

# HUD 4350.3 Occupancy Training

National Housing Compliance  
Macon-Bibb County Housing Authority  
"Raising the Bar in Compliance"



National Housing Compliance

# Agenda

<b>Welcome &amp; Introductions</b>	
Eligibility for Assistance & Occupancy	Day One
Waiting List & Tenant Selection	Day One
Determining Income & Calculating Rent	Day One
Lease Requirements & Leasing Activities	Day Two
Re-certifications & Unit Transfers	Day Two
Enterprise Income Verification (EIV)	Day Two
Questions	Day Two



# Chapter 3 – Eligibility for Assistance & Occupancy

Section 1: Program Eligibility

Section 2: Project Eligibility

Section 3: Verification of Eligibility Factors

# Key Program Eligibility Requirements

- Annual income must not exceed program income limits
- Applicants and tenants must disclose SSNs
- All adults in family must sign consent forms
- Must be U.S. citizen or eligible non-citizen
- Sole residence requirement
- Restrictions on eligibility of students for Section 8 Assistance

# Income Eligibility

- Income limits are based on family size and the annual income the family receives.
- Published annually available from the local HUD office or on-line at <http://www.huduser.org/portal/index.html>.
- RAD PBRA Income Limits are up to the low income limit or 80% AMI.

# Social Security Number Disclosure

- Applicants and tenants must disclose and provide verification of the complete and accurate SSN assigned to each household member.
- Exceptions to disclosure of SSN:
  - Individuals who do not contend eligible immigration status.
  - Individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010.

# Residence Criteria

Must have only one residence and receive assistance only in that unit.

- EIV existing tenant search to verify sole residence requirement
- EIV multiple subsidy search to ensure prohibition against double subsidies
- This prohibition does not prevent a person who is currently receiving assistance from applying for an assisted unit in another property. The assisted tenancy in the unit being vacated must end the day before the subsidy begins in the new unit.

# Citizenship Requirements

- By law, only U.S. citizens and eligible noncitizens may benefit from federal rental assistance.
- All applicants for assistance must be given notice of the requirement to submit evidence of citizenship or eligible immigration status at the time of application.
- All family members, regardless of age, must declare their citizenship or immigration status.
- A mixed family—a family with one or more ineligible family members and one or more eligible family members—may receive prorated assistance
- Applicants who hold a noncitizen student visa are ineligible for assistance, as are any noncitizen family members living with the student.



# Documentation of Citizenship / Immigration Status

- From U.S. citizens, a signed declaration of citizenship. Owners may require verification of the declaration by requiring presentation of a U.S. birth certificate or U.S. passport.
- From noncitizens 62 years and older, a signed declaration of eligible noncitizen status and proof of age;
- From noncitizens under the age of 62 claiming eligible status:
  1. A signed declaration of eligible immigration status;
  2. A signed consent form; and
  3. One of the DHS-approved documents (Figure 3-4)
    - Form I-551-Permanent Resident Card, Form 1-94-Arrival Departure Record or other acceptable evidence as determined by DHS.

# Section 8 Student Rule

Assistance shall not be provided to anyone who:

- Is enrolled in an institution of higher education; and
- Is under 24 years of age; and
- Is not married; and
- Is not a veteran; and
- Does not have a dependent child; and
- Was not disabled and receiving assistance on 11/30/05; and
- Was not living with parents; and
- Does not have parents eligible for Section 8 assistance; and
- Qualifies as an Independent Student under Higher Education Act.

# Program versus Project Eligibility

- Program eligibility determines whether applicants are eligible for assistance.
- Project eligibility establishes whether applicants are eligible to reside in specific property to which they have applied. The following may affect project eligibility:
  - Extent to which units are designated for specific family types, such as elderly or disabled.
  - Project specific occupancy standards.

# Determining Project Eligibility

- Confirm eligibility rules for the project;
- Determine applicant family type in relation to project eligibility rules;
- Determine current occupancy of units in relation to populations intended to be served;
- Compare applicant's characteristics in relation to available units;
- Decide appropriate response to applicant

# Occupancy Standards

- Occupancy standards serve to prevent over- or underutilization of units that can result in an inefficient use of housing assistance.
- HUD's Occupancy Guidelines follow the general two person per bedroom standard as acceptable.
- Owners may establish the size of unit a family will occupy, but must not make social judgements on the family's sleeping arrangements.
- HUD does not restrict admission of single persons to assisted housing.

# Assigning Smaller Unit

- An owner may assign a family to a smaller unit size than suggested by the owners' occupancy policies if the family requests the smaller unit and if the following apply:
  1. The family is eligible for the smaller unit based upon the number of family members, and occupancy of the smaller unit will not cause serious overcrowding;
  2. The assignment will not conflict with local codes.

# Assigning Larger Unit

- An owner may assign a family to a larger unit than suggested by the owner's occupancy standards if:
  - No eligible family in need of the larger unit is available to move into the unit within 60 days, the property has the proper size unit for the family but it is not currently available, and the family agrees in writing to move at its own expense when a proper size unit becomes available.
  - A family needs a larger unit as a reasonable accommodation for a family member who is a person with a disability.

# Assigning Larger Unit

- A single person must not be permitted to occupy a unit with two or more bedrooms, except for the following persons:
  - a. A person with a disability who needs the larger unit as a reasonable accommodation.
  - b. A displaced person when no appropriately sized unit is available.
  - c. An elderly person who has a verifiable need for a larger unit.
  - d. A remaining family member of a resident family when no appropriately sized unit is available.



# Change in Family Size After Move-In

- The owner may require the family to move to a unit of appropriate size. If a unit of appropriate size is not available, the owner must not evict the family and must not increase the family's rent to the market rent.
- If a family refuses to move to the correct size unit, the family may stay in the current unit and pay the market rent. The owner must not evict the tenant for refusing to move but may evict the family if it fails to pay the market rent in accordance with the lease.

# Family Members Include

- All full-time members of the family.
- All anticipated children. Anticipated children include:
  1. Children expected to be born to a pregnant woman;
  2. Children in the process of being adopted by an adult family member;
  3. Children whose custody is being obtained by an adult family member;
  4. Foster children who will reside in the unit;
  5. Children who are temporarily in a foster home who will return to the family; and
  6. Children in joint custody arrangements who are present in the household 50% or more of the time.

# Family Members Include

- Children away at school and who live at home during recesses.  
**NOTE:** Owners should not count children who are away at school who have established residency at another address or location as evidenced by a lease agreement.
- Live-in aides for purposes of determining appropriate unit size.
- The owner may establish reasonable standards for counting family members that are temporarily in a correctional facility.
- Foster adults living in the unit.
  
