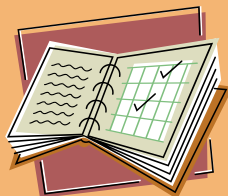


2010 Common Findings

It's that time of year again, and all are preparing for, or responding to their annual MOR. Some old issues have come to the surface during the MOR process. This issue of the Compliance Monitor is intended to address some of these issues and give some citations and new sample forms that may be of assistance.

- **Move-Out Notices from Residents**
 - ◇ Please remember that per the HUD Handbook 4350.3 Chapter 8-9, as well as the HUD model lease, in order for the resident to terminate tenancy they **MUST** provide the owner with a written 30-day notice to vacate the unit. If the resident does not do this, the owner needs to ensure that the file is documented. IHFA suggests a simple sheet or form which is signed by the management agent that states the unit number, resident name and fact that the resident failed to give 30 days notice.
- **Completion of the Owner's Summary of Family**
 - ◇ If the family member states that they are a US Citizen and completes the Citizenship Declaration, the date verified does not need to be completed on the Owner's Summary of Family. This section is only required to be completed if the Owner must verify the citizenship status, such as through the use of the SAVE system or review of documents.
- **Provide Rent Ready Dates at MOR**
 - ◇ Please be prepared to provide rent ready dates for your vacant units at MOR as well as any turnover units that you may have had during the past 12 months. This is a question IHFA is required to answer on the 9834, and we must verify the date while on site.
- **Move-Out Date for Deceased Residents**
 - ◇ According to the HUD Handbook 4350.3 Chapter 9-12 E 1, if your resident passes away while they are a current tenant and are the sole household member, then the move-out date is the sooner of 14 days from the date of death or the actual move-out date. IHFA Auditors have found that many times these files are not being documented properly when reviewing the move-out. If you are having trouble finding date of death documentation, you may go to www.tributes.com, enter the name of the resident and city of residence, and it will pull up the date of death. This may be used in the file to document the 14 days if necessary. If this date is not properly documented, it can affect the move-out date as well as the ability to successfully file special claims for this unit.



(Continued on page 2)

EIV Use Must be Resumed by Multifamily Program Users

Per RHIIP Listerv posting #227 released June 8, 2010, EIV use in its entirety is to resume immediately. At this time, the Detail Reports remain unavailable, but all Income Summary Reports are available and mandatory at this time. If you are experiencing any issues with EIV and its functionality, please send an email and screenshot if possible to Michael Sharkey at :

michael.a.sharkey@hud.gov

EIV Tip of the Month:

According to the last HUD webcast, all EIV Income and Verification Reports **MUST** be run at every recertification. This includes verification reports as well as income reports. If the report is run by the Head of Household's Social Security number instead of by property or recertification month, all of these reports will print out at once, and there is no need to run them individually. Our thanks goes to Regina at NWRECC for this tip.

FHEO Contact Person in Spokane

Kristina Miller, a HUD Investigator from the FHEO office in Spokane conducted a Fair Housing Training May 20, 2010 in Boise. Her training was very helpful, and took a practical approach to the issues many of us face from time to time. She offered her name and contact information as a resource. You may contact Ms. Miller via email at kristina.miller@hud.gov, or by phone at (509) 368-3214. She is happy to assist with your Fair Housing issues.

The Compliance Monitor

2010 MOR Frequently Asked Questions (continued from page 1)

- **Market Rate Move-In's are NOT Allowed**
 - ◇ Some Owner/Agents have recently asked about eligibility when moving a new tenant into a Section 8 Property, if they are income-qualified, but Total Tenant Payment (TTP) exceeds the Contract Rent amount. The applicant MUST be below the income limit for the property, and ALSO require subsidy for the unit. This issue usually arises when the property is located in an area with fairly high income limits, and relatively low rents. Your software should be set with a warning for violation of this rule. Please be sure to keep this in mind when moving in a new tenant, as this will be reported as a violation. You may refer to HUD Handbook 4350.3 REV-1 Change 3 Chapter 3-6 F 4 for the citation on this regulation.
- **Documenting Reporting for Interim Recertifications**
 - ◇ When a resident reports changes for an interim recertification, certain applicable timeframes must be allowed for rent and subsidy changes. During this audit year, it has been increasingly difficult to track the reporting of the change, and reason for the request. IHFA suggests that Owner/Agents implement a form for the resident to complete whenever they have a change to report for an interim request. These forms should be made available in the office and laundry room for submission by the resident. There is a sample form available for use at: <http://www.ihfa.org/ihfa/housing-compliance/project-based-section-8/forms-and-manuals.aspx>
 - * Please note that this is just a suggestion and not a HUD requirement that this form be used.
- **Hardship Exemption**
 - ◇ According to the HUD Handbook 4350.3, a resident of a Section 8 property must pay a minimum rent of \$25 per month, even if the resident has zero income. For most properties, there is a Utility Allowance (UA) in place and thus the resident does not have to pay rent out of pocket. The UA is deducted from the \$25 and the resident is issued a check for the difference.
 - ◇ Did you know that according to the HUD Handbook 4350.3 Chapter 5-26 D 3 and 4 Owners MUST waive the minimum rent for any family unable to pay due to a long term financial hardship? This hardship could be due to events such as the death of a family member, waiting for eligibility determination from SSA, loss of job, etc... If the resident requests an exemption the owner must implement the waiver the month following the request. If you do not have a process for notifying your residents of their right to request this waiver, IHFA strongly suggests that you add it to your move-in processes or somewhere else that is appropriate such as your house rules. IHFA has provided some sample verbiage at: <http://www.ihfa.org/ihfa/housing-compliance/project-based-section-8/forms-and-manuals.aspx>
IHFA has also provided a Sample Request for Hardship Exemption that may be used, and can be found at: <http://www.ihfa.org/ihfa/housing-compliance/project-based-section-8/forms-and-manuals.aspx>
IHFA suggests that you allow all zero income residents the opportunity to complete this form to ensure that all persons in need of the exemption are afforded the opportunity to request it.

EIV Training May 18, 2010

IHFA wants to thank all who attended in the EIV training held in Boise last month. We had a great team of participants, and want to offer a special thanks to Misty Schafte from the HUD Portland office, Wendell Martin and Regina Bell of Idaho AHMA for their contributions to the training. A great deal of useful information was shared, and much was learned. For those who were unable to attend, IHFA has posted all materials, presentations, handouts, and samples from the training on our website at:

<http://www.ihfa.org/ihfa/housing-compliance/project-based-section-8/training-materials.aspx>

These materials are also available on a jump drive while supplies last. If you would like one, please send an email to Heather Wiedenfeld at heatherw@ihfa.org.



If you have any questions or concerns regarding any of these reminders, please feel free to contact your compliance auditor by phone or email, or the Compliance Department at (208) 331-4707 or at compliance@ihfa.org.

The Compliance Monitor

2010 Income Limits Published

The new FY 2010 Income Limits were published with an effective date of May 14, 2010. Please be sure to update your systems and all certifications calculated after the effective date. If the income limits are not updated when you submit your July voucher for payment, it will cause an error and may cause voucher processing issues. The income limits are available at:

<http://www.huduser.org/portal/datasets/il/il10/index.html>

Do you know which income limits are applicable to your property? According to your HAP date, you may be able to admit applicants up to the Low Income limit, or you may be restricted to admitting only those applicants at or below the Very Low Income limit. This standard must be outlined in your Resident Selection Policy. This has been a prevalent issue in the 2010 audit year, so if you are not sure which limits apply to your property, or just want to double check to make sure you are following the proper guidelines for your site, please consult the HUD Handbook 4350.3 REV-1 Change 3 Chapter 3-7 for details.



Statement of No Child Support

When you have a resident that is claiming no child support, most Owner/Agents have the resident complete a Notarized Statement of No Child Support. When this occurs, the Owner/Agent needs to remember to review this form, as there may still be additional work to be done. For instance, if the resident states that they have been awarded support, and opened a case, the Owner/Agent still needs to obtain a print out from Child Support Services showing this, otherwise the amount awarded is to be counted as income, whether or not it is actually being received.

Additionally, if there is anything on the form that would require further verification, such as “not expected to pay due to father being incarcerated”, the MOR Auditor will expect to see additional documentation in the file in order to not count the awarded amount as income.

HUD Form 92006 – Supplement to the Application

Please note that according to HUD Notice H09-13, this one-time form is to be completed by each applicant, not each household. Each individual applicant should be given the opportunity to complete this form either at application or their next recertification. If you already have one on file for each household member, there is no need to complete a new one unless the resident requests a change. If you have been only offering this form to the head of household, you will need to change your policy moving forward.

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