

---

## CHAPTER 9. ENTERPRISE INCOME VERIFICATION (EIV)

### 9-1 Introduction

This chapter describes the requirements for using the information in the Enterprise Income Verification (EIV) system for verifying employment and income of tenants and for reducing administrative and subsidy errors.

- **Section 1: Enterprise Income Verification (EIV) System** introduces the EIV system and the mandatory use of EIV data.
- **Section 2: EIV Source Data** describes the sources providing EIV data.
- **Section 3: EIV Reports** describes each of the EIV Income and Verification Reports and how they are to be used.
- **Section 4: Security of EIV Data** describes disclosure of EIV data requirements and the importance of securing EIV data as well as the requirements for receiving annual security awareness training.
- **Section 5: Penalties for Failure to Have Access to or Failure to Use EIV** describes the penalties an owner and/or management agent may incur for failure to have access to the EIV system or failure to use the EIV system.
- **Section 6: EIV Resources** provides a listing of resources available to help owners get access to EIV and to understand and use the EIV system and EIV data.

### 9-2 Key Terms

- A. There are a number of technical terms used in this chapter that have very specific definitions established by federal statute or regulations, or by HUD. These terms are listed in Figure 9-1, and their definitions can be found in the Glossary to this handbook. It is important to be familiar with these definitions when reading this chapter.
- B. The terms “disability” and “persons with disabilities” are used in two contexts – for civil rights protections, and for program eligibility purposes. Each use has specific definitions.
1. When used in context of protection from discrimination or improving the accessibility of housing, the civil rights-related definitions apply.
  2. When used in the context of eligibility under multifamily subsidized housing programs, the program eligibility definitions apply.

**NOTE:** See the Glossary for specific definitions and paragraph 2-23 for an explanation of this difference.

**Figure 9-1: Key Terms**

- Enterprise Income Verification (EIV)
- Improper Payments

## **Section 1: Enterprise Income Verification (EIV) System**

### **9-3 Key Regulations**

This paragraph identifies the key regulatory citation pertaining to this Section. The citation and its title are listed below.

- 24 CFR 5.233 Mandated Use of HUD's Enterprise Income Verification (EIV) System

### **9-4 Introduction to the EIV System**

The EIV system is a web-based application which provides owners with employment, wage, unemployment compensation and Social Security benefit information for tenants participating in HUD's assisted housing programs. Information in EIV is derived from computer matching programs initiated by HUD with the Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS), for all tenants with valid personal identifying information (name, date of birth (DOB), and Social Security number (SSN)) reported on the form HUD-50059. Information in the EIV system is used by owners to verify employment and income at the time of recertification and to reduce errors in subsidy payments.

### **9-5 Mandatory Use of the EIV System**

- A. Use of EIV applies to all programs covered by this Handbook listed in Chapter 1, Figure 1-1.
- B. Owners must use the EIV system in its entirety:
  - As a third party source to verify tenant employment and income information during mandatory recertifications of family composition and income, in accordance with 24 CFR 5.236, and administrative guidance issued by HUD, and
  - To reduce administrative and subsidy payment errors in accordance with HUD administrative guidance.
- C. Contract Administrators (HUD staff, PBCAs and TCAs) must use EIV for monitoring the owner's compliance with obtaining access to and using the EIV system.
- D. Independent Public Auditors (IPAs) and the Office of Inspector General (OIG) may use EIV for auditing purposes. See the Glossary for the definition for IPA.

---

## Section 2: EIV Source Data

### 9-6 EIV Data

- A. Data in the EIV system comes from several sources including the following:
1. Tenant information in the EIV system is data from current, active forms HUD-50059 transmitted to the Tenant Rental Assistance Certification System (TRACS).
  2. Employment and income information comes from two sources, 1) the Department of Health and Human Services (HHS') National Directory of New Hires (NDNH) and 2) the Social Security Administration (SSA).
    - a. NDNH
      1. New Hires (W-4)
      2. Quarterly wages for federal and non-federal employees
      3. Quarterly unemployment compensation
    - b. SSA
      1. Social Security (SS) benefits
      2. Supplemental Security Income (SSI) benefits
      3. Dual Entitlement benefits
      4. Medicare premium information
      5. Disability status
- B. Schedule of EIV Updates
1. SSA Updates
    - a. A quarterly match is conducted against SSA records for tenants who pass the SSA identity test (See C.2 below).
    - b. Each quarter the entire tenant population is matched with SSA. Each month during a quarter, a group of tenants are matched on their next recertification month. (See Figure 9-2 below.)
    - c. The SSA match process begins at the beginning of each month with all of the data being loaded into EIV by the second week of the month.
    - d. Records that are new or that have been significantly updated are matched in the next monthly SSA matching cycle.
    - e. Benefits that include the cost of living adjustments (COLAs) are not available from SSA for uploading into EIV until the end of the calendar year.

When processing recertifications with an effective date of January 1, February 1, March 1 and April 1, in order to complete the Recertification Steps outlined in Chapter 7, Figure 7-3, and provide the tenant with the required 30-day notice of any increase in rent, the owner must use one of the methods below for determining the tenant’s income.

- (1) Use the benefit information reported in EIV that does not include the COLA as third party verification as long as the tenant confirms that the income data in EIV is what he/she is receiving;
- (2) Use the SSA benefit, award letter or Proof of Income Letter provided by the tenant that includes the COLA adjustment if the date of the letter is within 120 days from the date of receipt by the owner;
- (3) Determine the tenant’s income by applying the COLA increase percentage to the current verified benefit amount and document the tenant file with how the tenant’s income was determined; or
- (4) Request third party verification directly from SSA when the income in EIV does not agree with the income the tenant reports he/she is receiving. (See Paragraph 9-15)
- (5) All recertifications effective after April 1 **must** reflect the SSA benefit that includes the COLA.

f. EIV retains the last eight actions processed by SSA for a tenant.

**Figure 9-2 Schedule of SSA Updates**

Group	Recertification Month	Months Data Is Refreshed in EIV
I	April, May, June, July	January, April, July, October
II	August, September, October, November	February, May, August, November
III	December, January, February, March	March, June, September, December

For example, the SSA data for tenants with a recertification month of April, May, June or July is refreshed in EIV in January, April, July and October.

3. NDNH Updates

- a. Tenants who pass the identity match with SSA are matched with the NDNH new hires (W-4), wage and unemployment data.

- b. There are two matches performed:
  - (1) Monthly match:
    - (a) Entire eligible tenant base is matched with the new hires (W-4) data, and
    - (b) Newly admitted tenants are matched with the wage and unemployment benefit data.
  - (2) Quarterly match of the entire tenant base with the new hires (W-4), wage and unemployment benefit data.

See Figure 9-3 below.

- c. The new hires (W-4), wage and unemployment benefit data is loaded into EIV by the 20<sup>th</sup> of each month.
- d. EIV retains the last 8 actions processed by HHS of the NDNH employment and income data for a tenant.

**Figure 9-3 Scheduled of NDNH Updates**

<b>Month</b>	<b>Type of Match</b>
January	Monthly
February	Quarterly
March	Monthly
April	Monthly
May	Quarterly
June	Monthly
July	Monthly
August	Quarterly
September	Monthly
October	Monthly
November	Quarterly
December	Monthly

C. Screening of Personal Identifiers

1. EIV Pre-screening

Prior to sending tenant information to SSA for validation of a tenant's personal identifiers (last name, DOB and SSN), a pre-screening is conducted to identify tenants who are missing or have invalid personal identifiers. These tenants are not sent to SSA for the identity match until the personal identifier information has been corrected in TRACS.

2. SSA Identity Test

- a. Tenants who pass the EIV pre-screening test are sent to SSA for verification of their personal identifiers against SSA records. Tenants whose personal identifiers do not match SSA's records cannot be matched against HHS' NDNH or SSA's records until the personal identifier information has been corrected in TRACS.
- b. Tenants whose personal identifiers match SSA's records are matched against HHS' NDNH and SSA's records to obtain employment and income information.

