



# RHIP Information Sheet for Property Owners/Management Agents Multifamily Project-based Programs

Office of Multifamily Housing Programs  
U.S. Department of Housing and Urban Development

June 2004

*This Information Sheet provides general information regarding the roles and responsibilities of property owners/management agents in the RHIP initiative. See Multifamily Housing Programs' RHIP website at: [www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm](http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm) for additional information.*

## 1. What is RHIP?

Initiated in 2001, the Rental Housing Integrity Improvement Project (RHIP) is a department-wide secretarial initiative designed to reduce errors in the administration of the U.S. Department of Housing and Urban Development's (HUD's) rental programs. Its overall goal is to ensure that the "right benefits go to the right persons" and to improve the quality and accessibility of subsidized housing for families that need it the most.

## 2. What has the Office of Multifamily Housing Programs done?

HUD's Office of Multifamily Housing Programs has:

- Updated Handbook 4350.3 Rev-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs* so those who use and administer rental assistance have access to current information.
- Issued the "Rent and Income Determination Quality Control Monitoring Guide" to provide technical guidance and tools that will help contract administrators (CAs) improve their monitoring activities and bring about the correction of errors in rent.
- Trained, and continues to train, HUD staff and contract administrators to help them understand how income and rent are determined and how to perform quality control monitoring reviews.

- Developed a RHIP Brochure and information sheets for owners/agents, tenants, contract administrators, and HUD staff. See the RHIP Brochure on Multifamilies Housing Programs' website at: [www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm](http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm)
- Implemented systems and compliance policies to better assure that corrections are made when errors and oversights are discovered.
- Distributed information sheets to property owners and rental assistance contract administrators about the *Automation Rule* to help them understand the requirements for providing current and correct tenant information to the Tenant Rental Assistance Certification System (TRACS).

## 3. To what types of multifamily properties does RHIP apply?

RHIP applies to the following properties:

- Project-based Section 8
- Section 202/8
- Section 202/811 – Project Rental Assistance Contract (PRAC)
- Section 202/162 – Project Assistance Contract (PAC)
- Section 221 (d)(3) Below Market Interest Rate (BMIR)
- Section 236
- Rental Assistance Payments (RAP)
- Rent Supplement

## 4. What is our role in the RHIP initiative?

- Know the rules and regulations governing income and rent calculations.
- Keep a copy of *Handbook 4350.3 Rev-1, "Occupancy Requirements of Subsidized Multifamily Housing Programs"* and other relevant program information for reference. To download or view a copy of the handbook, go to [www.hudclips.org](http://www.hudclips.org).



**RHIP Website**

[www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm](http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm)

- Interview tenants and include all income, exclusions and deductions in calculating rent.
- Admit and provide continued assistance to eligible participants.
- Verify tenant information through third-party sources.
- Conduct certifications and recertifications in a timely manner and submit all tenant certification data to the Tenant Rental Assistance Certification System (TRACS).
- Make appropriate adjustments in TRACS on the monthly voucher submission to correct calculation errors when discrepancies have been identified.
- Cooperate fully in any reviews performed by HUD or contract administrator staff.
- Ensure that staff is trained on income and rent requirements.
- Develop written policies and procedures for onsite staff to ensure compliance with HUD requirements.
- Establish quality control procedures to ensure tenant data in files and HUD systems is correct.
- Maintain complete and comprehensive files on all assisted tenants and secure confidential data.
- Take action against tenants who fail to disclose income and assets and make payments as required.
- Bill and collect all tenant payments due and correct tenant overpayment of rent due to owner or management agent error or omission.

## 5. What is our responsibility for submitting information through TRACS?

You are responsible for submitting accurate data for housing assistance via TRACS, as specified in the Automation Rule. Adherence to this Rule is important because it will enable the Department to substantially reduce the number and amount of rental assistance errors. See 24 CFR 208.108

found on HUDCLIPS at: [www.hudclips.org](http://www.hudclips.org) and/or the Automation Rule Information Sheet found on



Multifamily Housing Programs' RHIP website: <http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm> for more information on compliance requirements.

## 6. Will our contract administrator (CA) conduct some sort of review to ensure that we are in compliance with TRACS reporting and income and rent requirements?

Yes. All projects and contracts are subject to periodic management and occupancy reviews. TRACS information is the centerpiece of the monitoring efforts for onsite reviews of income and rent determinations. A CA will examine TRACS reports for the project and contract(s) to identify specific income-and rent-related issues, particularly income and rent discrepancies in the voucher and certification reports. A CA may base its evaluation of a project on the owners/agents potential for errors in income and rent determinations.

## 7. What are the penalties for non-compliance with TRACS reporting requirements?

Owners/agents with a high noncompliance rate may be subject to suspension—that is, not receive housing assistance payments from HUD, until the number of tenant certifications in TRACS meets an acceptable level to substantiate payment of the suspended vouchers.

## 8. Are owners/agents required to provide tenants with a copy of their 50059 TRACS data?

Yes. Owners/agents are required to provide tenants with a copy of their 50059 TRACS data requirements at move-in, at recertification, and upon request.

## 9. How long are owners/agents required to maintain files on assisted tenants?

Owners must maintain complete and comprehensive files on all assisted families from the time of move-in to move-out, for a minimum of three years thereafter. These files should be kept in a secure area to comply with the privacy act.

## 10. What tools and resources does Multifamily Housing Programs provide for determining

## applicant/tenant income and calculating rent?

The following tools and resources are available to owners/management agents:

- Handbook 4350.3 - Rev.1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*.
- “Handbook 4350.3 Summary for Owners”
- “Handbook 4350.3 Summary for Tenants”
- RHIP Help Desk Representatives, established in each Hub and Program Center, who answer questions related to *Handbook 4350.3 – Rev. 1*.
- Tenant Rental Assistance Certification System (TRACS) reports at: <http://www.hud.gov/offices/hsg/mfh/trx/trxsum.cfm>.
- Tenant Assessment Subsystem (TASS) at: <http://www.hud.gov/offices/reac/products/prodtass.cfm>
- Systematic Alien Verification for Entitlements (SAVE) Program Instruction Manual at: [http://www.hudclips.org/sub\\_nonhud/cgi/pdfforms/43503x2.doc](http://www.hudclips.org/sub_nonhud/cgi/pdfforms/43503x2.doc).

Tools and resources, and a list of names of the RHIP Help Desk Representatives, are available on Multifamily Housing Programs’ RHIP website at: <http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm>.

The information sheets and the brochure can be:

- Used as handouts during trainings, conferences, or meetings to help staff, other owners, agents, and tenants understand their role and responsibilities in the initiative.
- Used as handouts to tenants interested in or applying for housing assistance.
- Distributed to tenants during the admissions process and recertification to emphasize the importance of full income disclosure.
- Distributed to resident advisory boards to heighten awareness of owners’/agents’ intent to collect and verify income and asset information, and take action against tenants who fail to report income and wages.
- Used as a reference for resources materials, and understanding the initiative, HUD program requirements, and your role in improving income integrity.

## 11. How can we use the various information sheets and the brochure to help us meet the RHIP goal?



**RHIP Website**

[www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm](http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm)