

Eugene Burger Management Corporation

EIV USE POLICY MANUAL

June 20, 2016

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Affordable Housing Training & Consulting Services, LLC

11 Tamarack Drive, Essex Junction, VT., 05452

Phone: 802-598-3464 Fax: 802-879-6338

info@AHTCSonline.com – www.ahtcsonline.com

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Overview

Under the Rental Housing Integrity Improvement Project (RHIIP) initiative, HUD is responsible for ensuring that the proper subsidy is provided to household through its rental assistance programs. The amount of rental assistance paid on behalf of the household is calculated using their annual income, less allowable deductions. Therefore, it is critical that Owners and Management Agents (O/As) obtain and adequately verify annual income and benefit information in making rental housing subsidy determinations.

To that end, HUD developed a program, the Enterprise Income Verification (EIV) system. HUD considers the EIV system to be an integral component in the Rental Housing Integrity Improvement Project (RHIIP) initiative to reduce errors and improper payments in the administration of its assisted housing programs. HUD feels that full implementation of the EIV system will increase the accuracy of rent and income determinations, thereby better ensuring that the right benefits go to the right persons.

HUD now considers the highest verification method to be the upfront income verification (UIV). UIV is the verification of income, before or during a household recertification, through an independent source that systematically and uniformly maintains income information in a computerized form for a large number of individuals.

O/A's are encouraged to incorporate the use of the EIV system in their day-to-day operations and Contract Administrators are encouraged to use the system in the performance of MORs, the purpose of which is to ensure the reduction in improper payments of HUD subsidies. And, the CAs will monitor the necessary policies and procedures required in the use of the EIV system.

To begin with, O/As are required to maintain, communicate, and enforce standard operating procedures related to securing EIV data. The purpose of such a document is to provide policy and procedures to everyone that has access to the EIV secure website system. This could include staff, consultants and contractors on the acceptable use, disposition and storage of data obtained through EIV (Enterprise Income Verification).

HUD states "EIV as a system is defined as an external data source that provides information either through computer matching, data storage, retrieval and transmitted either via computer, fax, or email". Verification of income, assets and expenses received through the U.S. Mail will also be treated in the same format as EIV data.

The integrity and availability of data in EIV is essential. The data contained therein needs to be protected from unanticipated or unintentional use and disclosure. Through its, HUD restricts the use of this information to program administrators such as O/As, HUD approved officials such as contract administrators (CAs) under contract with HUD, and HUD's OIG, the law enforcement arm of HUD.

So much emphasis was put on "security"; that it was decided that it would be beneficial to have a designated person to be responsible for ensuring compliance with the EIV Security Policy. So, not only will the following items be included in the security policy but a "designated person" should be responsible for the Compliance of the policy and procedures.

Usage;
Rules of Behavior;
Certification and Recertification
Safeguards;

Reports;
Resolving Discrepancies; and
Consents including but not limited to the 9887 /
9887-A

The "designated person" will maintain a record of all users who have approved access to EIV data. This data record should be reviewed on a regular basis to determine if users still require access. And, should it be determined that the access of a user is no longer required then access should be terminated or modified based on the user's responsibilities or duties.

EBMC's Designated Person AKA EIV Coordinator, Program Administrator or Security Officer is:

Stephen Burger
6600 Hunter Drive, Rohnert Park CA 94928
707-584-5123
steveburger@ebmc.com

EIV Usage

The EIV system is a web-based, state of the art system designed to share income data in other federal databases. HUD makes monthly Social Security (SS) and Supplemental Security Income (SSI) benefits data from the Social Security Administration (SSA) and monthly employer new hires (W-4), quarterly wage for federal and non-federal employees, and quarterly unemployment data from the Department of Health and Human Services' (HHS') National Directory of New Hires (NDNH) available in EIV. Through its system security measures, HUD restricts the use of the EIV information to program administrators such as O/As, HUD approved officials such as contract administrators (CAs) under contract with HUD, and HUD's Office of Inspector General (OIG), the law enforcement arm of HUD. HUD has stipulated that IPA's may use printed EIV documents when auditing an owner's compliance.

How information is collected: All applicants are given an application to complete. They are required to furnish social security numbers, citizenship or non citizenship status, income including but not limited to social security, pensions, wages, assets, etc. This information will be collected with verification forms once the HUD 9887, 9887-A and consent forms have been signed.

How and when the information is used: The consent and verification forms will be used to verify the information on all applications that will determine their eligibility for rental assistance based on the HUD program for which they are applying. And, as required by HUD their information must be reviewed annually and more if their circumstances require.

EIV will be used in the following instances:

- EIV will be used to determine if any applicants are currently receiving rental assistance through another Multifamily Housing or Public and Indian Housing (PIH) location at the time of application or move-in.
- EIV will be used to verify the employment and income of individuals receiving Section 8 assistance of all residents at the time of annual or interim re-certifications.
- EIV will be used to determine if residents have started new employment within the past months, quarterly wage information for past or current employment, unemployment benefits, and social security benefits.
- EIV will be used to identify whether or not a resident(s) failed the identity verification against SSA information.

Staff members at the property who are not verified Users on the property and who need the reports to perform their job function(s) may view EIV reports on print outs, however, they are absolutely required to sign a Rules of Behavior form.

EIV will NOT be used in the following instances:

- EIV will not be used to certify applicants or recertify residents under the Low Income Housing Tax Credit (LIHTC) program nor will any of the information be disclosed to the state agency monitoring the LIHTC program.

- EIV will not be used to certify applicants or recertify residents under the Section 515 Rural Housing program nor will any of the information be disclosed to the Rural Housing Services (RHS) staff monitoring the Section 515 program.

Do not suspend, terminate, reduce, make a final denial of rental assistance or take any other adverse action against an individual based solely on the data in EIV. If the information in EIV does not agree with the amount that the resident reports they receive, or when the resident disputes the EIV data, management will request the appropriate 3rd party verification.

It is very important that you update your tenant selection plan and written policies and procedures for accessing and using EIV!

Tenant Selection Plan:

O/As using the Existing Tenant Search in EIV as part of their screening criteria for new tenants must include written policies for using the search in their Tenant Selection Plan.

Privacy Act Compliance

The data provided via the EIV system must be protected to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a variety of Federal laws and regulations, government bulletins, and other guiding documents. The Privacy Act of 1974 as amended, 5 U.S.C. § 552 (a) is one such regulation and EIV data require careful handling in order to assure program administrators' compliance with the Privacy Act. (See Appendix 1. Safeguards Provided by the Privacy Act.) The Act also describes the criminal penalties associated with violation of policy supporting the Act. (See Appendix 2. Criminal Penalties Associated with the Privacy Act.)

HUD has interagency agreements with:

- The Social Security Administration for the social security (SS) and the supplemental security income (SSI) data and
- The HHS's Office of Child Support Enforcement for information furnished from the National Directory of New Hires (NDNH) data.

Under the Privacy Act, tenants have the right to challenge the accuracy of information maintained by the Federal government that concerns them. If a tenant disputes the employment and/or income information, the tenant must contact the employer. If the information is incorrect, the employer must correct the information and resubmit it to the state, IRS and HHS. The employer is the originator of the data.

If the tenant disputes the SS/SSI information, the tenant must contact SSA. If the SS/SSI information is incorrect, SSA must correct the information and update its database. SSA is the originator of the data.

The program administrator's Security Officer, or designated staff, must assure that a copy of Form HUD-9887 and 9887A- Authorization for the Release of Information, or an equivalent consent form that meets requirements, has been signed by each member of the household age 18 years old or older and is in the household file. By signing this form, the tenant authorizes HUD and the program administrator to obtain and verify income and unemployment compensation information from various sources including current and former employers, State agencies, SSA and HHS. HUD is relying on program administrators to have this authorization form on file as required. Information obtained is protected under the Privacy Act.

EIV Rules of Behavior for HUD Systems

The U.S. Department of Housing and Urban Development (HUD) is actively involved in implementing and maintaining departmental policies and procedures to keep its systems secure from unauthorized access and inappropriate use. In compliance with various security-related federal laws and regulations, HUD created these Rules of Behavior for the EIV system.

The purpose of the rules is to safeguard HUD's valuable information resources. All EIV Coordinators and Users must adhere to the Rules of Behavior. The rules clearly spell out the responsibilities of, and expectations for, all individuals with access to the EIV system. To that end, the "EIV Rules of Behavior" have been added to the EIV Security Policy.

Should HUD determine noncompliance with these rules, there will be discipline through sanctions which will commensurate with the level of infraction. This may include removal of system access for a specific period of time or termination depending on the severity of the violation.

The system user identification (USERID) and password issued to you are your means to access EIV.

The user ID is to be used solely in connection with the performance of your responsibilities as set forth in your job description.

Your "User ID" IS NOT to be used by anyone other than yourself as this is expressly prohibited.

You agree to be responsible for the confidentiality of the assigned information and accountable for all activity with your user identification (USERID).

You agree that you will not provide this confidential USERID/password to another user nor will you sign on to HUD systems so that another person may access or operate the workstation in your absence or on your behalf.

NOTE: Allowing another person to use your ID constitutes a breach of system security and will result in immediate termination of your assigned USERID/password from the system

EIV Coordinators and Users agree to the following procedures:

- Log-off the system when leaving the system/workstation area;
- Refrain from leaving written passwords in the workstation area;
- Avoid creating a personal password that can be easily associated with you;
- Avoid posting printouts of sensitive output data on bulletin boards;
- Avoid leaving system output reports unattended or unsecured;
- Control input documents by returning them to files or forwarding them to the appropriate contact person in your office;
- Avoid violation of the Privacy Act which requires confidentiality of personal data contained in government and contractor data files;
- Immediately contact the HUD Inspector General's Office, as appropriate, regarding any suspected violation or breach of system security;
- Cooperate in providing personal background information to be used in conducting security background checks to the extent required by Federal regulations;

- Respond to any inquiries and requests for information you may receive from either the HUD Headquarters or management officials regarding system security practices.
- Protect all electronic/optical media and hardcopy documentation containing sensitive information and properly dispose of it by shredding hardcopy documentation, or by contacting the HITS Help Desk to dispose of electronic/optical media.
- Avoid saving sensitive HUD information on the local drive of a laptop, personally owned computer, or other mobile or portable technology ("flash drives", removable/external hard drives, etc.).
- If sensitive data must be stored on any type of HUD-approved mobile/portable technology (laptops, removable hard drives, "flash drives", etc.), ensure that it is protected via encryption.
- Individuals who telework or remotely access HUD information should do so only through approved remote access solutions (such as hudmobile.hud.gov), and should safeguard all sensitive information accessed in this manner.
- Use EIV information only in the performance of official HUD business.
- Not disclose (willfully or otherwise) EIV information in any way that would violate the privacy of individuals.
- Ensure there is a signed and valid form HUD-9887, Notice and Consent for the Release of Information, on file before reviewing an individual's confidential EIV income information.
- Report incidents or suspected incidents which involve breach of EIV information to the HUD National Help Desk at 1-888-297-8689.
- Only be accessed and reviewed within hardcopy files and only within the offices of the O/A or CA.
- Data will not be transmitted or transported in any form not authorized by HUD.
- Data will not be entered on any portable media not authorized by HUD.
- Data will not be duplicated or re-disclosed to any individual not authorized by HUD.
- Data will be used only for the purpose of the audit.
- Always return EIV print-out to the appropriate file or appropriate person in your office when you have finished with the information;
- Never disclose confidential personal applicant or tenant files to avoid a violation of the Privacy Act;
- Contact your supervisor or designated "security officer" immediately regarding any suspected violation or breach of system security;
- To cooperate in providing personal background information which would be used in conducting security background checks to the extent required by Federal regulations;
- To respond to inquiries and requests for information from either HUD Headquarters regarding system security practices;

- Always protect the electronic media and hardcopy documentation containing sensitive information;
- Always properly dispose of sensitive information by shredding the hardcopy documentation;
- Not to save sensitive EIV information on the local drive of a laptop, personally owned computer, or other mobile or portable technology ("flash drives", removable/external hard drives, etc.);
- Always safeguard all sensitive information.

Unauthorized disclosure of EIV information can result in civil and criminal penalties, as follows:

- Unauthorized disclosure can result in a felony conviction and a fine of up to \$5,000 and/or imprisonment up to five (5) years, as well as civil penalties.
- Unauthorized inspection can result in a misdemeanor penalty of up to \$1,000 and/or one (1) year imprisonment, as well as civil damages.

NOTE: The EIV system is programmed to log every time any one accesses tenant data. This is part of the effort to protect the data and provide traceability should a questionable event occur. Before accessing the EIV System, all employee users must acknowledge, each time that they sign on, that they understand:

Non-Authorized Staff Usage- 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>
- They must agree to the conditions of the of the Privacy Act:
- They may have access to EIV for official purposes only
- They are subject to civil and/or criminal penalties under the Privacy Act of misuse of information
- There must be a signed consent form (HUD 9887 & 9887A) on file before viewing income data from the individual (every family member 18 or older, whether they have income or not must sign these forms)
- The signed HUD 9887 & 9887A must not be older than 15 months

Criminal Penalties Associated with the Violation of the Privacy Act - The Privacy Act of 1974 as amended, 5 U.S.C. § 552 (a) (i):

1. CRIMINAL PENALTIES.--Any officer or employee of an agency, who by virtue of his employment or official position, has possession of, or access to, agency records which contain individually identifiable information the disclosure of which is prohibited by this section or by rules or regulations established there under, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

2. Any officer or employee of any agency who willfully maintains a system of records without meeting the notice requirements of subsection (e)(4) of this section shall be guilty of a misdemeanor and fined not more than \$5,000.