See Paragraph 9-12.C for information on using the Failed EIV Pre-Screening and Failed SSA Identity Test Reports for correcting discrepant data.

### Section 3: EIV Reports

#### 9-7 Key Regulations

This paragraph identifies the key regulatory citations pertaining to this Section. The citation and its title are listed below.

- 24 CFR 5.233 Mandated Use of HUD's Enterprise Income Verification (EIV) System
- 24 CFR 5.236 Procedures for termination, denial, suspension, or reduction of assistance based on information obtained from a SWICA or Federal agency
- 24 CFR 5.659 Family information and verification.

#### 9-8 Using EIV Reports

- A. Owners must use the EIV system in its entirety. To do this, the owner must use:
  1. EIV Income Report as a third party source to verify a tenant's employment and income during mandatory recertifications (annual and interim) of family composition and income, and

2. Other EIV Income Reports (Income Discrepancy Report, New Hires Report, No Income Reported on 50059, and No Income Reported by HHS or SSA) to identify issues or discrepancies which may impact a family's assistance; and
  3. EIV Verification Reports (Existing Tenant Search, Multiple Subsidy Report, Identity Verification Reports, and Deceased Tenants Report) that further assists in reducing subsidy payment errors.
- B. Owners must:
1. Use the Existing Tenant Search in EIV as part of their screening criteria for new tenants and must include written policies for using the search in their Tenant Selection Plan. (See Chapter 4, Section 1 for a discussion on requirements of the Tenant Selection Plan.)
  2. Develop policies and procedures for staff to follow for using the EIV Income reports and remaining Verification Reports
  3. Have current, signed consent forms HUD-9887 on file before accessing the employment and income information in EIV for a tenant. (See Chapter 3, Paragraph 3-11 for a discussion on the requirements on consent forms.)
- C. Owners may not suspend, terminate, reduce, make a final denial of rental assistance, or take any other adverse action against an individual based solely on the date in EIV. See Chapter 8, Section 4 for information on investigating discrepancies and errors and determining fraud.

## 9-9 Documentation to Demonstrate Owners Compliance with Use of the Income Report

The following documentation is required to be in the tenant file to demonstrate the owner's compliance with mandated use of EIV as the third party source to verify tenant employment and income information.

- A. **No Dispute of EIV Information:** EIV Income Report, current acceptable tenant-provided documentation and, if necessary (as determined by the owner), third party verification from the source.
- B. **Disputed EIV Information:** EIV Income Report and third party verification from the source for disputed information.
- C. **Tenant-reported Income Not Verified through the EIV System:** EIV Income Report, current acceptable tenant-provided documents or third party verification from the source.

See Paragraph 9-11 and Exhibit 9-5, Use of EIV Reports, for documentation requirements for all EIV reports.

## 9-10 Independent Third Party Verification

- A. Owners must request and obtain independent third party verification directly from the source which is used to complement EIV data when the below occurs. In these situations, the owner must not use tenant-provided documentation even if generated from a third-party source.
1. The tenant is unable to provide acceptable and current employment and/or income documentation to support the wage and unemployment income in EIV;
  2. The tenant disputes the EIV income information;
  3. There is an EIV income discrepancy reported at the time of recertification (annual or interim) or at other times as specified in the owner's policies and procedures;
  4. There is incomplete EIV employment or income data for a tenant and the owner needs additional information. Examples of additional information include but are not limited to:
    - (a) Effective date of income (i.e. employment, unemployment compensation or Social Security benefits).
    - (b) For new employment: pay rate, number of hours worked per week, pay frequency, hire date (not required to be reported to state so it may not be in EIV), etc. (See Exhibit 9-6 for data elements that are optional for employers to report to the state.)
    - (c) There is no EIV employment or income data for a tenant.
- See Chapter 5, Paragraph 5-13 for information on acceptable verification methods.
- B. When the owner is unable to obtain third party verification, e.g., the third party does not respond, the tenant file must be documented why third party verification was not available. (See Chapter 5, Paragraph 5-18 for documentation requirements.)
- C. The owner may accept self-declaration from the tenant only if third party verification cannot be verified by another acceptable verification method. (See chapter 5, Paragraph 5-13.B for certification requirements.)
- D. Owners always have the discretion to obtain additional third party verification of income or verification of other EIV data based on circumstances encountered during the recertification process.



## 9-11 EIV Income Reports

When selecting the Income Report for an individual tenant, either from the list of tenants for a particular project and/or contract or by querying by the head of household's SSN, there are three reports that the owner must use at the time of recertification. The reports can be accessed by clicking on the tab for a particular report.

### A. Summary Report

This report is a summary of information taken from the current, active certifications contained in the TRACS file at the time of the income match. It also provides the Identity Verification Status for each household member.

#### 1. Identity Verification Status

There are four verification statuses identified:

**Verified** – personal identifiers (last name, DOB and SSN) match the SSA database

**Failed** – personal identifiers do not match the SSA database

**Not Verified** – personal identifiers have not yet been sent to SSA for validation or validation is in process by SSA

**Deceased** – SSA's records indicate the person is deceased

#### 2. Owners must use this report:

- a. At the time of recertification to review and resolve the status of any household member(s) with a "failed" or "deceased" status.

**NOTE:** Owners do not have to do anything at the time of recertification when the status is "Not Verified". However, the owner must check the Failed SSA Identity Test report monthly as changes in the Identity Verification Status for these tenants may occur.

- b. As verification that a tenant's SSN has been "Verified" by SSA as being a valid SSN.

#### 3. Owners must retain in the tenant file:

- a. The Summary Report(s) as verification of the SSN for all household members whose Identity Verification Status is "Verified".
- b. If the Summary Report in the tenant file shows an Identity Verification Status of "Verified" for all household members

required to have a SSN, the owner does not have to continue to print out the Summary Report at recertification unless there is a change in household composition or in a household member's identity verification status.

**NOTE:** To minimize the risk of exposing a tenant's SSN, owners **may** remove and destroy, at the time of recertification, copies of verification documentation received from the tenant at the time of disclosure of their SSN once the Identity Verification Status shows "Verified". Owners are encouraged to minimize the number of tenant records that contain documents that display the full nine-digit SSN. Owners must not include the full nine-digit SSN for a tenant in emails or other electronic communications.

See Chapter 3, Paragraph 3-9 for SSN disclosure and verification requirements.

- c. Any correspondence or documentation received to resolve the "Failed" or "Deceased" status.
- d. Documentation for household members not required to disclose and provide verification of a SSN:

Exempt from SSN disclosure and verification requirements:

- Tenants who were 62 years of age or older as of January 31, 2010, and whose initial determination of eligibility was begun before January 31, 2010, and
- Individuals who do not contend eligible immigration status.

These individuals will continue to have a TRACS generated identification number in the SSN field. No employment or income information will be provided in EIV for these individuals, therefore, third party verification from the income source will have to be obtained.

See Paragraph 9-12 for information on resolving data for tenants with the "failed" or "deceased" Identity Verification Status.

## B. **Income Report**

Owners must use the Income Report at the time of recertification (annual and interim) of family composition and income and at other times as indicated in their policies and procedures.

The Income Report:

- Provides employment and income information reported in the NDNH and SSA databases for all household members who passed the SSA identity

test, and

- Identifies household members who may be receiving multiple subsidies by displaying the following message:  
“This member may be receiving multiple subsidies. See the Multiple Subsidy Report for details.”

1. Components of the Income Report

The Income Report provides a variety of information about each member of a household. The components of the report are:

- a. TRACS certification information and tenant personal identifiers
- b. Employment information
- c. Quarterly wages
- d. Quarterly unemployment benefits
- e. Social Security benefits (SS)
- f. Dual Entitlement benefits
- g. Medicare data
- h. Supplemental Security Income (SSI)
- i. SSA disability status

See Exhibit 9-3, EIV Income Report Information, for the types of information contained in each of the components of the report.

