

EIV Notice H 09-20 and EIV Implementation

On December 7, 2009 HUD published the most recent housing notice on the implementation of the EIV system, (EIV became mandatory January 31, 2010). If you have not already done so, please print this notice as there is a significant amount of data regarding the implementation and use of the EIV system. The following are some topics found in the clarification:

- O/A must run the Failed Pre-screening Report monthly, (remember to keep documentation of this for review at MOR) (page 6).
- O/A must update their Tenant Selection Plan to include the use of the Existing Tenant Search Report (page 9).
- Written policies and procedures must be in place for using EIV employment and income data, EIV verification reports at the time of recertification, as well as use at any other time. This was effective as of January 31, 2010 (page 9).
- O/A is not required to have a signed 9887 in place in order to run the Existing Tenant Search (page 10).
- O/A is required to have a signed 9887 in place for family members who turn 18 between recertifications (a tracking system may be needed to ensure this happens timely as the residents are not required to report this to you) (page 10).
- If an income discrepancy does exist, the O/A can only go back five years to correct 50059 information, even if the verifications show unreported or underreported income for a longer period (page 11).
- Rules for disclosure of income information, even to other members of the household (page 11).
- Situations where the O/A must not use EIV data and instead obtain third party verification (page 12).
- What EIV documentation must be in the resident file (page 13).
- Requirements for resolving incorrect data in EIV (page 17).
- O/A must retain income discrepancy reports and detailed information on resolution in the tenant file (page 19).
- Recommendations for running all other EIV reports (pages 19, 20, 21, 23).
- O/A must run failed EIV Verification Reports monthly (page 22).
- If the O/A determines that the resident knowingly provided incomplete or inaccurate information, the O/A must terminate tenancy and pursue civil action (page 24).
- For repayment plans, the tenant rent and repayment amount should not exceed 40% of the tenants' monthly adjusted income (page 26).
- Areas that the written repayment agreement must cover (page 26).
- Requirements for the verbiage that must be used in the miscellaneous request (OARQ) HAP adjustment (page 27, 28).
- Areas that the O/A must track in relation to payments received and records that must be kept (page 28, 29).
- Policies for reporting underreported income to HUD and doing corrections to the 50059's (page 29).
- Restrictions on access for CPA's (page 30).
- Clarifications that disclosure of EIV obtained income information is NOT allowed to Service Coordinators (page 30).

(continued on page 2)

In This Issue

- ◆ EIV Notice H 09-20 and EIV Implementation
- ◆ 2010 MOR Preparation
- ◆ Common TRACS Errors and Possible Solutions

...And more!

2010 Idaho AHMA Conference

The Idaho chapter of AHMA will hold their annual conference and tradeshow April 19th through the 21st. There will be certification opportunities in the Tax Credit, Rural Development and HUD Section 8 tracks. For more information and registration Please go to:

<http://www.idahoahma.org/events/conferences/details/53-2010-iahma-conference.html>



New AAF and OCAF Factors Published

Effective February 10, 2010 the new AAF Adjustment Factors are:

- **Table I** --- 1.040 (includes utilities)
1.037 (excludes utilities)
- **Table II** --- 1.030 (includes utilities)
1.027 (excludes utilities)

Effective February 11, 2010 the new OCAF rate is 1.045 (for 2009 it was 1.047). Please ensure that all rent adjustments and contract renewals submitted are utilizing the correct factors.

The Compliance Monitor

EIV Notice H 09-20 and EIV Implementation (cont'd from page 1)

This list is not all inclusive and there is a lot of other information in this notice. In the live webcast conducted by HUD on February 25, 2010 HUD stated that they are in the process of updating this notice and changing the majority of the “shoulds” to “musts”. The notice can be found at:

http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg/files/09-20hsgn.doc

The associated webcasts can be found at:

<http://portal.hud.gov/portal/page/portal/HUD/webcasts/archives/multifamily>

The O/A's in Idaho have done a wonderful job getting connected to EIV. IHFA recently received a letter from HUD praising our state for their efforts and saying that we have the best enrollment rate in the Northwest for EIV. We want to thank all of those who have spent the time signing up and getting your policies and procedures in place before the January deadline!

