4 Discrepancy Resolution Status Reporting and Tracking

This Chapter describes the procedures for POA discrepancy resolution status reporting and tracking, including procedures for accessing and submitting the updates electronically via the Internet.

POAs are required to submit to the Tenant Income Discrepancy Tracking System a quarterly discrepancy case update for each tenant listed in the discrepancy notification. This reporting has been approved under the Paperwork Reduction Act, as amended (OMB No.: 2507-0003).

The cover letter accompanying the discrepancy notification sent to POAs will indicate the first reporting date. This date and subsequent report dates are published on the Tenant Income Verification homepage at:

http://www.hud.gov/reac/products/prodtass.cfm

If POAs receive a notification listing several tenants within a single household with potential income discrepancies, the POAs should complete a case tracking update for each tenant identified in the notifications and a household report once all potential discrepancies within the household are resolved.

The information collected from these updates will be used by REAC to determine if POAs are:

- Resolving income discrepancies and identifying false positive discrepancies;
- Identifying excess rental assistance;
- Recovering excess rental assistance; and
- Terminating assistance for those tenants who fail to report.

This information will be useful in determining if CMIV assists POAs in detecting and correcting program abuses by tenants who fail to report income, and in evaluating the effectiveness of POA income verification activities.

4.1 Using the Internet for Discrepancy Resolution Status Reporting

POAs should use the Internet to complete their quarterly status updates on discrepancy resolution for the following reasons:

- The Internet provides a high level of security and enables POAs to complete the status reports quickly and safely.
- Data from prior monthly reports are populated automatically on the status reports.
- Certain fields in the reports are linked logically so that POAs are prompted to complete the reports accurately. For example, if one or more tenants in a household have unreported income, the total unreported income for the household is calculated automatically once all discrepancies within the household are resolved.

If the POA cannot obtain Internet access, the POA should contact the TASS Technical Assistance Center at 1-888-708-8277 for assistance in submitting a status report.

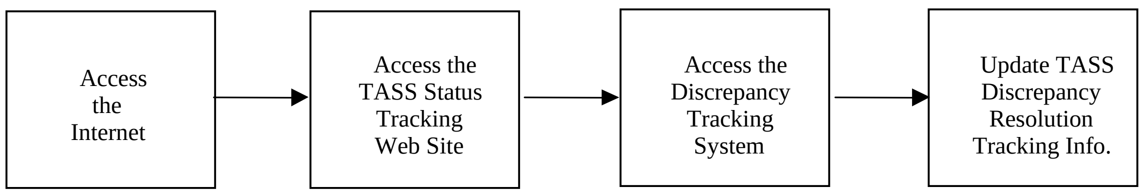
4.2 Reporting Discrepancy Resolution Activities

POAs should make every effort to resolve income discrepancies expeditiously to avoid additional underreporting and payment of excess rental assistance.

4.2.1 Accessing the Status Tracking Web Page

The four major components involved in updating tenant income discrepancy resolution data are shown in Figure 5.

Figure 5, Updating the Tenant Income Discrepancy Resolution



4.2.1.1 Accessing the Internet

POAs must have access to the Internet to submit status reports on-line. The POA will access the Tenant Income Discrepancy Tracking System using a Web Browser that must support the following features:

a) HTML 3.2 standards;
b) JavaScript capability; and
c) Secure Socket Layer (SSL) capability.

POAs should review documentation provided by their Internet Service Provider (ISP) or call their ISP to determine if their Web Browser meets the appropriate specifications.

4.2.1.2 Accessing the TASS Status Tracking Web Site

POAs can access the Tenant Income Discrepancy Tracking System via the REAC Home Page. The procedures for accessing the site are as follows:

In the URL location on the web browser, type the following address:

http://www.hud.gov/reac

POAs will be forwarded to the REAC Home Page as shown in Figure 6.

POAs should next select the “products” link to be forwarded to the REAC products page as shown in Figure 7.