- The owner **must not** count nonfamily members, such as adult children on active military duty, permanently institutionalized family members, or visitors.

# Verification of Eligibility Factors

Owners must verify all income, expenses, assets, family characteristics, and circumstances that affect family eligibility, order of applicant selection, or level of assistance.

- Family Type – Elderly or Disabled
- Family Composition
- Need for Assistance Animal
- Income Eligibility
- Social Security Numbers
- Citizenship & Immigration Status
- Eligibility of Student for Assistance

# Tenant Selection Plan

- Establishes Project Eligibility and Admissions Policies
- Post for Tenant Comments
- HUD Approval Not Required
- HUD must approve owner preferences not listed in 4350.3
  - HUD reviews TSP at the time of the annual MOR
- Ensures waiting list selection in accordance with HUD requirements
- Ensures fair and equitable treatment of applicants

# Tenant Selection Plan Required Topics

1. Project Eligibility Requirements
2. Income Limits (including Income Targeting Method)
3. Application Process
  - Procedures for Selecting From Waiting List
  - Procedures for Rejecting Applicants
  - Procedures for applying Owner Adopted Preferences
4. Occupancy Standards
5. Unit Transfer Policies
6. Section 504/Fair Housing Procedures
7. Policy for Opening & Closing the Waiting List
8. Eligibility of Students
9. VAWA Protections Policies

# Tenant Selection Plan Recommended Topics

1. Applicant notification of eligibility procedures
2. Identifying need for accessible units or reasonable accommodations
3. Procedures for updating waiting list
4. Policy for notifying applicants of changes to the TSP
5. Procedure for assigning units with original design features for persons with physical disabilities
6. Charges for facilities and services
7. Security deposit requirements
8. Unit inspections
9. Annual recertification requirements
10. Interim recertification reporting policies
11. Implementation of house rule changes

# Income Targeting

- Minimum 40% of New Move-Ins Must Be At 30% AMI (Extremely Low Income)
- Target Number Based on 40% of Previous Year's Move- Ins
- Review Waiting List to Determine If Targeting Necessary
- Income Targeting Includes Initial Certifications
- Must Describe Targeting Method In Tenant Selection Plan
  - Select All ELI's Until Unit Target Met
  - Alternate Between ELI's and VLI's Until Target Is Met
- Documentation Must Be Available at MOR (ELI Report)



# Owner Adopted Preferences

- Examples of Preferences Needing No HUD Approval–
  - Working Families (Must Include Elderly/Disabled Families)
  - Victims of Domestic Violence
  - Displaced by Government Action
- Examples of Preferences Requiring HUD Approval –
  - Homeless Preference
  - Residency Preference
  - Military Veterans Preference
  - To retain or adopt elderly designation - must adopt elderly preference
  - May adopt secondary preference of near elderly (50-61 and disabled)

# Mandated Screening Criteria

- Must include standards for prohibiting admission of those who have engaged in **drug-related** or **criminal activity**;
- Must establish standards that prohibit the admission of:
  - Any household (HH) member who was **evicted in last 3 years** from federally assisted housing for drug related criminal activity;
  - Must establish standards that prohibits a household in which any member is currently engaged in illegal use of drugs or for which the owner has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents;
  - Any household member who is subject to a **State sex offender lifetime registration** requirement; and
  - Any household member if there is reasonable cause to believe that member's behavior, from abuse or pattern of abuse of alcohol, may interfere with the health, safety, and right to peaceful enjoyment by other residents.

# Optional Screening Criteria

- Drug-related criminal activity. The owner may include additional standards beyond the required standards that prohibit admission in the case of eviction from federally assisted housing for drug-related criminal activity and current drug use.
- Violent criminal activity.
- Other criminal activity that threatens the health, safety, and right to peaceful enjoyment of the property by other residents or the health and safety of the owner, employees, contractors, subcontractors, or agents of the owner.
- Credit history
- Housekeeping habits
- Landlord References

# Procedures for Rejecting Ineligible Applicants

- TSP must describe the circumstances under which the owner may reject an applicant for occupancy or assistance.
- If the owner establishes a policy to consider extenuating circumstances in cases when applicants would normally be rejected but have circumstances that indicate the family might be an acceptable future tenant.

# Establishing The Waiting List

- New Applicants –
  - Advertise Opening of Initial Waiting List
  - Advertise In Accordance With
    - Tenant Selection Plan and
    - Affirmative Fair Housing Marketing Plan
- Application Form Options –
  - Pre-Application
    - Contains Minimum Information To Determine Eligibility
    - May Use At Time of Initial Application
  - Full Application
    - Detailed Family Information
    - Required at Final Eligibility

# Establishing The Waiting List

- **Sorting of Waiting List:**
  - Bedroom Size
  - Preference Type
  - Date and Time Application Received
  - Income Targeting

# Contents Of Application

- Household Characteristics
  - Name, sex, age, race/ethnicity
- Social Security Numbers
- General Contact Information
- Disability Status
- Need for Accessible Unit
- Identification of Preferences
- Sources and Amount of Annual Income/Assets
- Assets Disposed of During the Past Two Years
- Marketing Questions
- HUD Required Screening Criteria
- Citizenship Status
- Student Status (Per Student Rule)

# Attachments To The Application

- HUD-92006 – Supplement to Application
- HUD 9887/9887A – Document Package for Consent
- HUD 27061-H – Race and Ethnic Data Reporting Form
- Owner Developed Release Forms
- Student Affidavit
- Affidavit of Assets Disposed of During Past Two Years



# Affirmative Fair Housing Marketing Plan (AFHMP)

- HUD 935.2A (Exp. 12/31/2016)
- Properties With Five Or More Units Must Adopt AFHMP
- Purpose Is To Offer Equal Housing Opportunities Including;
  - Protected Classes/Populations Least Likely to Apply
- Sets Forth Marketing Activities
- Must Be Approved by HUD and Office of Fair Housing
  - Must Submit With RAD Management Plan
- HUD approved AFHMP Must Be Posted On Bulletin Board
- Must Be Reviewed Annually and Updated Every Five Years
- Must Maintain AFHMP Folder With Documentation for Review



# CHAPTER 5

## Income And Assets

Section 1: Determining Annual Income

Section 2: Determining Adjusted Income

Section 3: Verification

Section 4: Calculating Tenant Rent

# Annual Income

- Annual income is defined as: The amount of income that is used to determine a family's eligibility for assistance.
  1. All amounts, monetary or not, that go to or are received on behalf of the family head/spouse, co-head, temporarily absent members, any other family member; or
  2. All amounts anticipated to be received from a source outside the family during the 12-month period following admission or annual recertification.

