From The Waiting List To The Interview

North Tampa Housing Development Corporation

July 20, 2010
NTHDC Owner/Agent Conference – Tampa, FL

1

Session Instructor

Melissa L. Rodriguez
Local Contract Specialist- Miami
North Tampa Housing Development Corporation

Contact Information:
CGI Federal/NTHDC
5201 Blue Lagoon Drive
Suite 856
Miami, FL 33126
Phone #: 305-718-3457 Fax #: 305-718-3456
Email: melissa.rodriguez@cgifederal.com

Who Is NTHDC? Who is CGI Federal?

- In 2004, the US Department of Housing and Urban Development announced its award for Performance Based Contract Administration for the project based, Section 8 program for the State of Florida to the North Tampa Housing Development Corporation (a non-profit entity of the Tampa Housing Authority).

- Under the terms of the award, the North Tampa Housing Development Corporation entered into a partnership agreement with CGI to establish and manage the performance-based Section 8 contract administration initiative.
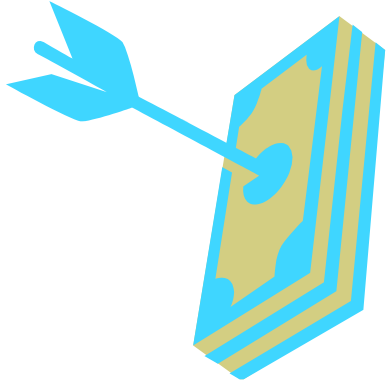
Training Agenda

- Waiting List Management

- Initial Eligibility Interviews

4

#1 Goal

The essence of the responsibility of every owner of a HUD-assisted housing development is to ensure that eligible families lease the correct units and pay the correct amount of rent.

Introduction – Training Goals

- Goal #1 - To provide recommendations on how to effectively manage waiting lists to ensure HUD regulatory compliance.

- Goal #2 – To provide guidance on interviewing applicants and tenants.

How To Streamline Your Waiting List And Avoid Those Pesky Findings

North Tampa Housing Development Corporation

Waiting List Management

Owner/Agent's Goal For a Waiting List:

Transparency

What does HUD have to say on waiting list management?

HUD Handbook 4350.3, Chapter 4, 4-18.B.1-3.

The goal of the annotation is to provide an auditable record of applicant additions, selections, withdrawals, and rejections. Independent reviewers looking at the waiting list should be able to:

1. Find an applicant on the waiting list;

2. Readily confirm that an applicant was housed at the appropriate time based on unit size needs, preferences, and income-targeting; and

3. Trace various actions taken with respect to a family's application for tenancy.

*Annotation – notes/comments regarding all actions taken for an application (offering a unit, skipping due to income-targeting)

Commonly Cited Findings & How to Avoid Them

- Finding: All columns are not being consistently filled out (Ex: Income Level column has the actual $ amount instead of income limit, ELI, VLI, LI or the Preference column is not populated).

- Finding: Application dates and times, rejection/removal dates, and MI dates do not always match with the file and/or waiting list.

- Finding: All applicants that have moved in are not on the waiting list.

- Finding: Historical waiting lists are not being kept.

Commonly Cited Findings & How to Avoid Them

Possible Solutions:

1. As applications are accepted and placed on the waiting list, ensure that each individual column is populated with the correct information.

2. As rejections or removals are processed, ensure that correct dates are listed, with comments on why an applicant was removed or rejected. Maintain documentation of when an applicant was removed or rejected.

3. Review through the list and ensure there are no blank spaces.

NORTH TAMPA HOUSING DEVELOPMENT CORPORATION

Possible Solutions:

   4. Owner/Agent should create a retention policy for their waiting lists. If the waiting list is electronic, and once a person moves in the applicant name is removed, the waiting list should be printed before the move-in and after. This will ensure there is documentation of the person having been on the waiting list.

5. Create a system that assigns each application a number (in numerical order) and that number is also entered into the waiting list. This will ensure each application is tracked. Applications could be filed by number order.

NORTH TAMPA HOUSING DEVELOPMENT CORPORATION

Commonly Cited Findings & How to Avoid Them

- <u>Finding</u>: Applicants are not being assigned to the proper size unit (over or under housed). Live-In Attendants are required to be included in determining unit size.

