



# In the LOOP with S/8

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Volume I Issue 3  
October 2009



October 31



November 26



December 25

**MFA OPEN HOUSE**  
 Tuesday October 20, 2009  
 3:30 pm—6:00 pm

344 4th St SW 505-843-6880  
 Albuquerque NM 87102 1-800-444-6880



## KUDOS



KUDOS goes out to the following properties for scoring in the 90s on their Physical Inspection—REAC.

- Albuquerque ARC-Louisiana Group Home
- Brentwood Gardens
- South Shiprock Houses

### SAVE YOUR ENERGY



Getting multi-family properties through soft times in the rental market and through hard times in the economy can require significant staying strategies for cutting the most costly operating expenses. After mortgage payments and labor costs, expenditures for utilities can be effectively reduced by adopting policies and methods designed to help conserve energy.

To this end, HUD developed the Energy Action Plan which outlines a number of initiatives that promote energy efficiency within federally assisted programs, including subsidized multi-family Section 8.

The plan focuses on upgrading the energy efficiency of HUD assisted properties by using an established inventory of proven energy-efficient products and appliances that can be put to work immediately through existing programs. To learn more about the Energy Action Plan and products that can improve energy efficiency at your property, visit the following websites:

- <http://www.hud.gov/energy>
- <http://www.energystar.gov>
- <http://rehabadvisor.pathnet.org>



## Vouchering Tips for Owners and Agents

Owners/Agents and Service Bureaus can take several steps to ensure that electronic voucher submissions and tenant records pass through the edit checks of your contract administrator's software without error. The simple vouchering tips presented below will help ensure that the best possible voucher is transmitted for payment. These tips are designed to offer some assistance and clarification with a few key concepts related to the vouchering process.

Annuals (AR), Terminations (TM), and Move Outs (MO)

The Annual Recertification (AR) process should occur the month/year following the tenant's Move IN (MI) or Initial Certification (IC) unless special permission has been granted by HUD to use a universal annual recertification date at the property. If the tenant has not been recertified by the 12th month, the tenant should be terminated based on the guidelines in HUD Handbook 4350.3 Change 3 Chapter 7, Section 1. PBCA's are required to stop payment to the tenant/unit on the 15th month and recapture assistance back to the 13th month if the AR has not been received.

The tenant **should not** be terminated during the 13th & 14th month. If the tenant fails to recertify, the Termination (TM) would be retroactive to the last day of the month preceding the AR effective date. For example, if the AR effective date is 6/1/2009 and the tenant does not recertify, the TM date would be 5/31/2009. In this situation, **the order in which records are sent is important.**

If the tenant moves out and did not recertify, the (TM) cert should still be transmitted (retroactive to the last day of the month preceding the AR) and then followed by the Move Out (MO).

**Remember: In order to be eligible for a Special claim for that unit/tenant, the MO must be transmitted to TRACS.**

If the tenant moves out and **did recertify** (AR effective date is prior to the MO date), the AR should be transmitted followed by the MO. For example, if the tenant's AR is effective 5/1/2009 and the tenant moves out 5/15/2009, the AR will still need to be transmitted.

### Tenant Repayment Agreements

If a tenant has unreported/underreported income and cannot pay back the entire overpaid subsidy at once, the tenant should be placed on a Tenant Repayment Agreement. This is another vouchering area where many errors can be avoided if Owners/Agents and Service Bureaus remember the following when dealing with them.

**The best approach in this situation is to allow the vouchering software to recalculate the subsidy on each cert once the additional income/household composition changes.** Attempting to calculate the subsidy manually may cause a discrepancy in the certifications transmitted versus the amount listed on the agreement itself.

**The tenant must sign the agreement and the certifications related to the agreement. Certifications should always be signed by the tenant prior to transmitting the certifications through TRACS to the CA. The change in subsidy based on the certifications transmitted by the site should match the repayment agreement. If the certification's and/or the agreement are not signed, the tenant is not on a repayment agreement. If the amount generated by the certifications processed does not match the total amount on the repayment agreement, the agreement may need to be modified and a new signature acquired.**

### Consistency with Tenant Names

Finally, even simple fixes can help your voucher and tenant records sail through processing. Spelling tenant names consistently on each certification processed helps reduce errors dramatically. Typical errors consist of spelling "Junior" and "Senior" incorrectly. This would include any commas, periods, spaces and/or spelling out Junior or Senior.

Paying attention to these details on your voucher and tenant records before sending them to your CA can reduce errors dramatically. For further information regarding the processing and preparation of vouchers and tenant records, see the MAT User Guide at the following link: <http://www.hud.gov/offices/hsg/mfh/trx/trxngde.cgm>.

HUD has issued a Housing Notice to cover instructions for the Application Supplement issued previously

See Also RHIP ListServ #179 for HUD Notice Announcement

#### When do you need to start using HUD-92006?

Implementation is covered in the Housing Notice H 2009-13 under section IV of the as follows: IV. IMPLEMENTATION REQUIREMENTS. A. Owners and management agents (O/As) and Public Housing Agencies (PHAs) must implement the requirements of Section 644 and begin using form HUD-92006, Supplement to Application for Federally Assisted Housing, by no later than 90 days from the issued date of this Notice.

