

Boyne City Housing Commission (BCHC)

Resident Stipend Policy

Adopted by the BCHC Board of Commissioners 10/22/2025

1. Purpose

The purpose of this policy is to establish clear guidance for providing stipends to residents who participate in approved resident engagement and volunteer activities. These stipends support HUD's resident participation requirements and ensure transparency and fairness in use of HUD Operating Funds.

2. Authority

This policy is authorized under 24 CFR 964.150(b), which permits PHAs to use Tenant Participation Funds for resident participation activities, including reasonable stipends for resident council officers or volunteers.

3. Scope

This policy applies to all BCHC residents who serve as resident council or advisory board officers or members, volunteers assisting with community meetings or outreach, or participants in approved resident engagement activities that promote self-sufficiency or resident representation.

4. Funding Source

All stipends must be paid from HUD-authorized Operating Fund line item 1408 (Tenant Participation Funds) or other HUD-approved grant sources (e.g., ROSS, FSS). Stipends shall not be paid from administrative, capital, or operating reserves without prior HUD approval.

5. Stipend Limits

The maximum stipend shall not exceed \$200 per month per resident. Stipends must reflect reasonable compensation for time and incidental expenses, not hourly wages. Payments may be prorated for partial participation or limited activities.

6. Allowable Activities

Eligible activities include resident council leadership duties, attending or facilitating resident meetings, preparing newsletters, serving on advisory panels, or organizing community events or workshops.

7. Prohibited Uses

Stipends may not be provided for maintenance, custodial, clerical, or administrative work; security or janitorial tasks; office or operational support work for BCHC staff; or any service that would otherwise be compensated as employment.

8. Documentation

The activity and purpose must be pre-approved in writing. A Resident Stipend Form must include the participant's name, activity description, dates, and signature. Records must be retained in BCHC's Tenant Participation Fund file for HUD audit purposes.

9. Tax and Rent Treatment

Stipends are not considered wages and are excluded from rent calculation under HUD rules. BCHC will issue Form 1099 only if total annual payments exceed IRS thresholds of \$600 per year.

10. Oversight

The Executive Director or designee shall ensure proper accounting, approval, and documentation of all stipend payments. HUD auditors or the City of Boyne City may review such payments at any time.