# Annual Income

- Annual income includes all amounts that are not specifically excluded by regulation; and
- Includes amounts derived from assets to which any member of the family has access.

# Income Inclusions

1. The full amount before payroll deductions of wages and salaries, including tips, bonuses and other compensation for personal services.
  - Gross wages;
  - Includes seasonal work;
  - Include overtime;
  - Include shift bonuses.
2. The net income from a business or profession.
  - Self employed individuals or contractors;
  - Gross Income minus business expenses;
  - Expenditures for business expansion cannot be deducted;
  - Can deduct depreciation of assets using IRS rules.

# Income Inclusions

3. Interest, dividends, and other net income of any kind from real or personal property.
  - Rental income minus expenses;
  - Interest on checking/savings accounts;
  - Interest on stocks/bonds/annuities;

# Income Inclusions

4. The full amount of periodic amounts received from SS, annuities, insurance policies, retirement funds, pensions, disability or death benefits, including delayed payments.
  - Note:
    - Use net when an overpayment is deducted from SS or SSI benefits;
    - Use gross amount if Medicare or other health insurance deducted;
    - Use gross benefit if garnishments for back child support are deducted.

# Income Inclusions

5. Payments in lieu of earnings, such as unemployment, disability compensation, worker's compensation, and severance pay.

Note:

- Lump sum payments such as inheritances, insurance payments, capital gains, settlements for personal or property losses, or delayed payments from SS/SSI claims are counted as assets.



# Income Inclusions

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## 6. Welfare Assistance –

- Monthly TANF payments;
- In “as paid” states only - amounts paid specifically for shelter/utilities are excluded.
  - Does not apply in Georgia.

# Income Exclusions

7. Periodic determinable amounts such as alimony, child support, regular contributions or gifts received from organizations or from persons not residing in the unit.

Note:

- Must count awarded child support/alimony - unless the applicant certifies that payments are not being made and he/she has taken all reasonable legal actions to collect, including filing with the courts or agencies responsible for enforcing payment.

# Income Inclusions

- Child Support Recovery – payments paid to the custodial parent by the state.
- Direct child support – voluntary child support payments made when no court order in place.
- Regular cash contributions and gifts from outside sources. Includes rent and utility payments made on behalf of the family, or other cash or noncash contributions provided on a regular basis. Does not include groceries, child care paid directly to the provider, or sporadic gifts.

# Income Inclusions

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8. All regular pay, special pay, and allowances of a member of the Armed Forces, except payments made to a member of the Armed Forces exposed to hostile fire.

# Income Inclusions

9. Financial assistance in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 from private sources or from an institution of higher education.

Exceptions -

- Student is over the age of 23 with dependent children;
- Student is living with his/her parents.

**Note: Does not apply to previous public housing tenants converted to RAD.**



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# Income Exclusions

1. Income from employment of minors;
2. Foster Care payments;
3. Lump-sum additions to family assets, inheritances, insurance payments, worker's compensation, capital gains, settlements for personal or property losses.
4. Income of Live-In Aid;
5. Student financial assistance paid directly to the student or institution (under 23 with children).

# Income Exclusions

6. Special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
7. Amounts received under a job training program funded by HUD under Section 3.
8. Amounts received by a person with a disability that is disregarded under a Plan to Attain Self-Sufficient (PASS).
9. Temporary, nonrecurring, or sporadic income, including gifts.

# Income Exclusions

10. Reparations paid by a foreign government.
11. Earnings in excess of \$480 for each full-time students under 18 years of age.
12. Adoption assistance in excess of \$480/child.
13. Deferred periodic amounts from SSI or SS benefits received as a lump sum payment.
14. Refunds or rebates under state/local law for taxes paid on a dwelling unit.



# Income Exclusions

15. Developmental disability payments to offset cost of services and equipment.

16. Amounts excluded by other federal statutes:

- Food Stamps;
- Domestic Volunteer Services Act of 1973;
  - AmeriCorps
  - VISTA
  - Retired Senior Volunteer Program
  - Foster Grandparents Program

# Income Exclusions

- Home Energy Assistance payments;
- JTPA programs payments;
- Federal Work Study Programs payments;
- Title V of the Older Americans Act of 1985;
  - Green Thumb
  - Senior Aides
  - Older American Community Service Employment
- Agent Orange Settlement Fund payments;
- Child Care and Development Block Grant Act of 1990
  - Child care assistance through DFCS.

# Income Exclusions

- Earned Income Tax Credit (EITC) payments or other tax refunds.
- Spina bifida payments to children of Viet Nam veterans.
- Victims of Crime Act payments.
- Workforce Investment Act of 1998 payments.

# Calculating Annual Income

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- Use current circumstances to project annual income.
- Calculate projected income by annualizing current income.
- If information is available on changes expected to occur during the year – calculate the anticipated income from all sources.

# Whose Income Is Counted?

## Family Members

Head

Spouse

Co-head

Other adult (including foster adult)

Dependents (child under 18)

Full-time student over 18

Foster child under 18

Non-Members (Live-In Aide)

## Employment Income

■ Yes

■ Yes

■ Yes

■ Yes

■ No

■ No (except first \$480)

■ No

■ No

# Whose Income Is Counted?

## Family Members

Head

Spouse

Co-head

Other adult (including foster adult)

Dependents (child under 18)

Full-time student over 18

Foster child under 18

Non-Members (Live-In Aide)

## Other Income (Benefits/Asset Income)

■ Yes

■ Yes

■ Yes

■ Yes

■ Yes

■ Yes

■ Yes

■ No

# Calculating Annual Income

- Converting periodic annual earned income:
  - Hourly wages X number of hours -
    - Weekly wages - X 52
    - Bi-weekly wages - X 26
    - Semi-monthly wages - X 24
    - Monthly wages - X 12
  
- Converting periodic benefits:
  - Monthly benefits X 12 (e.g., SS/SSI, VA, Retirement)
  - Weekly benefits X 52 (e.g., Unemployment)

# Example 1 – Average Pay Stubs

Tenant provides 4 pay stubs – tenant paid weekly:

- Week 1 - \$120
- Week 2 - \$145
- Week 3 - \$125
- Week 4 - \$130
- Total =  $\$520/4 = \$130$  average gross pay/week
- $\$130 \times 52$  weeks - \$6760 gross annual income
- Must use a minimum of 4-6 current consecutive paystubs;
- EIV is used as third party verification.