Figure 6, REAC Home Page

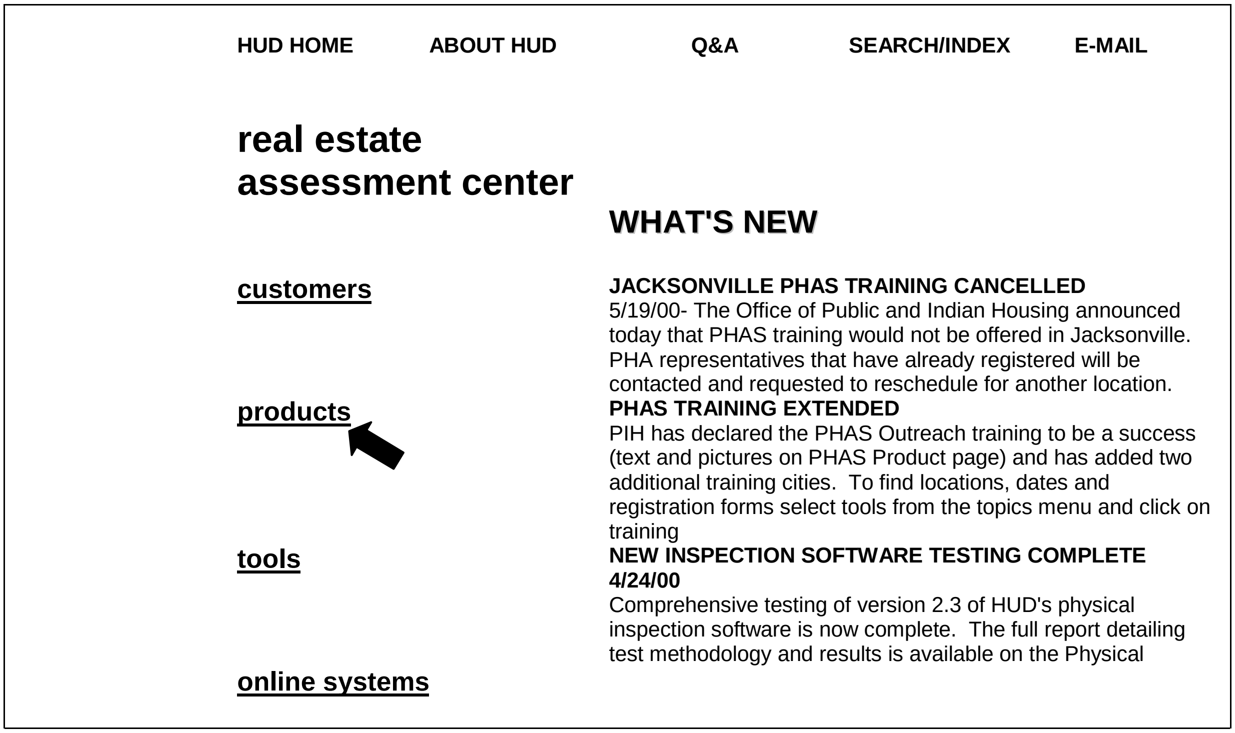


Figure 7, REAC Product Page

	reac products
TOPICS	As part of its commitment to management reform, HUD has improved its oversight of important housing programs by consolidating many assessment functions within REAC. Listed below are descriptions of all the assessment products that REAC produces for HUD and our industry partners. Click on any link to reach a product page containing detailed product information, news, guidance, and valuable links to other sites.
customers	**PHYSICAL INSPECTION** REAC conducts a program of annual physical inspections of public and assisted multifamily housing.
products	**FINANCIAL ASSESSMENT - MULTIFAMILY** Annually, REAC receives and analyzes financial statements from nearly 30,000 HUD insured or assisted multifamily properties.
tools	**FINANCIAL ASSESSMENT - PUBLIC HOUSING AGENCIES** REAC receives and analyzes the annual financial statements of the nation's 3,300 public housing agencies.
online systems	**CUSTOMER SATISFACTION SURVEY** REAC promotes resident participation by use of a random sampling survey process which measures the level of tenant satisfaction with housing conditions
contact us	**MANAGEMENT OPERATIONS CERTIFICATION** The management capability of a PHA is assessed annually based on detailed information submitted electronically by REAC.
reac home	**PHAS - PUBLIC HOUSING ASSESSMENT SYSTEM** Annually, REAC determines the overall performance of the nation's 3,300 PHAs by combining physical, financial, management, and customer satisfaction assessment results.
	TENANT INCOME VERIFICATION Using state of the art fraud prevention technology, REAC helps property administrators verify the income of tenants receiving rental assistance.

To access the Tenant Income Verification link shown in Figure 8, POAs should select the "Tenant Income Verification" option.

Figure 8, Tenant Income Verification Page

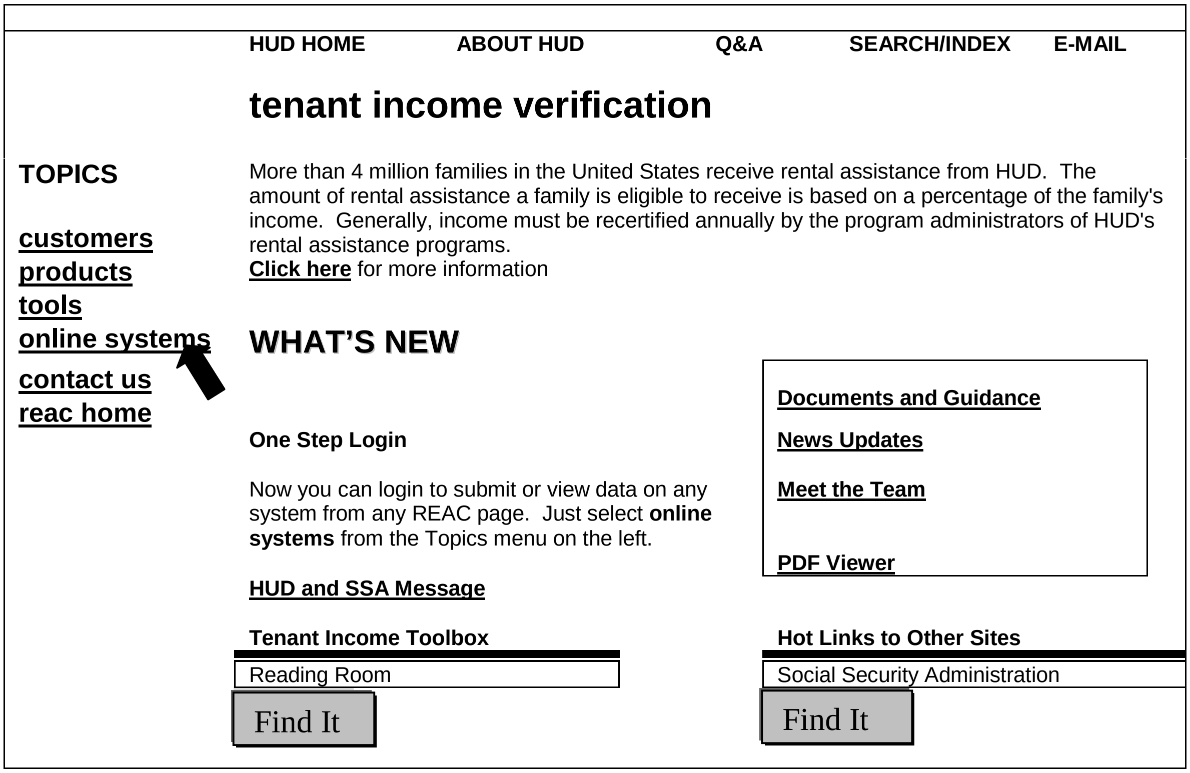
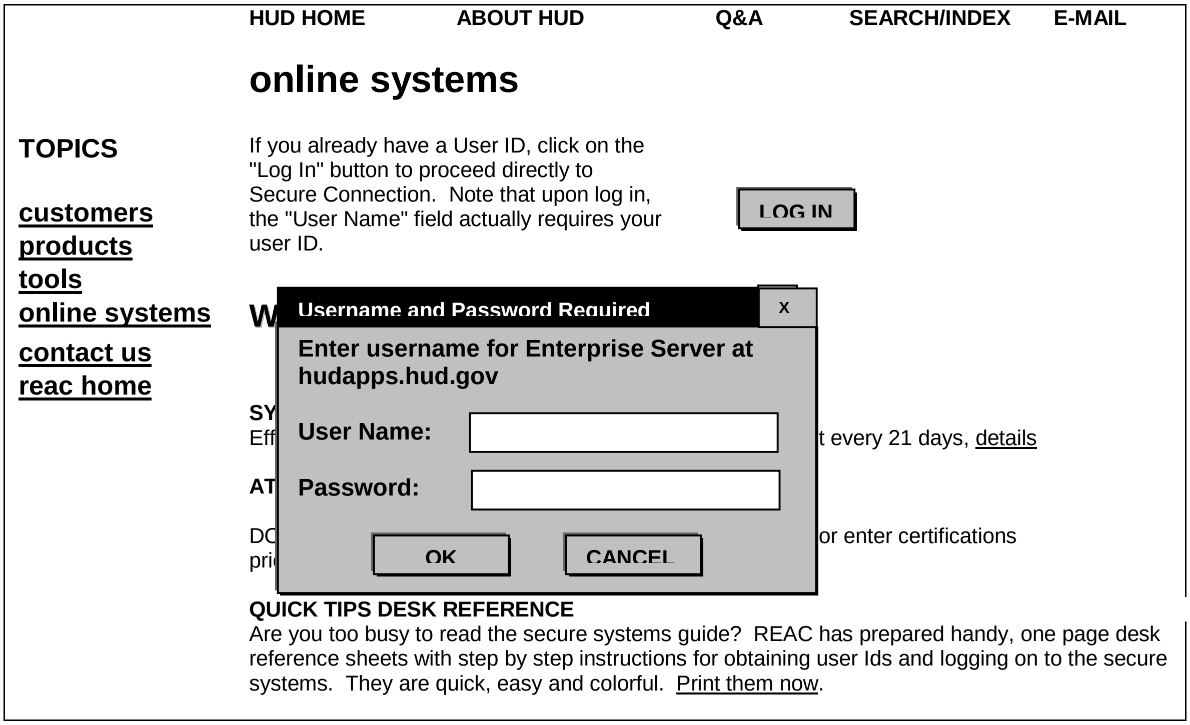