3. Any person who knowingly and willfully requests or obtains any record concerning an individual from an agency under false pretenses shall be guilty of a misdemeanor and fined not more than \$5,000.

Warnings in the EIV system welcome page provide a reminder

Reporting Improper Disclosures

Recognition, reporting, and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and the sharing of User IDs and passwords. Upon the discovery of a possible improper disclosure of UIV information or another security violation by a program administrator employee or any other person, the individual making the observation or receiving the information should contact the program administrator's security officer and/or the HUD Field Office's Housing Director. The program administrator security officer or designated staff should document all improper disclosures in writing providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when it occurred.

The following contacts should be made:

- The individual that discovered the improper disclosure should contact the EBMC Program Administrator security officer and provide them with the written documentation;
- The EBMC Program Administrator should provide the HUD Field Office Housing Director with the written documentation; and,
- The HUD Field Office Public Housing Director upon receipt of the written documentation will make a determination regarding the referral and the provision of the written documentation to the HUD Headquarters EIV Coordinator and/or EIV Security Officer for further review and follow-up action.

EIV Certification and Recertification

In order to gain access to the EIV System, every user (coordinator or user) must apply for access. First, every user has to have an active WASS User ID (M-ID) which is access to HUD's Web Secure System. HUD encourages the use of the electronic features to submit and to approve both EIV Coordinator and User requests to respective authorizers.

Certification in EIV

EIV Coordinator: To apply for EIV Coordinator access authorization rights, the [Coordinator Access Authorization Form](#) must be completed which is submitted to HUD's Multifamily Helpdesk by emailing or faxing the form.

EIV User: To apply for EIV User access authorization rights, the [User Access Authorization form](#) must be completed and submitted to the EIV Coordinator who will approve the form and grant the EIV access rights.

Recertification in EIV

EIV [Coordinators](#) must recertify annually for continued access to EIV. Coordinators are to complete and submit on-line CAAF requests for re-certification to HUD's Multifamily Helpdesk for approval, through EIV.

EIV Users must recertify every six (6) months. The UAAF must be completed and submitted on-line.

Coordinators must re-certify the EIV Users through the User Certification feature in the EIV system no later than the 30-day grace period of each calendar quarter. Following is the schedule for User certifications in EIV:

- Quarter 1: Jan. 1 – Mar 31 (30 day grace period 04/01 thru 04/30)
- Quarter 2: Apr. 1 - Jun. 30 (30-day grace period 07/01 thru 07/30)
- Quarter 3: Jul. 1 - Sept. 30 (30-day grace period 10/01 thru 10/30)
- Quarter 4: Oct. 1 - Dec. 31 (30-day grace period 01/01 thru 01/30)

EIV Security Awareness Training Questionnaire for Multifamily Housing User Programs; HUD developed two (2) security questionnaires, one for the "Coordinators" and one for the "Users".

INITIAL ACCESS: The appropriate questionnaire will be completed by all new EIV user applicants (Coordinators and Users) applying for initial access.

ANNUAL RECERTIFICATION OF ACCESS: Users (Coordinators and Users) will have annual security awareness training to refresh and update their initial security awareness training.

NOTE: This "Security Awareness Questionnaire" link is attached to the end of the document.

Whether approved for new or re-certification of existing access, EIV Coordinators and Users must maintain the appropriate questionnaire on file and make it available for review, upon request, during a Management and Occupancy Review (MOR) or audit. If not presented upon request, the EIV Coordinator's and/or User's access will be terminated until such time as the appropriate completed and signed questionnaire can be presented to the reviewer.

The following should be in the EIV User File at the property:

<u>Copy</u> of the User Access Authorization Form (UAAF)
<u>Copy</u> of the EIV User Security Awareness Training Questionnaire
<u>Copy</u> of the Owner's approval letter for Coordinator
<u>Copy</u> of the Coordinator Access Authorization Form (CAAF)
<u>Copy</u> of the EIV Coordinator Security Awareness Training Questionnaire

The following should be in the EIV Coordinator File at their office:

<u>Copy</u> of the User Access Authorization Form (UAAF)
<u>Copy</u> of the EIV User Security Awareness Training Questionnaire
<u>Copy</u> of the Owner's approval letter for Coordinator
<u>Copy</u> of the Coordinator Access Authorization Form (CAAF)
<u>Copy</u> of the EIV Coordinator Security Awareness Training Questionnaire

EIV Security and Safeguards

The practices and controls used by HUD and program administrators to secure Upfront Income Verification (UIV) data that is contained in the EIV system may be grouped into three categories: technical, administrative, and physical safeguards.

This policy has been implemented as a combination of technical, administrative, and physical safeguards that meet acceptable standards for the protection provided by the specific measures to accomplish the purpose of protecting all personal data of applicants and residents.

Security Training

Company Name EIV users are required to complete online security training annually. To meet this requirement, EIV users must complete the online Federal ISS Awareness training program. At the end of the training, EIV users must print and maintain the Certificate of Completion provided.

To complete online Security Awareness Training:

Open your web browser.

Type <http://iase.disa.mil/eta/index.html#onlinetraining>.

Press Enter.

Click on Federal ISS Awareness icon on the IA Education, Training and Awareness Screen.

Click on Launch New Information Systems Security Awareness on the Information Systems Security Awareness screen.

Proceed with the training.

When the training is complete, print and maintain the Certificate of Completion.

Note: The Security Awareness Training described above is the same training required for those individuals who transmit TRACS files. If the training has been completed to satisfy TRACS security training requirements, this will also satisfy EIV security training requirements as well provided the completion date represented on the Certificate of Completion is not older than one year.

EIV users authorized by the owners of Company Name to have access to the EIV system on their behalf must also complete the applicable online Security Awareness Training Questionnaire for Multifamily Housing Programs upon initial access to the system and annually thereafter.

EIV users should:

a. Review Section 4 on Security contained in the Multifamily EIV User Manual for Multifamily Housing Program Users posted at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/usermanual.pdf>,

b. Review the EIV Security Administration Manual posted at:

<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/securityadminmanual.pdf>

c. View the Security training provided during the most recent EIV webcast, posted at: <http://www.hud.gov/webcasts/archives/multifamily.cfm>, and

4. O/A staff of Company Name who do not have access to the EIV system but who use EIV reports to perform their job function must have security training annually as described in this section.

NOTE: The most recent EIV Webcast will no longer satisfy the security training requirement.

Technical Safeguards

Only the management personnel that have been trained and certified in the EIV system will have access rights to applicant and resident personal information to reduce the risk of a security violation

related to the EIV system's software, network, or applications. Users are required to use only approved HUD software, software settings, and comply with vendor software license agreements. Users are allowed to access the system only using the mechanisms specified by HUD.

Administrative Safeguards

Management is trained based on federal and state laws regarding privacy. Written policies and procedures include but are not limited to making sure that the HUD required 9887, 9887-A and consents are updated and in place. File audits completed internally as well as HUD and PBCA reviews help to ensure compliance with these policies.

These administrative procedures will:

- Ensure that access rights, roles, and responsibilities are appropriately and adequately assigned.
- Protect copies of sensitive data and destroy system-related records to prevent reconstruction of the contents.
- Ensure authorized “release of resident information consent forms” for everyone over 18 years of age and older are included in all resident files, before accessing and using data.
- Maintain, communicate, and enforce standard operating procedures related to securing EIV data.
- Train staff on security measures and awareness, preventing the unauthorized accessibility and use of data.

Physical Safeguards

Physical safeguarding of EIV data refers to steps that must be taken to help ensure the data is safe when stored electronically or in hardcopy and when transmitting data electronically. All users are required to notify their Coordinator of any breaches and penetration by unauthorized users. It is the policy of EBMC that each apartment community to keep all applicant and resident personal information in a locked file cabinet. It is also policy to designate which printer/fax/electronic equipment is to receive confidential information to help ensure there are no security breaches.

These physical safeguards will include but are not limited to the following:

- ❖ Only authorized persons will have access to EIV information in the resident file or within the actual EIV system
- ❖ Restricted areas will be identified with signage designating “authorized personnel only”.
- ❖ Storing and Transmitting of Electronic EIV Data

- (1) EIV data stored electronically must be in a restricted access directory or, if placed on portable media, labeled appropriately and encrypted using a NIST compliant vendor. Similarly, all emails containing EIV data must be encrypted using a NIST compliant vendor. A list of compliant vendors can be found at:
<http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/1401vend.htm>.

- ❖ The full nine-digit SSN for a tenant must not be included in emails or other electronic communications.

Note: The downloading of EIV data to mobile devices is not allowed for IPAs.

Hardcopy EIV Data

EIV data that is printed out must not be left unattended. The documents should be retrieved as soon as they are printed and, if possible, use a restricted printer, copier, or facsimile machine. When faxing EIV data, ensure there is someone waiting and ready to retrieve the fax as soon as it is received (printed). When mailing EIV data, the data must be sent to an office of the O/A. EIV data must not be mailed to Independent Public Auditor offices.

Computer Security

The EIV system is set up to time out after 30 minutes of inactivity. This automatic safeguard should not be the only security measure taken. Individuals who use the EIV system should use a password protected screensaver and lock their computer when leaving their workspace. A user should not leave a computer unattended with EIV data displayed on the screen. It is also recommended that the EIV system be exited using the "X" at the top right of the screen which will remove the user from the entire WASS system.

Destroying EIV data

EIV data must be destroyed as soon as it has served its purpose as prescribed by HUD's policies and procedures and in accordance with HUD's prescribed retention period. Shredding, burning or pulverizing are all examples of acceptable ways to destroy EIV data.

THE SHARING OF EIV DATA WITH OTHER AGENCIES PROHIBITED. Official use does not include O/As using the EIV data for certifying tenants under the Low Income Housing Tax Credit (LIHTC) or Rural Housing Services (RHS) Section 515 programs since neither the Internal Revenue Service (IRS) nor RHS are a party to the computer matching agreements the Department has with the Department of Health and Human Services (HHS) and with the Social Security Administration (SSA).

Retention of Records

All tenant records will reflect the high quality of management and professional standards. The verification reports from the EIV system will be retained in the tenant file and disposed of based on the Federal Trade Commission (FTC) and HUD requirements according to the following schedule:

A. O/As must retain:

1. The social security benefit reports and the new hires (W-4), wage and unemployment income reports obtained from EIV that are used as third party verification for the term of tenancy plus three years after tenancy is terminated.
2. Any tenant provided documentation, or other third party verification of income, received to supplement the SSA or NDNH data for the term of tenancy plus three years after tenancy is terminated.

Once the retention period has expired, O/As must dispose of the data in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.

Disposal of Information

In accordance with the FTC "Disposal of Consumer Report Information and Record", any applicant or resident files that are purged based on the Records and Retention Policy will be disposed properly. A "proper" disposal of this information must be one that is reasonable and appropriate to prevent any unauthorized access to person information such as the items listed above.

Approved disposal methods include:

- Burn, pulverize, or shred papers containing consumer report information so that the information cannot be read or reconstructed;
- Destroy or erase electronic files or media containing consumer report information so that the information cannot be read or reconstructed;
- Conduct due diligence and hire a document destruction contractor to dispose of material specifically identified as consumer report information consistent with the Rule.

Procedure

Authorized Users -

UIV/EIV users shall be authorized by the EIV Coordinator Director on a need-to-know basis. Persons not employed by this organization shall not be authorized, and only those whose job duties specifically relate to UIV/EIV shall be granted access to the systems and related documents.

Only the following types of authorized users shall be allowed access to the UIV/EIV system by the EIV Coordinator:

- Persons whose job duties include the determination of rental payment charges
- Persons whose job duties include securing data obtained under UIV/EIV.
- Persons whose job duties include retrieving UIV/EIV data
- Persons whose job duties include reviewing UIV/EIV data for the purposes of performing UPCS and/or HQS inspections

The EIV Coordinator will provide each user a User Access Form, and the user shall apply for a User ID and password as applicable. EBMC's Acceptable Computer Use Policy, contains provisions specifically prohibiting sharing of User ID and Password data between users and is therefore hereby incorporated into this document by reference.

