EIV – And What We Look For During MORs

North Tampa Housing Development Corporation

September 28, 2010
Owner/Agent Workshop

Jacksonville, FL

Session Instructor

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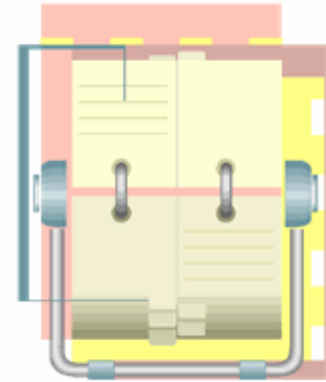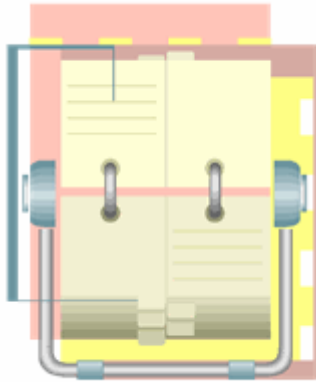**North Tampa Housing Development Corporation**

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Session Agenda

EIV Review During MORs

- EIV Requirements Overview

- What Will be Reviewed During an MOR

- Possible EIV Findings

- Penalties for Not Using EIV

EIV

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EIV Requirements Overview

EIV Became Mandatory on 1/31/2010

- Federal Register, Final Rule on Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification System—Amendments
  - Requires EIV be implemented in its entirety
  - Available at:

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

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EIV Requirements Overview

Owner/Agents are required to:

- Have access to EIV

- Maintain all required EIV forms and documents

- Use all income & verification reports available in EIV

- Update Policies and Procedures to include the use & frequency of reports in EIV

- Establish Policies and Procedures to maintain and continue to maintain EIV data in accordance with the security safeguards of Privacy Act Data within EIV

What Will Be Reviewed During MOR

LCS Conducting the MOR Will Review:

- Owner/Agent Access to EIV

- EIV Forms and Documents

- EIV Policies and Procedures

- Tenant Selection Plan

- Tenant Files

- EIV Income and Verification Reports and All Discrepancy Follow Up Documentation

- Secured Environment of EIV Data

What Will Be Reviewed During MOR

Owner/Agent Access to EIV

- Has the Owner/Agent established access

- Who has access to EIV

  - Who are the Users

  - Who is the Coordinator

  - Who is not a User or Coordinator but has access to the EIV data

What Will Be Reviewed During MOR

EIV Forms and Documents

****IMPORTANT NOTE:** EIV Forms must be available for review during the MOR. If one or more forms are not available for review during the MOR, HUD **must** be notified and EIV access will be terminated until the required forms are provided*

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What Will Be Reviewed During MOR

EIV Forms and Documents

- Owner Approval Letter(s)
- CAAF(s)- Coordinator Access Authorization Form
  - Initial hardcopy Approved (HUD signed) CAAF
  - Current CAAF

* **IMPORTANT NOTE: Must have the initial approved (HUD signed) CAAF.** Any Coordinator that does not have the original HUD signed approved CAAF form needs to contact the EIV helpdesk and request a copy of it regardless of when the initial form was approved.*

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What Will Be Reviewed During MOR

- UAAF(s)-User Access Authorization Form
  - Initial hardcopy Approved (signed) UAAF
  - Current form
- Rules Of Behavior Forms
  - For all individuals without access to the EIV system but access to the EIV data. This includes service bureaus and IPA's.

* Important Note: Owner/Agents do not obtain a Rules of Behavior Form from MOR reviewers. PBCA's were required to have their employees sign this form and are responsible for maintaining it.

EIV Policies and Procedures

Written Procedures must include:

- How to use EIV employment and income data and EIV verification reports at the time of each <u>AR and IR,</u> <u>and within 90 days after MI 50059 is submitted</u>
  - Running reports; following up on discrepancies; how/where to maintain the data
- How and when to use each of the Income Reports and each of the Verification Reports
  - Running reports; following up on discrepancies; how/where to maintain the data
  - The frequency for each report must be outlined
    - (Monthly, Quarterly etc…)
- Notification requirements and timeframes for members who turn 18 to sign the 9887/9887A

What Will be Reviewed During MOR

- Security Procedures that will maintain safeguards designed to prevent unauthorized use of the EIV information and protect the confidentiality of that information

- Information on Security can be found at:

  - EIV System Security Measures posted at:

http://www.hud.gov/offices/hsg/mfh//rhiip/eiv/security.cfm

  - Section XII of HUD Notice H2010-10 posted at:

http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg

What Will be Reviewed During MOR

- Security Policies and Procedures should address at a minimum:

  (1) Authorized use of the EIV system;

  (2) How to handle security breaches; and

  (3) Destruction of EIV data

<u>Security Training must be provided annually </u>and documentation of this training must made available for auditing purposes

- Looking for a file/log with the Names, Dates, and type of training that was provided

What Will be Reviewed During MOR

Tenant Selection Plan

- Must be updated to include:

  - Use of the EIV Existing Tenant Search as a part of the applicant screening process

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What Will be Reviewed During MOR

Tenant Files

- 9887/9887A for each adult household member
- **EIV and You Brochure during screening process and at each AR**
- **Summary,** **Income, and Discrepancy Reports for each AR, IR, and** **90 days after MI submission (summary report only needs to be printed and placed in the file once if everyone in the household is listed as "Verified")**
- Documentation of follow up on all unreported/ underreported income and supporting documentation of all discrepancy resolutions
- Documentation of termination and/or steps taken for fraud

EIV Income and Verification Reports & All Discrepancy Follow Up Documentation

- LCS will be looking to ensure that each of the EIV Income Reports and Verification Reports available in EIV are being generated at the required times, printed, reviewed, discrepancies followed up on and resolved, and documentation maintained in accordance with both HUD regulations and Owner/Agent established written procedures.

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What Will be Reviewed During MOR

- <u>Summary; Income; and Discrepancy Reports</u>
  - Required to be printed, reviewed, followed up on, and maintained for each <u>AR and IR;</u> <u>within 90 days after submission of MI 50059;</u> and at times other than recertification if so outlined in the policies and procedures (Summary Report only needs to be printed and placed in the file once if everyone is listed as "Verified")
  - Looking for:
    - Documentation they are printed, reviewed, and followed up on at the frequency outlined in the policies and procedures
    - Reports and all follow up documentation to be maintained in tenant files for term of tenancy and 3 years after MO

What Will be Reviewed During MOR

<u>Follow up documentation</u> (if discrepancy and/or unreported/underreported income is found) includes:

- Notice to the tenant and all related correspondence
- 3rd party verifications
- Additional tenant provided documents
- File notes
- Documentation of resolution even if there is no discrepancy or unreported/underreported income
  - Corrected 50059s and/or additional retroactive 50059 as necessary
  - Documentation of tenant repayment or copy of repayment agreement
  - Voucher adjustments
  - Additional file notes

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What Will be Reviewed During MOR

No Income Report

- Required to be reviewed and followed up on as outlined in the Owner/Agent policies and procedures (HUD recommends using this report quarterly for all no income tenants)
  - Looking for:
    - Documentation they are reviewed and followed up on at the frequency outlined in the policies and procedures by having applicable follow up documentation maintained in tenant files for term of tenancy and 3 years after MO

What Will be Reviewed During MOR

<u>New Hire; Multiple Subsidy; and Deceased Tenant Reports</u>

- Required to be printed, reviewed, and followed up on no less than quarterly
  - Looking for:
    - Documentation they are printed, reviewed, and followed up on at the frequency outlined in the policies and procedures
    - Summary Reports to be maintained in a Master file for 3 years
    - Detail Reports and all follow up documentation to be maintained in tenant files for term of tenancy and 3 years after MO

What Will be Reviewed During MOR

<u>Identity Reports (</u>Failed EIV Pre-screening & Failed Verification Reports)

- Required to be printed, reviewed, and followed up on Monthly
  - Looking for:
    - Documentation they are printed, reviewed, and followed up on Monthly
    - Reports to be maintained in a Master file for 3 years
    - All follow up documentation to be maintained in tenant files for term of tenancy and 3 years after MO

What Will be Reviewed During MOR

<u>Existing Tenant Search Report</u>

- Required to be printed, reviewed, and followed up on for each household member during the application process (this includes each dependent)
  - Looking for:
    - Documentation they are printed, reviewed, and followed up on prior to move-in
    - Reports and all follow up documentation to be maintained in tenant files for term of tenancy and 3 years after MO; or with the application for 3 years after removal from waiting list

Secured Environment of EIV Data

Looking for:

- File storage area to see if the area is secure with access limited to only authorized staff
  - Do filing cabinets lock
  - Does door to filing area lock
  - Who has keys
- Evidence that security procedures, retention policies, and disposal methods followed consistently
  - How EIV reports are generated/printed and how/where they are maintained

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What Will be Reviewed During MOR

- Who is accessing EIV system and from where
- Are staff sharing access IDs and passwords
- Is EIV data being shared with other entities not authorized to view EIV data (e.g., state officials monitoring tax credit projects, Rural Housing staff monitoring Section 515 projects, or Service Coordinators)

NOTE: Disclosure of EIV data to Service Coordinators even though the tenant signs a release of information consent form authorizing them to have access to their file is not allowed unless the Service Coordinator is present during the interview and assisting the tenant with the recertification process.