2. The Income Report does not include other income the household may receive such as welfare benefits, most pensions, child support, etc. It should also be noted that a tenant may have wages that the employer did not report to the State Workforce Agency (SWA), therefore, not contained in the NDNH database.

See Chapter 5, Paragraph 5-6 for the elements of annual income and Exhibit 5-1 for Income Inclusions and Exclusions.

3. NDNH (New Hires (W-4), Wage and Unemployment Compensation)

- a. Owners must use the Income Report identifying the NDNH employment, wage and unemployment income information in the EIV system as third party verification of the tenant’s employment and/or unemployment. The owner must *not* use the quarterly income reported in the EIV system to calculate the tenant’s income.

- b. The owner must confirm with the tenant that the employment and/or unemployment information in EIV is correct. If the tenant confirms that the employment and/or unemployment information in the EIV system is correct, the owner must:
- (1) Print the Income Report and use the report as third party verification of the tenant's employment and/or unemployment.
  - (2) Request the tenant provide documentation, e.g., four current, consecutive check stubs, which will support his/her current income being received.
  - (3) Use the tenant provided documentation for determining the tenant's income unless additional information is needed or the owner has reason to reject the tenant provided documentation. In these instances, third party verification must be obtained from the income source. (See Chapter 5, Paragraph 5-13 for guidance on tenant provided documents.)
  - (4) Annualize the tenant's income using the current income projected forward for the next 12 months. (See Chapter 5, Section 1 for instructions on calculating income.)
  - (5) Make copies of any tenant provided documents for the tenant file and return the originals to the tenant.
  - (6) Retain the Income Report and supporting documentation in the tenant file along with the applicable form HUD-50059.
- c. If the tenant disputes the employment, wage or unemployment information in the EIV system or when the tenant reports he/she is employed or receiving unemployment but there is no information in EIV, the owner must obtain third party verification from the employer or SWA.

**NOTE:** See Chapter 5, Paragraph 5-5.A for calculating income using the EIV system.

#### 4. Social Security Benefits

- a. Owners must use the Income Report identifying the SSA benefit information in the EIV system as third party verification of the tenant's receipt of SS benefits and to calculate the tenant's income. A copy of the SSA award or benefit letter or Proof of

Income Letter is not required unless the tenant disputes the SSA information in the EIV system.

- b. The owner must confirm with the tenant that the SSA benefit information in the EIV system is correct. If the tenant confirms that the SSA information in the EIV system is correct, the owner must:
- (1) Print the Income Report and use the report as third party verification of the tenant's SSA benefits.
  - (2) Annualize the tenant's income using the monthly gross benefit amount projected forward for the next 12 months. (See Chapter 5 for instructions on calculating income.)
- NOTE:** See Chapter 5, Paragraph 5-6.O for calculating the income for Intermediate Care Facility/Mentally Retarded (ICF/MR) or Intermediate Care Facility/Developmentally Disabled (ICF/DD) and Assisted Living Units in Elderly Projects and Paragraph 5-6.J for Adjustments to Prior Overpayments of Benefits
- (3) Include the Medicare premium in the medical expense deduction calculation if the premium is being paid by the tenant. (See d below if the Medicare premium is not being paid by the tenant.)
  - (4) Retain the Income Report in the tenant file along with the applicable form HUD-50059.
- c. If the tenant disputes the SSA information in the EIV system or when the tenant reports he/she is receiving SSA benefits but there is no SSA information in the EIV system, the owner must obtain third party verification by requesting the tenant provide a copy of their benefit or award letter or Proof of Income Letter, dated within the last 120 days from the date of receipt by the owner. If the tenant does not have a current letter from SSA, the owner should ask the tenant to request benefit information from SSA using SSA's website or using SSA's toll-free number.

**NOTE:** See Chapter 5, Paragraph 5-5.A for calculating income using the EIV system.

- d. When the Medicare premium is being paid by the tenant, the premium is included as a medical expense. If the Medicare Premium is being paid by the tenant, the amount of the premium is listed under "Premium" and an "N" is in the "Buy-in" column of the Medicare Data section of the Income Report.

	Premium	Buy-in	Buy-in Start	Buy-in Stop
Hospital Insurance	\$0.00	N	Not Available	Not Available
Supp. Med. Insurance	\$110.50	N	Not Available	Not Available

- e. When the Medicare premium is not being paid by the tenant but is being paid by the state or another entity, there should be a “Y” in the buy-in column and the date when the third party started paying the tenant’s Medicare premium in the “Buy-in Start” column of the Medicare Data section of the Income Report.

	Premium	Buy-in	Buy-in Start	Buy-in Stop
Hospital Insurance	\$0.00	N	Not Available	Not Available
Supp. Med. Insurance	\$110.50	Y	10/10/09	Not Available

- f. When the state or other entity no longer pays the tenant’s Medicare premium, there should be a date in the “Buy-in Stop” column of the Medicare Data section of the Income Report.

	Premium	Buy-in	Buy-in Start	Buy-in Stop
Hospital Insurance	\$0.00	N	Not Available	Not Available
Supp. Med. Insurance	\$110.50	Y	10/10/09	03/01/10

**NOTE:** The “Y” indicator and dates in the Buy-in column is information received from SSA and is not always accurate. If the tenant disputes the EIV data and can provide current documentation as verification to support they are paying the Medicare premium themselves, then the tenant file must be documented with this additional information and the owner can include the Medicare premium in the tenant’s medical expense deduction.

- g. While the SSA provides information on Medicare premiums, it does not provide as part of the computer matching, information on additional deductions such as Medicare Part D (prescription drugs) premiums or garnishments. Therefore, the owner will need to request that tenants disclose any deductions they may have from their SSA benefits. For example, if the tenant is paying his/her Medicare premium and the difference between the gross and the net SSA benefits exceeds the amount of the Medicare premium, the owner must discuss this with the tenant to determine any deductions that may impact the tenant’s income or allowable

expenses, e.g., Medicare Part D (prescription drugs) premiums are an allowable medical expense.

- h. The SSA Disability Status is not always accurate, therefore, the owner must not use this status indicator for determining an applicant's or tenant's eligibility as disabled for a HUD program or for receiving the elderly/disabled household allowance.

5. New Admissions

For all new admissions, including Initial Certifications (IC), the owner must:

- a. Review the Income Report within 90 days after transmission of the move-in certification to TRACS to confirm/validate the income reported by the household.
- b. Resolve any income discrepancies with the household within 30 days of the Income Report date.
- c. Print and retain the Income Report in the tenant file along with any documentation received to resolve income discrepancies, if applicable.

6. Applicants

The EIV system only contains employment and income information for tenants. Therefore, owners must request third party verification from the income source for determining an applicant's income for eligibility and rent calculation purposes.

**C. Income Discrepancy Report**

- 1. The Income Discrepancy Report identifies households where there is a difference of \$2,400 or more annually in the wages, unemployment compensation and/or Social Security benefit income reported by NDNH and SSA and the wages, unemployment compensation and/or Social Security benefit income reported in TRACS for the period of income (POI) used for the discrepancy analysis.

The report identifies tenants whose income may have been under- or over-reported. Negative numbers on the report represent potential tenant under reporting of income while a positive number represents a potential decrease in a tenant's income. In either case, the owner must investigate all discrepancies identified to determine whether or not they are valid. The definition of improper payments includes payments for the incorrect amount, both overpayments and underpayments. (See the Glossary for the definition of improper payments. Also, see Exhibit 9-7, Income Discrepancy Report, for a description of the POI used for discrepancy

analysis.)

**NOTE:** Wage, unemployment and Social Security income in TRACS includes:

TRACS Income Code	Type of Income
B	Business
F	Federal Wage
M	Military Pay
W	Nonfederal Wage
U	Unemployment
SS	Social Security
SSI	Supplemental Security Income

**NOTE:** Other income the household receives, e.g., welfare benefits, most pensions, child support, etc., may be reported in annual income in TRACS but it is not used for the discrepancy analysis in the EIV system.