  <u>Possible Solution</u>:

    1. Count all persons in the household and ensure that your occupancy standards, as listed in your Tenant Selection Plan, are followed.

    2. Review what unit size the applicant applied for and what unit size they qualify for. Place the applicant on the appropriate waiting list.

    3. Include an area on the application where on-site staff can list the number of people that will be in a unit and which waiting list they will be placed on.

Commonly Cited Findings & How to Avoid Them

- <u>Finding</u>: When the waiting list is opened and/or closed, the Owner/Agent is not following the procedures as listed in their Tenant Selection Plan or with the requirements in the *HUD Handbook 4350.3, Chapter 4, 4-16.B.1-2.*

  <u>Possible Solution</u>:

  1. Ensure those in charge of opening and/or closing the waiting list are aware of the procedures listed in the Tenant Selection Plan and *HUD Handbook 4350.3, Chapter 4, 4-16.B.1-2.*

NORTH TAMPA HOUSING DEVELOPMENT CORPORATION

Possible Solution:

    2. A checklist of requirements for closing and/or opening the waiting list could be created with the name of all publications required to be advertised in and/or with all required information to be included in such publications (Equal Housing Opportunity logo, reason for closure).

Commonly Cited Findings & How to Avoid Them

- <u>Finding</u>: The Owner/Agent is not managing the waiting list in accordance with their Tenant Selection Plan. For example, annual waiting list update letters (O/A adopted policy) are not being sent and/or applicants are not being removed in accordance with the Owner/Agent's policies.

<u>Possible Solution</u>:

    1. Ensure those in charge of managing the waiting list are aware of the Owner/Agent's policy, as listed in the Tenant Selection Plan.

    2. Implement quality controls such as a designated date each year that waiting list update letters will be mailed.

Possible Solution:

3. As the waiting list is being worked, create a checklist for staff to have readily available with all the O/A's reasons for removal from the waiting list.

#1 Waiting List Finding

- Finding: NTHDC was unable to determine if applicants on the waiting list were elected in the proper order. Proper notations were not made so tracing actions taken related to a family's application for tenancy was not possible.

- Possible Solution: Periodically audit the waiting list.

NORTH TAMPA HOUSING DEVELOPMENT CORPORATION

18

How Do You Audit A Waiting List?

1. Find the last person that moved into the property on the waiting list.

2. Do the applicants that applied earlier than the family moving in have notes on the list?

3. Is there a continuous string of notes from the first applicant on the list to the family that moved in?

4. If not, there is a possibility, that the waiting list is not transparent. Review all documentation and ensure all notes have been included on the waiting list.

How Do You Audit A Waiting List?

5. If staff reviews the list and cannot follow the actions that were taken with the waiting list, then it is most likely, NTHDC will not be able to either.

Recommendations

1. Update your waiting list on a regular basis and ensure that only an updated waiting list is provided to your LCS on the day of the MOR.

2. Audit your waiting list on a regular basis. Preferably after each move-in.

   *This list of recommendations is not all inclusive. There are many methods to ensure a waiting list is managed effectively.

Recommendations

3. When working the waiting list, notate the date an action was taken with the application, and if the applicant was called to be offered a unit, include the unit number.

For example, 4/30/10 Called 305-555-5555 to offer Unit 777. Applicant refused. 5/10/10 Sent waiting list update letter. 6/1/10 Update letter was not returned. Removed from list.

NTHDC
north tampa housing development corporation

Recommendations

4. Avoid "MONSTER" waiting lists.

Waiting lists that have 200 or more applicants can become difficult to manage. Remember, managing a waiting list should not be the only thing your staff has time to do. Create application procedures that are appropriate for your property. Accept only a certain number of applications when the list is opened. Analyze what the turnover rate and rejection/removal rate is for the property. This can help to reach a practical number of applications to be accepted.

23

5. If you have a "MONSTER" waiting list, consider having stricter rules to try to dwindle down the number of applicants and make the list more manageable. For example, send an annual waiting list update letter and those who fail to respond by a designated date are removed from the list. Another method is if an applicant refuses two unit offers, they are removed from the list.