Figure 9 shows the Secure Systems Login on the Online Systems screen after the "LOG IN" button is clicked. POAs should enter their your User ID and password.

Figure 9, Secure System Log-in Screen



If passwords are entered incorrectly three times, accounts are locked and the POAs should contact the TASS Technical Assistance Center – Password Unit at 1-888-245-4860, extensions 3029, 3319 or 3321 to have accounts unlocked. The first time POAs access the system, they are prompted to change the password. The POAs should make note of the new password, provide it only to key personnel, and keep it in a secure location.

If a POA does not have a user name and password, the POA must register for access to HUD's secure system. See Section 2.1 for a detailed discussion related to obtain User IDs and TASS system access.

4.2.1.3 Accessing the Discrepancy Tracking System

After successfully logging into the system, the POA will encounter a legal prompt regarding access to the TASS secure web page. The POA should read the warning. If the POA agrees to follow the stipulations in the warning, the POA should click the "Continue" button shown on the screen. The POA will see several secure areas that are accessible on the REAC web site. The POA should select the "Tenant Assessment Subsystem (TASS)" option as shown in Figure 10 to move to the TASS Main Menu shown in Figure 11.

Figure 10, Accessing the TASS Secure Web Site

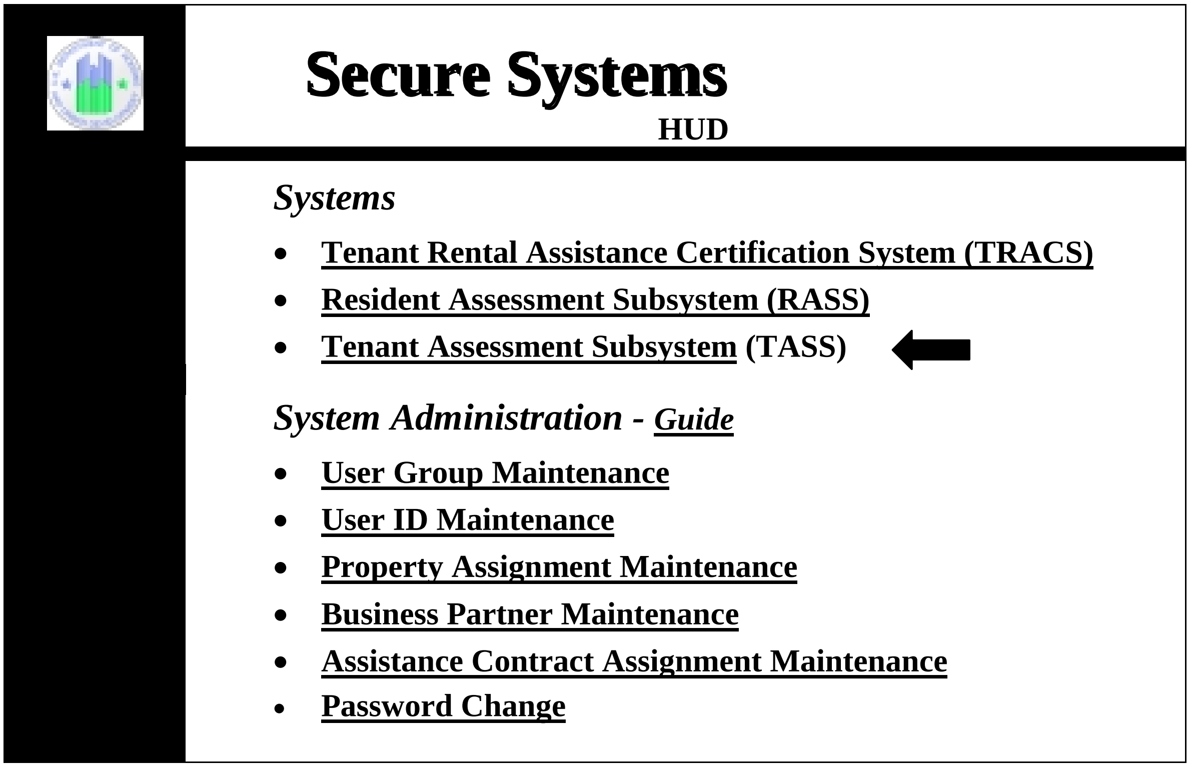


Figure 11, TASS Main Menu

Tenant Assessment Subsystem

Real Estate Assessment Center **Secure Systems Menu**

Main Menu

Please select an option from the list below.

- **Social Security and Supplemental Security Income Reports**
- **Tenant Income Discrepancy Notifications and Status Reporting**
- **Technical Assistance Center Functions** [for HUD Internal Users only]

The POA should then click the "Tenant Income Discrepancy Notifications and Status Reporting" option.

4.2.2 Updating TASS Discrepancy Resolution Tracking Information

TASS status reporting is divided into three sections: discrepancy listings by property, contract, or PHA; tenant discrepancy tracking; and household status tracking, as shown in Figure 12. The tracking sections allow the POA to report on either an individual tenant or the entire household.