2. The Income Discrepancy Report is a tool to alert owners that there **may** be a discrepancy in the income reported by the tenant during the POI used for the discrepancy analysis. The owner must investigate all discrepancies identified on the report to determine whether or not the discrepancy is valid. The owner is not expected to reconcile dollar amounts to the penny when resolving discrepancies.
3. Owners must:
  - a. Print the Income Discrepancy Report at the same time they print the Income Report.
 

**NOTE:** It is important that the Income Discrepancy Report be printed at the same time as the Income Report as each week a completely new report is generated based on the current information in the system for a tenant. The old report is over-written with the current data.
  - b. Review and resolve any discrepancies in income reported on the Income Discrepancy Report with the family at the time of recertification or within 30 days of the EIV Income Report date. Any unreporting, underreporting or over-reporting of income by the tenant and reported on current or historical forms HUD-50059 must be identified. (See Chapter 8, Paragraphs 8-18 and 8-19 for the procedures for addressing discrepancies, errors and fraud.)



- c. Retain the Income Discrepancy Report along with detailed information on the resolution of the reported discrepancy in the tenant file. This includes information on resolution of the discrepancy regardless of whether the discrepancy was found to be valid or invalid.
- d. Make sure the information in TRACS agrees with the information on the form HUD-50059 in the tenant file. If it is determined that the information in TRACS differs from the information found on the tenant's current HUD-50059, retransmit the current HUD-50059 to correct the TRACS database. This is important since the income discrepancies reported in the EIV system are determined by comparing the wage, unemployment and Social Security benefits income reported by NDNH and/or SSA with the wage, unemployment and Social Security benefits income reported by the household and transmitted to TRACS.

**Example 1: Valid discrepancy**

The EIV Income Discrepancy Report shows the tenant had Reported Annual Wages and Benefits during the period of income used for the discrepancy analysis. However, there are no Projected Annual Wages or Benefits reported on the form HUD-50059. The owner must investigate this to determine if the tenant did not report his/her income at the time of recertification. If the tenant did not report his/her income, this would be a valid discrepancy. The owner must obtain third party verification of the tenant's income, process corrected form HUD-50059(s) to include any unreported or underreported income, notify tenant of funds due and their obligation to reimburse the owner, collect funds due from tenant and/or enter into a repayment agreement and reimburse HUD for funds collected from the tenant less the amount retained for pursuing collection. If not a valid discrepancy, the owner will document the file with the results of the investigation supporting this determination.

<b>Projected Annual Wages and Benefits from Form HUD-50059:</b>	\$0	
<b>Period Of Income for Discrepancy Analysis</b>	06/01/2008 - 05/31/2009	
<b>Discrepancy Analysis</b>	<b>Actuals</b>	<b>Annualized Last Quarter</b>
<b>Reported Annual Wages and Benefits from EIV Data:</b>	\$22,018.70	\$19,518.57
<b>Amount of Annual Income Discrepancy:</b>	<b>(\$22,018.70)</b>	<b>(\$19,518.57)</b>
<b>Amount of Monthly Income Discrepancy:</b>	(\$1,834.89)	(\$1,626.55)
<b>Percentage of Income Discrepancy:</b>	(100%)	(100%)

**Example 2: Valid discrepancy**

The EIV Income Discrepancy Report shows that the tenant had Reported Annual Wages and Benefits during the period of income used for the discrepancy analysis of \$15,957.03 actual and \$17,210.18 annualized. The Projected Annual Wages reported on the form HUD-50059 are \$14,472.00. The annualized last quarter income exceeds the \$2,400 discrepancy threshold ( $\$17,210.18 - \$14,472.00 = \$2,738.18$ ). The owner must investigate this to determine if the tenant should have reported a cumulative increase of \$200 per month (\$2,400 annually) or more in the household's income. If the tenant should have reported the increase in income as required by his/her lease, this would be a valid discrepancy. If valid, the owner would obtain third party verification, process an interim recertification in accordance with Chapter 7, Paragraph 7-13.D of Handbook 4350.3 REV-1, notify tenant of funds due and their obligation to reimburse the owner, collect funds due from tenant and/or enter into a repayment agreement and reimburse HUD for funds collected from the tenant less amount retained for pursuing collection. If not a valid discrepancy, the owner will document the file with the results of the investigation supporting this determination.

<b>Projected Annual Wages and Benefits from Form HUD-50059:</b>	\$14,472.00	
<b>Period Of Income for Discrepancy Analysis</b>	06/01/2008 - 05/31/2009	
<b>Discrepancy Analysis</b>	<b>Actuals</b>	<b>Annualized Last Quarter</b>
<b>Reported Annual Wages and Benefits from EIV Data:</b>	\$15,957.03	\$17,210.18
<b>Amount of Annual Income Discrepancy:</b>	(\$1,485.03)	(\$2,738.18)
<b>Amount of Monthly Income Discrepancy:</b>	(\$123.75)	(\$228.18)
<b>Percentage of Income Discrepancy:</b>	9.31%	15.910000%

**Example 3: Invalid discrepancy**

The EIV Income Discrepancy Report shows that the tenant had Reported Annual Wages and Benefits during the period of income used for the discrepancy analysis. However, there are no Reported Annual Wages or Benefits on the form HUD-50059 for the same period of time. The form HUD-50059 used in the discrepancy analysis was the tenant's move-in form HUD-50059. The owner must investigate this discrepancy to determine if the tenant accurately reported his/her income at the time of move-in. If verification is received that the tenant was not working at the time of move-in and the wages reported on the EIV Income Report were earned prior to move-in, this would be an invalid discrepancy. No action is required of the owner except to document the tenant's file of the findings as a result of the investigation.

<b>Projected Annual Wages and Benefits from Form HUD-50059:</b>	\$0	
<b>Period Of Income for Discrepancy Analysis</b>	06/01/2008 - 05/31/2009	
<b>Discrepancy Analysis</b>	<b>Actuals</b>	<b>Annualized Last Quarter</b>
<b>Reported Annual Wages and Benefits from EIV Data:</b>	\$10,341.38	\$7,507.72
<b>Amount of Annual Income Discrepancy:</b>	(\$10,341.38)	(\$7,507.72)
<b>Amount of Monthly Income Discrepancy:</b>	(\$861.78)	(\$625.64)
<b>Percentage of Income Discrepancy:</b>	(100%)	(100%)

## D. Other EIV Income Reports

The EIV system contains the following stand-alone income reports. Owners must use these reports as discussed below and at times as established in their policies and procedures. Owners must retain a “Master” file that contains a copy of the report and documentation and/or notations as indicated in the report discussions below.

**Caution:** Any detail reports retained in a tenant’s file must only contain information for members of that tenant’s household. Many of the reports do not have page breaks between households; therefore, owners will need to separate the reports by household by cutting the reports apart until page breaks are inserted in the EIV system.

### 1. Additional Income Reports

There are three additional income reports that owner must use: the No Income Reported on 50059, the No Income Reported by HHS or SSA, and the New Hires Report. These reports are accessed from the Monthly Summary Report when querying by project number and/or contract number. Additionally, the New Hires Report can be found in the EIV system as a Verification Report. If the report is underlined, this indicates that the report is an active link. Just click on the report name to obtain data about households identified where no income was reported or where a household member is reported as having new employment.

#### a. No Income Reported on 50059

This report is a tool for owners to use to identify tenants who passed the identity match against SSA’s records but have zero income represented in the TRACS system.

(1) Owners must use this report only as identified and described in their policies and procedures. When running the report, the owner must select the recertification month “All”.

(2) Owners are not required to retain copies of this report

NOTE: It is recommended that owners have a policy to re-verify the status of tenants reporting zero income at least quarterly. As part of the procedures for implementing the policy, the owner must use the EIV Income Report to determine if the tenant or any family members have income reported by HHS or SSA.