*TSP must be updated and current applicants notified of changes in the management of the waiting list.

Recommendations

6. HUD gives the Owner/Agent a significant amount of leeway when creating policies and procedures on the management of the waiting list. Make sure that these policies and/or procedures cater to the individual property's needs.

   For example, a property that has a high vacancy turnover will probably need a larger number of applicants on the waiting list versus a property with a low turnover.

The Essentials Of The Interview

North Tampa Housing Development Corporation

Primary Reference

A Guide To Interviewing For Owners of HUD-Subsidized Multifamily Housing Projects.

http://www.hud.gov/offices/hsg/mfh/rhiip/intervi ewguide.pdf

Interview Methodology – C.A.V.E.

- **C**ollection of complete information

- **A**nalysis of the information to determine verification requirements and to resolve discrepancies

- **V**erification of the information

- **E**ducation of applicants and tenants of what is required and how the program works

Interview Methodology – C.A.V.E.

<u>C</u>ollection + **<u>A</u>nalysis** + **<u>V</u>erification** + **<u>E</u>ducation** =

Correct eligibility determinations, tenant selection decisions, and correct rent determinations.
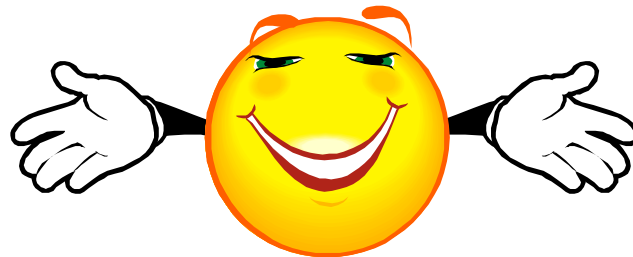
- Phase 1: **Transition to the interview** – This phase is used to establish rapport and ground rules for the interview, as well as to educate the person being interviewed.

1. Greeting and warm-up

- A friendly, business-like greeting. Interviewer gives name and title/position, explains the purpose of the interview and approximately how long the interview will take

2. Legal identification

- The interviewer may request an acceptable form of legal identification.

3. Provide an overview of the program and the tenant selection process

• Briefly explain the application process and any relevant screening procedures used by the owner. This lets the applicant know what is going to happen during the course of the interview.

4. Explain the types of information that applicants are required to provide as part of the application process.

- Providing an up front overview of the specific types of information that all applicants are required to provide will better prepare the applicant to disclose with a minimum of resistance. It also communicates that the procedure is a standard one that applies to all applicants.

The Four Phases of an Interview – Phase 1

- Typical language:

"As a part of completing your application I will be asking you to answer questions and to provide information about your situation. These questions will pertain not only to you, but to all of your family members who will be living with you. Many of these questions are personal and confidential in nature. For example, I will be asking you the SSNs of all family members and questions about various types of income (money) received by you and the other members of your family. I will be asking questions about assets such as property, bank accounts, investments and life insurance policies. It is important for you to know that all applicants are required to provide the same types of information and answer the same types of questions."

5. Explain how the information will be used and maintained

- Most people are reluctant to disclose information about income and family members to a total stranger. An explanation of how the information is used and safeguarded will usually minimize anxiety and encourage confidence in the professionalism of the interviewer.

- Typical language:

"It is important for you to understand that any information or documents you provide will only be used for the purpose of determining your eligibility to lease a unit and to determine the amount of rent you will pay. The information will not be shared with anyone without your written consent. We will place your application in an individual file, and it will be kept in a locked and secure location."

6. Explain the verification process
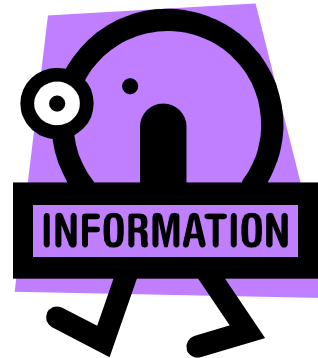
- This step puts applicants on notice that the owner will be contacting third party sources to verify the information they provide. It demonstrates that the owner is thorough and, if done properly, may discourage an applicant who is considering falsifying information.