# Example 2 – Hourly Rate Method

Verification from employer states:

- Tenant works 30-40 hours/week
- Pay rate \$12.50/hour;
- Tenant paid weekly;
- No overtime or bonuses.

Calculation of gross annual income:

- Average 30-40 = 35 hrs. X 52 weeks = 1,820 hours
- \$12.50/hour X 1,820 = \$22,750 gross income

# Example 3: Anticipated Increases

- Effective Date of Cert – February 1
- Current hourly rate = \$7.50/hr.
- New rate March 15 = \$8.00/hr.
- Tenant works 40 hours/week = 2,080/yr.

## Example 3 – Continued

- February 1 – March 15 = 6 weeks  
Six weeks X 40 = 240 hours  
2,080 minus 240 = 1,840 hours
- Annual Income:
  - 240 hours X \$7.50 = \$ 1,800
  - 1,840 hours X \$8.00 = \$14,720
  - Total Annual Income = \$16,520

# Calculating Income from Assets

- Assets are items of value that may be converted to cash, such as:
  - Savings/checking accounts/EBC balances;
  - Equity in rental property/capital investments;
  - Stocks/bonds/T-bills/CDs/mutual funds/money markets;
  - IRAs/401ks/Keogh accounts/revocable trusts;
  - Retirement accounts/pension funds;
  - Cash value of whole life insurance policies;
  - Personal property held as an investment;
  - Cash on hand.

# Calculating Income from Assets

- Method of calculating income from assets depends on the cumulative cash value of all assets –
  - If cash value of all assets is less than \$5,000 -
    - Actual income from assets is used.
  - If cash value of all assets is more than \$5,000-
    - Greater of imputed value or actual income is used.
    - Imputed value = cash value x HUD passbook rate
      - HUD passbook rate currently = .06%

# Calculating Income From Assets

- Cash value of an asset is the market value less reasonable expenses for converting to cash such as:
  - Penalties for early withdrawal;
  - Broker and legal fees;
  - Settlement costs for real estate transactions;
  - Mortgage balances (to determine equity)

# Calculation of Income from Assets

- Assets disposed of for less than fair market value:
  - Applicants/tenants must declare each year if an asset has been disposed of for less than fair market value in the past 2 years;
  - Applies when the fair market value of all assets disposed of during the past 2 years exceeds the gross amount received by more than \$1,000;
  - Includes cash gifts, as well as, disposal of assets;
  - Amount counted is the difference between the cash value of the asset, and the amount actually received;
  - Amount is listed as an asset on the 50059 for 2 years from the date of the disposal.

# Exceptions.....

- Items not counted as assets disposed of for less than fair market value do not include loss of assets through:
  - Foreclosures;
  - Bankruptcy;
  - Divorces or separations; or
  - Non-revocable trust amounts received through settlements or judgments.



# Example: Asset Disposed of for Less Than Market Value

- An applicant sold her house for \$10,000. The house was valued at \$89,000 and had no mortgage. Broker fees and settlement costs are estimated at \$1,800.
- What amount is counted as an asset?

# Example: Asset Disposed of for Less Than Market Value

Market Value	\$89,000
Minus Fees	<u>1,800</u>
Cash Value	\$87,200
Minus Sales Price	<u>10,000</u>
	<u>\$77,200</u>

Asset Value Counted for **2 years** from date of sale.

Note: The unspent amount of the \$10,000 is counted as an asset.

# Determining Adjusted Income

- Deductions available to any assisted family:
  - Dependent Allowance (\$480 each)
  - Child Care Expenses
  - Disability Assistance Expenses
- Deductions available only to elderly/disabled families:
  - Elderly/Disabled Family Allowance (\$400)
  - Unreimbursed Medical Expenses

# Determining Adjusted Income

- **Dependent Allowance**
  - Children under the age of 18;
  - Adult person with disabilities;
  - Full-time student of any age;
  - Does not apply to foster children/unborn child;
  - When both parents live in housing -
    - Only one parent can claim deduction
    - Parent with custody at time of move-in or recert can claim deduction.

# Determining Adjusted Income

## ■ Child Care Deduction

- Anticipated expenses for the care of children under 13;
- Care enables adult member to attend work/school;
- There must be no adult family member to provide care;
- Expenses not paid to a family member living in the unit;
- Reflects reasonable charges for child care;
- Amounts not reimbursed by agency or outside party;
- Deduction cannot exceed earned income of adult;
- Deduction unlimited while seeking work or at school;
- Split custody – deduction can be split between households with proper documentation.

# Determining Adjusted Income

## **Handicapped Assistance Expense**

- Anticipated costs for attendant care and auxiliary apparatus for each member with disabilities to the extent these expenses are reasonable and necessary to enable an adult (or adults) family member(s) or the disabled person to work.
- Deduction is equal to the amount that expense exceeds 3% of family's income, but cannot exceed earned income of member(s) enabled to work.

# Eligible Handicapped Expense Items

- Auxiliary apparatus items include –
  - Wheelchairs
  - Ramps
  - Adaptations to vehicles
  - Equipment for sight-impaired person to read or type
  - Vet fees and food for service animals
  - One-time recurring costs may be included
- Attendant Care includes -
  - Home medical care
  - Nursing services
  - Housekeeping/errand services
  - Interpreters/readers

# Example 1

## Eligible Disability Expenses

- |                                  |               |
|----------------------------------|---------------|
| ■ Head of household income       | \$14,500      |
| ■ Spouse's earned income         | <u>12,700</u> |
| ■ Total Earned Income            | \$27,200      |
| ■ Care expenses for disabled son | \$ 3,850      |
| ■ Calculation                    | \$3,850       |
| ■ $\$27,200 \times .03 =$        | <u>- 816</u>  |
| ■ Allowable expense              | \$3,034       |
- Note: The expense is not greater than the earned income of the spouse who is enabled to work.



# Example 2

## Eligible Disability Assistance

■ Head's earned income	\$24,000
■ Disabled member's earned income	<u>5,000</u>
■ Total earned income	\$29,000

■ Motorized Wheelchair Expense	\$8,000
■ \$29,000 X .03	<u>- 870</u>
■ Total Expense Minus .03	\$7,130

- Note: \$7,130 exceeds disabled person's earned income – deduction is limited to \$5,000.