#### b. No Income Reported by HHS or SSA

This report is a tool for owners to use to identify tenants who passed the SSA identity test but no employment or income information was received from the match against either the SSA or NDNH records.

- (1) Owners must use this report as identified and described in their policies and procedures. When running the report, the owner must select recertification month “All”.
- (2) Because no income was reported as a result of the match against SSA and NDNH records does not mean that the tenant(s) does not have income.
- (3) Owners must make sure when they interview the tenants at the time of recertification that the right questions are asked so that the tenants are given the opportunity to disclose any income they receive.
- (4) Owners are not required to retain copies of this report.

**NOTE:** It is recommended that owners have a policy to re-verify the status of tenants reporting zero income at least quarterly. As part of the procedures for implementing the policy, the owner must use the EIV Income Report to determine if the tenant, or any family members, has income reported by HHS or SSA.

c. **New Hires Report**

This report identifies tenants who have started new jobs within the last six months. The information in this report is updated monthly. The New Hires Report can also be found in the EIV system as a Verification Report.

- (1) Owners must use this report at least quarterly to determine if any of their tenants have started new employment whereby the tenant has not reported a change in income to the owner between recertifications and/or the new employment was not reported at the time of recertification. When running the report, the owner must select recertification month “All”.
- (2) Because tenants participating in one of Multifamily Housing’s rental assistance programs are required to report changes in income when the household’s income cumulatively increases by \$200 or more per month, owners must reach out to their tenants to report the income changes so that rent adjustments can be made in a timely manner, thus eliminating/reducing the amount of retroactive rent repayments. (See Chapter 7, Paragraph 7-12.B.)
- (3) Owners must:

- (a) Contact the tenant regarding his/her new employment.
- (b) Confirm with the tenant that they have a new job and that the employment information in the EIV system is correct. If the tenant agrees that the employment information in the EIV system is correct, request the tenant provide documents, e.g., four current, consecutive pay stubs, employment confirmation letter specifying rate of pay, number of hours worked each week, pay frequency, etc., for use in determining the tenant's income or, if necessary, request third party verification from the employer.  
  
If the tenant disputes the information in the EIV system, the owner must obtain third party verification from the employer.
- (c) Process a recertification in accordance with program requirements that includes the employment income.
- (d) Retain a copy of the report in a master "New Hires Report" file along with notations as to the outcome of the contact with the tenant (e.g., J. Jones – interim recertification processed to include income from new employment). All correspondence with the tenant third party verifications, etc., must be retained in the tenant file.

See Paragraph 7-10.A and the HUD Model Leases in Appendix 4 for change in income reporting requirements.

## 9-12 EIV Verification Reports

The EIV system contains the following stand-alone reports that identify potential issues which may impact the family's assistance. Owners must use these reports as discussed below and at times as established in their policies and procedures to reduce subsidy payment errors. Owners must retain a "Master" file that contains a copy of the report and documentation and/or notations as indicated in the report discussions below.

**Caution:** Any detail reports retained in a tenant's file must only contain information for members of that tenant's household. Many of the reports do not have page breaks between households; therefore, owners will need to separate the reports by household by cutting the reports apart until page breaks are inserted in the EIV system. The Verification Reports can be accessed from the EIV Homepage, left sidebar.

### A. Existing Tenant Search

This report identifies applicants applying for assisted housing that may be receiving rental assistance at the time of application at another Multifamily Housing or Public and Indian Housing (PIH) location.

Owners must:

1. Use this report at the time they are processing an application to determine if the applicant or any applicant household members are currently being assisted at another Multifamily Housing or PIH location.
2. Discuss with the applicant if the report identifies that the applicant or a member of the applicant's household is residing at another location, giving the applicant the opportunity to explain any circumstances relative to his/her being assisted at another location. This may be a case where the applicant wants to move from his/her present location or where two assisted families share custody of a minor child.
3. Follow up with the respective Public Housing Agency (PHA) or owner to confirm the individual's program participation status before admission, if necessary, depending on the outcome of the discussion with the applicant. The report gives the owner the opportunity to coordinate move-out and move-in dates with the PHA or owner of the property at the other location.
4. Retain the search results with the application along with any documentation obtained as a result of contacts with the applicant and the PHA and/or owner at the other location.

### B. Multiple Subsidy Report

This report identifies individuals who may be receiving multiple HUD rental subsidies.

1. Owners must:
  - a. Use the Multiple Subsidy Report at least quarterly to identify any tenants who are receiving assistance at another location. Owners must follow up with tenants identified on the report where the discrepancy was not identified and resolved at the time of recertification.
  - b. Perform a search to determine if possible multiple subsidies exist.
  - c. Discuss with the tenant if the results of the search shows that a tenant is being assisted at another location. The tenant must be given the opportunity to explain any circumstances relative to his/her being assisted at another location.

- d. Follow up with the respective PHA or owner, if necessary, to confirm if the tenant is being assisted at the other location. Depending on the results of this investigation, the owner may need to take action to terminate the tenant's assistance or tenancy. (See Chapter 8, Sections 1 and 2 for procedures for terminating assistance or tenancy.)
- e. Print out and retain a copy of the search results along with any documentation supporting any contacts made or information obtained to determine if a household and/or household member is receiving multiple subsidies. Additional documentation to support any action taken if a household or a household member is receiving multiple subsidies will be retained in the tenant file and should be noted on the report.

If a tenant's multiple subsidy was discussed and resolved at the time of recertification, this should be noted on the printed report and no further action is required.

**NOTE:** HUD does not prohibit owners of partially subsidized projects from housing tenants who are receiving assistance through the Housing Choice Voucher program. While these tenants may appear on the Multiple Subsidy Report, HUD does not consider them as receiving double subsidy. (See Paragraph 3-21 for a discussion on Applicants with Housing Choice Vouchers.) In these instances, owners should print out a copy of the Multiple Subsidy Report and note that the tenant has a Housing Choice Voucher and is not receiving double subsidy, e.g., tenant is residing in a Section 236 unit and receiving rental assistance through the Housing Choice Voucher program.

### C. **Identity Verification Report**

There are three reports that are accessed from the Identity Verification Report link. Owners must use the Failed EIV Pre-Screening and the Failed Verification Report (Failed the SSA Identity Test) reports monthly to clear up any invalid, discrepant or missing information in the TRACS database that was not identified and corrected at the time of recertification. When running the report, the owner must select recertification month "All". There will not be any employment or income information in EIV for tenants who fail either the EIV Pre-Screening or SSA Identity Test so it is essential that any discrepancies are corrected within 30 days from the date of the reports. Owners must conduct third party verifications to obtain employment and income data for these tenants. The Number of households Not-Verified (verification in process) Report is not required to be used by owners.

If the report name is underlined, this indicates it is an active link. Just click on the report name to obtain data about household members who meet the characteristics of the reports.

## 1. Failed EIV Pre-Screening Report

This report identifies tenants who fail the EIV pre-screening test because of invalid or missing personal identifiers (last name, DOB or SSN). The tenants identified in this report will not be sent to SSA for the SSA identity test until the personal identifier information is corrected in TRACS.

Owners must:

- a. Use this report monthly to identify tenants that did not pass the pre-screening test and the reason(s) they did not pass so that the errors can be corrected. Owners must follow up with tenants identified on the report where discrepant personal identifiers were not corrected at the time of recertification.
- b. Before contacting the tenant, confirm accuracy of data entry in TRACS, e.g., has a number been transposed when entering the SSN.
- c. Confirm with the affected tenant their SSN, last name, and/or DOB.
- d. Obtain documentation from the tenant to verify any discrepant personal identifiers.
- e. Correct any discrepancies in TRACS so that the tenant will be included in the TRACS file provided to the EIV system for inclusion in the SSA identity test.
- f. Print and retain a copy of the report in a master "Failed EIV Pre-screening Report" file. The report must be documented with action taken to resolve invalid or discrepant personal identifiers.

See Exhibit 9-1 for the EIV Failed Pre-screening Report Error Messages and corrective action.