2010 MOR Preparation

IHFA has been conducting the 2010 MOR's since January 2010. As we have conducted these reviews, the following issues have been identified:

- Remember to change your Tenant Selection Plan to include the Existing Tenant Search used in EIV as well as the new requirements for social security number disclosure that are now in effect through the Final Rule. This rule can be found at: <http://edocket.access.gpo.gov/2009/pdf/E9-30720.pdf>.
- Check your forms to ensure that you are not using outdated/expired versions of OMB forms.
- If your annual unit inspections are not maintained in your resident files, remember to provide them when the MOR team is at your site. If you are missing these required inspections, it could result in a finding.
- Ensure that your wait list contains “all action” taken with the applicant and that it is in an auditable format. “All action” means all contact, when you run their background checks, when you have meetings, etc.. This could not only affect your MOR, but also your ability to file special claims.
- Ensure that the move out files contain copies of invoices, etc...to support charges to the residents.
- Ensure that the EIV security documentation is available at the MOR. IHFA must be able to review this information at the time of the MOR or we must report it to HUD and access can be taken away until it is produced.

The MOR's conducted so far this year have been very good and we want to commend you on your efforts. We feel that part of the reason for this improvement portfolio-wide is the commitment that has been shown to attending our training and staying up to date via the RHIP listserv on the ever-changing rules and regulations of HUD, and we wanted to thank you all.

Adding a Baby or New Household Member to a Household

With the implementation of the final rule, HUD has changed the way that a family member under the age of six is added to a household (this is most common when a resident has a baby). According to the rule, you will now add the new household member, and the resident has 90 days to provide proof of a social security number. You may offer one 90 day extension if the reason that the documentation was not provided was not in the resident's control. Some O/A's may need to update their current policies and procedures or resident handbooks to allow for this change. The final rule is available to view and print at:

<http://edocket.access.gpo.gov/2009/pdf/E9-30720.pdf>



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

Policy Implementation Schedule

There have been many changes to the Project-Based Section 8 program over the last few years and sometimes it is hard to know if you have implemented all of it correctly, and in a timely manner. Mary Ross of Ross Business Development has created a policy implementation schedule that we have found to be helpful. The schedule is available at:

<http://www.ihfa.org/ihfa/housing-compliance/project-based-section-8/forms-and-manuals.aspx>



Common TRACS Errors and Solutions

Below are some examples of the most common errors seen by IHFA and ways to correct them if and when they occur:

- **F0002 “MAT59 HOH has different birth date, Last name, and First name than current HOH” (fatal), and X0019 “Certification is not for the current tenant” (fatal).**
 - ◇ This is usually due to typographical errors in data entry, or when there is a correction to be made to previously submitted TRACS files. Typographical errors require the file to be submitted with the correct data. In cases of correction, the “previous head of household” data must be entered (fields 60-65 of the 50059), and all of that data must be valid.
- **ADI “System calculated adjustment income differs from reported value (fatal), TCVA “System calculated total cash value of assets differs from the reported value” (fatal), and TA “System calculated total cash value of assets differs from the reported value (fatal).**
 - ◇ Verify submitted values for income and assets, care codes, and special status codes; recalculate total allowance and annual income. Pay special attention in cases of child care allowance, and that you have populated the “ability to work code” appropriately.
- **X0014 “Rent does not match rent schedule” (Fatal).**
 - ◇ The rent submitted on the certification does not match the current approved rent schedule. Verify the HUD or Contract Administrator approved Section 8 Rent and submit a correction record.

IHFA transmits these and other errors back to Owner/Agents via iMAX throughout the month as they are received from TRACS. Should you have any questions regarding errors received, please contact Erin Shelton at erins@ihfa.org, or consult the MAT Guide which can be found and printed at: <http://www.hud.gov/offices/hsg/mfh/trx/trxmatg.cfm>.

Section 8 Compliance Contacts

Sheryl Putnam, Housing Compliance and Program Support Manager

Phone: (208) 331-4821 Email: sherylp@ihfa.org

Heather Wiedenfeld, Quality Assurance Auditor

Phone: (208) 331-4868 Email: heatherw@ihfa.org

Lynae Steadman, Housing Compliance Analyst

Phone: (208) 331-4764 Email: lynaes@ihfa.org

Erin Shelton, Housing Compliance Administrative Support

Phone: (208) 331-4733 Email: erins@ihfa.org

Norma Requist, Housing Compliance Auditor

Phone: (208) 331-4849 Email: normar@ihfa.org

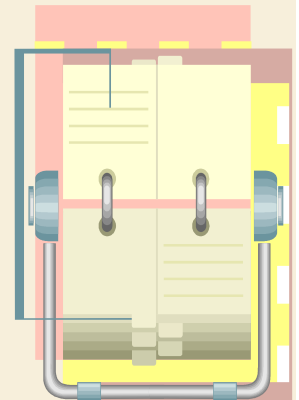
Sara Dotson, Housing Compliance Auditor

Phone: (208) 331-4720 Email: sarad@ihfa.org

Michele Baldwin, Housing Compliance Auditor

Phone: (208) 331-4784 Email: micheleb@ihfa.org

Compliance Department Fax
(208) 424-7092



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.