# Determining Adjusted Income

## ■ Medical Expense Deduction

- Permitted for elderly/disabled families only;
- Includes eligible expenses for all family members;
- Anticipated expenses for the next 12 months;
- Ongoing expenses the family paid in the past 12 months;
- Deduction is based on expenses that exceed 3% of the family's annual income;
- May include past one time non-recurring expenses;
  - At an interim recertification
  - At upcoming annual recertification
  - Does not apply to new move-ins – use anticipated expenses

# Examples of Medical Expenses

- Services of recognized health care professionals;
- Services of health care facilities;
- Medical insurance premiums;
- Alcoholism and drug addiction treatment;
- Dental treatment expenses;
- Eyeglasses, hearing aids, hearing aid batteries;
- Costs of an assistive animal and upkeep;

# Examples of Medical Expenses

- Transportation to/from treatment and lodging;
  - Use IRS mileage rate for driving a car –
  - Cannot count if mileage is being reimbursed.
- Prescription/nonprescription medicines;
  - Must be prescribed by a physician for a specific medical condition;
  - May include any other medically necessary service, apparatus, or medication, as documented by third-party verification.

# Medical Expenses May Not Include....

- Cosmetic surgery directed solely to improve the patient's appearance other than cosmetic surgery to improve a deformity arising from a congenital abnormality, injury, or disfiguring disease;
- Health club dues when not related specifically to a particular medical condition;
- Household help – even if recommended by a doctor;
- Nutritional supplements unless recommended for treatment for a medical condition diagnosed by a physician;
- Personal use items not recommended by a physician.

# Verification Procedures

## Timeframe for Conducting Verifications

- Prior to Move-In
  - Income/Assets/Expenses/Deductions
  - Other Eligibility Factors
    - Age/SS Numbers/Citizenship Status
- Annual Recertification
  - Income/Assets/Expenses
- Interim Recertification
  - Changes in  
Income/Assets/Expenses/Deductions

# Acceptable Methods of Verification

- Owners must use verification methods that are acceptable to HUD. The owner is responsible for determining if verification is adequate and credible.
- Verification Methods In Order of Acceptability
  - Up-Front Income Verification (UIV)
  - Third-Party Written Verification From Source
  - Third-Party Oral Verification From Source
  - Family Certification

# Third Party Verification

- Up-Front Income Verification (UIV)
  - EIV (Mandatory)
    - EIV Income Report
      - At each Recertification/Interim Recertification
      - Move-ins – 90 days from submission to TRACS
      - LIHTC – EIV cannot be used.
  - Non-EIV Systems (Optional)
    - Work Number/State Databases
      - Applicants
      - When employment/SS not available in EIV
      - Other types of income not in EIV
        - Child support/Retirement
        - Retirement



# Third Party Verification

- Third-Party Written Verification
  - Original written verification from source
  - LIHTC – must use DCA Employment Form
  - Tenant provided documentation
    - Pay stubs
    - Bank statements
    - SS benefit letters
  - Electronic Verifications
    - Fax
    - Email
    - Internet

# Third Party Verification

- Third-Party Oral Verification
  - Use only when written verification is unavailable, or to follow up or clarify information on third party verification;
    - Third party's name;
    - Date/time/telephone number;
    - Information reported by third party;
    - Name/title of interviewer/signature.

# Third Party Verification

- Family Certification
  - Use only if other methods unavailable -
    - Notarized Statement
    - Signed Affidavit
    - Witnessed Signature
    - Must Document Why Third Party Not Available
      - Written notes in the file as to third party efforts;
      - Copy of the dated original request sent to third party.
  - Inspection of Tenant-Provided Documents
    - Copy and return to tenant; or
    - Make note to file if document cannot be copied.

# Required Verification/Consent Forms

- All members must sign authorization forms -
  - HUD 9887/9887A Consent/Federal Privacy Act
    - All adult members over 18 regardless of income;
    - Consent for EIV and other third party sources;
    - Must sign prior to move-in and annually;
    - Valid for 15 months from the date of signature;
    - All information obtained must be kept confidential.
  - Owner-created consent/verification forms
    - Developed for specific verification needs;
    - Signed prior to move-in and annually;
    - Must contain HUD-required Title 18 language.

# Effective Term of Verifications

- Verifications are valid for 120 days from the date of receipt;
- LIHTC – verifications are valid for 120 days prior to the certification date.
- Outdated verifications must be re-verified;
- Time limits do not apply to verification of :
  - Age
  - Disability Status
  - Family composition
  - SS numbers
  - Citizenship/Immigration Status

# Reasonable Accommodation

- If an applicant/tenant cannot read or sign a consent form due to a disability, the owner must provide a reasonable accommodation such as:
  - Provide forms in large print;
  - Provide readers;
  - Allow a designated signatory;
  - Home visit.

# Tenant Rent Formula

- Total Tenant Payment =
  - The greater of:
    - 30% monthly adjusted income;
    - 10% monthly gross income;
    - \$25 Section 8 minimum rent.
- Gross Rent =
  - Contract Rent + Utility Allowance
  - Applicant is ineligible if TTP is greater than Gross Rent
- Housing Assistance Payment (HAP) =
  - Gross Rent minus the TTP
  - HAP billed to HUD on monthly voucher.

# Example 1

## Calculating Tenant Rent/HAP

### ■ Tenant Rent =

- TTP = \$225
- UA = - 75
- Tenant Rent = \$150

### ■ HAP Payment =

- Contract Rent = \$500
- Utility Allowance = + 75
- Gross Rent = \$575
- TTP = - 225
- HAP = \$350



# Example 2

## Calculating Tenant Rent/HAP

### ■ Tenant Rent =

- TTP = \$50
- UA = - \$75
- UAP = (\$25)

### ■ HAP Payment =

- Contract Rent = \$500
- Utility Allowance = + \$75
- Gross Rent = \$575
- TTP = - \$50
- UAP + \$25
- HAP \$550

# CHAPTER 6

## LEASE REQUIREMENTS AND LEASING ACTIVITIES

- Section 1: Leases, Lease Addendums, Lease Attachment
- Section 2: Security Deposits
- Section 3: Charges in Addition to Rent
- Section 4: The Leasing Process

# Lease/Amendments/Attachments

- HUD Model Lease for Subsidized Programs
  - Family Model Lease - HUD-90106a
- Violence Against Women Act Addendum
  - HUD-91067
- All adult members must sign lease and addendums
- HUD 50059 (signed by tenant and owner)
- Move-In Inspection
- House Rules/Pet Rules (if applicable)
- Lead Based Paint Disclosure Form (if applicable)
- Live-In Aide Addendum (if applicable)
- **LIHTC/HOME Requirement – Tax Credit/HOME Addendum**

# Lease/Amendments/Attachments

- Owner Lease Addendums –
  - Must have written HUD approval prior to implementation
- Lead Based Paint Disclosure Form
  - Properties constructed prior to 1978
  - Lead Hazard Information Pamphlet.
- Also provide at move-in:
  - EIV & You Brochure
  - Resident's Rights and Responsibilities
  - How Your Rent Is Determined.

