

March 14, 2008

To: Owners and Agents of Section 8 Housing

From: Idaho Housing and Finance Association Compliance Department

Re: Important information to remember

As we have moved through the first few months of the audit season we have noticed a few things that seem to be common findings as well as some HUD guidance/changes that have been published that we want to communicate to the owners and management agents. They are as follows:

❖ **New 9887 and 9887A forms:**

- In January 2007 HUD published new versions of the 9887 and 9887A release of information forms. They will need to be implemented immediately.
 - Please link to: [http://hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=FRMS&s1=HUD-9887\\$\[NO\]&SECT5=FRMS&SECT1=TXTHLB&l=50&u=../cgi/newsdoc_run.cgi&p=1&r=1&f=S](http://hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=FRMS&s1=HUD-9887$[NO]&SECT5=FRMS&SECT1=TXTHLB&l=50&u=../cgi/newsdoc_run.cgi&p=1&r=1&f=S) for the forms and additional information.

❖ **New AFHMP:**

- A new 935-2a Affirmative Fair Housing Marketing Plan has been published by HUD. The form is dated August 2006. be sure to use the new form if you are submitting a new plan or updating and existing one.
 - **References:** http://hudclips.org/sub_nonhud/cgi/pdfforms/935-2a.pdf

❖ **Criminal Offender Record Inquires:**

- In a recent memo from Charles Williams, Deputy Assistant Secretary for Multifamily Housing Programs, we were reminded that owners and management agents are required to check criminal backgrounds in the state that the property is located as well as any other states that the applicant has lived in. Please insure that this is the practice at your sites.
 - **Reference:** Memo dated March 15, 2007 from Charles Williamson (please contact IHFA if you can not find this and we will send a copy)

❖ **New Student Rule FAQ's:**

- On March 23, 2007 HUD published a new set of FAQ's regarding the student rule. Please insure that you have reviewed these and are familiar with the requirements. Reminder: HUD considers FAQ's as HUD policy.
 - **References:** <http://www.hud.gov/offices/hsg/mfh/rhiip/studenteligibilityreqfaqs.pdf>

- ❖ **“Is Fraud Worth it?”:**
 - Recently, HUD has published the “Is Fraud Worth it?” (HUD 1141) brochure. They have confirmed that this for will replace the Things You Should Know brochure that was in use. Please insure that this is the form that is being used currently.
 - **References:** [http://hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=FRMS&s1=\(+HUD-1141\)%5bNO%5d&OPI=ADJ&SECT5=FRMS&SECT1=TXTHL B&l=50&u=../cgi/newsdoc_run.cgi&p=1&r=1&f=G](http://hudclips.org/sub_nonhud/cgi/nph-brs.cgi?d=FRMS&s1=(+HUD-1141)%5bNO%5d&OPI=ADJ&SECT5=FRMS&SECT1=TXTHL B&l=50&u=../cgi/newsdoc_run.cgi&p=1&r=1&f=G) (this link will have an English and Spanish version of the form)

- ❖ **Special Claims FAQ's:**
 - The Special Claims FAQ's were update February 2007. The updated information is in blue type.
 - **References:** http://www.hud.gov/offices/hsg/mfh/rfp/faq_scpq.pdf

- ❖ **2007 Income Limits:**
 - Effective March 20, 2007 HUD published the 2007 income limits. Please insure that all systems are updated to reflect the current limits.
 - **References:** <http://www.huduser.org/datasets/il.html>

- ❖ **White out on Documents:**
 - One of the observations that we have been seeing consistently this year is the use of white out on documents in the tenant files. As there is no way of knowing what is under the white out, it can give the appearance that the documents are being changed or adjusted without the consent of the third party or the resident. Please discontinue the use of white out on all forms related to the tenant file documentation. If something needs to be changed mark on line though, make the change and the tenant and site personnel will both initial the change.
 - **References:** [HUD](#) 4350.3 REV 1 change 1

- ❖ **Certification of “decent safe and sanitary:**
 - In the previous version of the 4350.3 it was required that the tenant certify at move in that the unit they were receiving was in decent, safe and sanitary condition. (Most owners and agents accomplished this by putting into the move in inspection form some verbiage to this effect) The requirement was removed from the 4350.3 rev 1 and some owners and agents removed the verbiage from the form. HUD has since clarified that

this is still a requirement and will still need to be addressed at move in. Please insure that you are meeting this test and that there is somewhere that the resident is certifying to this condition.

- **References:** HUD FAQ's on the 4350.3 REV 1 CHANGE 1 question #138 and HUD 4350.3 section 6-29

❖ **Lease Attachments:**

- As stated in the February 2007 communiqué there are to be no lease attachments that are not approved by HUD. We are seeing a lot of this issue in the MOR reviews that have been conducted thus far and IHFA wanted to remind the owners and agents that these are to be discontinued immediately, until HUD approval is obtained. These are things such as a drug free addendum, mold and mildew addendum, set fee schedules for maintenance items, etc...
 - **References:** [HUD](#) 4350.3 REV 1 CHANGE 1 section 6-5

❖ **Set Fees and Charges:**

- Just as a reminder, set fees and charges, including NSF fees and Key replacement charges, must be reflective of actual cost unless prior approval has been given from HUD. Please insure that at the time of MOR there is documentation of available for review to support the charges used.
 - **References:** HUD 4350.3 REV 1 CHANGE 1 section 6-25

If you have any questions or concerns regarding any of these reminders, please feel free to contact Steve Rehn at 208-331-4707 or e-mail at stevenr@ihfa.org.

Thank you and we are looking forward to a great audit season.