EIV Coordinator Responsibilities:

- Shall serve as the UIV/EIV Security Officer.
- Shall authorize users for access to UIV/EIV systems and data only where necessary, and shall maintain a log of authorized users. The EIV Coordinator shall update this log on a periodic basis, at least once per calendar quarter.
- Shall facilitate staff training and/or review of UIV/EIV security procedures on a period basis, to be completed at least annually.
- Shall be responsible for determining and reporting any instances of improper disclosure of UIV/EIV data and/or unauthorized access of UIV/EIV computerized systems.
- Upon noting a security breach, the EIV Coordinator shall immediately contact appropriate HUD personnel for removal of the offending parties from the UIV/EIV system.
- Shall monitor UIV/EIV procedures to ensure ongoing compliance. Procedures will be updated as needed.
- Shall terminate access promptly (within 30 days) of all users who no longer have a valid need to access EIV data

When and How To Use EIV Reports

Note: More detail on reports and their use can be found in HUD Notice 13-06, located at the following website: http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg/files/13-06hsgn.pdf

Report	Frequency	Required or Recommended	Use this report to:
Failed EIV Pre-Screening Report	Monthly	REQUIRED	Verify personal identifiers such as SSN, Last Name or DOB sent to TRACS. Any invalid data on this re-port must be corrected by Owner/Agents. O/A must confirm data with tenants and send a HUD-50059 to correct the discrepancy in the TRACS system. Reviewers at the MOR will look for evidence that the O/A is using this report and correcting information in TRACS.
Failed Verification Report	Monthly	REQUIRED	This report checks personal identifiers with data in SSA. O/A must identify those records with errors and follow up to correct inaccurate information by conferring with the tenant. They must also obtain third party verification or documentation to support the tenant's personal identifiers and the accuracy of the HUD-50059 and TRACS data. See requirements for third party verification in HUD Handbook 4350.3, REV1, CHG4
Existing Tenant Search	Before Admission	REQUIRED (should be used prior to Move-in)	Must have written policy in TSP. This report checks for double subsidy in Multi-family and/or Public Housing Programs. If the report indicates a possible double subsidy situation, the O/A should discuss this with the applicant and if necessary the PHA or other O/A before admitting the applicant. O/A must follow up on all records found. PBCA Staff will look for documentation of O/A follow-up on potential issues.
Multiple Subsidy Report	No less than Quarterly	REQUIRED	Shows whether an individual or household is or may be receiving multiple subsidies in PIH or MFH programs.
Deceased Tenant Report	No less than Quarterly	REQUIRED	Use this report to identify potential subsidy payments to deceased tenants or household members. O/A must confirm with the household, next of kin or emergency contact person on the status of the individual. If deceased, the O/A must update the HUD-50059; if a single member household is identified as deceased, O/A should terminate tenancy and up-date any errors in TRACS records.
Income Report Detail Summary	AR, IC & IR No Less than Quarterly	REQUIRED	The income report must be used at annual recertification and initial or interim certifications to verify the employment and income of the tenants. The income report serves as third party verification unless the tenant disputes the employment or income information reported. O/As must print and retain a copy of the report in the tenant's file. If tenant disputes this information, O/A must note this on the report and follow established guidance for obtaining 3rd party verification directly from the in-come source.
No Income Reports by HHS or SSA No Income Report on 50059	AR – No Less than Quarterly	REQUIRED	O/As should use the No Income Reports at recertification and at other times as stated in the O/A's policies and procedures. It is recommended that O/As have a policy to re-verify the status of tenants reporting \$0 income at least quarterly and to use EIV to determine if any income has been reported since the last cert.

New Hires Report Detail and Summary	No Less than Quarterly	REQUIRED	The new hires report provides information on households who have started new jobs within the last six months. This database is updated monthly. It is recommended that O/As have policies and procedures to run this report no less than quarterly.
Income Discrepancy Report Detail Summary	Recertification No Less than Quarterly	REQUIRED	The income discrepancy report identifies tenants whose income reported in TRACS differs by more than \$2400 from the actual income reported by SSA and HHS. At the time of recertification, O/As are required to review and resolve any discrepancies in income reported on the income discrepancy report.

Income Report

The Income Report displays benefit and wage-related information, including SS/SSI/Dual Entitlement benefit information from SSA, and wage, unemployment compensation, and new hires (W-4) data from HHS' NDNH database for tenants participating in HUD's multifamily housing programs. The Income Report provides information for all household members with verified personal identifiers in households due for re-certification in the indicated month. See an example of the EIV Wage & Income Report on the next page.

Income Summary Reports provides information taken from the current active certifications contained in the TRACS file at the time of the income match. The report is used at the time of annual or interim recertification to review and resolve the status of any household members with failed or deceased status and as verification that the tenant's SSN has been verified by SSA as being a valid SSN.

Each household's Income Report will be reviewed within 90 days after transmission of the move-in certification to TRACS to confirm/validate the income reported by the household and any income discrepancies for the household must be resolved within 30 days thereafter.

Wage and Benefit Report for Household of PETE TOWNSHEND					
Contracts:	MI123456789			Subsidy Type:	Section 8
Project:	Tilly Garden Apts.			Project Number:	12345678
Re-certification Date:	12/01/2008			Form 50059 as of:	01/01/2009
Address:	8 Keystone Dr., S. Daltrey, MI, 07081				
Most Recent Type of Action:	AR-Annual Recertification			Effective Date:	01/01/2009
Head of Household:	PETE TOWNSHEND				
Social Security Number:	009-08-1234	Date of Birth:	11/09/1943		
Family Member:	TOWNSHEND, P.		SSN:	007-08-1234	
Date of Birth:	11/09/1943	Relationship:	Head of Household		
Employment Information					
Hire Date	Hire State	FEIN	Employer Name and Address		Date Received by EIV
1/01/07	MI	12-3456780	MICK MUSIC COMPANY 1 Richards Drive, Watts, MI 07092		04/01/2008
3/15/05	MI	13-3456780	DARKSIDE OF THE MOON RECORDING STUDIO 12 Richard Wright Lane, Lancaster, MI 07085		04/01/2006
8/01/04	MI	14-3455540	WHO ARE YOU RECORDS CO. 2345 Entwhistle Drive, S. Leeds, MI 07082		12/01/2005
Wages					
Pay Period	Amount	Hire State	FEIN	Employer Name and Address	Date Received by EIV
Q1 of 2008	\$2,345.87	MI	12-3456780	MICK MUSIC COMPANY 1 Richards Drive, Watts, MI 07092	04/01/2008
Q2 of 2006	\$3,456.65	MI	12-3456780	DARKSIDE OF THE MOON RECORDING STUDIO 12 Richard Wright Lane, Lancaster, MI 07085	04/01/2006
Q3 of 2005	\$2,789.42	MI	12-3455540	WHO ARE YOU RECORDS CO. 2345 Entwhistle Drive, S. Leeds, MI 07082	12/01/2005
Unemployment Benefits (aggregated quarterly)					
Pay Period	Amount				
Q4 of 2007	\$1,230.00				
Q3 of 2007	\$1,110.00				
Q2 of 2007	EIV received no benefit data				
Q1 of 2007	EIV received no benefit data				
Social Security Benefits					
Verification Data			Benefit History		
Payment Status Code:	C – Client is eligible for SSI/SSA Payment		Date	Gross Benefit	
Date of Current Entitlement:	09/01/07		12/2007	\$24.00	Benefits paid
Net Monthly Benefit if Payable:	\$28.00		12/2006	\$23.00	Benefits paid
Payee Name and Address:	PETE TOWNSHEND 8 Keystone Dr., Unit 1 S. Daltrey, MI, 07081		Date	Lump Sum	Amount
			12/01/2007		\$0.00
Dual Entitlement					
Verification Data			Benefit History		
Claim Number #:	123456789-B1		Date	Gross Benefit	
Payment Status Code:	AD – Adjusted for dual entitlement		12/2006	\$1,500.00	Benefits paid
Date of Current Entitlement:	09/2007		12/2005	\$1,450.00	Benefits paid
Net Monthly Benefits if Payable:	\$1,500.00		12/2004	\$1,400.00	Benefits paid
Payee Name and Address:	PETE TOWNSHEND 8 Keystone Dr., Unit 1 S. Daltrey, MI, 07081		12/2003	\$1,375.00	Benefits paid
Medicare Data					
Verification Data			Premium	Buy-in	Buy-in Start
Payee Name and Address:	PETE TOWNSHEND 8 Keystone Dr., Unit 1 S. Daltrey, MI, 07081		Hospital Insurance: \$0.00	N	Not available
			Supp. Med. Insurance: \$88.50	Y	01/01/08
					12/1/2008
Supplemental Security Benefits					
Verification Data			Payment History of Net Benefits		
Payment Status Code:	C- Indicates the recipient is eligible for payment		Date	Federal Amount	State Amount
Alien Indicator:	A – Proven US born, US Citizen				Type of Payment
SSI Monthly Assistance Amount: (Current)	\$168.00		01/01/08	\$168.00	\$0.00
State Supplemental Amount: (Current)	\$0.00		01/01/07	\$163.00	\$0.00
			01/01/06	\$157.00	\$0.00
			01/01/05	\$157.00	\$0.00
			01/01/04	\$154.00	\$0.00
			01/01/03	\$150.00	\$0.00
Payee Name and Address:	PETE TOWNSHEND 8 Keystone Dr., Unit 1 S. Daltrey, MI, 07081				Underpayment
Disability					
Disability: F – Final determination allowance	Yes		On-set Date:	01/01/2002	
Report Date: 01/01/2009					
* The difference between the gross and the net benefit may include the Medicare premium and/or additional deductions, such as garnishments, which are not listed on this report.					
Confidential Privacy Act Data. Civil and Criminal penalties apply to misuse of this data.					

Income Discrepancy Report

The Income Discrepancy Report identifies families that may have substantially underreported SS/SSI benefits, wages, and/or unemployment compensation amounts to O/As as input into 50059 and transmitted to TRACS.

A difference of \$2,400 or greater annually, between what is reflected on the form HUD-50059(s) and what is reflected on the EIV Income Report, for a period of income (POI), is considered a substantial amount with respect to underreported tenant income.

The POI start date is 15 months prior to the household's annual re-certification date and the end date is 3 months prior to the household's annual re-certification month. For example, if the household's annual re-certification is 05/01/10, the household's POI is 02/01/2009 – 01/30/10. This is the period when the income discrepancy occurred. When the discrepant families appear on the Income Discrepancy Report, O/As are expected to resolve these income discrepancies.

It is important that the O/A determine whether the income appearing on the EIV Income Discrepancy Report should be included as income and does not meet one of the income exclusions represented in Exhibit 5-1 of HUD Handbook 4350.3 REV-1.

The O/A must investigate this discrepancy to determine if the tenant accurately reported his/her income at the time of move-in. The same comparison of income information compared to what amount of income was reported to the NDNH as to the HUD Form 50059 must also be resolved if a discrepancy exists.

Failed Verification Report

The Failed Verification Report provides information on household members in a household due for re-certification for whom SSA was unable to verify the SSN, Last Name, and DOB combination that was derived from TRACS.

Under such circumstances, SSA will not provide benefit information, but will give information about how the verification failed. In some cases, as in when SSA suspects that two digits were transposed, the message will be specific. In other cases when there is a significant miss, the message will be more general. In any case, EIV does not display data (SSA benefits data or HHS' NDNH income data) for tenants whose IDs could not be verified by SSA. Tenant information only will be found in the Failed Verification Report.

No Income Report By HHS or SSA

The No Income Report provides a list of tenants whose identity was verified by SSA based on the SSN/Last Name/Date of Birth combination. However, such tenants did not receive or have never received SS/SSI benefits from SSA or wages or unemployment compensation insurance, as provided by HHS' NDNH database. When running the report, the O/A staff must select recertification month "All".

No Income Reported on 50059

To identify residents with zero income on the most recent 50059. The report requires at least quarterly review of income information for the zero income residents. As part of the procedures the O/A must use the EIV Income Report to determine if the tenant or any family member has income reported by HHS or SSA.

New Hires Report

The New Hires Report provides a list of households where at least one member has a new hire (W-4) record that was received by EIV in the last 180 days.

A MF Housing Program user may search for and view reports by three options:

- By Subsidy Contract
- By Project Number
- By Head of Household

This report is reviewed at least quarterly to determine if any tenants have started new employment which have yet to be reported. When the household's income cumulatively increases by \$200 or more per month the tenant must be contacted so the rent adjustments can be made in a timely manner. When running the report, the O/A staff must select recertification month "All".

Verification Reports

Existing Tenant Search – An existing tenant search by SSN must be used during the application process for all household members listed on the application to show whether an individual (applicant or tenant) is receiving housing subsidies in any PIH or Multifamily Housing Program. If the report identifies that any applicant household members is being assisted at another location, discuss the information with the applicant. It is possible the applicant wants to move to a new location or two families may share custody of a minor child. Depending on the outcome of the communication with the applicant contact the respective PHA or O/A to confirm the applicant's program participation status before continuing with admission

Multiple Subsidy Report – A multiple subsidy report must be used at least quarterly to search for tenants who receive assistance in more than one subsidized program. You can search with the options of "Within MF only" or Within MF and PIH If the report identifies that any tenant household member is being assisted at another location, discuss the information with the tenant. Depending on the outcome of the communication with the tenant contact the respective PHA or O/A to confirm the information. Depending on the results of the investigation the tenant's assistance and or tenancy may have to be terminated.

Identity Verification Report

Required to show statistical information at the Project and Subsidy Contract level of the number of households and members who were successfully verified by SSA, who failed SS verification, or who failed the EIV pre-screening process. When running the report, the O/A staff must select recertification month "All".

Failed Pre-screening Report

Required to identify those tenants for the selected contract(s) and/or property(s) that were not sent to SSA for verification because they failed the EIV pre-screening test.

Deceased Tenants Report

Required at least quarterly to search and view household/household member information for households with deceased household members. When running the report, the O/A must select recertification month "All". Confirm, in writing, with a household member or emergency contact person provided by the tenant whether or not the person is deceased.

Resolving the various EIV Discrepancies

Resolving Income Report Discrepancies

EIV shows the list of households whose household actual income is at least \$2,400 greater than the household's reported projected income. To determine the income discrepancy, EIV looks at a Period of Income

Actual Income: Amounts contained in EIV from SSA (SS, SSI, and Dual Entitlement benefits) and HHS (wages and unemployment compensation).

Projected Income: Amounts (all income and benefits) entered on the HUD form-50059 by the O/A or Service Bureaus on behalf of O/As. When running the report, the O/A staff must select recertification month "All".

Period of Income (POI): start date is 15 months prior to the household's annual re-certification date and the end date is 3 months prior to the household's annual re-certification. For example, if the household's annual recertification is 05/01/09, the household's POI is 02/01/08 – 01/30/09. This is the period when the income discrepancy occurred.

In resolving income discrepancies identified on EIV's Income Discrepancy Report, O/As must look at the tenant income received during the POI.

Amounts received by tenants outside of this period ARE NOT considered in determining discrepancy amounts.

Therefore, it is very important that management look at the effective dates of income and benefit amounts paid to tenants in resolving income discrepancies.