# Term of the Lease

- Section 8 Requirement – Section 8 New Construction Rules Apply -
  - Initial Term - Minimum of One Year
  - Renewal Term – Minimum of 30 Days
  - Execute New Lease at Transfer or When HUD issues a new Model Lease
- LIHTC/HOME requirement -
  - Must execute a new lease each year at the anniversary of the move-in.

# House Rules

- House Rules are a good practice;
  - **Must have House Rules containing RAD language concerning tenant rights**
- Must be related to safety, care, and cleanliness of the project
- Must be in compliance with HUD regulations
- Must not be discriminatory or create disparate treatment
- Must be reasonable
- Comply with state and local laws.

# Pet Rules

- Pets are optional for family housing projects
  - RAD properties must allow pets of families converting from public housing
- Mandatory Pet Rules
  - Refundable Deposit – not to exceed \$300
    - Must allow minimum of \$50 down and \$10/month
  - Must contain sanitary requirements
  - Inoculations according to state/local law
  - Pet restraint
  - Registration with management and annual update
- Discretionary Pet Rules
  - Size/type/density/pet care standards/\$5 waste removal charge.

# Security Deposit

- New tenants must be charged a Security Deposit –
  - Greater of \$50 or TTP at move in;
  - Owner may collect SD in installments;
  - Applicant may be rejected if he/she cannot pay SD
  - SD deposited in escrow account;
  - At move-out - SD plus interest must be refunded -
    - Minus amounts owed to property for damages/unpaid rent/other charges;
    - Must send notice with list of deductions and refund within 30 days of move out.
  - At transfer - SD can be transferred to new unit or a new deposit charged;
  - **RAD tenants – no adjustment to SD at conversion.**



# Required Unit Inspections

- Move-In Inspection
  - Prior to execution of lease
  - Must inspect jointly with tenant
  - Tenant/Owner sign move-in inspection form
  - Tenant has 5 days to report additional deficiencies
  - Inspection form attached to Lease.
- Move-Out Inspection
  - Tenant not required to attend
  - Items above normal wear and tear

# CHAPTER 7

## RECERTIFICATION, UNIT TRANSFERS, AND GROSS RENT CHANGES

- Section 1. Annual Recertification
- Section 2. Interim Recertification
- Section 3. Unit Transfers
- Section 4. Gross Rent Changes

# Annual Recertification

- Tenants must be recertified annually;
- Annual recertification anniversary date;
- **Note: RAD tenants retain their public housing recertification anniversary date;**
- Tenants must sign consent/asset declaration forms annually;
- Income/assets/deductions must be verified;
- Student Status must be verified;
- Must use EIV as third party verification;
- Option to screen criminal/sex offender status.

# Annual Recertification Steps

- Owner must Provide Notices to Tenants;
  - First Reminder Notice – 120 days prior
  - Second Reminder Notice – 90 days prior
  - Third Reminder Notice – 60 days prior
- Recertification interview scheduled;
- Review EIV Income Report;
- Verify income/assets/deductions;
- Enter information into software to calculate TTP, rent, and subsidy.

# Annual Recertification Steps

- Notify tenant in writing of change in rent –
  - 30 day notice required if rent increases and tenant is in compliance.
- Must obtain tenant/manager signatures on 50059 prior to voucher submission;
- Must provide tenant with Initial Notice regarding next year's recertification.
- Electronically submit data to TRACS by 10<sup>th</sup> day of the month prior to voucher month.

# Tenant Reporting Requirements

## Tenant Reporting Deadline For Recertification—

- 10<sup>th</sup> day of 11<sup>th</sup> month prior to recertification anniversary date -
- Example:
  - Recertification anniversary date - 9/1/15
  - Tenant reporting deadline – 7/10/15
  - Voucher submission deadline – 8/10/15
- If tenant responds after the reporting deadline, but prior to the recertification anniversary date – tenant does not get benefit of 30 day notice.

# Tenant Delays in Recertification

- If tenant responds after recertification anniversary date – the tenant is out of compliance.
- On annual recertification anniversary date –
  - Tenant pays market/contract rent;
  - Assistance is reinstated if:
    - Assistance available at the property;
    - Tenant submits required information; and
    - Tenant is qualified for assistance;
    - 50059 is effective retroactive to recertification date - unless extenuating circumstances are verified.

# Owner Delays in Recertification

- Owner is out of compliance if -
  - Owner fails to send recertification notices;
  - Owner fails to provide 30-day written notice;
  - Fails to complete recertification paperwork.
- 50059 effective on the recertification anniversary date;
- TTP and tenant rent increases after a 30-day written notice is provided to tenant.



# Owner Delays In Recertification

- Example:
- Annual Recertification Date – 9/1/15
- First Reminder Notice Date – 8/1/15
- Tenant reports for interview – 8/15/15
- Rent increase notice provided – 9/15/15
- Assistance payment changes – 9/1/15
- TTP and tenant rent changes – 11/1/15

# Interim Recertification

- Tenant must notify the owner if:
  - A family member moves out of the unit;
  - A new family member is added;
  - An adult member who was previously unemployed obtains employment;
  - The family's income cumulatively increases by \$200 or more per month.
- Tenant may notify the owner if:
  - Family income decreases
  - Deductions/allowances increase.

# Interim Recertification

- Owner must process interim recertification if:
  - Change in family composition;
  - Increase in cumulative income of \$200/mo.;
  - Decreases in family income.
- Owner is not required to process interim if:
  - Decrease was caused by deliberate action to avoid paying rent (must be documented);
  - Decrease will last less than one month;
  - May delay if income will be partially restored and more information is needed.

# Interim Recertification

- Adding New Household Members –
  - BC/SS Cards/Citizenship Declaration/Ethnic Racial Data Form;
  - Adults – Criminal Background/9887/9887A, Release Form;
  - EIV Existing Tenant Search
  - Obtain acceptable verification of income;
  - If child under six with no SS number –
    - Must add child to 50059
    - Tenant has 90 days to submit verification of SS #
    - Use 9's on 50059 for SS#

# Steps When Tenant Fails to Comply With Reporting Requirements

- Provide Tenant With A Written Notification –
  - Refer to lease paragraph that requires interim recertification;
  - Allow 10 calendar days to respond to the notice;
  - Inform tenant that rent may be raised to market rent after 10-day deadline expires.
- Timely Response by Tenant –
  - Process interim normally
- Late Response by Tenant –
  - Tenant rent increased to market rent.