What Will be Reviewed During MOR

Preparing for your MOR

EIV is now mandatory so all Owner/Agents should already have access in EIV for each property with current approved coordinators and users; be using EIV in its entirety (using all of the EIV reports); have written procedures in place; and should have provided training for staff on how to use EIV and maintain the security of the data. If you have not done one or more of these items, take the necessary steps to do so immediately prior to your next MOR.

Possible EIV Findings

1. O/A does not have access to EIV
2. O/A is not using EIV for recertification
3. Missing/incomplete EIV documents as listed on the Addendum C. (must also email HUD Headquarters immediately to terminate the coordinator's/ user's access)
4. Rules of Behavior for non-system users missing where applicable
5. EIV data being shared with other entities, e.g., state officials monitoring tax credit projects, Rural Housing staff monitoring Section 515 projects, or Service Coordinators
6. EIV data not kept secure
7. O/A has not updated Policies and Procedures to include EIV use

Possible EIV Findings

8. O/A has not updated Tenant Selection Plan to include of Existing Tenant Report
9. EIV Income Reports are not in tenant files
10. Tenant files that do not have documentation to support EIV discrepancy resolution
11. Not Using the Existing Tenant Search Report
12. Not reviewing New Hires Report
13. Unresolved Failed Verification and Pre-screening Discrepancies
14. Deceased Tenant Report has not been reviewed and/or errors corrected
15. Multiple Subsidy Report has not been reviewed and/or errors corrected

Possible EIV Findings

16. O/A is not following HUD's record retention requirements
17. Missing/Incomplete form HUD-9887
18. O/A is not providing tenants with the EIV & You brochure when selected from the waiting list for move in and at AR
19. Not completing Annual Security Awareness Training
20. O/A is sharing access IDs and passwords

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Penalties For Not Using EIV

If during an MOR it is determined Owner/ Agent <u>either</u>:

1. Does not have access to EIV
   - For existing Owner/Agents in place as of 12/15/09
     - Did not submit its CAAF to the Multifamily Help Desk by 12/15/09; and/or
     - Did not complete the property assignment process by January 15, 2010
   - For new Owner and/or Agent
     - Did obtain access within 90 days
2. Is not using EIV

<u>A 5% voucher penalty</u> will will be required
- Owner/Agent must make an adjustment on its next scheduled voucher to adjust for the 5% decrease
- NTHDC must monitor the Owner/Agent to ensure the adjustment is made

EIV Guidance

EIV HUD NOTICE: H 2010-10 Issued 7/1/2010 is available at: http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg

December 2009 HUD EIV webcast 12/29/2009 is available at:

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

EIV: Instructional Course for Multifamily Housing Programs, February 25, 2010 is available at:

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

EIV User Manual for Multifamily Housing Program Users is available at:
http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/usermanual.pdf

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EIV Guidance

Multifamily Housing EIV web site:
http://www.hud.gov/offices/hsg/mfh//rhiip/eiv/eivhome.cfm

EIV Multifamily Help Desk Telephone: 202-708-7588
Email: Mf_Eiv@hud.gov

Questions should be sent via email to:
mf_eiv_comments@hud.gov

Resolving Income Discrepancies Between Enterprise Income Verification (EIV) System Data and Tenant-Provided Income Information"
http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/reqnguide.cfm

EIV Guidance

Rent and Income Determination Quality Control Monitoring Guide for Multifamily Housing Programs
http://www.hud.gov/offices/hsg/mfh/rhiip/qcguide.pdf

EIV & and You Brochure HUD NOTICE: H 2010-02 Issued 1/11/2010 is available at:
http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg

New EIV & You Brochure is available at:
http://www.hud.gov/offices/hsg/mfh/rhiip/eivbrochure.pdf

New Rules of Behavior Acknowledgement form is available at:
http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/rulesofbehavior.pdf

EIV Guidance

Tenants who need to request a current Award Letter may request a new letter from SSA by calling 1-800-772-1213 (TTY 1-800-325-0778) or by requesting it over the internet at: https://secure.ssa.gov/apps6z/isss/main.html.

NOTE: *On* 4/14/2010 HUD conducted a webcast regarding the implementation of the Final Rule and also released a Notice regarding implementation

EIV HUD NOTICE: H 2010-08 dated 4/13/2010 is available at:

http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg

And this webcast is available at:

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

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Questions???