maturity, terms and risk.

Member hereby certifies that the information set forth in this completed Special Needs Assistance Program (SNAP) Funding Manual or provided herewith is, to the best of Member’s knowledge after reasonable inquiry, accurate and complete in all respects. Member hereby acknowledges that providing false, misleading or incomplete information to the Bank may result in the denial of funding and/or the recapture of the SNAP funds by the Bank.

Member’s Signature: _____

Name: _____

Title: _____

Date: _____

SNAP Residential Funding Record Instructions

A completed Residential Funding Record is required with each request. For each disbursement request, the following must be completed on the form:

- 1) The **name** of the member institution and FHFA ID#.
- 2) The **name** of the homeowner applicant(s).
- 3) **Property address**
- 4) **City**
- 5) **State**
- 6) **Zip Code**
- 7) **County**
- 8) **Date Income Qualified** – this is the date the member or the sponsor received the necessary income documentation and made the determination the household income qualifies for SNAP. The applicable income support documentation must be dated within 3 months prior to this date and must not be dated after the income qualification date.
- 9) **Annual Income** – this is the “Total Income” amount from the Household Income Certification Form. Please refer to the Guidelines for Determining Income Eligibility included as Attachment G to the Bank’s Affordable Housing Program Implementation Plan.
- 10) **Median Income Ratio (%)** – divide the applicant’s annual household income by the appropriate area median income (adjusted for family size). The current area median income limits and instructions can be obtained through our website (www.fhlb.com) or by contacting the Bank at 800.362.2944.
- 11) **Household Size** – include each person that permanently resides in the home.
- 12) **Member Contribution** – SNAP funds may be granted up to \$6,000 unless the member contributes at least \$350 towards the rehabilitation costs and/or inspection fees, in which case SNAP funds may be granted up to \$7,000. Member must submit evidence of their contribution to receive up to \$7,000.
- 13) **SNAP Disbursement Amount** – the amount requested by the member for each applicant household (maximum of \$7,000 per household, subject to member contribution as described above).
- 14) **Cumulative SNAP Funds** – The cumulative SNAP funds requested by the member for the current year to date.

SNAP Household Income Certification Form

The Bank will use the information in this form to verify the income eligibility of each household. Please refer to the Guidelines for Determining Income Eligibility included as Attachment G to the Bank's Affordable Housing Program Implementation Plan when completing this form.

Member Data

Name of Member: _____
 FHFA ID#: _____ Date: _____

Part I. Household Composition

Household Member #	Name	Relationship to Head of Household	Age	F/T Student (Y or N)
1		HEAD		
2				
3				
4				
5				
6				
7				
8				

Part II. Gross Annual Income (Use Annual Amounts)

Household Member #	(A) Employment or Wages	(B) Social Security/ Pensions	(C) Income from Assets	(D) Payments in Lieu	(E) Alimony/ Child Support	(F) Other Income
1						
2						
3						
4						
5						
6						
7						
8						
Totals						

Add totals from (A) through (F) above

Total Income

- A) Employment or Wages: enter the full amount (before any payroll deductions) of all wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services. This amount should include all regular pay, special pay and allowances of a member of the Armed Forces. This amount should include any income from operation of a business or profession.
- B) Social Security/Pensions: enter the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment.
- C) Income from Assets: enter the full amount of interest, dividends and other net income of any kind from real or personal property.
- D) Payments in Lieu: enter the full amount of any payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, severance pay and welfare assistance payments.
- E) Alimony/Child Support: enter the full amount of any alimony and child support payments, if received regularly.
- F) Other Income: enter the full amount of any other income not covered by categories (A) - (E) above and not excluded from income under the Guidelines for Determining Income Eligibility included as Attachment G to the Bank's Affordable Housing Program Implementation Plan. Provide an explanation below:

SNAP Verification of Income

The Bank must validate the annual household income to ensure income eligibility compliance of applicants. Please refer to the Guidelines for Determining Income Eligibility included as Attachment G to the Bank's Affordable Housing Program Implementation Plan.