Figure 12, Discrepancy Tracking Main Menu

Tenant Assessment Subsystem

TASS Main Menu | **Secure Systems Menu**

Discrepancy Tracking Main Menu

Tenants with Potential Income Discrepancies

This screen can be used to view a list of tenants with potential income discrepancies. The list is divided by properties/PHAs that belong to your portfolio. Please make the appropriate selection and click on the 'View List' button

◎ Property ❍ Contract ❍ PHA	**View List**

Tenant Discrepancy Tracking Information

This screen can be used to view a history of tenant discrepancy tracking information and to report the following information pertaining to tenant discrepancy

- Communication with tenant in an effort to resolve a discrepancy
- Change in the status of discrepancy resolution

Please enter the SSN of the tenant you wish to view/update

Tenant SSN:		-		-			**Search**	**Reset**

Household Status Tracking Information

This screen can be used to view the history of household status information and to report the following information pertaining to a household

- Change in the status of a household
- Recovery of excess rental assistance

The POA is required to enter the social security numbers for either an individual tenant or a head of household. In the case exhibited below, the POA enters the social security number for tenant John Doe. Once the social security number is entered, the POA should click the “Search” button as shown in Figure 13.

Figure 13, Tenant Discrepancy Tracking Information

Tenant Discrepancy Tracking Information

This screen can be used to view a history of tenant discrepancy tracking information and to report the following information pertaining to tenant discrepancy

- Communication with tenant in an effort to resolve a discrepancy
- Change in the status of discrepancy resolution

Please enter the SSN of the tenant you wish to view/update

Tenant SSN:	345	-	12	-	6789		Search	Reset

Household Status Tracking Information

This screen can be used to view the history of household status information and to report the following information pertaining to a household

- Change in the status of a household
- Recovery of excess rental assistance

Please enter the SSN of the tenant you wish to view/update

Household SSN:		-		-			Search	Reset

If the POA has entered a valid social security number, the POA proceeds to the income discrepancy history and current discrepancy status for the tenant. If the POA enters an incorrect social security number, the error message shown in Figure 14 will be displayed.

Figure 14, Error Prompt #1

Tenant Assessment Subsystem

The Tenant SSN 123456789 has not been identified as discrepant. Please check the Tenant SSN. Click on the link below to go to the TASS main menu.

TASS Main Menu

The POA should verify the social security number and re-enter the correct social security number for the tenant. If the social security number entered is correct and the POA still receives the error message, the POA should contact the TASS Technical Assistance Center at 1-888-708-8277.

4.2.2.1 Tenant Tracking Menu Page

The ***Tenant Tracking Menu*** page is designed to provide the POA with the current status of income discrepancy resolution activities for individual tenants. The page includes:

- Current Tenant Information;
- No Change from Prior Report; and
- Communications with the Tenant and Tenant Discrepancy Resolution Status.

4.2.2.2 Current Tenant Information

The *Current Tenant Information* provides the POA with current information on both the tenant and the discrepancy status. In the case shown in Figure 15, John Doe is a tenant at the Anytown Public Housing Agency. Currently, the system shows that no income discrepancy resolution activity has taken place, and that the POA has not contacted the tenant. Once the tracking status updates are submitted to HUD with current information, these fields are automatically updated.

Figure 15, Current Tenant Information

Tenant Assessment Subsystem

TASS Main Menu **Tenant Menu** **Household Menu** **Secure Systems Menu**

Tenant Tracking Menu

Current Tenant Information

Tenant SSN: 345 - 12 - 6789 **Name:** JOHN DOE

Head of the Household SSN: 345 - 12 - 6789 **Name:** JOHN DOE

Note: to view the household level information for this tenant click on the “Household Menu” link above.

Public Housing Agency: **AZ045 –Anytown Public Housing Agency**

Tenant Income Discrepancy Resolution

No record of discrepancy resolution exists. The discrepancy is still unresolved

Prior communications with tenant

No record of any prior communications with the tenant exists

4.2.2.3 No Change from Prior Report

If there is no change in a tenant’s income discrepancy resolution status since the last status report, the POA should still submit a quarterly status update for the tenant and indicate that there is no change. If no action has been taken since the last report, the POA should move to the section of the ***Tenant Tracking Menu*** as shown in Figure 16. On this screen, the POA should click the box that indicates there has been no change since the last report, and click the “Send” button. No further action is required until the next quarterly status update.

Figure 16, No Change from Prior Report

No Change from Prior Report
If there is no change in the tenant income discrepancy resolution or communications with the tenant check the box below and clink on the 'Send' button.
☑ **Send**

4.2.2.4 Communications with the Tenant and Tenant Discrepancy Resolution Status

The third section of this page is broken down into two links:

- Communications with the Tenant; and
- Tenant Discrepancy Resolution Status.

The POA should use these two links to update the status of individual tenant cases (see Figure 17). By using the first link, the POA can submit information related to communications with the tenant. Once the tenant has been contacted, the POA can use the second link to report the discrepancy resolution status. Detailed information on both these sections are discussed in Sections 4.2.3 and 4.2.4.

Figure 17, Communication with the Tenant and Tenant Discrepancy Resolution Status

Communications with the Tenant ← Click here
Use this screen to report all communications with the tenant. The following actions/events can be reported using this screen: • Tenant contacted via phone/mail • Failure by tenant to respond to a contact • Tenant claimed non-receipt of HUD letter • Tenant disclosed HUD letter • All activity pertaining to IRS Form 4506
Tenant Discrepancy Resolution Status ← Click here
Use this screen to report a resolution of a tenant income discrepancy. The discrepancy resolution status could fall under following categories: • False Positive • Valid Discrepancy • Discrepancy Under Investigation • No action taken

4.2.3 Communications with the Tenant

If the POA had contact with the tenant since the last status report, the POA should update the communication status report. To do this, the POA should select the *Communications with the Tenant* option from the ***Tenant Tracking Menu*** screen. The POA is then forwarded to the ***Tenant Communication Log*** screen shown in Figure 18.

Figure 18, Tenant Communication Log

Tenant Assessment Subsystem

TASS Main Menu **Tenant Menu** **Household Menu** **Secure Systems Menu**

Tenant Tracking Menu

Current Tenant Information
Tenant SSN: 345 - 12 - 6789 **Name:** JOHN DOE
Head of the Household SSN: 345 - 12 - 6789 **Name:** JOHN DOE Note: to view the household level information for this tenant click on the "Household Menu" link above.
Public Housing Agency: **AZ045 – Anytown Public Housing Agency**
Tenant Income Discrepancy Resolution
No record of discrepancy resolution exists. The discrepancy is still unresolved
Prior communications with tenant
No record of any prior communications with the tenant exists

	No Contact with tenant
☐	No contact with tenant necessary to resolve discrepancy
	Tenant Contact # 1. Check all boxes that apply
☐	Tenant contacted
☐	Tenant did not respond to contact, second letter requested
☐	Tenant claimed non-receipt of HUD letter, second letter requested
☐	Tenant disclosed HUD letter
	Tenant Contact # 2. Check all boxes that apply
☐	Tenant contacted
☐	Tenant did not respond to contact, third letter requested
☐	Tenant claimed non-receipt of HUD letter, third letter requested
☐	Tenant disclosed HUD letter
	Tenant Contact # 3. Check all boxes that apply
☐	Tenant contacted
☐	Tenant did not respond to contact, letter sent to head of household
☐	Tenant claimed non-receipt of HUD letter Note: Obtain signed IRS Forms 4506 and 8821 from tenant
☐	Tenant disclosed HUD letter without letter to head of household
☐	Tenant disclosed HUD letter after letter to head of household
	Failure to disclose HUD letter or non-receipt of HUD letter. Check all boxes that apply.
☐	Tenant signed IRS Forms 4506 and 8821 and forms sent to IRS
☐	Tenant refused to sign IRS Forms, letter sent to head of household
☐	Response to IRS Forms received

Click 'Send' to submit form **Send** **Reset** Click 'Reset' to clear form

The top portion of the screen provides a history related to the income discrepancy resolution status. This history is completed automatically from the information received as of the date of the last POA submission. The other four sections should be completed by the POA, as appropriate. To select an option on this screen, the POA should click the box next to the option. To unselect an option, the POA can click on the box again. To clear all the selections on the screen, the POA can click on the "Reset" button at the bottom of the page. If no contact was made with the tenant during any reporting period, the *No Contact with tenant* option should be selected

4.2.3.1 Tenant Contact #1

In this section, the POA should indicate the initial tenant contact. As shown in Figure 19, the following box should be checked.

Figure 19, Initial Tenant Contact (Portion one)

Tenant Contact # 1. Check all boxes that apply	
☑	Tenant Contacted

Next, the POA should indicate the result of the contact, as shown in Figure 20. If the tenant did not respond to the first contact, the tenant did not respond box should be checked. If the tenant claimed that he or she did not receive HUD's letter, the non-receipt box should be checked. In either case, the POA should verify the tenant's address and call the TASS Technical Assistance Center at 1-888-708-8277 to request that a second letter be sent to the tenant. If the tenant did respond, the POA should indicate that the tenant provided the HUD letter to the POA and proceed to the ***Tenant Discrepancy Resolution Status*** screen.

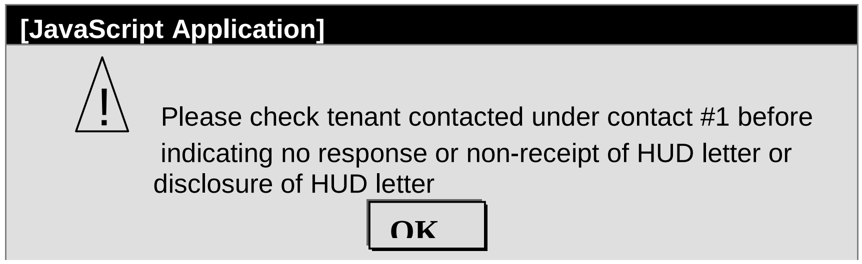
Figure 20, Initial Tenant Contact (Portion Two)

☑	Tenant did not respond to contact, second letter requested
☐	Tenant claimed non-receipt of HUD letter, second letter requested
☐	Tenant disclosed HUD letter

If the tenant did not respond to the POA's second request, the POA should again contact the TASS Technical Assistance Center to request that the third letter be sent to the tenant. See Section 2.2 for a discussion related to requesting tenant letters.

If the POA checks one of the boxes shown in Figure 20 and attempts to submit the update without also checking the box shown in Figure 19, the POA will receive an error message indicating improper information has been entered. An example of a typical error message is shown in Figure 21.

Figure 21, Error Prompt #2



If this message is received, the POA should click on the “OK” button and return to the *Tenant Contact #1* section to verify that the correct boxes that have been checked.

4.2.3.2 Tenant Contact #2 and Tenant Contact #3

In the *Tenant Contact #2* section, the POA should note the second tenant contact if applicable. If the tenant claimed non-receipt of the first letter, the POA should contact the tenant a second time approximately 40 business days after a second letter was requested. After the second tenant contact, the POA should indicate whether the tenant responded, disclosed the letter, or claimed non-receipt of the letter.

The *Tenant Contact #2* section is shown in Figure 22.

Figure 22, Tenant Contact #2

Tenant Contact # 2. Check all boxes that apply	
☑	Tenant Contacted
☐	Tenant did not respond to contact, third letter requested
☐	Tenant claimed non-receipt of HUD letter, third letter requested
☐	Tenant disclosed HUD letter

As in the previous section, the POA should check at least the first box, and any one of the last three boxes shown in Figure 22, to submit an update.

If the tenant should be contacted a third time, the same procedures presented in *Tenant Contact #2* should be followed, except the follow-up letter will be addressed to the tenant’s head of household, as discussed in Section 2.2.2. The *Tenant Contact #3* section is shown in Figure 23.

Figure 23, Tenant Contact #3

Tenant Contact # 3. Check all boxes that apply	
☐	Tenant contacted
☐	Tenant did not respond to contact, letter sent to head of household
☐	Tenant claimed non-receipt of HUD letter Note: Obtain signed IRS Forms 4506 and 8821 from tenant
☐	Tenant disclosed HUD letter without letter to head of household
☐	Tenant disclosed HUD letter after letter to head of household

4.2.3.3 Failure to Disclose HUD Letter or Non-Receipt of HUD Letter

If the tenant claims non-receipt of the HUD letter after all POA contacts, the POA should meet with the tenant and ask that the tenant complete IRS forms 4506 and 8821 as described in Section 2.2.2. These forms allow tenant Federal tax information to be sent directly to the POA. The POA should document if the tenant signed or refused to sign the forms. If the tenant refused to sign the forms, the POA should contact the TASS Technical Assistance Center at 1-888-708- 8277 to obtain copies of materials related to the certified letters sent to the tenants and initiate proceedings to terminate assistance as described in Appendix I. If the tenant signed the forms, the POA should indicate the receipt of tax return information from the IRS. One or more boxes can be checked in this section, as shown in Figure 24.

Figure 24, Failure to Disclose HUD Letter or Non-Receipt of HUD Letter

Failure to disclose HUD letter or non-receipt of HUD letter. Check all boxes that apply.	
☑	Tenant signed IRS Forms 4506 and 8821 and forms sent to IRS
☐	Tenant refused to sign IRS Forms, letter sent to head of household
☑	Response to IRS Forms received

However, it should be noted that selecting contradictory options (i.e., ***Tenant signed IRS Forms 4506 and 8821 and forms sent to IRS*** and ***Tenant refused to sign IRS Forms, letter sent to head of household***) results in an error message stating "**Invalid combination of boxes were checked for IRS Forms 4506 and 8821. Please check your input again**."