**NOTE:** This report will include those persons who are exempt from the SSN disclosure and verification requirements. In these instances, the owner will note on the copy of the report retained in the "Failed EIV Pre-Screening Report" master file that the tenant(s) is exempt from SSN requirements.

Exempt from SSN disclosure and verification requirements:

- Tenants who were 62 years of age or older as of January 31, 2010, and whose initial determination of eligibility was begun before January 31, 2010; and



- Individuals who do not contend eligible immigration status.

## 2. **Failed Verification Report (Failed the SSA Identity Test)**

This report identifies household members who failed the SSA identity test because their personal identifiers (last name, DOB or SSN) do not match SSA's records, as well as, identifies deceased household members.

Owners must:

- a. Use this report monthly to identify those tenants that did not pass the SSA identity verification test and the reason(s) they did not pass so that the errors can be corrected.
- b. Follow up with tenants identified on the report where discrepant personal identifiers were not corrected at the time of recertification.
- c. Before contacting the tenant, confirm accuracy of data entry in TRACS, e.g., has a number been transposed when entering the SSN.
- d. Confirm with the affected tenant their last name, SSN and/or DOB.
- e. Obtain verification or documentation to support the tenant's personal identifiers and the accuracy of the form HUD-50059 and TRACS data.
- f. Correct any discrepancies in TRACS so that the tenant will be included in the match against SSA and NDNH data.
- g. Encourage the tenant to contact 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*, and verifying documentation to the local SSA office.
- h. Print and retain a copy of the report. The report must be documented with action taken to resolve invalid or discrepant personal identifiers.

**NOTE:** If a tenant's information was corrected at the time of recertification but the EIV data has not yet been updated, this should be noted on the printed report and no further action is required.

See Exhibit 9-2 for the Failed Verification Report (Failed the SSA Identity Test) Error Messages and corrective action.

## D. Deceased Tenant Report

This report identifies tenants who are participating in one of Multifamily Housing's rental assistance programs who are reported by SSA as being deceased.

1. Owners must:
  - a. Use this report at least quarterly to identify those tenants reported by SSA as being deceased. When running the report, the owner must select recertification month "All".
  - b. Confirm, in writing, with the head of household, next of kin or contact person/entity provided by the tenant whether or not the person is deceased.
  - c. If the person is deceased:
    - (1) Update the household 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 Chapter 7, Paragraph 7-13.D.
    - (2) In the case of a deceased single member of a household, process a Move-out using form HUD-50059-A. The effective date of the form HUD-50059-A will be retroactive to the earlier of 14 days after the tenant's death or the date the unit was vacated (see Chapter 9, Paragraph 9-12.E).
- d. Discrepancies must be corrected in the TRACS system within 30 days from the date of the report.
- e. Encourage the tenant to contact the SSA to correct any inaccurate data in their databases if the person identified as being deceased in the SSA database is not deceased.
- f. Print and retain a copy of the report in a master "Deceased Tenant" file. The report must be documented with action taken to resolve any discrepancies. All correspondence or action taken for a particular tenant must be retained in the tenant file.

**NOTE:** If action was taken to remove the deceased tenant from the household at the time of recertification but the EIV data has not yet been updated, note this on the printed report and no further action is required.

2. The Deceased Tenants Report is updated every weekend. See examples below addressing when a deceased individual will be removed from the report.

**Example 1:** Mr. Jones was listed on the Deceased Tenants Report dated December 14, 2009, with a deceased date of November 20, 2009. On December 1, 2009, the owner confirmed that Mr. Jones was actually alive and advised Mr. Jones to visit his local SSA office to have the error corrected. SSA corrected the error on December 20, 2009. When HUD conducted computer matching with SSA on January 6, 2010, HUD obtained new SSA data which indicated that Mr. Jones was not deceased. The Deceased Tenants Report was updated on the weekend of January 8, 2010. When the owner accessed the Deceased Tenants Report on January 11, 2010, Mr. Jones was no longer on the report.

**Example 2:** Mr. Williams was listed on the Deceased Tenants Report dated December 14, 2009, with a deceased date of June 10, 2009. On January 6, 2010, the owner confirmed that Mr. Williams was deceased. The owner then completed and submitted the move-out on form HUD-50059-A on January 7, 2010. The Deceased Tenants Report was updated on the weekend of January 8, 2010. When the owner accessed the Deceased Tenants Report on January 11, 2010, Mr. Williams was no longer on the report.

#### E. **New Hires Report**

For a description of the New Hires Report, see Paragraph 9-11.D.

### **9-13 Reimbursement of Over- or Under-payment of Subsidy**

#### A. **Unreported or Underreported Income**

If the owner determines the tenant unreported or underreported his/her income, the owner must go back to the time the unreported or underreporting of income started, not to exceed the 5-year limitation that the tenant was receiving assistance described on forms HUD-9887 and HUD-9887-A. The owner must follow the instructions in Chapter 8 for meeting with the tenant to discuss reimbursement of funds due the owner and repayment agreement requirements.

#### B. **Over-reported income**

If, at the time of recertification, there is an Income Discrepancy Report in the EIV system that reflects a decrease of \$2,400 or more in wages, unemployment and/or Social Security income reported in the EIV system and the wage, unemployment and/or Social Security income in TRACS for the POI used for the discrepancy analysis, the owner must investigate the discrepancy. If, after investigating the discrepancy, the owner determines that an error was made in calculating the tenant's income, the owner must follow the instructions in Chapter 8, Paragraph 8-24 to reimburse the tenant for any overpayment in rent. It is important that the owner 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.

## 9-14 Retention of EIV Reports

- A. Owners must retain:
1. The Income Report, the Summary Report(s) showing Identity Verification Status as “Verified” and the Income Discrepancy Report(s) and supporting documentation must be retained in the tenant file for the term of tenancy plus three years.
  2. Any tenant provided documentation, or other third party verification of income, received to supplement the SSA or NDNH data must be retained in the tenant file for the term of tenancy plus three years.
  3. Results of the Existing Tenant Search must be retained with the application:
    - (a) If applicant is not admitted, the application and search results must be retained for three years.
    - (b) If applicant is admitted, the application and search results must be retained in the tenant file for the term of tenancy plus three years.
  4. The master files for the New Hires Report, Identity Verification Reports, Multiple Subsidy Report and Deceased Tenants Report must be retained for three years.
- See Exhibit 9-5, Use of EIV Reports.
- B. Once the retention period has expired, owners must dispose of the data in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.

## 9-15 Requesting Verification of Information from SSA

Owners must not send the tenant to the SSA office if they do not have information needed to verification Social Security benefits. Instead, the owner must ask the tenant to request benefit information from SSA using SSA’s website or toll-free number.

- A. The owner may assist the tenant in requesting benefit information from SSA, if the tenant requests their assistance in accessing the SSA website or has questions on completing the request. To request a Proof of Income Letter from SSA’s website go to <http://www.socialsecurity.gov>. From the left side bar:
- Select “What you can do online”
  - Select “If you get benefits”
  - Select “Request a Proof of Income Letter”

Tenants should check the box “All Benefit Information Available” to make sure all benefits received are provided.

- B. To request a Proof of Income Letter from SSA’s toll-free number call 1-800-772-1213.
- C. This information is free and the tenant should receive the letter in the mail within 10 days. The tenant will provide the Proof of Income Letter to the owner for use in calculating their income. A copy of the letter will be retained in the tenant’s file and the original returned to the tenant for their records.

## 9-16 EIV Income Incorrect or Does Not Belong to the Tenant

There may be times when the source or originator of the EIV information makes an error when submitting or reporting information about tenants. **HUD cannot correct data in the EIV system, only the originator of the data can correct the information.** When data is corrected by the source or originator, HUD will obtain the updated information with its next computer matching process. Below are procedures to follow regarding incorrect EIV information.