The Four Phases of an Interview – Phase 1

- Typical language:

"When you complete your application, we are required to verify the information you have provided, and you will be required to sign authorization forms so that we are able to do that. Here are some examples of how we verify information. If any family member works, we will mail a form directly to the employer. We will verify checking, savings accounts and any other kind of investment with the bank or other holder of investments. We will verify benefit income with all relevant agencies such as the Social Security Administration or the local welfare department. We may also request additional documents such as pay stubs or tax returns. We also will run a credit bureau inquiry."

7. Explain the importance of complete and accurate information.

- Typical language:

"Because of these verification requirements, I'm sure that you can see why it is so important that the information you provide today is complete and accurate. So as we go through the application, please let me know if you are not sure of something that I ask you. I'll be happy to explain it."

NORTH TAMPA HOUSING DEVELOPMENT CORPORATION

8. Explain the consequences of false or incomplete information

- It is important that applicants understand that there are consequences for false statements and intentional omissions. It is also important that this be explained in a non-threatening manner. Too little emphasis may cause the family to be unaware of the consequences. Too much emphasis may set a negative tone to the interview. Unless there is information to the contrary, the owner should take care not to sound accusatory.

The Four Phases of an Interview – Phase 1

- Typical language:

"There is another important point that we are required to explain to all applicants; it has to do with the penalties for making false statements or providing false documents with your application. I'm sure that this does not apply to you, but on occasion, some applicants have not provided correct information.

When you sign the required forms you are certifying that you have given complete and accurate answers. There are both criminal and civil penalties for making false statements on a housing application. In addition to these penalties, if any applicant provides false or incomplete information, we would have no choice but to deny the application."

- This may be the appropriate time to present the applicant/tenant with the HUD-1141, "Is Fraud Worth It?"

  The form may be found at
  http://www.hud.gov/utilities/intercept.cfm?/offices/adm/hudclips/forms/files/1141.pdf.

9. Ensure that everything has been understood.

- Typical language:

  "Is there anything else you need to know about how we are going to handle the interview, how we will verify or use the information you provided?"
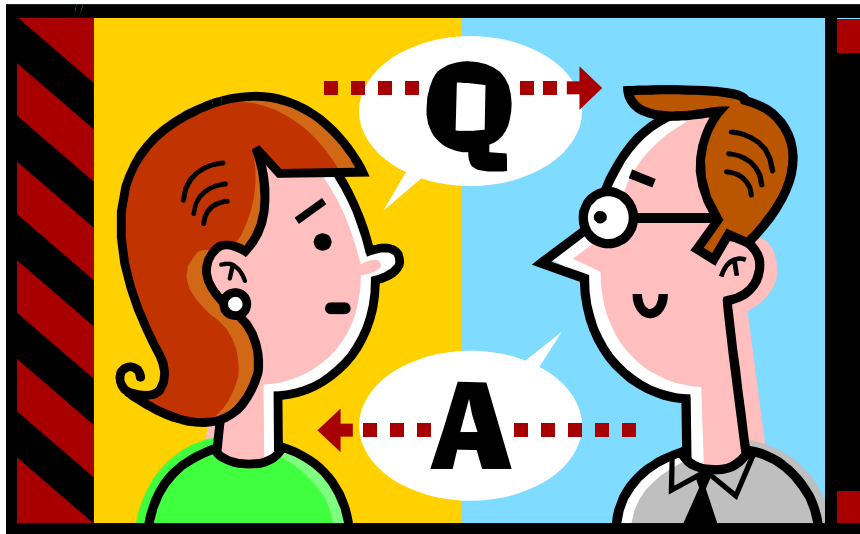
Phase 2: **Information Gathering**– This phase is the body of the interview that focuses on data collection.

- During this phase the interviewer should review with the applicant all questions on the application form to ensure that the applicant understands them. The interviewer must ask appropriate secondary questions to clarify information as needed.

An effective approach for questioning is as follows:

- Your Question: "Ms. X, where do you bank?"

- Family Answer: "At the ABC Bank."

- Your Question: "What type of accounts do you have there?"

- Family Answer: "Well, I have a checking account."