4.2.3.4 Completion of Tenant Communication Log

Once the POA has updated the ***Tenant Communication Log***, the POA should click on the "Send" button at the bottom of the screen to submit the information to HUD. Again, if the POA realizes incorrect information has been entered, the POA can click the "Reset" button to clear all current entries on the screen. **This action will not erase data that has been previously submitted**. If the POA attempts to submit information with contradictory boxes selected, an error message will appear. The POA should recheck the boxes selected for consistency and make any necessary changes before attempting to submit the information again.

After a successful submission, the POA will return to the ***Current Tenant Information*** screen. In the sample shown in Figure 25, the only action that occurred during the reporting period was the first tenant contact.

Figure 25, Current Tenant Information Screen

Tenant Assessment Subsystem

TASS Main Menu **Tenant Menu** **Household Menu** **Secure Systems Menu**

The tenant communication log has been updated. The updated results are displayed below

Current Tenant Information
Tenant SSN: 345 - 12 - 6789 **Name:** JOHN DOE
Head of the Household SSN: 345 - 12 - 6789 **Name:** JOHN DOE Note: to view the household level information for this tenant click on the "Household Menu" link above.
Public Housing Agency: **AZ045 – Anytown Public Housing Agency**
Tenant Income Discrepancy Resolution
No record of discrepancy resolution exists. The discrepancy is still unresolved
Prior communications with tenant
Tenant has been contacted. Updated On: Jan. 4, 2000

After completing the ***Tenant Communication Log***, the POA can check one of the links shown at the top of the page:

- TASS Main Menu: The POA should check this link to enter information related to another tenant with an income discrepancy.
- Tenant Menu: The POA should check this link to return to the ***Tenant Tracking Menu*** to continue providing additional status information of the tenant.
- Household Menu: The POA should check the ***Household Menu*** to report information on the household. (See Section 4.2.5 for more details.)

4.2.4 Tenant Discrepancy Resolution Status

As mentioned above, the POA should click on the ***Tenant Menu*** link at the top of the page to continue reporting status information for the tenant. If the POA has resolved a tenant discrepancy, the POA should select the *Tenant Discrepancy Resolution Status* at the bottom of the ***Tenant Tracking*** menu. The POA will be forwarded to the screen shown in Figure 26.

Figure 26, Tenant Discrepancy Resolution Status

Tenant Assessment Subsystem

TASS Main Menu **Tenant Menu** **Household Menu** **Secure Systems Menu**

Tenant Discrepancy Resolution Status

Current Tenant Information
Tenant SSN: 345 - 12 - 6789 **Name:** JOHN DOE
Head of the Household SSN: 345 - 12 - 6789 **Name:** JOHN DOE Note: to view the household level information for this tenant click on the "Household Menu" link above.
Public Housing Agency: **AZ045 – Anytown Public Housing Agency**
Tenant Income Discrepancy Resolution
No record of discrepancy resolution exists. The discrepancy is still unresolved
Prior communications with tenant
Tenant has been contacted. Updated On: Jan. 4, 2000

	False Positive
☐	Tenant not on POA housing assistance rolls
☐	Tenant not at POA for full calendar year 1998
☐	POA identified discrepancy prior to HUD notification.
☐	Tenant not required to report interim increases in income based on POA Policy and rental assistance was correct for all of 1998.
☐	Tenant reported income – No interim increase in assistance required based on POA policy
☐	Tenant reported income – HUD data does not agree with POA data
☐	Tenant income excluded based on program requirements
☐	Income discrepancy less than $1,000
☐	No discrepancy exists. Income identified in HUD letter is incorrect. Tenant supplied proof of income.
☐	No discrepancy exists after discrepancy investigation (as applicable)
	Valid Discrepancy*
☐	Tenant agreed with income identified in HUD letter
☐	Discrepancy found to be valid after investigation
☐	Discrepancy valid based on tenant non-response
	* Please enter amount of unreported income for calendar year 1998 ($): ☐ . ☐
	Any other status
☐	No attempt made by POA to resolve the tenant discrepancy
☐	Discrepancy under investigation

Click 'Send' to submit form **Send** **Reset** Click 'Reset' to clear form

The screen contains four sections – a history section and three resolution sections. **Only one box on this screen can be checked for a submission to be accepted**. If more than one box is checked, the POA will receive an error message.

4.2.4.1 False Positive

If the POA determined that the discrepancy was a false positive, the POA should check one of the boxes in this section indicating the reason for the false positive. Once a false positive is selected, the POA should click on the “Send” button. Each false positive determination is discussed below:

- *Tenant not on POA housing assistance rolls*: The tenant is not currently receiving rental assistance in one of the POA’s programs.

- *Tenant not at POA for the full match year*: The tenant did not receive rental assistance from the POA for the full match year.

- *POA identified discrepancy prior to HUD notification*: The POA identified and addressed the income discrepancy prior to receiving HUD’s notification.

- *Tenant not required to report interim increase in income based on POA policy and income correctly reported:* The tenant was not required to report interim income increases during the match year and the income shown in HUD’s tenant letter was correctly reported during the appropriate/relevant (re)certifications affecting match year rental assistance.

- *Tenant reported income – No interim decrease in assistance required based on POA policy and income correctly reported*: The tenant was required to report interim income increases during the match year and the POA’s policy did not require a recalculation of rental assistance based on income increases. Additionally, the income shown in HUD’s tenant letter was correctly reported during the appropriate/relevant (re)certification affecting match year rental assistance.

- *Tenant reported income – HUD data does not agree with POA data*: The tenant reported the income shown in HUD’s letter and the POA correctly calculated rental assistance, but the HUD data shown in the notification was incorrect.

- *Tenant income excluded based on program requirements*: The income shown in the HUD letter is excluded in the calculation of rental assistance. This includes tenants who are subject to market or ceiling rents.

- *Tenant required to report interim increase in income based on POA policy - Income discrepancy less than $1,000*: The tenant was required to report the income shown in the HUD letter, but the difference between the income reported to the POA and the income in the HUD letter was less than $1,000.

- *No discrepancy exists. Income identified in HUD letter is incorrect. Tenant supplied proof*: The tenant provided proof that the income shown in HUD's letter was incorrect.