- 1) We will accept the following types of documentation as verification of household income:
 - Payroll earnings statements reflecting YTD gross earnings as of an applicable payroll date (must include person's name for verification and must be dated within three months prior to the date the household was income qualified by the member to participate in SNAP).
 - Most recent Social Security Benefit Letters and/or Social Security Supplemental Income (SSI) Statement
 - Completed and properly executed verification of employment letters (must include person's name for verification and must be dated within three months prior to the date the household was income qualified by the member to participate in SNAP)
 - Completed and signed most recent 2 years' filed U.S. Individual Income Tax Returns (i.e., Internal Revenue Service 1040 Forms). To use this documentation method, the household must be income qualified within the first 3 months of the year, or the applicant must be self-employed or a seasonal worker.
 - Year-End Wage and Tax Statements (i.e., Internal Revenue Service W-2 Forms) for the most recent 2 years. To use this documentation method, the household must be income qualified within the first 3 months of the current year, or the applicant must be a seasonal worker.
 - Financial statements verifying payments currently received from annuities, pensions, insurance policies, etc.
 - Financial statements verifying stock portfolio earnings, dividends, and other interest income
 - Current letters or case management forms from public assistance agencies
 - Current approved HUD housing assistance vouchers
 - Court orders verifying alimony awards and/or child support payments
- 2) The Bank reserves the right to request more recent income documentation if applicable. The Bank generally does not accept multiyear averages of income, except that if all or a portion of an individual's income is net income derived from operation of a business or profession the Bank may review and average such income over at least a two-year period.
- 3) We do not include food stamps as part of income. Please refer to the Guidelines for Determining Income Eligibility included as Attachment G to the Bank's Affordable Housing Program Implementation Plan for other items that are not included as income.
- 4) Please include all income for each permanent household occupant, including any applicable non-wage income for minors (such as social security or disability benefits). If a household member is 18 years of age or older and has no income, a signed "Certification of Zero Income" form is required.
- 5) To ensure that we calculate a correct annualized income, please provide the start and termination dates if the applicant has held more than one job during the year. Also, please advise of any employment gaps if employment does not cover an entire 12-month period.

SNAP Income Documentation Worksheet

Date: _____ FHFA ID#: _____

Name of Member: _____

Provide verification of income from the applicable categories of documents shown below. An Income Calculation Tool is available on the Bank's website under the SNAP Funding Manual to assist in the calculation of annualized income for wage earners.

Applicant's Name _____

- Using a paystub from the applicant. Must reflect employee name and be dated within three months prior to the date the household was income qualified by the member to participate in SNAP
- Using Social Security Benefit Letters and/or Social Security Supplemental Income notices
- Using a completed Verification of Employment Form (VOE) (must be signed and dated by Employer, include applicant's name and must be dated within 3 months prior to the date the household was income qualified by the member to participate in SNAP)
- Using completed and signed U.S. Individual Tax Returns or year-end wage and tax statements to use this income documentation source, the household must be income qualified by the member within the first 3 months of the current year, or the applicant must be self-employed or a seasonal worker
- Using financial statements verifying payments received from annuities, pensions, insurance policies, etc.
- Using financial statements verifying stock portfolio earnings, dividends, and other interest income
- Using letters or case management forms from public assistance agencies
- Using approved HUD housing assistance vouchers
- Using court orders verifying alimony awards and/or child support payments
- Using Other Income Documentation (please describe):



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Certification of Zero Income

(To only be completed by household members 18 years of age or older, when applicable)

Name of household occupant declaring no income: _____

Property address: _____
Street City State ZIP

1. I hereby certify that I do not individually receive income from any of the following sources:
 - a) Wages from employment (including commissions, tips, bonuses, fees, etc.);
 - b) Income from operation of a business;
 - c) Rental income from real or personal property;
 - d) Interest or dividends from assets;
 - e) Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
 - f) Unemployment or disability payments;
 - g) Public assistance payments;
 - h) Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
 - i) Sales/receipts from self-employed or contract resources (Uber, Lyft, etc.);
 - j) Any other source not named above.

2. I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.

3. I will be using the following sources of funds to pay for living expenses:

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud.

Signature of declaring household occupant

Printed Name

Date

SNAP Sources and Uses of Funds

The "Sources of Funds" and "Uses of Funds" pages must be completed and submitted with each Request for Disbursement of Funds. The Total Sources of Funds must match the Total Uses of Funds.

Sources of Funds Table

- 1) Indicate all sources of funds being used for the proposed repairs/rehabilitation.
- 2) In addition to identifying the sources of funds, please answer each of the questions on the form by checking the applicable "yes" or "no" response.

Uses of Funds Table

Indicate how each funding source from the Sources of Funds Table will be allocated. Fill out the appropriate column with the amounts. In addition to completing the uses of funds, carefully read the language at the bottom of the uses page. If the statements are true, the member is required to sign and date the form as an attestation.

SNAP Sources and Uses of Funds

Date: _____ FHFA ID#: _____

Name of Member: _____

Sources of Funds

Name of Source of Funds	Amount
TOTAL Sources of Funds	

Is the home being rehabilitated/modified a manufactured home? Yes No

Is the home being rehabilitated/modified a single family home (1 to 4-unit dwelling)? Yes No

Is the homeowner receiving homeowner counseling in conjunction with the rehabilitation/modification? Yes No



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SNAP Uses of Funds

Date: _____ FHFA ID#: _____

Name of Member: _____

Uses of Funds

Uses of Funds	SNAP Funds (\$)	Other Funding Sources (\$)	TOTAL (\$)
Rehabilitation			
Inspection Fees			
Developer Fee			
TOTAL COST			

The combined third-party Inspection Fees and Developer Fee cannot exceed 15% of the rehabilitation cost portion of the SNAP grant. If there are no Inspection Fees, the Developer Fee cannot exceed 10% of the rehabilitation cost portion of the SNAP grant. Third party inspection costs and developer fees may be paid with SNAP funds only if the costs are not paid by any other source (including the member).

