

MEMORANDUM

To: Owners and Agents of Section 8 Housing
From: Idaho Housing and Finance Association Compliance Department
Date: February 9, 2007
Re: Program Tips and Suggestions

As we approach the 2007 audit season, we felt that a few reminders would be helpful in preparing for your upcoming Management and Occupancy Reviews. We have identified a number of issues during the past year that we felt deserved some clarification, and wanted to share with you some important things to remember.

❖ **Set Fees and Charges:**

- HUD does not allow set fees and charges without their prior approval. If you have any set fees, such as move out maintenance charges, charges for carpet cleaning, or parking fees that are not prior-approved by HUD, you should discontinue their use.
- If Special Claims are filed that contain set fees for labor or repairs that are not representative of actual costs, the claims will be reduced accordingly unless those fees and charges have been prior-approved by HUD.
 - **References:** HUD Handbook 4350.3 Section 6-25 C.3; 6-29 D.3;

❖ **HUD Model Lease:**

- There can be no alteration to the HUD model lease without HUD prior approval. This means it must be exactly the way it appears in HUD Handbook 4350.3. This also means that there will be no attachments or addendums to the lease that are not specifically allowed by HUD. In the past, some sites have used things like a drug free addendum, mold and mildew attachment, or a smoke detector addendum. The use of these items as addendums or attachments to the lease must be discontinued. The only approved attachments are those specifically listed in the model lease at either Section 25, or Section 27, depending on the individual property type. If you wish to retain these items as a part of your program, we recommend you consider adding them to your existing house rules.
- If there is an attachment to the lease, such as house rules, the entire attachment must be in the file – not just an acknowledgement of receipt.
 - **References:** HUD Handbook 4350.3 Section 6-4 D

- ❖ **Tenant Selection Plan:**
 - The HUD Handbook 4350.3 is very specific about the requirements for the Tenant Selection Plan. Please review existing plans and insure that they meet all 4350.3 requirements.
 - Please insure that the Tenant Selection Plan also contains verbiage to address the updated Student Rules and the Violence Against Women Act. Please go to www.hud.gov for more information regarding these additional requirements.
 - **References:** HUD Handbook 4350.3 section 4
www.hud.gov/offices/pih/publications/notices/06/pih2006-42.pdf Student rule: www.hud.gov/offices/hsg/mfh/rhiip/rhiiplistservarchive5.pdf

- ❖ **Resident Handbook/House Rules:**
 - Please review Resident Handbooks/House Rules to ensure that they are in compliance with HUD Handbook 4350.3 requirements.
 - **References:** HUD Handbook 4350.3 Section 6-9

- ❖ **Move in Inspections:**
 - If there are notations on the move in inspection that state additional repairs need to be made, the estimated date of repair must also be noted on the form. This date can be no longer than 30 days from the effective date of the lease.
 - The tenant must be given 5 days from the move in date to report any additional existing damage to be noted on the inspection. We recommend you disclose this information to the tenant in a fashion that is easily verified at a later date, such as including that information on the move in inspection form.
 - The move in inspection must state that the unit is in decent safe and sanitary condition.
 - **References:** HUD Handbook 4350.3 Section 6-29 C

- ❖ **Special Claims:**
 - HUD published a new Special Claims Processing Guide, which was effective August 2006. Numerous changes have affected how and what is to be submitted to support all types of Special Claims. Prior to filing for any Special Claims, please ensure that the guide is being followed, and the appropriate IHFA checklist is being utilized. You can access the guide at www.hudclips.gov. There is also a published set of FAQ's regarding the new guide. The IHFA checklist can be obtained from the Association's Compliance Department contacts.
 - **References:** Special Claims Processing Guide; Special Claims Processing Guide FAQs.

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 year.