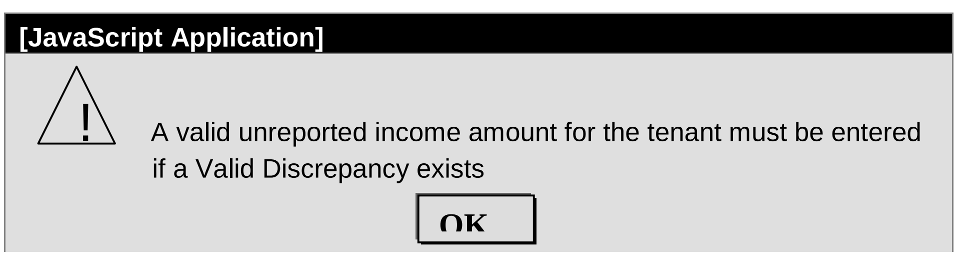
- *No discrepancy exists after discrepancy investigation (as applicable)*: The POA investigated the discrepancy and determined that the tenant correctly reported income.

The false positive conditions cited in this section are for POA reporting to HUD only; some conditions classified as false positive for reporting purposes may actually involve abuses of rental assistance programs. <u>The classification of false positives does not preclude POA administrative or legal actions under certain circumstances</u>, e.g., a POA may choose to pursue administrative or legal action for a tenant that moved out, or for a tenant for whom the POA identified an income discrepancy before HUD notification of a potential income discrepancy.

4.2.4.2 Valid Discrepancy

If the POA determined that the discrepancy was valid, the POA should check the box indicating why the discrepancy was valid. In addition, the POA **should** enter the amount of unreported income for the match year. If the POA attempts to submit the status as a valid discrepancy without entering an amount, or if the amount is less than $1,000, an error message will be displayed, as shown in Figure 27.

Figure 27, Error Prompt #3



Each valid discrepancy determination is discussed below:

- *Tenant agreed with income identified in HUD letter*: The tenant agreed with all the sources and amounts of income shown in HUD's letter.

- *Discrepancy found to be valid after investigation*: The POA investigated the discrepancy and determined that there was a discrepancy between the income shown in HUD's letter and the income the tenant reported to the POA.

- *Discrepancy valid based on tenant non-response*: The tenant did not respond to any POA contacts and/or did not disclose the discrepancy letter to the POA..

- *Discrepancy valid – Tenant not required to report interim increase in income based on POA policy – Tenant did not report income during recertification*: Although the tenant was not required to report income based on the POA's interim recertification policy, the tenant failed to fully report income during an annual or interim, if based on changes in family composition, (re)certification.

4.2.4.3 Other Status

In the third section of the screen, the POA should indicate any other status information related to the resolution of the income discrepancy including no action taken and discrepancy under investigation.

4.2.4.4 Completion of the Tenant Discrepancy Resolution Status

Once the ***Tenant Discrepancy Resolution Status*** screen is completed, the POA should click the "Send" button at the bottom of the screen. The POA is then forwarded to a screen showing a summary of the tenant and household information submitted, as shown in Figure 28. For initial status reports, there will be no household information.

Figure 28, Tenant and Household Update Screen

Tenant Assessment Subsystem

TASS Main Menu **Tenant Menu** **Household Menu** **Secure Systems Menu**

The tenant discrepancy resolution status has been updated. The updated results are displayed below

Current Tenant Information
Tenant SSN: 345 - 12 - 6789 **Name:** JOHN DOE
Head of the Household SSN: 345 - 12 - 6789 **Name:** JOHN DOE Note: to view the household level information for this tenant click on the "Household Menu" link above.
Public Housing Agency: **AZ045 – Anytown Public Housing Agency**
Tenant Income Discrepancy Resolution
Tenant agreed with income identified in HUD letter. Last Updated On: Jan. 4, 2000
Tenant Unreported Income: $5,000.00
Prior communications with tenant
Tenant has disclosed HUD letter after first contact. Updated On: Jan. 4, 2000
Tenant has been contacted. Updated On: Jan. 4, 2000

Current Household Information			
Head of Household SSN: 345- 12- 6789 Name: JOHN DOE			
Public Housing Agency: AZ045 – Anytown Public Housing Agency			
Household Discrepancy Resolution Status			
Case Open – One or more tenant discrepancies are not resolved			
Tenant Summary			
Tenant SSN	**Tenant Name**	**Discrepancy Resolution Status**	**Unreported Income**
135-24-6789	JANE DOE	Discrepancy Resolved Valid Discrepancy	$5,000.00
345-12-6789	JOHN DOE	Discrepancy Unresolved	-

This screen shows the following household information: communications with tenants within the household; the disposition of each tenant income discrepancy; and the amount of any valid discrepancy. In the example shown in Figure 28, Jane Doe agreed with the income shown in HUD's letter and has a valid discrepancy in the amount of $5,000. In this instance, the household information reveals that an unresolved discrepancy is outstanding for John Doe within the same household.

Household level information cannot be entered and/or submitted until all tenant income discrepancies within a household have been resolved.

To resolve income discrepancies for other tenants within a household, the POA can either click on the tenant's social security number under the *Tenant Summary* section or click on the ***TASS Main Menu*** link and enter the new social security number on that screen as previously discussed.

4.2.5 Household Tracking Menu

Once discrepancies for all the tenants in a household have been resolved, the POA should click on the ***Household Menu*** option located at the top of the screen. This will forward the tenant to the ***Household Tracking Menu***, as shown in Figure 29.

Figure 29, Household Tracking Menu

Tenant Assessment Subsystem

TASS Main Menu **Household Menu** **Secure Systems Menu**

Current Household Information			
Head of Household SSN: 345- 12- 6789 Name: JOHN DOE			
Public Housing Agency: AZ045 – Anytown Public Housing Agency			
Household Discrepancy Resolution Status			
Case Closed – Valid Discrepancy			
Tenant Summary			
Tenant SSN	**Tenant Name**	**Discrepancy Resolution Status**	**Unreported Income**
135-24-6789	JANE DOE	Discrepancy Resolved Valid Discrepancy	$5,000.00
345-12-6789	JOHN DOE	Discrepancy Resolved False Positive	-
Recovery of Excess Rental Assistance			
No information found on recovery of excess rental assistance			

Household Tracking Menu

Current Disposition of the Household ← Click here

Use this screen to report the current disposition of the household. Disposition should be reported for all households. The following dispositions are possible:

- Assistance terminated or tenant evicted
- Assistance continues
- Unit vacated prior to contact by POA
- Unit vacated after contact by POA

Recovery of Excess Rental Assistance for Household ← Click here

For those households that have excess rental assistance enter the following data using this screen:

- Total amount of excess rental assistance
- Status of the recovery
- Terms of repayment, if any

In this example, both tenant discrepancies in the household have been resolved. The POA determined that Jane Doe had unreported income of $5,000, while John Doe did not have unreported income. By definition, if one or more discrepancies are determined to be valid, the *Household Discrepancy Resolution Status* is noted as "Case Closed – Valid Discrepancy." If all discrepancies are determined to be false positive discrepancies, the *Household Discrepancy Resolution Status* is noted as "Case Closed – False Positive." If one or more tenants in the household refused to sign the IRS form 4506, the *Household Discrepancy Resolution Status* is noted as "Case Closed – Refused to Sign 4506." All POAs should report the *Current Disposition of the Household.*

Note: If a POA elects to pursue the recovery of excess rental assistance, the POA should report the *Recovery of Excess Rental Assistance for the Household*.