Member hereby attests that proper due diligence has been performed to ensure:

- 1) The SNAP funds requested are for necessary rehabilitation and/or modification of the home or attached structures for structural and/or safety reasons and are not merely cosmetic improvements.
- 2) The cost associated with the rehabilitation is reasonable and customary based upon the location of the home and the scope of the proposed work.
- 3) This is the applicant's primary residence.
- 4) The home inspector is not related to the intermediary, unless the intermediary is a government-controlled entity.

Member Signature: _____

Name: _____

Date: _____

SNAP Inspection & Pass-Through Documentation

The Bank requires evidence of the SNAP grant passing through from the member for the benefit of the household, to the applicable repair/rehabilitation project. Pass-through is documented by the following:

Items required at time of disbursement request submission (along with completed Funding Manual):

- Signed Contractor's Bids or work orders.
- Signed SNAP Acknowledgment and Agreement Form.
- Pre-Rehabilitation Inspection Report – must be completed by an independent third party selected by the member. Unless the intermediary is a government-controlled entity, the third-party inspector must not be related to the intermediary. The pre-rehabilitation inspection report must contain the specific items that require modification/rehabilitation or confirm an attached scope of work. **The pre-rehabilitation inspection report must include photos.**

NOTE: at member's option, the pre-inspection report can be excluded at time of disbursement request submission. Once the household is determined by the Bank to be eligible for the SNAP grant, the required pre-inspection and photos must then be provided in order for the requested SNAP grant to be disbursed. Submission of the trailing pre-inspection report must occur within a reasonable time frame after pre-approval of the disbursement request.

Items required upon completion of the rehabilitation/repairs:

Within 60 days of disbursement of the grant funds to the member, the Bank requires the following:

- Final Cost Certification
- Final Invoice(s)
- Post-Rehabilitation Inspection Report – The same criteria as above applies with respect to the inspector. Typically, the same inspector performs both the pre- and post-repair inspections on a given project. The post-rehabilitation inspection report must include photos.

Failure to provide the above in the required timeframe may result in the delay of future funding and/or a recapture of prior disbursed funds related to the deficient document(s).

Acknowledgment and Agreement SNAP (Special Needs Assistance Program)

Homeowner, _____, hereby acknowledges and agrees that
1) homeowner has reviewed the attached written Cost Estimate / Invoice provided by the contractor and understands the work to be performed, and 2) upon signing below, homeowner may no longer request changes of the work to be performed by the contractor. Furthermore, homeowner agrees to sign the Final Cost Certification upon the completion of work.

Any change in the scope of the proposed work, any change in the designated contractor as initially presented, and/or any change in sources and uses of funds must be approved by the Federal Home Loan Bank of Dallas prior to any related work being started. Justification outlining and supporting the need for the changes is required and must be submitted by the member.

Homeowner accepts the repairs stated on the attached Cost Estimate / Invoice dated _____ and in the amount of
\$ _____.

Signature of Homeowner

Date

Signature of Member

Date

SNAP Final Cost Certification

Member Name/FHFA # _____

Homeowner: _____

Property Address: _____

CERTIFICATIONS

- 1) All SNAP-funded rehabilitation work has been completed to the satisfaction of the homeowner.
- 2) The contractor's invoices that detail the scope of work performed are accurate.
- 3) All rehabilitation work was completed as of _____ (date) by

 (Contractor Name) (Contractor Phone Number)
- 4) The final cost for the completed work is _____.

Note: This is to be signed and dated by all parties after completion of the work on the home.

(Contractor)	(Print Name)	(Date)
(Homeowner)	(Print Name)	(Date)
(Member Representative)	(Print Name)	(Date)

NOTE: Along with the executed Final Cost Certification, please submit the final invoice(s) and post-rehabilitation inspection report with photos.

SNAP Verification of Special Needs

The person signing below (the "Verifier") verifies that _____ (Name of Applicant) (the "Applicant") has a special need as checked below. The Verifier attests that the Verifier is qualified to make this determination.

The Verifier is releasing this information to the Federal Home Loan Bank of Dallas (the "Bank") with the authorization of the Applicant for the purpose of helping the Applicant's household acquire housing rehabilitation assistance under the Bank's Special Needs Assistance Program.

Check all that apply:

- Applicant is mentally disabled.
- Applicant is physically disabled.
- Applicant is recovering from physical abuse.
- Applicant is recovering from substance abuse.
- Applicant has HIV/AIDS.

Verifier Name: _____

Verifier Signature: _____

Name of Verifier's Organization (if any): _____

Verifier's Position with Organization (if any): _____

Verifier's professional qualifications/designations: _____

(Examples include Doctor of Medicine, Master of Social Work, Psychologist, Qualified Mental Health Professional, Qualified Substance Abuse Professional, Licensed Physical Therapist)

Date: _____

By signing below, I authorize the release of this information to the Federal Home Loan Bank of Dallas.

Applicant/Guardian

Date



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Federal Home Loan Bank of Dallas

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