The following are steps that will be taken to resolve income discrepancies:

- If resident disagrees with the Discrepancy Report issued by the EIV system, a meeting will be scheduled by Management with resident to resolve dispute.
- All details of the Discrepancy Report will be documented and resident will have 15 business days to obtain third-party verification of disputed EIV data such as that provided by SSA, HHS and NDNH, in accordance with 24 CFR 5.236 and submit said verification to Management.
- All tenant-provided and submitted documentation should be currently dated (not more than 60 days previous to the initial resolution meeting).
- Once the information is received from tenant (within the 15 day period), Management will compare the SS, SSI, wage and unemployment compensation information reported on the HUD-50059s contained in the resident file that were in effect during the Period of Income (POI).
- Review of third party verifications, along with the employment and income information reported in EIV to will be used to determine whether or not there is a valid discrepancy and render a final decision within 10 business days.
- Tenants must repay HUD for overpaid assistance - If, in fact, there was unreported or misreported income, you must go back to the point the income began, and determine the amount the tenant owes HUD.
- You can go back a maximum of five years, based on the provisions of the 9887/9887A.
- You must give the tenant a copy of the calculations as well as keep them in the tenant file.

- If the tenant can't pay the amount owed, do a Repayment Agreement. Sites are required to reimburse funds collected from the tenant to HUD, and may retain up to 20% of amounts collected for documented collection costs.
- If the tenant is in lease non-compliance for fraud, you may evict.
- If the tenant defaults on payments the tenant is in lease non-compliance and eviction proceedings should begin. You must also file a civil action to recover owed amounts.
- You must report suspected fraud to the District HUD OIG Office.
- If a situation arises where facts indicate that a resident has unreported or under-reported income, a repayment agreement in accordance with Chapter 8, Paragraph 8-20.A of Handbook 4350.3 REV-1, Change 2, will be executed between the resident and Management, a revision to the current and future rental payments will be made. If a resident refuses to enter into a repayment agreement and/or refuses to pay the newly calculated rent, termination of assistance shall occur using the established policies of the Section 8 Programs.

NOTE: Before O/As may take any action (terminate, deny, suspend or reduce any assistance) against a tenant who may not have reported all of his/her income, O/As must follow the guidance in Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, Chapter 8, Section 4. Additional guidance for resolving income discrepancies may also be found in Notice H 2008-03, Enterprise Income Verification (EIV) posted on HUDCLIPS at:

<http://www.hud.gov/offices/adm/hudclips/notices/hsg/files/09-20HSGN.doc> and in the document titled "Resolving Income Discrepancies between Tenant Provided and Enterprise Income Verification (EIV) System Income Data" posted on the Multifamily EIV website at:
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/resincdisc.pdf>.

Tenant Repayment of Unreported or Underreported Income

Tenant's Obligation to Reimburse

Tenants are obligated to reimburse the O/A if they are charged less rent than required by HUD's rent formula due to underreporting or failure to report income. The tenant is required to reimburse the O/A for the difference between the rent that should have been paid and the rent that was charged. (See Paragraph 18 of the HUD Model Lease for Subsidized Programs, Paragraph 14 of the Section 202/8 and 202/162 PAC lease and Paragraph 12 of the Section 202 and Section 811 PRAC leases found in Appendix 4 and Paragraph 8-13.A.5 of Handbook 4350.3 REV-1.).

Repayment Options

Tenants can repay amounts due:

- In a lump sum payment; or
- By entering into a repayment agreement with the O/A; or
- A combination of (2) options above.

For example, a tenant may owe \$1,000, make a lump sum payment of \$300 and enter into a repayment agreement for the remaining \$700.

Tenants who do not agree to repay amounts due will be in non-compliance with their lease agreement and may be subject to termination of tenancy. (See Paragraph 8-13.A.5 of Handbook 4350.3 REV-1.)

Tenants may also be required to repay funds to the O/A due to a:

- Civil action taken by the O/A, or
- Court action as a result of an IG investigation.

Repayment Agreements

The tenant and O/A must both agree on the terms of the repayment agreement. HUD also recommends that the O/A of Company Name has the Head of Household and if applicable the family member who had the un-reported income sign the repayment agreement.

The tenant may wish to consult with HUD's Housing Counseling Agency in their area to assist them in working with the O/A to reach agreeable terms for the repayment agreement. See the Housing Counseling Agency website for a listing of agencies for each state at

<http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>

(1) Monthly Payment.

The tenant's monthly payment must be what the tenant can afford to pay based on the family's income.

The monthly payment plus the amount of rent the tenant/family pays at the time the repayment agreement is executed should not exceed 40 percent of the family's monthly adjusted income. The monthly payment may exceed 40% of the family's monthly adjusted income only if the family agrees to the amount stated in the repayment agreement.

Example:

Family's monthly adjusted income is \$1,230.

Family's monthly rent payment is \$369 (30% of the family's monthly adjusted income).

40% of the family's monthly adjusted income is \$492.

The monthly payment for the repayment agreement should not exceed \$123 per month (\$492 - \$369 = \$123)

(\$369 monthly rent + \$123 repayment = \$492, 40% of the family's monthly adjusted income.)

(2) Repayment Time Period.

The time period for repayment by the tenant of the amount owed.

Example : The tenant agrees to repay \$1,000, and agrees to monthly payments of \$25.
 $\$1,000/\$25 = 40$ months (time period).

- The repayment agreement must reference the paragraphs in the lease whereby the tenant is in non-compliance and may be subject to termination of their lease.
- The repayment agreement should contain a clause whereby the terms of the agreement can be renegotiated if there is a decrease or increase in the family's income.
- The repayment agreement must be signed and dated by the tenant and the O/A.
- O/As must not apply a tenant's monthly rent payment towards the repayment amount owed that would result in an accumulation of late rent payments. The monthly payment due on the repayment agreement is in addition to the tenant's monthly rent payment.
- Tenants are not required to reimburse the O/A for undercharges caused solely by the O/A's failure to follow HUD's procedures for computing rent or assistance payments. (See Chapter 8,

Paragraph 8-20.B.2, of Handbook 4350.3 REV-1 addressing the O/A's obligation to reimburse HUD for overpayments of assistance due to the owner's failure to follow HUD's procedures.)

Disposition of Funds Received by O/A

O/As are required to reimburse funds collected from the tenant to HUD in accordance with the requirements in Chapter 8, Paragraph 20 of Handbook 4350.3 REV-1.

O/As should be familiar with their software's capability that allows for adding Miscellaneous Accounting Requests to the housing assistance payments (HAP) voucher (form HUD-52670) as the procedures vary from software to software. O/As should consult their software documentation or software provider if assistance is required.

After verifying the tenant's income, the O/A must complete corrections to a prior certification(s) affected by the income change. O/As must not fail to correct the prior certification(s) in an attempt to avoid having large negative adjustments appear on the HAP voucher.

Voucher adjustments:

- If the tenant is able to pay the entire amount due in one lump sum payment, no Miscellaneous Accounting Request is needed.
- If the tenant pays a lump sum payment and enters into a repayment agreement for the remaining amount due, the O/A must first reverse the adjustment created by correcting the prior certification(s) less the lump sum payment by adding an O/A initiated accounting adjustment (OARQ) Miscellaneous Accounting Request to the voucher.

Example: If the total adjustment is -\$1,240 (indicating that \$1,240 in subsidy is being returned to HUD) and the tenant pays \$480 in a lump sum, the OARQ request is for \$760 (\$1,240 - \$480). The comment field must be completed describing the transaction, e.g. "Reversal of adjustments subject to repayment – Unit 1023, John Smith."

Adjustments for payments received from the tenant per the repayment agreement are made as addressed in (e), below.

NOTE: The comment field allows for 78 characters to describe the transaction. The comment field must also be completed when explaining payment and cost retained even if no costs were retained.

If the tenant is subject to a repayment agreement, the O/A must first reverse the full amount of the voucher adjustment created by correcting the prior certification(s).

Example: If the total of the adjustments is -\$1,240 (indicating that \$1,240 in subsidy is being returned to HUD), the OARQ request will be for \$1,240. This leaves the voucher unaffected by the retroactive corrections to a recertification(s). The comment field must be completed describing the transaction, e.g., "Reversal of adjustments subject to repayment – Unit 1023, John Smith."

As the tenant makes payments per the repayment agreement, the O/A must enter them as negative amounts on the voucher as OARQ Miscellaneous Accounting Requests.

Example: The tenant pays \$50, the OARQ will be for -\$50. The comment field must be completed describing the transaction, e.g., "Repayment – Unit 1023- John Smith."

If the O/A is deducting his/her costs from the payment received from the tenant, the OARQ Miscellaneous Account Request will be for the amount collected from the tenant less the O/A's costs.

Example: The tenant pays \$50 and the O/A's costs are \$8, the OARQ would be for -\$42. The comment field must be completed describing the transaction, e.g., "Repayment – Unit 1023 – John Smith - \$50 collected less costs of \$8."

O/As should consult the TRACS Monthly Activity Transmission (MAT) User's Guide to obtain updated instructions on Miscellaneous Account Requests.

O/As may retain a portion of the repayments they actually collect from the tenants who have improperly reported their income at the time of certification or recertification to help defray the cost of pursuing these cases (this is not limited to cases where the O/A has determined fraud). O/As may only retain an amount to cover their actual costs, which is the lesser of:

- (1) their actual costs, or
- (2) 20 percent of the amount received from the tenant.

Amounts retained by O/As must be deposited into the project's operating account to offset the expenses incurred for these cases.

As with all income and expenses of the project, O/As must keep records of the receipt and disbursement of all amounts collected from the tenant for audit purposes. At a minimum, the owner must record:

- (1) Date and amount(s) received from the tenant;
- (2) Expenses incurred;

Examples of types of expenses incurred include staff time for verifying the unreported income; meeting with tenant; drafting repayment agreements; generating and sending monthly invoices to tenant; generating manual voucher adjustments; collection agency fees, if applicable; and, meeting state requirements.

- (3) Amount(s) retained; and
- (4) Voucher date(s) and amount(s) of reimbursement made to HUD.

Tenant Income Previously Over-reported.

Tenants are responsible for reporting decreases in income (see Paragraph 16.b of the HUD Model Lease for Subsidized Programs, Paragraph 23.b for the Section 202/8 and Section 202/162 PAC lease and Paragraph 24.b for the Section 202 PRAC and Section 811 PRAC leases).

If, however, the O/A finds at the time of recertification that the annual income reported in EIV for the previous year(s) is less than what was reported on the form HUD-50059(s), the O/A should discuss this with the tenant. If the tenant agrees with the reduced income and reports a reason for the reduction, e.g., worked fewer hours, got laid-off, no longer receives SSI, etc., the O/A must take action to verify the income directly with the third party source.

After verifying the tenant's income, the O/A must complete corrections to the prior certification(s) affected by the income change. Once the corrections have been made, the O/A will determine the difference between the amount of rent the tenant paid and the rent that the tenant should have paid.

The O/A must reimburse the tenant the amount of overpayment of rent in accordance with Chapter 8, Paragraph 8-21 of Handbook 4350.3 REV-1.

If, during their review of the tenant file, the O/A or the CA determines that an error was made in the income calculation based on the income verifications on file, the O/A must make the necessary adjustments to the tenant's rent for the period the error occurred as discussed above.

Resolving Deceased Tenant Report Discrepancies

Deceased Tenants Report was created to ensure that HUD is not paying subsidy on behalf of any tenant whom you verify is deceased. If you receive a Deceased Tenants List the following actions must be taken immediately:

- Confirm with the head-of-household, next of kin or emergency contact person or entity whether or not the person is deceased.
- If the person is deceased:
- Update the family composition and income and allowances, if applicable, on the form HUD-50059. The effective date of the form HUD-50059 should be in accordance with the instructions in Paragraph 7-13D of Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs.
- In the case of a deceased single member of a household, process a Move-out using form HUD-50059A. The effective date of the form HUD-50059A will be retroactive back to the earlier of 14 days after the tenant's death or the date the unit was vacated. Any overpayment of subsidy that was paid on behalf of the deceased tenant must be repaid to HUD.
- If the tenant is not deceased, encourage him/her to contact the SSA to correct any inaccurate data in SSA's databases.

Failed EIV Pre-Screening Report

This report provides a listing of tenants who fail the EIV pre-screening test because of invalid or missing personal identifiers (SSN, last name or DOB). The tenants on this list will not be sent to SSA from EIV for the SSA identity match.

O/As must:

- Use this report to identify those tenants that did not pass the pre-screening test and the reason(s) they did not pass so that the errors can be corrected.
- Confirm with the affected tenant their SSN, DOB and/or last name.
- Obtain third party verification or documentation to support the tenant's personal identifiers and the accuracy of the information on the form HUD-50059 in the tenant's file and in TRACS.
- Correct any discrepant information in the TRACS system so that the tenant will be included in the TRACS file provided to EIV for inclusion in the SSA identity match.

Failed Verification Report (Failed the SSA Identity Test)

This report identifies household members who failed the SSA identity match due to invalid personal identifiers (SSN, last name or DOB), as well as, identifies deceased household members.

O/As must:

- Use this report to identify those tenants that did not pass the SSA identity verification match and the reason(s) they did not pass so that the errors can be corrected.

- Confirm with the affected tenant their SSN, DOB and/or last name.
- Obtain third party verification or documentation to support the tenant's personal identifiers and the accuracy of the form HUD-50059 and TRACS data.
- Correct any discrepant information in the TRACS system so that the tenant will be included in the match against SSA and NDNH data.
- Encourage the tenant to contact the SSA to correct any inaccurate data in their databases if the personal identifiers on the form HUD-50059 and in TRACS are accurate. The tenant can request SSA to correct his/her record by completing and submitting form SS-5, Application for a Social Security Card, to the local SSA office.

EIV and Identity Theft

If EIV information reveals possible Identity Theft, the O/A should notify the tenant and provide them with a copy of this information: [What to do if you are a Victim of Identity Theft](#)

The tenant should provide the following information to the O/A documenting the identity theft:

- Copy of police report (not just the police report number);
- Notice from credit bureau regarding fraud alert placed on credit report; or copy of credit report with fraud alert notice; or copy of identify theft report filing with the Federal Trade Commission;
- AND copy of tenant's letter sent to employer to dispute information and request for correction;
- AND any correspondence the tenant received from employer.

Remember: EIV information can only be provided to the adult household member to whom it pertains!

EIV Applicant and Tenant Consent Policy

To receive housing assistance, applicants and tenants who are 18 years of age and each household head, spouse, or co-head regardless of age must provide the owner or management agent (O/A) certain information specified by the U.S. Department of Housing and Urban Development (HUD).

To make sure that the assistance is used properly, Federal laws require that the information you provide be verified. This information is verified in two ways:

- O/As will verify the information provide applicants and tenants by checking with the records kept by certain public agencies (e.g., Social Security Administration (SSA), State agency that keeps wage and unemployment compensation claim information, and the Department of Health and Human Services' (HHS) National Directory of New Hires (NDNH) database that stores wage, new hires, and unemployment compensation). Applicants and tenants give consent to the release of this information by signing form HUD-9887.
- The O/A must verify the information that is used to determine applicant eligibility and the amount of rent that will be paid. Consent is given to the release of this information by signing the form HUD-9887, the form HUD-9887-A, and the individual verification and consent forms that apply to housing assistance program. Federal laws limit the kinds of information the O/A can receive about applicants or tenants. The amount of income received helps to determine the amount of rent that will be paid. The O/A will verify all of the sources of income that is reported. There are certain allowances that reduce the income used in determining tenant rents.

Tenant Consent

Before accessing the employment or income data contained in EIV for a tenant, the O/A must make sure there is a current form HUD-9887, Notice and Consent for the Release of Information, signed, dated by the tenant and in the file. This form must be signed and dated by each adult member of a household regardless of whether he or she has income. The head of household, spouse, co-head and each household member who is at 18 years of age must sign and date the form at move-in and at each annual recertification.

HUD-9887-A requires the O/A to give each household a copy of the Fact Sheet, and forms HUD-9887, HUD-9887-A along with appropriate individual consent forms. The package every applicant and tenant will receive will include the following documents:

- HUD-9887-A Fact Sheet: Describes the requirement to verify information provided by individuals who apply for housing assistance. This fact sheet also describes consumer protections under the verification process.
- Form HUD-9887: Allows the release of information between government agencies.
- Form HUD-9887-A: Describes the requirement of third party verification along with consumer protections.

Individual verification consents

These “Consents” are used to verify the relevant information provided by applicants/tenants to determine their eligibility and level of benefits.

These forms do not have an infinite validity date; therefore, there is a process in place to manage the signatures and dates of the forms. Since these consents are valid for only 15 months, the 9887, 9887-A, and individual consent forms must be signed at the beginning of the following:

- Initial certification
- Annual Recertification
- Interim Recertification is necessary
- When a tenant turns 18, years old they must make an appointment to complete all the necessary paper required by all applicants, 18 and older.

This form authorizes HUD and the O/A to use data obtained through computer matching with another agency for verifying the individual's income used for establishing the eligibility and level of benefits under HUD's assisted housing programs. The form also authorizes HUD and the O/A to seek wage, new hire (W-4) and unemployment claim information from current or former employers in order to verify information obtained through computer matching.

Note: The Existing Tenant Report is pulled before move in. So, it is important to have a signed and dated 9887 / 9887-A form for every applicant 18 years of age and older before running this available report because of the requirement on the “Welcome” screen.

If a tenant household member turns 18 and has not signed the form HUD-9887, EIV Income reports may not be used for that individual until the form is signed.

Minor children ages must be monitored. Individual household members must be contacted within 30 days after they are 18 years old to remind them of their responsibility to sign the consent forms. If the individual does not sign the required consent forms within 45 days after they turn 18 the household will be considered in non-compliance and their lease and assistance and their tenancy may be terminated.

Consequences for Not Signing the Consent Forms:

- If applicant fails to sign the form HUD-9887, the form HUD-9887-A, or the individual verification forms, it must result in the assistance being denied (for applicants) or the assistance being terminated (for tenants).
- If an applicant is denied assistance for this reason, the O/A must notify the household of the reason for the rejection and give an opportunity to appeal the decision.
- If a tenant's assistance is terminated for this reason, the O/A must follow the procedures set out in the Lease. This includes the opportunity for the tenant to meet with the O/A.

EIV Resources and Links

The HUD Help Desk should be contacted for questions regarding standard HUD PC applications, IT problems and password resets. Users are encouraged to refer any non-standard requests for access to HUD management and to report any unauthorized disclosure of EIV data to the manager of the HUD Privacy Act Officer or to the Office of Inspector General. The HUD Help Desk also is the recommended channel to be used if there is a suspected breach of security. The HUD Help Desk call line is open to receive calls from HUD users 24 hours a day, 365 days a year (1-888-297-8689).

All questions related to the MF Housing portion of the EIV application should be referred to the MF Helpdesk at 1-800-767-7588 or by email at: mf_eiv@hud.gov and you can fax them at 202-401-7984.

EIV Links

EIV Home Page	http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm
EIV Coordinator Access Authorization Form	http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/coordinatoraccess.pdf
EIV User Access Authorization Form	http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/useraccess.pdf
EIV Security Awareness Training	http://iase.disa.mil/eta/index.html#onlinetraining
EIV MF Program User Manual	http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/usermanual.pdf
EIV & You Brochure	http://www.hud.gov/offices/hsg/mfh/rhiip/eivbrochure.pdf
EIV Security Monitoring Checklist	http://www.hud.gov/local/shared/working/r10/mf/eiv-security.pdf
Form HUD-9887/9887-A	http://www.hud.gov/offices/adm/hudclips/forms/files/9887.pdf
EIV Final Rule – Federal Register	http://edocket.access.gpo.gov/2009/pdf/E9-30720.pdf
HUD Housing Notice H 13-06	http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/notices/hsg/
Resolving Income Discrepancies	http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/regnguide.cfm
Rent and Income Determination Quality Control Monitoring Guide for MF Housing Programs	http://www.hud.gov/offices/hsg/mfh/rhiip/qcguide.pdf
EIV Webcast	http://www.hud.gov/webcasts/archives/multifamily.cfm
A Guide to Interviewing for Owners of HUD Subsidized Multifamily Housing Projects	http://www.hud.gov/offices/hsg/mfh/rhiip/interviewguide.pdf
Instructional Packet for Owners and Agents for Implementing the Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs	http://www.hud.gov/offices/hsg/mfh/rhiip/instructionalpacketforoas.pdf
EIV Multifamily Help Desk	Telephone: 202-708-7588 -- Email: Mf_Eiv@hud.gov

EIV Disposal of Records Log **EXAMPLE**



EIV System: Security Procedures

Appendix 10B. EIV Disposal Log

(Program Administrator Name)

EIV Disposal Log

Name of Employee	What was Disposed	How	Date

Security Awareness Training Attendance Record

EXAMPLE



EIV System: Security Procedures

Appendix 11. Security Awareness Training Attendance Record

(Name of Program Administrator)

Security Awareness Training

Attendance Record

Instructor: _____ Date of Training: _____

Employee/
Contractor Name

Employee/
Contractor Signature

Business Area/Office

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____

EIV File Checklist**EXAMPLE**

	Yes	No	Comments
EIV Security Policy in place?			
EIV Use Policy in Place?			

Property Name	Contract Number	Name of EIV Coordinator	Owner's Authorization Letter on file	
			Yes	No

User Name	Coord (C)	Status	Access Authorization Request		Rules of Behavior Signed
		Pending			(for those without access)
	User (U)	Cert			
		Expired	(CAAF/UAAF)		Yes or No or N/A
	View Only(V)	Term (Date)			
			Copy of Original Yes or No	Current Yes or No	
1.					
2.					
3.					
4.					
5.					

Training?

HUD Required: 1. Security Policy 2. Use Policy 3. Owner's Auth 4. CAAF, UAAF 5. Rules of Behavior

EIV Discrepancy Log EXAMPLE

(Existing Subsidy (ES), Failed Verification (FV), Deceased Tenant (DT), Income (I), Employment (E))

MONTH/YEAR _____

Unit #	Last Name	First Name	Discrepancy Type (ES), (FV), (DT) , (I), or (E)	Notice Sent (if applicable)	Date Meeting Scheduled (if applicable)	Resolution: Active (A), Resolved (R), Resolved but Open (RO)	Close Date
NOTES:							

MONTH/YEAR _____

Unit #	Last Name	First Name	Discrepancy Type (ES), (FV), (DT) , (I), or (E)	Notice Sent (if applicable)	Date Meeting Scheduled (if applicable)	Resolution: Active (A), Resolved (R), Resolved but Open (RO)	Close Date
NOTES:							

MONTH/YEAR _____

Unit #	Last Name	First Name	Discrepancy Type (ES), (FV), (DT) , (I), or (E)	Notice Sent (if applicable)	Date Meeting Scheduled (if applicable)	Resolution: Active (A), Resolved (R), Resolved but Open (RO)	Close Date
NOTES:							

Enterprise Income Verification FAQ

Taken from the EIV Webcast Questions - December 16 and 17, 2008

1. How do I get to the EIV homepage?

Answer: The EIV home page for Multifamily housing program users can be found at:
www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm

2. When will there be another web-based training?

Answer: There is another web-based training tentatively scheduled for October 21 and 22, 2009.

EIV ACCESS discreetly

3. How do I apply for access to EIV?

Answer: How you apply for access to EIV depends on whether you are applying to be an EIV Coordinator or EIV User and whether you are an internal or external user. Instructions for applying for access and the access authorization forms can be downloaded from the EIV Homepage at:
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm>.

4. If I am using EIV how do I know if I am an EIV Coordinator or an EIV User?

Answer: Whether you are an EIV Coordinator or EIV User depends on the role assigned to you at the time you were given access to EIV.

If you are an EIV Coordinator you would have completed the Coordinator Access Authorization Form (CAAF), requested and received access from the Multifamily EIV Helpdesk, assigned the HSC role to your projects/contracts, and have the administrative rights to provide access to individuals in your organization as EIV Users.

If you are an EIV User you would have completed the User Access Authorization Form (UAAF) and requested and received assignment of the HSU role and projects/contracts from the EIV Coordinator in your organization. You do not have any administrative rights.

5. I have not received any email correspondence (as a coordinator) from HUD? Am I approved?

Answer: Coordinator applicants must submit a Coordinator Access Authorization Form (CAAF) to the Multifamily Helpdesk by fax at: 202-401-7984 or by email at MF_eiv@hud.gov. The CAAF is available on HUD's Multifamily EIV webpage at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm>. If the CAAF passes the WASS validation process, the Multifamily Helpdesk will send the applicant an email notifying the applicant of the following:

1. The applicant's application for Coordinator access has been approved.
2. The EIV "HSC" or "CAC" EIV role has been assigned to the approved Coordinator's User ID in WASS;
3. The approved Coordinator needs to assign the "HSC" or "CAC" EIV role to the property(ies) or contract(s) listed on his/her approved CAAF and for which he or she has received prior approval from the owner; and
4. The approved Coordinator must complete and submit an electronic CAAF request, within EIV, to HUD's Multifamily Helpdesk for certification of such contract(s) and/or property(ies) in EIV in order to complete the process for gaining access.

If you submitted your CAAF to the helpdesk, but have yet to receive an email such as the one described above, you can contact them by telephone at 800-767-7588, or by email at MF_eiv@hud.gov to make sure that they have received your information with the correct email address.

6. My password doesn't work. What do I do?

Answer: Call the Real Estate Assessment Center (REAC) at 1-888-245-4860 for assistance.

7. What is a WASS ID number? How do I get one?

Answer: A Web Access Secure System (WASS) ID number is used to log into HUD's secure systems such as EIV. It begins with an "M" for non-HUD staff. The External (Non-HUD Coordinator/User) instructions for applying for EIV access for Multifamily Housing Programs available at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm> contains instructions beginning on page 4 on how to apply for a WASS ID.

8. How can an existing EIV User get upgraded to an EIV Coordinator? Can a user be a user on six projects and a coordinator on four projects? If a user terminates employment and the coordinator expires the user, does that automatically terminate the user from access to all of the contract/projects?

Answer: The EIV User must first be upgraded to a WASS Coordinator role before they can apply to be an EIV Coordinator. The instructions for upgrading to a WASS Coordinator role can be found beginning on page 4 of the External (Non-HUD Coordinator/User) Instructions for applying for EIV access for Multifamily Housing Programs located at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm>. Once the EIV User has the WASS Coordinator role they will then follow the guidance in the instructions for applying to be an EIV Coordinator.

Yes, an individual can be an EIV User on six projects and/or contracts, and an EIV Coordinator on four projects and/or contracts. However, a person cannot be both an EIV User and an EIV Coordinator on the same project or contract.

Yes, if an EIV User terminates employment and the EIV Coordinator expires the User, the User will no longer have access to the EIV system.

9. If another coordinator recertifies the user, are all the former authorizes reset or does the user have to reapply for certification to each contract/project?

Answer: Yes, all of the former authorizes are reset. No, the user does not have to reapply for certification to each contract/project.

10. How many EIV Coordinators can a management company have?

Answer: In order to be an EIV Coordinator, an individual must be a WASS Coordinator. Although there is no limit on the number of EIV Coordinators an organization can have, the maximum amount of WASS Coordinators per organization is five. Therefore, the maximum number of EIV Coordinators is also five.

11. The EIV Coordinator for our company left their position in August. The new EIV Coordinator is in the process of being approved. During the interim period, several of our EIV Users were due for their quarterly certification. Since we do not have a Coordinator to certify the Users, the Users EIV Access has been terminated. What process do we need to take to get the Users back on line?

Answer: Once the new EIV Coordinator is approved, he/she will be able to recertify the EIV Users whose quarterly certification has expired. The EIV Users will send an electronic UAAF to the EIV Coordinator requesting their projects/contracts be re-certified. It is a good business practice for an organization to have more than one EIV Coordinator so that this situation does not occur.

12. Can a HUD Field Office EIV user determine, simply by looking in EIV, if an O/A has enrolled a particular project or contract in EIV? As the CA, is there a place that we are to go to verify that the O/A has current access to EIV, or are we to just ask the contact if they have access?

Answer: With the release of EIV 9.0 scheduled for September 2009, there will be a report, O/A Cert Report, that will provide users the ability to view the EIV certification status of a contract(s) and/or project(s) that has at least one EIV user with the HSC or HSU role assigned to the contract(s) and/or project(s).

13. How do I recertify my residents? The system is not up!!

Answer: If the EIV system is down, you will not be able to use it as a third party verification source. You will have to use direct written third party verification as described in Section 3 of Chapter 5 of the Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs. However, the EIV system is never down for an extended period of time. If you can delay sending out direct written third party verification requests for a few days, the EIV system will more than likely be functioning again. You can check with the MF Help Desk, to find out the status of the system, and when the system will be up and running again. HUD will also use its Multifamily RHIIP Listserv to post notifications regarding the EIV system. If you have not signed up for the RHIIP Listserv the link is: <http://www.hud.gov/subscribe/signup.cfm?listname=HMIS.INFO%20Listserv&list=HMIS-INFO-L>

COMPUTER MATCHING AGREEMENTS (CMAs)

14. What is a Computer Matching Agreement (CMA)?

Answer: A CMA is an agreement that federal agencies and states enter into to obtain certain computerized information on individuals. Currently, HUD has a CMA with the Social Security Administration (SSA) to obtain Social Security (SS) income, Supplemental Security Income (SSI), Medicare premium and disability status information, and with the Department of Health and Human Services (HHS) to obtain wage, unemployment insurance (UI) compensation, and new hires (W-4) data from its National Directory of New Hires (NDNH) database. SSA and HHS are the only two federal agencies with which HUD has executed a CMA.

Available on the "Multifamily Housing Program Requirements and Guidance for Using EIV" web page at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/regnguide.cfm>, see the Federal Register Notices: 73 FR 10046, Privacy Act of 1974; Notice of Matching Program Between the Department of Housing and Urban Development (HUD) and the Department of Health and Human Services (HHS): Matching Tenant Data in Assisted Housing Programs <and> 74 FR 10605, Privacy Act of 1974; Notice of a Computer Matching Program Between the Department of Housing and Urban Development (HUD) and the SSA: Matching Tenant Data in Assisted Housing Programs for complete information.

HUD does not have an executed CMA with any state to obtain third party verification information on tenants, and Multifamily (MF) Housing Program administrators cannot enter into CMAs with states for such information.

15. Does HUD have plans to renegotiate its CMA with HHS to obtain and re-disclose Temporary Assistance to Needy Families (TANF) information on tenants and pursue a CMA with the Internal Revenue Services (IRS) to obtain and re-disclose tax return information on tenants reporting pension and annuity income information?

Answer: No. At this time, there are no plans to re-negotiate HUD's existing CMA or pursue a new CMA with HHS and the IRS, respectively, for these purposes.

SECURITY

16. When you log off from the EIV System, it was stated that we should not go back to secure systems but to click the “x”. I have sometimes, accidentally, clicked the “x” and could not get back into secure systems.

Answer: When a user clicks the “x” in their internet browser, that window is completely closed and a user cannot navigate back to secure systems without reopening their internet browser and opening the secure systems webpage. When a user opens the secure systems webpage, they will need to enter their log in information. Clicking the “x” is the most secure way of exiting secure systems.

17. You mentioned that the EIV information cannot be viewed until a signed form HUD-9887 is in the file for each adult household member. If the form HUD-9887 is not signed until the annual recertification process, how can we view EIV information?

Answer: Form HUD-9887 states:

“Who Must Sign the Consent Form: Each member of your household who is at least 18 years of age and each family head, spouse or co-head, regardless of age, must sign the consent form at the initial certification and at each recertification. Additional signatures must be obtained from new adult members when they join the household or when members of the household become 18 years of age.”

Form HUD-9887 covers 15 months from the date of signature in order to cover the recertification process. There should be no instance in which an assisted tenant is not covered by a signed form HUD 9887.

By having a tenant sign form HUD-9887, the tenant is providing the O/A his/her consent to obtain income information from certain public agencies. Because of this, the only reports that cannot be viewed without a signed form HUD-9887 on the file are the income reports found within EIV.

18. What do we do with the EIV income reports that are in the file folders on properties and the property is sold. Do we pull the reports from all of the files, send for 3rd party verification, and shred the report so that new ownership cannot view the EIV income reports?

Answer: All EIV data/reports remain with the property. The previous O/A is not responsible for removing and destroying any EIV reports. When EIV becomes mandatory, the new owner will be required to obtain access to EIV and then destroy the EIV reports in accordance with HUD policies.

19. How many times during the year do users have to complete the Security Awareness Training Questionnaire?

Answer: The Security Awareness Training Questionnaire must be completed at initial access to the system and annually thereafter. This annual period is determined on a 12-month calendar cycle beginning on the user’s initial access date.

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 (IA’s) 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.

EIV MODULES

23. In regard to annual re-certifications, when is the best time within the 120 days before the annual recertification effective date to run the EIV reports for the specific tenants?

Answer: The O/A must establish procedures for obtaining and using the EIV reports at the time of initial (not move-in), interim or annual recertification. However, at the start of the recertification process would probably be the best time, or at least prior to the recertification interview.

24. Is the use of EIV only at annual recertification or can it be used during interim re-certifications as well?

Answer: Yes, EIV can be used for initial, interim and annual re-certifications. EIV can be used at times other than recertification as long as the type of use is defined in the O/A's Policies and Procedures. The type of use must be used consistently among all subsidized tenants at the project. An example of using an EIV report at times other than recertification would be the use of the New Hires Report. An O/A may develop the procedure to check the New Hires Report on a quarterly basis to ensure newly admitted tenants reported income correctly and existing tenants have reported changes in income over \$200 a month.

25. When we begin using EIV and the report modules you have outlined, do we need to outline the reports and their uses in our Tenant Selection Plan?

Answer: The Existing Tenant Search is the only report that must be described in the Tenant Selection Plan. Use of other EIV reports must be described in the O/A's policies and procedures.

26. I was under the impression a HUD-50059 had to be completed and transmitted in order to obtain information about a tenant. However, it was alluded that an applicant can be screened using the EIV system. Is that correct?

Answer: Yes, as a part of the applicant screening process, the Existing Tenant Search may be used to assist the O/A to verify whether or not the applicant or individuals in the applicant's household are receiving HUD rental assistance at another location. This is the only report in EIV that can be run, using a social security number, on an individual that is not a current resident in a property you are

associated with. If the O/A decides to use the Existing Tenant Search as part of the applicant screening process, the use of this report must be described in the Tenant Selection Plan.

27. We found some discrepancies in EIV. One had the SSN wrong and the other had the name wrong. These were both wrong in the TRACS system. We corrected these in TRACS and sent the file to them, but when looking in EIV again, these discrepancies were still there. How do we get them corrected?

Answer: Once the corrected information has been transmitted to TRACS, the information will be included in the TRACS file transmitted to EIV for SSA validation. If the information passes the SSA validation, the tenant information will be matched in the next matching cycle and the discrepancies should no longer appear in EIV.

If the tenant information record continues to fail the SSA validation, you should check the tenant data in your TRACS software to ensure extra spaces, a comma, an extra period, etc., are not present. In many instances, items like these cause the information to fail the SSA verification. You may also need to contact your software developer to assist you in resolving the problem. You should make notes in the tenant file of every effort made to correct the discrepant data.

28. Does EIV contain income data on tenants who receive SS retirement benefits, or received prior wages from employers overseas? For example, will the system display a tenant's SS retirement benefits administered by a program in China, or wages from a prior employer based in China?

Answer: No. EIV only contains and displays income information on tenants receiving retirement (SS) or disability (SSI) benefits from federal and State programs administered here in the United States (U.S.), and wage-related income information from employers based in the U.S.

29. If EIV does not contain or display benefit and wage-related information from overseas programs and employers, how can the private owner or management agent (O/A) verify this information with the tenant?

Answer: O/As can request tenants provide a copy of their tax returns to verify benefit and wage-related information from overseas. O/As can institute a policy whereby all tenants will be required to provide a copy of their tax returns to verify income not displayed in EIV or disclosed by the tenant.

30. Can information obtained or derived from EIV be used to verify SS or SSI benefits, employment, and wages of tenants residing in Low Income Housing Tax Credit (LIHTC) or Rural Housing Services (RHS) Section 515 program units?

Answer: No. Since neither the Internal Revenue Service (IRS) nor RHS are party to the CMAs that HUD has with SSA and HHS, O/As cannot use any information obtained or derived from EIV, as this would be a violation of the CMAs.

31. If the O/A cannot use the information obtained or derived from EIV, how does an O/A of a Section 8 and LIHTC property handle the following situation: The O/A recertifies a Section 8 tenant using EIV and discovers that the tenant has unreported income. The O/A is now aware of the unreported income, but cannot use this knowledge for the LIHTC certification process.

Answer: That is correct; the knowledge obtained or derived from EIV cannot be used by the O/A for the LIHTC certification process.

O/As should conduct an interview for the LIHTC certification separate from the interview conducted for the HUD recertification, keeping in mind that they cannot use the knowledge they obtain or derive from EIV for LIHTC certification purposes. O/As cannot conduct separate interviews only for those tenants where EIV has disclosed unreported or under-reported income by a tenant, but must apply this policy consistently for all tenants covered by both the LIHTC and HUD programs. O/As can ask tenants more detailed questions about their income and remind tenants that willful non-disclosure of income is a

violation of their lease agreement. Good interview techniques should result in disclosure of all income by tenants for use in the certification processes. See “A Guide to Interviewing for Owners of HUD-Subsidized Multifamily Housing Programs” for conducting a successful interview. This document is located at:

http://www.hud.gov/offices/hsg/mfh/rhiip/casestudy/app_4.pdf.

32. Do the CMAs that HUD has with HHS and SSA permit for the disclosure of benefit and wage-related information on tenants not receiving Section 8, Rental Assistance Payments (RAP), or Rent Supplement at Section 236 and 221(d)(3) BMIR properties?

Answer: Yes. However, there was a period when EIV did not display benefit and wage-related information in EIV for such tenants. With the EIV 8.1 October 24, 2008 Fix Release, benefit and wage-related information, including SS, SSI, wage, UI compensation, and new hires (W-4) information was made available in EIV for tenants not receiving Section 8, Rental Assistance Payments (RAP), or Rent Supplement at Section 236 and 221(d)(3) BMIR properties.

33. SSA has indicated that it will not verify SS and SSI benefits of beneficiaries participating in HUD multifamily housing rental assistance programs, since this information is available in the EIV System. If SSA refuses to provide third party verification of tenant benefits information, how are O/As to verify this information on tenants?

Answer: O/As should first use EIV to determine any SS benefit information reported by SSA. If the tenant agrees with the information reported in EIV, the O/A will use this information for verification and income calculation purposes.

If the tenant reports he/she is receiving SS benefits but no information is reported in EIV, O/As may:

- ☐ Accept current SSA benefit or award letters, dated within the last 120 days, from tenants to verify the tenant benefit information. However, in accordance with HUD regulations at 24 CFR 5.659, O/As must document in the tenant file why third party verification was not available; and that is, because SSA is no longer providing third party verification of SS and SSI benefits on tenants participating in HUD multifamily housing rental assistance programs, unless benefit amounts are under dispute.
- ☐ SSA Form 7004 may be used by the tenant, or a person authorized to represent the tenant, to request the tenant's Social Security Earnings Statement, provided the form is signed by the tenant. The tenant may have the benefits statement mailed directly to the O/A to satisfy the independent third party verification requirement.

If the tenant disputes the information in EIV, the guidance in the second bullet above should be followed.

INCOME REPORT

34. In order to show tenant income from third party income sources on the EIV Income Report, what does “passed pre-screening” mean?

Answer: “Passed pre-screening” means the tenant's personal identifier combination (last name, date of birth (DOB), and SSN) was recognized by HUD as a valid tenant record, and thus the tenant record was approved to be sent to SSA for SSA verification of the personal identifiers. If the tenant's personal identifier combination passes the SSA verification, the tenant record is sent to SSA and HHS for computer matching against HUD records. When the match between agencies is complete, the results of the match are reflected on the EIV Income Report for the tenant.

In cases where the tenant “failed pre-screening,” the EIV Income Report will not reflect the tenant's income information, because HUD did not recognize the tenant's personal identifier combination as a valid record, and therefore, could not perform the income match with SSA and HHS.

35. Can O/As use the EIV Income Report, alone, to satisfy family income verification requirements in Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs and to calculate a tenant's annual income?

Answer: As the EIV Income Report displays benefit and wage-related income data from independent third-party income sources, the report can serve as third party verification of family annual household income of tenants participating in the following multifamily housing programs:

- | | |
|--|--|
| ☐ Section 8 Project-Based Assistance | ☐ Section 811 Project Rental Assistance Contract (PRAC) |
| ☐ Section 202/8 Direct Loan | ☐ Section 236 |
| ☐ Section 202 Project Assistance Contract (PAC) | ☐ Section 236 Rental Assistance Program (RAP) |
| ☐ Section 202 Project Rental Assistance Contract (PRAC) | ☐ Section 221(d)(3) Below-Market Interest Rate (BMIR) |
| | ☐ Section 101 Rent Supplement |

The EIV Income Report cannot be used for calculating an individual's annual income from wages or unemployment insurance benefits. To calculate the annual income in these cases, O/As should use original most recent (four to six) pay stubs, original unemployment insurance award letter dated within the last 120 days, etc., in accordance with Chapter 5, Paragraphs 5-13 and 5-17, Determining Income and Calculating Rent, of Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs.

The EIV Income Report can be used for calculating an individual's annual income from social security benefits as long as the individual confirms that the EIV reported amount is correct. The O/A may request the individual provide a copy of their most recent benefit or award letter to confirm that the amount in EIV is correct.

In cases where the tenant disputes the benefit and wage-related amounts reflected on the report, the O/A must seek and obtain third party verification of such amounts with the third party income source, in accordance with the Privacy Act (5 U.S.C. 552a). In these instances the Income Report from EIV cannot be used as the third party verification.

36. If a household member turned 18 years of age, since the last annual re-certification, will that 18-year old household member's income be included on the EIV Income Report?

Answer: Yes. The EIV Income Report will display benefits, wage-related, and disability status information for household members who are 18 years of age or older and who currently receive or previously received benefit and wage-related income the next time the household is scheduled for matching against the SSA and NDNH data.

37. What should O/As do when the tenant reports that he or she is not employed, and has not been employed for two or more years, but the EIV Income Report displays employer and income from wages in EIV?

Answer: O/As must discuss this with the tenant first and then investigate and confirm employer and income amounts on the EIV Income Report; they must contact the third-party income sources listed on the report and request written verification of employer and wage amounts reflected in EIV (24 CFR 5.236). If the O/A has made several attempts to verify the EIV data, however, is unsuccessful in its attempts to verify the income information, the O/A should request the tenant to come into the office and certify that the employer and employment information displayed in EIV is invalid and has been wrongly attributed to his or her personal identifiers (SSN, Last Name, and DOB). The O/A should then advise the tenant to contact the third-party income source(s), and if unsuccessful, contact the State Workforce Agency (SWA) to have that employer or agency remove the invalid income information from his or her records. HUD cannot remove the information from EIV for the tenant. In the meantime, the O/A should use tenant-provided documentation to verify tenant income.

The O/A must note the tenant file, attaching (1) a copy of the letters sent to the third-party income source attempting to verify the EIV information (24 CFR 5.659); (2) a copy of the certification that the tenant signed disputing the employer and income from wages reflected in EIV for the tenant; and (3) documentation to show the O/A advised the tenant to contact the third-party income source, and if unsuccessful, the SWA in his or her State to request the information be removed from his or her record.

38. How can O/As verify tenant employment and wage income with the employer when the employer no longer exists?

Answer: In lieu of obtaining this third party verification, O/As can request tenants to provide a copy of their tax returns reflecting employer and wage information for the tenant. Tenants must supply information requested by the O/A or HUD in ensuring that assisted tenants pay rents commensurate with their ability to pay, as required by Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs.

39. Some O/As are under the impression that they have to count what the tenant received on his or her “pay check” as income in the determination of family annual household income. However, the instructors in the EIV 8.1.1 Instructional Course, conducted via Webcast on December 16-17, 2008, stated O/As are to obtain four to six consecutive pay stubs from the tenant and count the “gross” amount, not the “net” amount of payments received, in the determination of family annual household income. Please clarify.

Answer: HUD regulations require that the gross amount be used when calculating annual income. 24 CFR 5.609(b)(1) states that annual income includes “the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.”

O/As should obtain four to six consecutive “pay stubs” from the tenant, not “paychecks” and count the “gross” amount, not the “net” amount on the pay stub in calculating the family’s annual household income. HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, states, “Owners may not accept pay stubs to document employment income unless the applicant or tenant provides the most recent four to six pay stubs to illustrate variations in hours worked. Actual paychecks or copies of paychecks should never be used to document income because deductions are not shown on the paycheck.”

40. If the “Disability” status indicator on the EIV Income Report shows “yes,” are O/As to give the \$400 deduction for disabled families, as required by 24 CFR 5.611 and implemented in Chapter 5, Section 2: Determining Adjusted Income, of Handbook 4350.3 REV-1, without further documentation?

Answer: No. The “Disability” status indicator on the EIV Income Report is not 100 percent accurate and should not be used for determining whether or not a tenant qualifies as disabled for eligibility for the \$400 elderly/disabled household deduction. However, receipt of social security disability benefits is adequate verification of an individual’s disability for some of HUD’s programs. See Chapter 3, paragraph 3-28.B of Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs. Also see Appendix 3: Acceptable Forms of Verification of the Handbook for further guidance on verifying a disability.

41. In future EIV releases, will the EIV Income Report provide more specific information relative to deductions such as Medicare Part D or garnishments from gross benefit payments from SSA?

Answer: No. At this time, it is not anticipated that more specific information relative to deductions from gross benefit payments will be provided on future versions of the EIV Income Report. However, as this is a desirable enhancement, the Department is working to have more specific information displayed on the Report.

42. Will new hires (W-4) data appear on the EIV Income Report before the quarterly wage data?

Answer: Ideally, yes, but not necessarily. This is because new hires (W-4) and wage (W-2) data for one individual are sent to HHS' NDNH database from two different sources – State Directory of New Hires (SDNH) and SWAs – and employers have different reporting requirements for each. Some states are better about reporting new hires data before wage data than others, which is why, on occasion, O/As will find that new hires data on a tenant is missing, but wage data on that tenant is available on the Report. For complete guidance on new hires and wage reporting requirements, see slides 33-44 of Day Two, Part One of the EIV 8.1.1 Instructional Course, conducted via Webcast, on December 16-17, 2008.

43. Where do O/As go to verify UI compensation income displayed in EIV?

Answer: O/As must contact the SWA to verify UI compensation income displayed in EIV.

44. Will EIV ever display SS/SSI benefit data for tenants receiving such benefits under a different SSN? Some tenants receive benefits under their spouses' SSN's.

Answer: EIV will only display benefits, wage-related, and disability status information associated with the tenant's SSN. Therefore, if the tenant is receiving SS/SSI benefits under another individual's SSN, then EIV will not capture this income information on the reports for that tenant.

45. Is there a way to determine, through EIV, which SWA reported a tenant's quarterly wage data?

Answer: Yes. The EIV Income Report provides address information, including the city and state of where the tenant was reportedly employed and received quarterly wages. Using the employer address information for reported quarterly wages, O/As can investigate the validity of income amounts reflected in EIV.

46. Since EIV does not reflect the Cost-of-Living Adjustment (COLA) for tenant SS/SSI benefit amounts or other increases for the coming year, how should an O/A calculate a tenant's annual benefit amount for the next re-certification period?

Answer: Referenced during the EIV 8.1.1 Instructional Course, conducted via Webcast on December 16-17, 2008, the Housing Notice H-2008-3, Enterprise Income Verification (EIV), Section V. Schedule for Updating EIV Data, D. Social Security Benefits provides complete guidance on how to calculate a tenant SS/SSI benefits in anticipation of the COLA. Housing Notice H-2008-3, Enterprise Income Verification (EIV) is available on the "Multifamily Housing Program Requirements and Guidance for EIV Users" web page at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/reqnguide.cfm>.

INCOME DISCREPANCY REPORT AND CASE STUDIES

47. If there is a discrepancy between the information obtained from written third party verification and EIV, which income verification source should O/As use?

Answer: If there is a discrepancy between the two income verification sources, O/As should use the written verification information obtained from the third party income source.

48. What is the formula for the period of income (POI) and does it ever change?

Answer: The formula for the POI is the 12-month period, starting 15 months prior to the family's annual re-certification date and ending three months prior to the family's annual re-certification date. The formula for the POI never changes; it is constant.

49. Why does Case Study 2 for "Wages" not include income for August of 2007?

Answer: The Case Study for “Wages” does not include income for August 2007 because August 2007 is outside of the POI. Again, when trying to manually calculate or validate discrepancy amounts reflected on the EIV Income Discrepancy Report, O/As must only consider benefit and/or wage-related amounts received during the POI; in this case, the POI is May 01, 2006 thru April 30, 2007. “Examples of Invalid Income Discrepancies” are provided in the comprehensive version of the presentation delivered on Day Two, Part One, of the EIV 8.1.1 Instructional Course, December 16-17, 2008.

50. The three case studies provided with the EIV 8.1.1 Instructional Course, conducted via Webcast on December 16-17, 2008, only covered full-time tenant income; they did not address the effects of seasonal or intermittent wages. Can HUD develop a case study exemplifying how to calculate and resolve income discrepancies for tenants with seasonal or intermittent income?

Answer: Yes. MF Housing Program staff is anticipated to deliver another EIV instructional course via Webcast in October 2009. For the next EIV Webcast, instructors will provide a case study exemplifying tenant income discrepancy resolution when the tenant has seasonal or intermittent employment. In the meantime, O/As may refer to Chapter 5, paragraph 5-5,C, under Methods for Projecting and Calculating Annual Income, of HUD Handbook 4350.3, REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, for guidance on how to estimate anticipated income. This is the first step in determining whether or not discrepancies reflected on the EIV Income Discrepancy Report are valid discrepancies. Please see slides 84-90 of Day Two, Part One for “Examples of Invalid Income Discrepancies.”

RESOLVING TENANT INCOME DISCREPANCIES

51. If the tenant does not dispute the income and discrepancy amounts reflected on the EIV Income Report and Income Discrepancy Report, respectively, does the O/A still have to seek and obtain third party verification of income and discrepancy amounts reflected on the reports?

Answer: No. In this case, the O/A does not need to seek and obtain third party verification of amounts reflected on the reports. The Privacy Act (5 U.S.C. 552a) requires that the income information received from computer matching programs be “investigated” and “confirmed.” Thus, in cases where the O/A has “investigated” the computer matching program information, displayed on the EIV Income Report, by asking the tenant whether the information is true and accurate, and the tenant does not dispute the information on the EIV Income Report, then the tenant has effectively “confirmed” the computer matching program information. The requirement, as established by the Privacy Act, has been satisfied.

52. Is written third party verification necessary, if the tenant disputes the benefit and wage-related amounts reflected on the EIV Income Report?

Answer: Yes. In cases where the tenant disputes the benefit and wage-related amounts reflected on the report, the O/A must seek and obtain third party verification of such amounts with the third party income source, in accordance with the Privacy Act (5 U.S.C. 552a). The Privacy Act provides that program administrators such as O/As must “investigate” and “confirm” the validity of information (contained in EIV) resulting from a computer matching program in order to take any adverse action against the tenant.

53. Can O/As use the EIV Income Report and Income Discrepancy Report in a court eviction proceeding for unreported or underreported tenant income?

Answer: If the subject reports are not accompanied by written independent third party verification and/or the tenant has not “confirmed” the information on the reports as being true and accurate, O/As cannot use the reports in a court eviction proceeding for unreported or underreported tenant income.

54. If a tenant moves out of the unit (“skips”) before unreported or underreported income amounts reflected on the EIV Income Report can be verified with the third party income source, and the O/A has not executed a repayment agreement with the tenant to recover discrepancy amounts due to

unreported or underreported tenant income, can the O/A take action to collect subsidies paid in error through a collection agency?

Answer: No. Unless the O/A is able to “confirm” with the third party income source that income amounts reported on the EIV Income Report for the tenant are true and accurate, or the tenant has “confirmed” with the O/A that amounts reflected on the report are true and accurate and a repayment agreement has been executed, O/As cannot take any adverse action against the tenant, in accordance with the Privacy Act (5 U.S.C. 552a).

55. How can O/As, who do not have access to the Tenant Rental Assistance Certification System (TRACS), view what has been transmitted through TRACS?

Answer: O/As who do not have access to TRACS can apply for “Read Only” access to TRACS in order to view the data in TRACS for their tenants. O/As can apply for access to TRACS at: https://hudapps.hud.gov/public/wass/public/participant/partreg_page.jsp

Otherwise, they should contact their performance based contract administrator (PBCA) or traditional contract administrator (TCA), collectively known as contract administrators (CAs), or their service bureau for transmission information. These entities are responsible for transmitting form HUD-50059 information through TRACS.

56. If we destroy the EIV HHS NDNH portion of the file, and we are attempting to prove fraud for the Office of Inspector General's (OIG's) investigation, what are O/As to provide as evidence to the OIG?

Answer: See the answer to Question 65 relating to new data retention requirements. When attempting to prove fraud, as mentioned during the EIV 8.1.1 Instructional Course, conducted via Webcast on December 16-17, 2008, in pursuing and proving cases of tenant “fraud,” O/As must use the written verification they obtained from the third party income source as evidence of tenant “fraud.” The Privacy Act (5 U.S. C. 552a) prohibits any adverse action be taken against individuals, as a result of information obtained from a computer matching program such as the ones HUD has with SSA and HHS, without investigating and confirming “specific information relating to an individual that is used as a basis for an adverse action against the individual...”

REPAYMENT AGREEMENTS

57. Can management do anything to pursue fraud besides having tenants pay back the money owed?

Answer: In cases where it can be proven that a tenant committed fraud (knowingly provided inaccurate information), the O/A must follow the procedures set forth in HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, Chapter 8, paragraphs 8-13 through 8-18. The O/A must exercise care not to confuse tenant error with tenant fraud. Once fraud has been substantiated and documented, termination of tenancy for material noncompliance of the lease should be pursued. Once tenancy is terminated the O/A must file a civil action against the tenant for the recovery of improper subsidy payments. In many cases, the O/A should notify their local HUD's Office of Inspector General (OIG).

58. When an O/A creates a correction to account for unreported income, it creates an adjustment on the voucher. O/As are given permission to reverse that adjustment and pay back HUD as the resident pays HUD. Can a CA refuse to pay the OA (allow the OA to adjust the voucher) if the resident refuses to enter into a repayment agreement?

Answer: No, a CA cannot refuse to pay the O/A if the resident refuses to enter into a repayment agreement. The O/A must follow Chapter 8 of Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, for procedures in termination of tenancy as a mean to enforce HUD program requirements.

59. If a resident skips, is the O/A required to try to collect subsidy paid in error via a collection agency?

Answer: No, O/As are not required to hire collection agencies. If applicable, a judicial action may be filed by the O/A to recover overpaid subsidy.

60. The O/A's policy is to check the New Hire Report every other month. When a tenant appears on the New Hires Report, the tenant is contacted to come in to discuss; the tenant calls and sets up a meeting in two weeks, then calls in again and postpones the meeting due to illness; finally the meeting takes place five weeks after the tenant appeared on the New Hire Report. At the meeting the tenant confirms the new job and a letter is sent to obtain third party verification for the income. When the verification comes back the certification is processed and the tenant notified to come in to sign the required paperwork and advised of their new rent. This process takes three months, and it's nearly six months since the date of hire. Since the tenant did not advise the O/A of the change of employment/income on their own, what effective date should we use for the IR? Would it be the date of hire or thirty days later? Are we still required to provide them with a 30 day notice of rent increase?

Answer: In the example provided, the O/A must follow the procedures in Chapter 7, paragraph 7-12.B of HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, for notifying the tenant that the O/A has learned the tenant has the new job. To determine the effective date of the recertification, see paragraph 7-13. If the tenant does not comply with the provisions of their lease regarding interim re-certifications, a 30-day notice is not required since the effective date of the recertification will be retroactive to the first of the month following the date that the action occurred.

61. Are there any criteria for a reasonable repayment agreement? For example, is a repayment plan of \$10 per month for 10 years acceptable? What do we do if a resident doesn't pay according to the agreement or if the checks bounce? How many months does the resident have to repay money back?

Answer: Many O/As have established repayment agreements. They should be reasonable with the expectation that the overpaid subsidy will be recovered in as short a period as possible. Once a repayment agreement has been executed, any default on the part of the tenant to repay the agreed upon amounts owed will be deemed a lease violation and procedures for termination of tenancy should be initiated as described in Chapter 8, paragraph 13 of HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs.

When considering a repayment agreement, if the matter has been referred to the HUD OIG you need to coordinate recovery efforts with the OIG so that any repayment agreements the O/A and tenant enter, or any court action filed, does not circumvent efforts being made by OIG.

62. Can we ask a zero-income tenant to show us the contents of their wallet?

Answer: No, viewing the contents of a tenant's wallet would serve no purpose in establishing annual income. Good interview techniques should result in disclosure of any income received by tenants for use in the certification processes. See Part VIII Special Situation: Zero-Income Families of "A Guide to Interviewing for Owners of HUD-Subsidized Multifamily Housing Programs" for guidance on conducting a successful interview for tenants reporting zero-income. This document is located at http://www.hud.gov/offices/hsg/mfh/rhiip/casestudy/app_4.pdf

63. We have a household that moved in during 2005; six total members (two adults & four children); Mr. was and is receiving SS Disability payments. Mrs. didn't report she was employed at move in or any time thereafter. EIV shows she has been employed the entire time. She has earned approximately \$30,000 annually. When we spoke to her about the discrepancy she admitted that she had been working and is still working. If we submit an adjustment or corrected certification over \$15,000 in subsidy will be repaid. The tenant does not have \$15,000 to pay back. If we enter into a repayment agreement with her are we (O/A) expected to pay HUD back all of it at once? Most likely they will skip

out and the O/A will incur the loss. Also we just discovered that two of the three kids are listed as living with their father at another Section 8 property!

Answer: You will need to verify the correct domicile of the children and for what periods of time. Once verified, factor in corrections on the number of dependents when completing corrective re-certifications for the household. In your example, you may go back to 2005 to determine any rent due from the tenant, as long as the tenant has been assisted during this time period (see the 5-year limitation on the HUD-9887 for requesting information on a tenant). Once the corrected re-certifications have been transmitted through TRACS, you should complete a manual adjustment on the HAP voucher to reverse the payment of \$15,000. You will enter into a repayment agreement with the household and remit payments received from the tenant to HUD in accordance with Chapter 8, paragraph 8-20.B, Owner's Obligation to Repay, of HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs. If the tenant defaults on payments under the repayment agreement, the tenant is in non-compliance with his/her lease and tenancy should be terminated in accordance with Chapter 8 of the Handbook.

DATA RETENTION

64. Can you clarify the EIV retention requirements for income reports?

Answer: HUD is in the process of finalizing negotiations with the Department of Health and Human Services (HHS) for retention of the NDNH employment and income data obtained from the EIV system. HHS has agreed to allow retention of the EIV printed reports for the term of tenancy plus three years after termination of tenancy, the same requirements for retention of social security benefits data received from the SSA. As a result of this change, O/As will not need to destroy the EIV printed reports containing NDNH data in the tenant files when the reports are two years old. This change will be incorporated in a revision to Notice 2008-3, Enterprise Income Verification (EIV) System.

65. Do you need to maintain the HHS data for 2 years or can you destroy it as soon as you are done using it? Is an O/A required to keep the information for the indicated period? If an O/A destroys EIV printouts every year, is that OK?

Answer: See the answer to Question 65. HHS data is considered income verification data and is required to be in the tenant file until the retention period has ended.

66. If we destroy the HHS data and put a note in the file with the date destroyed, what will we have if we need to prove fraud? This document would show how we became aware of the income that the resident did not disclose?

Answer: See the answer to Question 65. In addition to the EIV printed reports, the O/A must retain in the tenant file any third party verifications and any tenant supplied documentation such as pay stubs that provide evidence of how rent was calculated for a particular recertification.

67. Is it okay to keep the EIV reports that only contain Social Security information in the tenant file? Social Security information doesn't come from HHS right? We are an elderly project and we will run the reports but most of the tenants are over 80 and don't have any new hire income.

Answer: See the answer to Question 65. Yes, Social Security Benefit data should be retained in the tenant file for the term of tenancy plus three years.

68. After the EIV report is run to verify a tenant's income, what needs to be kept in the tenant's file? Should these files be kept separately and in a locked file cabinet?

Answer: See the answer to Question 65. In addition to retaining the EIV printed reports, the O/A must retain in the tenant file any third party verifications and any tenant supplied documentation such as pay

stubs that provide evidence of how rent was calculated for a particular recertification. The tenant files must be stored in a locked, authorized access, filing cabinet.

MONITORING

69. It was stated that EIV access will be terminated if during an MOR it was observed that the Security Awareness Questionnaire is not on file. How do we get the access terminated?

Answer: If appropriate access documentation is not provided, an Observation should be noted on the MOR and the reviewer should e-mail HUD Headquarters immediately to terminate the coordinators and/or users roles in EIV at: mfeiv_alert@hud.gov. When contacting HUD Headquarters by e-mail, be sure to include the following information in your communication:

- Your name, contact information
- The observation
- User's name, contact information, M-ID#
- Project name

Once the project/user has mitigated the observation, e-mail HUD Headquarters referencing the observation and requesting access be restored.

Following is a list of EIV Access documents the O/A must have available during a MOR:

- a. Original approved CAAF and UAAF for users authorized to access EIV for that property.
- b. Current approved CAAF and UAAF for users authorized to access EIV for that property.
- c. Owner Approval Letter(s)
- d. Current completed Security Awareness Training Questionnaire(s)

Note: The Rules of Behavior, to be completed by users and IAs that have access to EIV printed reports but not to the EIV system, will be posted to the EIV website located at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>. O/As must also make these signed documents available for review during a MOR. A RHIIP Listserv Message will be issued once the Rules of Behavior is posted.

70. When an MOR is performed by a contract administrator, are they allowed to view the EIV information in the files?

Answer: Yes, contract administrators have full access to tenant files and EIV data. Contract administrators, as well as HUD and O/As, are named on the form HUD-9887, Notice and Consent for the Release of Information.

71. During a MOR, why do we need to obtain the M-ID of the individuals using EIV and how is that obtained?

Answer: The EIV system is in the process of being enhanced to enable HUD/CA to verify the status of a property's M-ID number(s). This will ensure that M-ID numbers have been terminated for those O/A staff at the end of employment or use of EIV data.

72. Will CAs run into trouble for providing EIV verification reports to management during MORs?

Answer: CAs can provide verification reports to O/As without EIV access, but not income reports. Once the O/A obtains EIV access, both verification and income reports will be accessible through the EIV system. Examples of verification reports that can be provided now are:

1. Failed Verification Report

2. Identity Verification Report -Failed Pre-screening Report
3. Deceased Tenants Report
4. Multiple Subsidy Report

73. In addition to your comments on what to do if a file is copied and reviewed off-site (destroy documents, etc), what is your instruction to contract administrators where EIV reports/docs are submitted to the contract administrator as a part of the Management and Occupancy Review response?

Answer: The EIV printouts may be provided to the contract administrator as part of the MOR response because the contract administrator is an authorized entity in the computer matching agreement. EIV reports that are electronically saved must also be destroyed in accordance with the data retention requirement of term of tenancy plus 3 years as stated in Answer to Question 65..

74. When making findings for EIV, what are the citations for the findings?

Answer: The Rent and Income Determination Quality Control Monitoring Guide for Multifamily Housing Programs posted at: <http://www.hud.gov/offices/hsg/mfh/rhiip/qcguide.pdf> has been updated to include information on monitoring compliance with EIV. Documents such as the Privacy Act, form HUD-9887, Notice 2008-03, etc., can also be used for citations when completing a MOR. Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, and form HUD-9834, Management Review for Multifamily Housing Projects, will be updated in future revisions to include more information on using EIV and O/As compliance.

75. Now that EIV is mandatory, what happens if the O/A is not able to clean up the Failed Verification Report within 30 days? How is this monitored?

Answer: Once EIV becomes mandatory, review of the Pre-Screening and Failed Verification Reports will be a part of the MOR. Should it be found that an O/A has not addressed the failed tenant records on these reports, it will become a finding on the MOR report. The O/A will have 30 days to respond to this finding; not 30 days to clean up the failed tenant records. Once it becomes a finding during an MOR, the corrective action will be monitored in the same manner in which corrective actions relating to other findings are monitored.

76. We have been receiving notices on our sites requesting certain information in the MOR inspection. Part of this request is for copies of the UAAF and CAAF forms and a copy of owner's letter for authorization of CAAF to be sent to the contract administrator before the MOR. Since the user and coordinator are not allowed to show/use another users ID, why would these letters be sent to the managers on the properties? Shouldn't these letters be sent to the coordinator of each property or to the managing agent for them to disclose this information? Otherwise, the CAAF and letter of owner authorization has to be sent under separate cover as the manager may not review this information.

Answer: Letters requesting documentation relating to a MOR are typically sent to the properties established MOR contact, in most cases this would be the site manager. Should the EIV User authorization documentation, such as the CAAFs, UAAFs, owner approval letters and Security Awareness Questionnaires not be maintained at the site, the site manager should forward the request to the appropriate staff of the O/A. It is permissible for an O/A to send to the site manager copies of the EIV authorization documentation for a MOR review. A user's M-ID number is password protected and therefore would not in and of itself permit another user to gain access to any secured system. Passwords must not be shared with other users.

EIV FUNCTIONALITY AND TOOLS/RESOURCES

77. Is the RHIP Listserv Message #55 with respect to O/As and CAs not using the User Maintenance function in EIV still applicable?

Answer: No. The User Maintenance function is no longer available or visible in EIV to O/As or CAs. Thus, the RHIP Listserv Message #55 is no longer applicable to O/As or CAs.

78. Do new versions of the User and User Administration manuals completely replace old versions of manuals or do O/As have to retain them all as reference sources?

Answer: No. It is not necessary to retain old versions of these manuals, since the EIV manuals are updated to include new and delete obsolete functionality with new versions of manuals.

79. Will the EIV system ever show a listing of former residents who have been evicted for fraud, non-payment of rent, or drug activity?

Answer: This functionality is being considered for future releases. MF Housing program users will be notified of upgrades through RHIP Listserv Message and the EIV website located at:
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>.

80. What is the name and reference number for the EIV Notice that was referenced during the EIV 8.1.1 Instructional Course, conducted via Webcast, on December 16-17, 2008?

Answer: The name of the EIV Notice is "Enterprise Income Verification System" and the reference number is H-2008-3. The Notice was issued on June 25, 2008 and will expire on June 30, 2009. This Notice is currently under revision. For other EIV-related guidance and reference material, please see the "Multifamily Housing Program Requirements and Guidance for Using EIV" web page at:
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/reqnguide.cfm>

MISCELLANEOUS

81. We have some mixed families on our properties. One or more household members are legal non-citizens, while there may be one or more household members who are not (no SSN or Alien Registration #). How will the requirement for SSN's affect mixed families and non-citizens?

82. How do we handle the new social security number requirement in regards to newborn babies entering the household?

83. Will ALL applicants and/or residents (i.e. prorated families) be required to obtain SSN's in order to remain residents or applicants on the waiting lists?

84. How can we do an existing tenant search on children if the SSN isn't required until they are six years old?

Answer to Questions 82, 83, 84, and 85:

These questions all pertain to the Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs; Final Rule, published January 27, 2009. The effective date of the Final Rule has been delayed to September 30, 2009. Guidance for these questions will be provided in a Housing Notice implementing the regulatory changes.