4.2.5.1 Recovery of Excess Rental Assistance for the Household

If one or more discrepancies for tenants within a household are valid, the POA should indicate the total amount of excess rental assistance paid by choosing the *Recovery of Excess Rental Assistance for the Household* link on the ***Household Tracking Menu*** to move to the screen shown in Figure 30.

Figure 30, Tenant Discrepancy Resolution Status Options

Excess Rental Assistance		
Total amount of excess rental assistance for the household		$.
Recovery of Excess Rental Assistance		
☐	Administrative or legal action pending	
☐	Excess rental assistance recovered in full	
☐	Excess rental assistance not recovered	
☐	Repayment agreement signed (Please enter Terms of Repayment)	
☐	Recovery initiated without signed repayment agreement (Please enter Terms of Repayment)	
Terms of Repayment		
Initial payment amount		$.
Monthly payment amount		$.
Number of months over which the payment will be made		
Click 'Send' to submit form **Send**	**Reset** Click 'Reset' to clear form	

The POA should enter the total excess rental assistance as calculated on the Excess Rental Assistance Worksheet. **The total amount of excess rental assistance entered for the household can not be greater than the total unreported income for the household**.

4.2.5.2 Recovery of Excess Rental Assistance

The POA should enter the results of its recovery efforts. There are five options related to recovery efforts, of which the POA can select **only one**:

- *Administrative or legal action pending*;
- *Excess rental assistance recovered in-full*;
- *Excess rental assistance not recovered (includes POA choice not to pursue recovery of excess rental assistance)*;
- *Repayment agreement signed (Please enter Terms of Repayment)*; and
- *Recovery initiated without signed repayment agreement (Please enter Terms of Repayment).*

If any of the first three choices are selected, the POA's processing is completed and they should click the "Send" button located at the bottom of the screen. If a repayment agreement has been established, or if recovery has been initiated without a signed repayment agreement, the terms of repayment should be submitted on the discrepancy tracking system per the instructions shown in Section 4.2.5.3 (below).

4.2.5.3 Terms of Repayment

The POA should enter the initial repayment amount, the monthly payment amount, and the total number of months during which recovery will apply. An example of a completed repayment section is shown in Figure 31.

Figure 31, Terms of Repayment

Terms of Repayment	
Initial payment amount	$ 100 . 00
Monthly payment amount	$ 100 . 00
Number of months over which the payment will be made	4

Click 'Send' to submit form **Send** **Reset** Click 'Reset' to clear form

Note: The system compares the total repayment, as calculated by the data entered on this section, with the total excess rental assistance entered earlier. The system displays a message if the repayment total is not consistent with the amount of excess rental assistance. However, the system will accept the terms the POA entered if the POA confirms the amounts as correct. For example, as shown in Figure 32, the POA entered repayment information that was not consistent with the total excess rental assistance owed.

Figure 32, Verification of Repayment Information

[JavaScript Application]

The total repayment amount calculated from the terms of repayment $1,400, does not match the total amount of excess rental assistance for the household which is $500. Do you wish to submit the data without making any changes

OK **Cancel**

If the information is correct, the POA should click "OK." If the information is incorrect, the POA should click "Cancel" to return to the ***Terms of Repayment*** Screen. Once all the terms of repayment have been entered, the POA should click the "Send" button located at the bottom of the screen.

4.2.5.4 Current Disposition of the Household

The current disposition of the household should be reported for each household included in HUD's notification. There are four possible options that can be checked, as shown in Figure 33.

Figure 33, Current Disposition of Household Options

Household Disposition	
☐	Assistance terminated or tenant evicted
☑	Assistance continues
☐	Unit vacated prior to contact by POA
☐	Unit vacated after contact by POA
Click 'Send' to submit form **Send**	**Reset** Click 'Reset' to clear form

The POA should note the household status in this section. This includes: terminating assistance or evicting the tenant; vacating of the unit by the tenant; or continuing rental assistance. If a tenant has unreported income and excess rental assistance and the POA has not recovered the excess assistance or has not entered into a repayment agreement with the tenant and the tenant continues to receive assistance, the POA should document the reason for the continuation of rental assistance in the case folder.

One option from this section should be selected and submitted by clicking on "Send" at the bottom of the page. This will take the POA to the ***Household Disposition Update*** screen, which provides the current household summary status.

4.2.5.5 Completion of the Household Tracking Menu

Once the POA clicks the "Send" button, the POA is forwarded to a summary of the household information submitted as shown in Figure 34.

Figure 34, Final Household Status Information

Tenant Assessment Subsystem				
TASS Main Menu	**Household Menu**	**Secure Systems Menu**		
	Current Household Information			
	Head of Household SSN: 345- 12- 6789 Name: JOHN DOE			
	Public Housing Agency: AZ045 – Anytown Public Housing Agency			
	Household Discrepancy Resolution Status			
	Case Closed – Valid Discrepancy			
	Tenant Summary			
	Tenant SSN	**Tenant Name**	**Discrepancy Resolution Status**	**Unreported Income**
	135-24-6789	JANE DOE	Discrepancy Resolved Valid Discrepancy	$5,000.00
	345-12-6789	JOHN DOE	Discrepancy Resolved False Positive	-
	Recovery of Excess Rental Assistance			
	Total amount of excess rental assistance: $500.00			
	Repayment agreement signed for $500.00 with following terms of repayment			
	Initial payment amount: $100.00	Monthly payment amount: $100.00	Number of months over which the payment will be made: 4	
	Household Status			
	Assistance continues			

In this example, the summary indicates that the household processing has been completed, the discrepancies for both tenants within the household have been resolved, the recovery of excess rental assistance has been initiated and reported, and the current assistance status for the household is indicated. At this point for a case, no further reporting is required.

If the POA reexamines a case, or obtains new information on a closed case, the case can be “reopened” by selecting the relevant screens and entering the new data. In all cases, a history of the data entered is maintained.

4.2.6 Logging-Out

Once all the updates have been completed and submitted, the POA should log-out of the secure system. To log-out off the system, the POA will exit the browser either by selecting the “Exit” option in the File menu, or by clicking on the small “x” box located in the upper right hand corner of the browser screen. Either action will result in the browser closing and the POA being logged-off the REAC secure server.