# Unit Transfers

- Owner initiated transfers:
  - Transfer Policy in TSP;
  - Due to change in family size;
  - Establish a transfer list;
  - Must give no less than 30-day notice;
  - Tenant may remain and pay market rent.
- Reasonable accommodation requested:
  - Live-In Aide
  - Lower level/handicapped accessible unit.

# Gross Rent Change

- Gross Rent Changes occur due to a rent/utility allowance change- OCAF
- Owners must comply with tenant comment and posting procedures;
- Owners must submit approved gross-rent changes through TRACS
- Provide tenant with HUD 50059-A
  - Property manager must sign
  - Tenant required to sign only if change affects their rent or UAP.

# Submission and Approval Process

- Owners submit OCAF adjustment to HUD
  - Increase based on published annual adjustment factor;
  - Utility analysis completed annually;
  - Must give tenant 30-day notice of rent increases.
- Change takes effect on the anniversary of the HAP Contract.



# CHAPTER 8

## TERMINATIONS

Section 1. Termination of Assistance

Section 2. Termination of Tenancy by Lessees

Section 3. Termination of Tenancy by Owners

Section 4. Discrepancies, Errors, and Fraud

# When Assistance Must Be Terminated

- Tenant fails to comply with recertification process;
- Tenant fails to sign HUD 9887/9887A Consent;
- TTP is greater than Gross Rent;
  - **Note – Does not apply to RAD Rev-2 tenants.**
- Tenant fails to move to proper-sized unit;
- Owner unable to establish citizenship/eligible immigration status for any family member after all appeals have been exhausted;
- Student enrolled at institution of higher education does not meet eligibility criteria;
  - **Note – Does not apply to initial RAD tenants.**

# Procedures for Termination of Assistance

- Owner provides written notice including;
  - Specific date assistance will terminate;
  - The reason for termination;
  - The market rent tenant must pay;
  - Notice of termination of tenancy;
  - Tenant right to request a meeting with management within 10 days of notice.
- Notice should be served by:
  - First class mail; and
  - Hand delivery.

# Reinstating Assistance

- Owner may reinstate assistance if:
  - A tenant's failure to recertify, or
  - A tenant's increased ability to pay;
  - The original termination of assistance was not due to fraud;
  - The tenant is eligible for assistance;
  - The tenant submits the required information;
  - Assistance is available for the unit.

# Termination of Assistance by Lessee

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- In accordance with the HUD Model Lease, the tenant may terminate tenancy by providing the owner with a written 30-day notice to vacate the unit.
- If the tenant vacates without providing proper notice, he/she forfeits the Security Deposit.

# Termination of Assistance by Owner

- RAD properties follow the Public Housing Termination of Tenancy and Grievance Procedures;
- Written Notice must be provided to tenants:
  - 14 Days for Non-Payment of Rent;
  - Lease violations – minimum of 30 days.
- RAD Final Rule requires language in House Rules amending the HUD Model Lease.

# Discrepancies and Errors

- Prior to making any changes, owners must investigate and research discrepancies and possible errors;
  - Use EIV Income and Discrepancy Reports;
  - Verify discrepant information with employer;
  - Notify tenant to report within 10 days to discuss;
  - Provide a written final decision within 10 days;
  - For disabled tenants provide accommodations in hearing process;

# Income Discrepancies

- Must notify the tenant in writing of the discrepancy and give an opportunity to provide an explanation.
- Must attempt to obtain independent written third party verifications prior to making a final decision.
- Must be resolved within 30 days of the report.
- Can go back only five years.
- Tenants may request an informal hearing.
- Retain all documentation in file and EIV notebook.



# Income Discrepancies Investigations

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- Owners may not suspend, terminate, reduce, make a final denial of rental assistance or take any other adverse action against an individual based solely on the data in EIV.

# Reimbursement to HUD for Overpayment of Assistance

- Tenant Obligation to Repay
  - Must reimburse owner for difference between the rent that should have been paid and the rent that was charged if tenant:
    - Fails to provide owner with interim changes
    - Submits incorrect information
    - Fails to report income received, and
    - Is charged a rent less than the amount required by HUD rent formulas.
- Tenant must reimburse the total overpayment from the time overpayment started not to exceed five years
- Tenant is not responsible for owner errors.

# Reimbursement to HUD for Overpayment of Assistance

- Owner's Obligation to Repay
  - Not required to reimburse HUD immediately for overpayments for tenant caused overpayments
  - Required to reimburse HUD as tenants repay in accordance with a repayment agreement.
- Owner may retain amount to cover actual administrative costs which is the lesser of:
  - Actual costs or
  - 20% of the amount received from tenant
- Owner must retain records of expenses incurred.
- Owner must reimburse HUD immediately for overpayments due to owner's errors.

# Tenant Repay Options

- Tenant can repay amounts due:
  - Lump sum payment
  - Repayment Agreement
  - Combination of the two
  - Civil action taken by owner
  - Court action as a result of OIG audit.
- Repayment Agreements
  - Tenant and owner must both agree to terms
  - Must have signed agreement.

# Repayment Agreements

Monthly repayment amount plus TTP cannot exceed 40% Monthly Adjusted Income (MAI).....

Example:

- Family's Monthly Adjusted Income = \$1230
- Family's TTP = \$369 ( $\$1230/12 \times .30 = \$369$ )
- 40% of AMI is \$492 ( $\$1230/12 \times .40 = \$492$ )
- Maximum repayment amount =  
    \$492 (40% MAI)  
    - \$369 (30% MAI)  
    \$123 Maximum Monthly Payment



# Repayment Agreements

Monthly repayment amount plus TTP cannot exceed 40% Monthly Adjusted Income (AMI).....

Example:

- Family's Monthly Adjusted Income = \$1230
- Family's TTP = \$369 ( $\$1230/12 \times .30 = \$369$ )
- 40% of AMI is \$492 ( $\$1230/12 \times .40 = \$492$ )
- Maximum repayment amount =  
\$492 - 40% MAI  
-\$369 - 30% MAI  
\$123 Maximum Monthly Payment



# Documented Fraud

- To establish that fraud has been committed, proper documentation must be obtained:
  - Tenant must have been made aware of program requirements;
  - Proof that the tenant intentionally misstated or withheld information, such as:
    - Tenant statements;
    - Signing false statements;
    - False names or social security numbers used;
    - Tenant omitted material facts regarding eligibility or income.