- Your Question: "May I have the account number?"

- Family Answer: "Yes"

- Your Question: "What is the balance in that account?"

- Family Answer: "Well, I think its about $750.00."

- Your Question: "Thank you. What other type of accounts do you have at the ABC Bank?"

- Family Answer: "None."

- Your Question: "Are there any other banks that you do business with?"

- Family Answer: "No"

- Your Question: "Do you belong to a credit union?"

- Family Answer: "Yes, I belong to the XYZ credit union."

- Your Question: "What type of accounts do you have there?"

- Family Answer: "Well, I have a checking account, a regular savings account, and a Christmas Club account."

The point in this example is that the interviewer's job is to eliminate all possibilities in each area of questioning before moving on to the next area.

- When an applicant has completed the application in advance, make sure that all questions have been answered. Nothing should be left blank.

- Confirm all information provided on the application form and make appropriate file notations as needed.

- If "N/A" has been entered as a response, ask the applicant to enter a yes/no or other response as needed. When questions are not answered specifically misrepresentations are more difficult to prove later on.

The Four Phases of an Interview – Phase 2

- Don't assume anything. For example, an applicant without children in the household could still be receiving back child-support payments.

- Avoid negative body language, facial expressions or other expressions of disbelief. Do not challenge or confront any information being provided during this phase of the interview.

- Take care of any technical requirements including <u>obtaining required signatures</u> and <u>ensuring that all forms are dated</u>. Collect any needed forms that the applicant brings to the interview.

Phase 3: **Information Analysis** – In this phase the interviewer reviews the information, compares it with other available information and then attempts to reconcile inconsistencies. During Phase 3 the interviewer also decides what verification and documentation steps are required.

The Four Phases of an Interview – Phase 3

- Where the interviewer has solicited information regarding expenses, current monthly expenses reported by the applicant exceed the amount of income reported.

- The family reports zero income. However, there is a significant discrepancy between information contained in a credit report and information reported by the applicant. This is the time to ask for reasonable explanations to resolve these issues. Interviewers do not have to be confrontational or act "tough" to ask the tough questions. Using intimidation usually results in psychological resistance, at a minimum, or anger and aggression at worst.

NTHDC
north tampa housing development corporation

- The use of certain phrases helps to stay focused on the issue at hand. Keep questions neutral in tone.
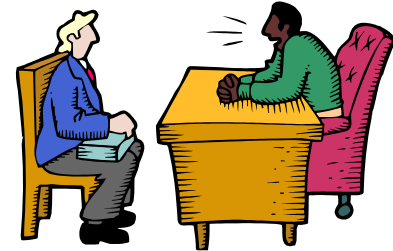
Examples:

"Mr/s X, So far I'm clear on everything on your application, but I'm confused about something here, could you explain…"

"Mr/s X, there is a difference of $X between your income and the regular expenditures you have reported. Can you explain that?"

"Mr/s X, help me to understand how…"

Phase 4: **Closing the Interview** – During this phase the interviewer provides clear instructions regarding additional actions the family must take and answers questions the person interviewed may have.

The Four Phases of an Interview – Phase 4

- The last phase of the interview involves bringing closure to what has been agreed upon and clarifying what will happen next.

- Provide written instructions and deadlines if the applicant is required to provide additional documents and information, and keep a copy to file. Example: An applicant may have forgotten documentation of a SSN for a family member.

- Provide additional information to applicant on any aspect of the process, if needed.

The Four Phases of an Interview – Phase 4

- Provide the appropriate HUD fact sheet explaining how rent is calculated, the Resident Rights & Responsibilities brochure, and the EIV & You brochure.

The HUD Fact Sheet may be found in the <u>HUD Handbook 4350.3, Appendix 14-B</u> for Project-based Section 8.

Resident Rights & Responsibilities brochure: <u>http://www.hud.gov/offices/hsg/mfh/gendocs/mfhrrr.pdf</u>.

The EIV & You brochure: <u>http://www.hud.gov/offices/hsg/mfh/rhiip/eivbrochure.pdf</u>.

- Advise the applicant that a final decision of eligibility will be made after verifications have been completed.

Questions???