**NOTE: MFA will be looking for full implementation effective with Management and Occupancy Reviews performed starting January 1, 2010.**

**Important Links: Visit these websites to obtain a copy of the Housing Notice and HUD form**

Notice H 2009-13 is posted at: <http://www.hud.gov/offices/adm/hudclips/notices/hsg/>

Form HUD-92006 is posted at: <http://www.hud.gov/offices/adm/hudclips/forms/>

### Effective Date Delayed to January 31, 2010

## **Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs, Final Rule**

A delay in the effective date of the Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs, Final Rule was published in the Federal Register today, August 28, 2009. The rule, scheduled to be effective on September 30, 2009, **will become effective on January 31, 2010.** The publication of this delay in the effective date is located at <http://edocket.access.gpo.gov/2009/pdf/E9-20879.pdf>.

As a reminder, the provisions published in the January 27, 2009, final rule must not be implemented prior to the effective date of the final rule.

NOTE: In the event that EIV has been implemented by OA/MA, MFA will review policy and procedure for compliance.

HUD Handbook 4350.3, Rev-1, Chg-3

Reminder: Change 3 went into effect on August 1, 2009

Link to handbook: <http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.3/index.cfm>

Occupancy Handbook questions: [4350.3chg.3comments@hud.gov](mailto:4350.3chg.3comments@hud.gov)



get Daylight

Don't for-

If you wish to suggest ideas or topics for future newsletters, please feel free to submit requests to us at any time.

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## EIV Rules of Behavior for People Who Do Not Have Access to EIV but Who Use EIV for Certification

As promised, HUD has posted the EIV Rules of Behavior document. This document is to be used by individuals who have access to EIV reports but do not have access to the EIV database through Secure Systems. You can find the *EIV Rules of Behavior for People Who Do Not Have Access to EIV but Who Use EIV for Certification* on HUD's web site at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/rulesofbehavior.pdf>

Before you start using the form, let's talk about HUD's instruction. First of all, please be aware of who is allowed to use EIV information. This information is provided in various documents provided by HUD including the **Instructions for Applying for EIV Access for Multifamily Housing Programs** at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/applyforeivaccess.pdf>

The EIV Social Security (SS), Supplemental Security Income (SSI), new hires (W-4), wage, and unemployment compensation information contained in the EIV system may only be used for limited official purposes.

- § By Contract Administrators (CAs) for monitoring and oversight of the resident recertification process
- § By the Office of the Inspector General (OIG) for investigative purposes.

§ By owners/agents (O/As) for verifying the employment and income at the time of certification for residents **participating in one of HUD's rental assistance programs listed:**  
EIV Data may be disclosed to:

- Private owners
- Management agents
- Service Bureaus
- Contract Administrators
- HUD staff
- HUD Office of Inspector General (OIG) for investigative purposes
- Individual to whom the record pertains

EIV income data may only be used for verification of employment and income at certification.

EIV Users and Coordinators should already be familiar with HUD's Questions and Answers regarding EIV. For those of you who are not, the **EIV Webcast Questions & Answers** can be found on HUD's web site at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivtraining.cfm>.

In regards to the "Rules of Behavior" document, the following questions are of special interest:

**20. We have external auditors coming in to look at our files. Is it okay to let the auditors view the files if they have EIV information located in them?**

**Answer:** Yes, Independent Auditors (IAs) hired by O/As to perform a financial audit of a project are authorized to view EIV reports for determining the O/As compliance with verifying income and calculating rent as long as the IA follows all of the following criteria:

- They will access NDNH information only within hard copy files and only within the offices of the O/A.
  - They will not transmit or transport NDNH information in any form.
  - They will not enter NDNH information on any portable media.
- They will sign non-disclosure oaths (or similar documentation) that the NDNH information will be used only for the purpose of the audit, and
- They will not duplicate NDNH information or re-disclose NDNH information to any user not authorized by 435(j)(7) and identified within the CMA.
  - HUD will be providing a non-disclosure oath (Rules of Behavior) on its Multifamily EIV webpage at <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm> in the near future.

**21. Is it permissible for an EIV authorized O/A to run EIV reports, print them, and provide them to staff members at the property? Is it necessary to assign these staff members as EIV users?**

**Answer:** Authorized EIV Coordinators or EIV Users are permitted to run EIV reports, print them out, and provide to staff members at the property who need the reports to perform their job function(s). Staff members who view EIV reports on printouts do not need to be an EIV user. They must, however, be required to sign a Rules of Behavior form that will be available on HUD's Multifamily EIV webpage at <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm> in the near future.

**22. Is it permissible to send EIV data/reports to service bureaus?**

**Answer:** Yes, service bureaus are authorized to have access to the EIV system and also view any printed EIV reports. If they do not have access to the EIV system but will be viewing/using EIV reports, they must sign a Rules of Behavior form that will be available on HUD's Multifamily EIV webpage at <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm> in the near future.

Owner/agents should download the Rules of Behavior document and have property management staff sign as appropriate.