# Documented Fraud

- When fraud is verified, owners should terminate tenancy under the material noncompliance provision;
  - Material noncompliance includes “knowingly providing incomplete or inaccurate information.”
- Fraud can be handled as a civil and/or criminal violation.



## CHAPTER 9

# ENTERPRISE INCOME VERIFICATION SYSTEM (EIV)

**HUD Notice – H 2013-06**

# Purpose of EIV -

- Owners must use EIV as third party verification for:
  - Employment
  - Social Security, SSI
  - Unemployment Benefits
  - Medicare Benefits
- EIV must be also be used to:
  - Identify multiple subsidies;
  - Pre-screen personal identifiers;
  - Identify income discrepancies;
  - Reduce administrative and subsidy payment errors in accordance with HUD guidance.

# EIV Data Restrictions -

- Must use data only for official business purposes;
- Only authorized persons can view or access data;
- Cannot share information with other agencies or individuals;
- Cannot share information with other adult members of household without a release;
- Cannot share EIV passwords;
- **Cannot use as third party verification for Tax Credit or HOME;**
- **EIV reports must not be in Tax Credit/HOME files;**
- Data must be kept secure;
- Data must be destroyed according to HUD and EIV policies;
- Severe penalties for employees and agencies who misuse the system – include loss of access – fines- imprisonment.

# EIV Access – HUD Secure Systems

- Coordinator and User Authorization Access Forms (CAAF/UAAF)
- Online Registration
- Annual Security Training
  - Cyber Awareness Training – <http://iase.disa.mil/et/index.html#onlinetraining>
- WASS # Assigned by HUD
- Owner Approval Letter – appointing Coordinator
- Coordinator Approves Access to EIV and TRACS Systems
- To access system -
  - Go to HUD Security Systems Website
  - Enter WASS #
  - Enter Password
  - Password expires every 90 days
  - Use Reset Password option on screen
  - If Locked Out or Have Problems –
    - Call TRACS Help Desk

# When to Use EIV....

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- Prior to Admission -
- Within 90 Days After MI 50059 Transmitted –
- Interim Recertification -
- Annual Recertification -
- EIV Monthly Reports –
- Investigative Purposes – Income Discrepancies

# EIV Master Notebook –

- Income Discrepancy Reports;
- Multiple Subsidy Summary Reports;
- Failed Identity Verification Reports;
- Deceased Tenant Reports;
- New Hires Reports;
- Must retain copies of backup documentation and notes as to how discrepancies were resolved;
- Mandatory Report Retention Period – 3 years
  - Must destroy according to EIV Policy.
  - Shred/burn/pulverize.
- CAAF/UAAF Forms
- Owner Approval Letter

# Required EIV File Documentation

- EIV Existing Tenant Search Report
- EIV Summary Reports
- EIV Income Reports
- Income Discrepancy Reports (supporting documentation)
- No Income Reports (supporting docs)
- No Income Reported by HHS or SSA (supporting docs)
- Deceased Tenant Report
- Tenant Acknowledgement/Release Info to Other Adults
- HUD 9887/9887A Forms – all adults
  - Must obtain signed copy of 9887/9887 Form for household members that turn 18.

# EIV Activities – Prior to Admission-Existing Tenant Search

- Identifies applicants who may be receiving assistance at another Multifamily property, PH, or HCV program;
- Search each household member by SS#;
- HUD 9887 is not required;
- Discuss results with applicant if currently assisted;
- Follow up with other agency or property to confirm the applicant's status before admission;
- Coordinate move-in/move-out dates;
- Retain reports and all documentation in tenant file.



# EIV – NEW ADMISSIONS

## At 90 Days or Less After MI Submission –

- Summary Report
- Income Report
- Income Discrepancy Report (if applicable)
- Failed Identity Reports
- Must Resolve Any Discrepancies Within 30 Days
- Retain Notes to File and Supporting Documentation

# EIV - Interim Recertification

- Income Report
- Summary Report
- Discrepancy Report (if applicable)
- Obtain documentation from tenant e.g.,
  - Check stubs (4-6 consecutive)
  - Separation Notice
  - SS Benefit Letter
- Must perform IR if income increases by \$200/month or decreases.
- **Interims not performed in Tax Credit program.**

# Interim Recertification

- Adding New Household Members –
  - BC/SS Cards/Citizenship Declaration/Ethnic Racial Data Form;
  - Adults – Criminal Background/9887/9887A, Release Form;
  - EIV Existing Tenant Search
  - Obtain acceptable verification of income;
  - If child under six with no SS number –
    - Must add child to 50059
    - Tenant has 90 days to submit verification of SS #
    - Use 9's on 50059 for SS#

# Annual Recertification

- Income Reports
- Summary Reports
- Income Discrepancy Reports (if applicable)
- Must Review With Tenant
- Tenant Must Sign Acknowledgement/Release
- If Tenant Agrees –
  - Use EIV To Calculate SS/SSI/Medicare
  - Obtain Documents From Tenant For Wages/Unemployment Income; e.g.,
    - 4-6 Check Stubs
    - Computer print out from employer of wages
    - Unemployment print out/receipt
    - Work Number

# Annual Recertification

Must Obtain Independent Written Verification if

- Tenant Disagrees With EIV
- New Income Reported
- Tenant Unable to Provide Supporting Documentation.
  - Written verification from employer
  - SSA/SSI Benefit Letter
  - Work Number
  - Remember to date stamp documents.

# Social Security Annual COLA

- COLA is usually published in November;
- COLA not required for recerts in:
  - January
  - February
  - March
- Must use COLA for recerts beginning in April;
- If COLA does not appear on EIV – Must use
  - Tenant provided documents or
  - Print Out From SS Website

# EIV Report Retention

- EIV Monthly Reports -
  - Must destroy after three years
- EIV Reports Maintained in the Tenant Files –
  - Retain for full three years after move-out
  - Must destroy according in method adopted in policy
  - May retain longer if tenant owes money or defaulted on a repayment agreement.

# EIV Security and Use Policy

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- Technical Safeguards
- Administrative Safeguards
- Physical Safeguards
- Designated Coordinator
- Purpose and Use of Required and Optional EIV Reports
- Rules of Behavior
- Resolving Discrepancies