

To: Owners and Agents of Section 8 Housing

From: Idaho Housing and Finance Association (IHFA) Compliance Department

Date: February 10, 2009

Re: Repayment Plan Monitoring

With the introduction of EIV, Idaho Housing and Finance Association (IHFA) has started to see an increase in the number of repayment plans being executed between Owners/Agents and Residents due to fraudulent/erroneous reporting of income. This memorandum will serve as a reminder of the requirements for repayment plan execution as well as explain IHFA's monitoring requirements.

HUD Handbook 4350.3 REV-1 Change 2 Chapter 8 outlines the HUD requirements regarding errors, fraud and repayment plans between Owners/Agents and Residents. Chapter 8, Section 8-20, B 1 states the following:

"The owner is not required to reimburse HUD immediately for overpayments of assistance where the overpayment was caused by the tenant's submission of incorrect information. Repayments are required when and as tenants repay in accordance with an agreed-upon repayment plan."

In order for IHFA to monitor these plans accurately and ensure that repayment is being made timely, **IHFA is requesting that a copy of all current repayment plans be sent to Erin Shelton, Administrative Support Specialist. Erin's email address is: ErinS@IHFA.org. You can also fax repayment plans to Erin at (208) 424-7092. Please submit this documentation no later than March 4, 2009.** Erin will monitor the monthly HAP vouchers to ensure that manual adjustments are being made accordingly. During the Management and Occupancy Review (MOR) process, IHFA will review the resident ledgers for those residents with an executed repayment plan.

Please provide IHFA with a copy of all newly executed repayment plans going forward within ten (10) days of execution. In addition, please amend your written fraud policies to include procedures on how you will address fraudulent tenant activities discovered as a result of using EIV.

Thank you for your assistance and please feel free to contact your compliance auditor with any additional questions or comments.

IHFA Compliance Staff