- A. **TRACS** data reported in the EIV system originates from the owner. Once data is corrected in the owner’s software, the corrected data must be transmitted to TRACS.
- B. **Employment and wage information** reported in the EIV system originates from the employer. The employer reports this information to the local State Workforce Agency (SWA), who in turn, reports the information to HHS’ NDNH database. If the tenant disputes the accuracy of the information in the EIV system that was provided by the employer and after additional third party verification is obtained by the owner it is determined that the information is not accurate, the tenant should contact the employer directly, in writing, to dispute the employment and/or wage information and request that the employer correct erroneous information. The tenant should provide the owner a copy of this written correspondence to maintain in the tenant file.
- C. **Unemployment benefit information** reported in the EIV system originates from the local SWA. If the tenant disputes the accuracy of the information in the EIV system that was provided by the SWA and after additional third party verification is obtained by the owner it is determined that the information is not accurate, the tenant should contact the SWA directly, in writing, to dispute the unemployment benefit information, and request that the SWA correct erroneous information. The tenant should provide the owner a copy of this written correspondence to maintain in the tenant file.
- D. **SS and SSI benefit information** reported in the EIV system originates from the SSA. If the tenant disputes the accuracy of the information in the EIV system that was provided by the SSA and after additional third party verification is obtained by the owner it is determined that the information is not accurate, the tenant should contact the SSA at (800) 772-1213, or visit the local SSA office and request that the erroneous information be corrected. SSA office information

is available in the government pages of the local telephone directory or online at <http://www.socialsecurity.gov>.

- E. **Identity Theft.** Incorrect information in the EIV system may be a sign of identity theft. Sometimes someone else may use an individual's SSN, either on purpose or by accident. SSA does not require an individual to report a lost or stolen SSN card, and reporting a lost or stolen SSN card to SSA will not prevent the misuse of an individual's SSN. A person using an individual's SSN can get other personal information about that individual and apply for credit in that individual's name.

If the tenant suspects someone is using his/her SSN, he/she should:

1. Check their Social Security records to ensure their records are correct (call SSA at 1-800-772-1213);
2. File an identity theft complaint with the Federal Trade Commission (call FTC at 1-877-438-4338, or visit their website at: <http://www.ftc.gov/bcp/edu/microsites/idtheft/>); and
3. Monitor his/her credit reports with the three national credit reporting agencies (Equifax, TransUnion, and Experian).

Tenants may request their credit report and place a fraud alert on their credit report with the three national credit reporting agencies at: <http://www.annualcreditreport.com> or by contacting the credit reporting agency directly. Each agency's contact information is listed below:

### **National Credit Reporting Agencies Contact Information**

Equifax Credit Information Services, Inc.  
P.O. Box 740241  
Atlanta, GA 30374  
Website: <http://www.equifax.com>  
Telephone: (800) 685-1111

Experian  
P.O. Box 2104  
Allen, TX 75013  
Website: <http://www.experian.com>  
Telephone: (888) 397-3742

TransUnion  
P.O. Box 6790  
Fullerton, CA 92834  
Website: <http://www.transunion.com>  
Telephone: (800) 680-7289 or (800) 888-4213

---

## Section 4: Security of EIV Data

### 9-17 Disclosure of EIV Data

#### A. Disclosure of an Individual's EIV Information to Another Person or Entity

The Federal Privacy Act (5 USC 552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the EIV data of an adult household member may not be shared (or a copy provided or displayed) with another adult household member or to a person assisting the tenant with the recertification process, unless the individual has provided written consent to disclose such information.

The owner, however, is not prohibited from discussing with the head of household and showing the head of household how the household's income and rent were determined based on the total income reported and verified. See Exhibit 9-4, for a Sample Tenant Consent to Disclose EIV Income Information for use by the owner in obtaining the tenant's consent to disclose information to another adult household member.

#### B. Disclosure to Persons Assisting Tenants with the Recertification Process

With the written consent of the tenant, EIV data may be shared with persons assisting the tenant with the recertification process. Tenants who require assistance during the recertification process may have a representative present to assist them in their ability to participate in the recertification process; this includes review and explanation of the written third party income verifications. Disclosure of EIV information to these parties must be employment or income information pertaining only to the tenant who has provided his/her consent. These parties must not have access to EIV information for any other household members.

Parties to whom the tenant can provide written consent include:

- Service coordinators (only if they are present at and assisting the tenant with the recertification process)
- Translators/Interpreters
- Individuals assisting an elderly individual or a person with a disability
- Guardians
- Powers of Attorney
- Other Family Members

See Exhibit 9-4, for a Sample Tenant Consent to Disclose EIV Income Information for use by the owner in obtaining the tenant's consent to disclose information to persons assisting the tenant with the recertification process.

#### C. Disclosure for Official Purpose

The data in the EIV system contains personal information on individual tenants that is covered by the Privacy Act. The information in the EIV system may only

be used for limited official purposes:

1. Official Purpose Includes:
  - a. Owners, in connection with the administration of Multifamily Housing programs, for verifying the employment and income at the time of recertification and for reducing administrative and subsidy payment errors.
  - b. CAs (PBCAs and TCAs) and HUD staff for monitoring and oversight of the access and mandatory use of the EIV system.
  - c. IPAs, when hired by an owner to perform the financial audit of the project, for use in determining the owner's compliance with verifying income and determining the accuracy of the rent and subsidy calculations.

Restrictions on disclosure requirements for IPAs:

- (1) Can only access EIV income information within hard copy files and only within the offices of the owner or management agent;
- (2) Cannot transmit or transport EIV income information in any form;
- (3) Cannot enter EIV income information on any portable media;
- (4) Must sign non-disclosure oaths (Rules of Behavior for Non-system Users) that the EIV income information will be used only for the purpose of the audit; and
- (5) Cannot duplicate EIV income information or re-disclose EIV income information to any user not authorized by Section 435(j)(7) of the Social Security Act to have access to the EIV income data.

**NOTE:** See the Glossary for the definition of Independent Public Auditor.

- d. OIG investigators for auditing purposes.
  - e. Disclosure of EIV information to individuals who are assisting in the recertification process and who are present during the recertification interview and process. (See Section B above)
2. Official Purpose Does NOT Include:



- a. Sharing the information with governmental entities not involved in the recertification process used for HUD's assisted housing programs, e.g., the Low Income Housing Tax Credit (LIHTC) program and Rural Housing Services (RHS') Section 515 program. EIV data must not be shared with state officials monitoring the owner for LIHTC compliance or by owners for completion of the LIHTC Tenant Income Certification (TIC). EIV data also must not be shared with RHS staff for monitoring an owner's compliance for tenants receiving Section 8 assistance or by owners for certifying tenants who do not receive Section 8 assistance.

Disclosing the EIV information to owners for use under the LIHTC and RHS Section 515 programs is not allowed since neither the Internal Revenue Service (IRS) nor RHS are a party to the computer matching agreements with HHS and SSA. The fact that there is financing through other federal agencies involved in a particular property under one of the authorized HUD programs does not then permit that federal agency to use or view information in the EIV system that is covered by the computer matching agreements. The computer matching agreements are governed by the Privacy Act and the Social Security Act. For example, Sections 453(j)(7)(E)(ii) and (iv) of the Social Security Act limit disclosure of the data matched between HUD and HHS' NDNH to public housing agencies, the IG, the Attorney General, private owners, management agents and CAs. HHS subsequently approved disclosure of NDNH information to IPAs hired by an owner to conduct the financial audit of their property.

- b. Disclosure of the EIV information to Service Coordinators even though the tenant signs a release of information consent form authorizing the Service Coordinator 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. The statute authorizing the computer matching identifies those parties to whom the information can be disclosed and the statute does not include Service Coordinators.

D. Penalties for Willful Disclosure or Inspection of EIV Data

1. **Unauthorized Disclosure** – felony conviction and fine up to \$5,000 or imprisonment up to five (5) years, as well as civil damages.
2. **Unauthorized Inspection** – misdemeanor penalty of up to \$1,000 and/or one (1) year imprisonment, as well as civil damages.

## 9-18 EIV Rules of Behavior (ROB)

### A. With EIV System Access ROB Requirements

All EIV users who have access to the EIV system must adhere to the EIV ROB signed at the time of requesting access to the EIV system.

1. Instructions for requesting access to the EIV system for both internal HUD users and external users are posted on the Multifamily EIV website at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm>
2. External users. The signed initial and current online (unsigned) access authorization forms containing the ROB must be kept on file along with the owner approval letters. Upon request, the forms must be made available to the entity monitoring EIV system compliance.
3. Internal users. A copy of the signed ROB will be kept on file by the TRACS/EIV Security Officer and a signed copy should also be retained by the EIV user.
4. Each HUD Program Center and Contract Administrator must have at least two staff members with access to the EIV system who can provide other staff members with EIV reports used for monitoring purposes.

**B. Without EIV System Access ROB Requirements**

1. Owner and management agent staff, service bureau staff, HUD staff and CA staff who do not have access to the EIV system but who view or use EIV data/reports provided by authorized EIV Coordinators or EIV Users in order to perform their job functions, must adhere to the EIV ROB posted on the Multifamily EIV website at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/rhiip/eiv/eivapps](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rhiip/eiv/eivapps).

The ROB must be signed and kept on file. Upon request, the signed ROB must be made available to the entity monitoring EIV system compliance.

**NOTE: HUD staff will check the “CA” box at the bottom of the form.**

2. IPAs hired by the owner to perform a financial audit must adhere to the ROB posted on the Multifamily EIV website at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/rulesofbehavior.pdf>.

The ROB must be signed by the IPA and kept on file. Upon request, the signed ROB must be made available to the entity monitoring EIV system compliance.

**Section 5: Penalties for Failure to Have Access to or Failure to Use EIV**

**9-19 Penalties for Failure to Have Access To and/or Failure to Use EIV**

- A. Owners who do not have access to or are not using the EIV system in its entirety:

1. Will receive a finding on the Management and Occupancy Review (MOR) report, if the violation was identified during the MOR. The violation can be identified at times other than at the time of the MOR.
  2. Will incur a penalty of a five percent decrease in the voucher payment for the month following the date the violation was found and each subsequent voucher payment until the violation is cured.
  3. Must make an adjustment on the next scheduled voucher to adjust for the five percent decrease.
  4. Will be monitored by the CA to ensure the adjustment is made.
- B. The owner will have 30 days to cure the violation.
1. The violation will be cured by obtaining access to and/or using the EIV system and the owner will then make an adjustment to the next scheduled voucher to collect the funds previously returned to HUD even if the owner takes longer than 30 days to cure the finding.
  2. If the violation is not cured during the 30 day period, both the owner and the management agent, if applicable, will be flagged in HUD's Active Partners Performance System (APPS). Once the violation is cured, the flag will be removed.
- C. When there is a change in ownership or management at a property, the new owner or management agent must obtain access to and begin using the EIV system within 90 days from the date the owner takes possession of the property or the effective date of the management agreement with the owner. Owners and/or management agents who fail to obtain access and begin using the EIV system within this timeframe may be subject to the penalties described above.

## 9-20 Security Training

- A. EIV users are required to complete online security training annually. To meet this requirement, EIV users must complete the online Cyber-Awareness Challenge (for DoD and Federal Personnel) training program. At the end of the training, EIV users must print and maintain the *Certificate of Completion* provided. The training can be found at <http://iase.disa.mil/eta/index.html#onlinetraining>.

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

- B. EIV users should:
1. 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>,
  2. Review the EIV Security Administration Manual posted at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/securityadminmanual.pdf>
  3. View the Security training provided during the most recent EIV webcast, posted at: <http://portal.hud.gov/hudportal/HUD?src=/webcasts/archives/multifamily>
- C. Owner and management agent staff who do not have access to EIV but who use EIV reports to perform their job function must have security training annually.

## 9-21 Safeguarding EIV Data

### A. Technical Safeguards

1. All individuals who have access to the EIV system must have a valid WASS User ID and password and must use this ID and password for accessing the EIV system. Upon receipt of the assigned WASS User ID, an individual must then apply to be approved for access to the EIV system.
2. To assist in ensuring that only those individuals who have a need to use the EIV system to perform their job function have access to the EIV system, users must be certified to use the system:
  - a. EIV Coordinators are certified at initial access and annually thereafter.
  - b. EIV Users are certified at initial access and bi-annually thereafter.If this certification is not made, the user's EIV access is terminated.
3. A Security Awareness Training Questionnaire, which supplements required annual security training, may be completed at the time of initial access to the system and annually thereafter. The EIV system is designed with the ability to block the entry of those individuals who have not successfully completed the questionnaire (i.e., answered 90 percent of the questions correctly).

### B. Administrative Safeguards

1. Policies and procedures must be established to govern the use of the EIV system. These procedures should address:

- a. Authorized use of the EIV system;
  - b. How to handle security breaches; and
  - c. Destruction of EIV data.
2. EIV manuals and the instructions in this handbook should be reviewed when implementing these administrative safeguards.
  3. Posting of bulletins and flyers can assist in communicating how sensitive EIV data is and how this data should be handled.

### C. 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.

1. Storing and Transmitting of Electronic EIV Data
  - a. 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>.
  - b. 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.

#### 2. 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 owner/management agent. EIV data must not be mailed to Independent Public Auditor offices.

#### 3. 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.

4. 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.

## Section 6: EIV Resources

### 9-22 Resource Materials

This section summarizes some of the resources available to EIV users. Owners should visit the Multifamily EIV website often for updated documents and/or announcements.

- Multifamily EIV website:  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/rhiip/eiv/eivhome](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rhiip/eiv/eivhome)
- EIV Multifamily Help Desk  
Telephone: 1-800-767-7588  
Email: [Mf\\_Eiv@hud.gov](mailto:Mf_Eiv@hud.gov)
- Enterprise Income Verification System User Manual for Multifamily Housing Program Users <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/usermanual.pdf>
- Rental Housing Integrity Improvement Project (RHIP) website:  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/rhiip/mfhrhiip](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rhiip/mfhrhiip)
- 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 webcasts  
<http://portal.hud.gov/portal/page/portal/HUD/webcasts/archives/multifamily>
- EIV training provided to HUD RHIP Help Desk Representatives and Contract Administrators.  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/rhiip/mfhrhiip](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rhiip/mfhrhiip)
- A Guide to Interviewing for Owners of HUD Subsidized Multifamily Housing Projects

---

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

- Rent and Income Determination Quality Control Monitoring Guide for Multifamily Housing Programs  
<http://www.hud.gov/offices/hsg/mfh/rhiip/qcguide.pdf>
- *EIV & You* brochure  
<http://www.hud.gov/offices/hsg/mfh/rhiip/eivbrochure.pdf>
- EIV Multifamily Housing Programs Security Administration Manual  
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm>
- [Mf\\_eiv\\_comments@hud.gov](mailto:Mf_eiv_comments@hud.gov) mailbox to provide suggestions on how to improve the EIV system

---

## Chapter 9 Exhibits

- Exhibit 9-1 Failed EIV Pre-screening Report Error Messages  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-1HSGH.pdf>
- Exhibit 9-2 Failed Verification Report (Failed the SSA Identity Test) Error Messages  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-2HSGH.pdf>
- Exhibit 9-3 EIV Income Report Information  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-3HSGH.pdf>
- Exhibit 9-4 Sample Tenant consent to Disclose EIV Income Information  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-4HSGH.pdf>
- Exhibit 9-5 Use of EIV Reports  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-5HSGH.pdf>
- Exhibit 9-6 National Directory of new Hires (NDNH) Data Elements  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-6HSGH.pdf>
- Exhibit 9-7 How EIV Calculates Income Discrepancies  
<http://portal.hud.gov/hudportal/documents/huddoc?id=43503e9-7HSGH.pdf>