



# **EIV MONITORING**

***For HUD and CA Staff***

**Conference Call**

**April 22, 2008**

***Office of Housing Assistance and Grant Administration***



## **Monitoring the use of EIV will be conducted as part of the Management and Occupancy Review (MOR).**

The following training sessions provided instructional material and guidance to set forth HUD's Administrative Requirements to monitor the use of EIV:

- Instructional Course – June 27 and 28, 2007
- Conference Calls – February 7, 2008, March 20, 2008 & April 22, 2008

*(Form HUD-9834, Instructions - Section C, After On-Site Review, The Reviewer will record deficiencies, findings, and corrective actions. Findings must include the condition criteria, cause, effect and required corrective action...The criteria cite the statutory, regulatory or administrative requirements that were not met.)*

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# EIV Use – Not Mandatory

- **EIV Use – Not Mandatory**
  - HUD and CA staff (PBCAs & TCAs) cannot write a Finding relating to use of EIV data when Owner/Agent (O/A) does not have access to EIV.
  - HUD and CA staff (PBCAs and TCAs) can and should write a Finding when the O/A has access to EIV and is not in compliance.



# EIV Use – Not Mandatory Cont'd

- **EIV Use – When Mandatory**
  - The Final Rule will make EIV mandatory for Multifamily Housing O/As six months after the effective date of the Final Rule.
- **Encourage EIV Use**
  - HUD and CA Staff should encourage those O/As who do not have EIV access to sign-up for access and become familiar with the EIV system.

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# BENEFITS OF USING EIV

- Quick and easy verification of SS/SSI benefits and wages, new hires (W-4), and unemployment compensation insurance information for current program participants at recertification.
- Reduces administrative burden and cost of obtaining written 3<sup>rd</sup> party verification.
  - Postage and telephone costs
  - Lack of response from 3<sup>rd</sup> party source
- Reduces ambiguity of written 3<sup>rd</sup> party verification.



# BENEFITS OF USING EIV Cont'd

- Significantly reduces the vulnerability of HUD's rental assistance programs to fraud, waste and abuse.
- Helps in identifying cases of unreported or underreported tenant benefits to help ensure that the right benefits go to the right persons.
- Assists in identifying tenants receiving HUD subsidy under multiple rental housing assistance programs.

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# BENEFITS OF USING EIV Cont'd

- Provides a way of checking whether an applicant already is receiving rental housing assistance from either MF Housing or Public Housing/Housing Choice Voucher programs.
- Provides information concerning tenants with invalid Ids for additional follow up.
- Provides information needed to help determine whether administrative or legal action should be taken against tenants who did not report or underreport their income.



# REVIEW EIV APPROVAL

## **HUD staff/CA review:**

- Coordinator Access Authorization Form(s) (CAAFs), User Access Authorization Form(s) (UAAF).
- Review for proper approval from HUD or Multifamily Help Desk (for CAAF), or EIV Coordinator (for UAAF), authorizing O/A staff access to EIV system for data and reports for those staff that need to know the information for recertification purposes.
- Make sure that owner approval letters have been received and are retained with the CAAF and UAAs.

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# REVIEW EIV APPROVAL Cont'd

- When completing Addendum C, documents to be made available by O/A, of form HUD-9834, HUD and CA staff will need to:
- Check the box next to “Other” and add:
  - EIV Coordinator Access Authorization Form(s) (CAAFs)
  - EIV User Access Authorization Form(s) (UAAFs)
  - EIV Owner Approval Letters



# REVIEW EIV APPROVAL Cont'd

- If HUD staff/CA find that the O/A does not have approved CAAFs or UAAFs on file for staff identified as a user of the EIV system or does not have approval letter from the project owner authorizing the O/A to have access to EIV data on his/her behalf, this should be written up as a Finding and the Housing Assistance Policy Division at HUD Headquarters should be notified for further review and possible removal of EIV access.

(Form HUD-9834, Section E, *Leasing and Occupancy*, sub-section 18, *Tenant File Security*, Question 18.b. *Is access to tenant file information limited to only authorized staff?*, Question 18.c. *Who is authorized to have access to tenant files?*)

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# TENANT CONSENT

- **Tenant Consent Forms – HUD-9887**
  - HUD and CA Staff using EIV reports when preparing for or conducting a MOR must verify that the O/A has a current signed and dated HUD-9887 on file for the tenants whose employment and income they have accessed through the EIV system.
  - Assuring there is a valid HUD-9887 on file is required as a part of the Tenant File Review Worksheet (Addendum A to form HUD-9834).

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# TENANT CONSENT

## **At the time of accessing the EIV system:**

- Contract Administrator Coordinators (CAC) and Contract Administrator Users (CAU) must affirm by checking the appropriate box:

“Contract Administration (including HUD staff) overseeing O/A operations need not have a valid form HUD-9887 in order to view EIV data. However, they must affirm that they will verify that O/As have a valid form HUD-9887 on file when performing monitoring reviews of O/A operations.”

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# TENANT CONSENT Cont'd

## **At the time of accessing the EIV system cont'd:**

- HUD Staff – while they do not check a box to affirm the above statement, as indicated in the statement, they need to verify that a valid HUD-9887 is on file when performing monitoring reviews of O/A operations.



# TENANT CONSENT Cont'd

## Tenant Consent Forms Not In File

- If HUD staff/CA find that the O/A does not have a valid signed and dated HUD-9887 on file for a tenant(s), this should be written up as a Finding.

(Form HUD-9834, Section E, *Leasing and Occupancy*, sub-section 19, *Summary of Tenant File Review*, Question a.ii, *Do the files contain all documentation as required in Handbook 4350.3 REV-1?*)

(See Handbook 4350.3 REV-1, Paragraph 5-15.B. for HUD-9887 requirements)

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# WHEN PREPARING FOR THE MOR

**Use EIV reports to determine if project has:**

- Tenants failing verification
- Excessive income discrepancies
- Deceased tenants reported
- Tenants receiving multiple subsidies

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# WHEN PREPARING FOR THE MOR Cont'd

## **Optional:**

Use data from EIV reports to pre-select tenant files for review



What is HUD staff's/CA's responsibility if O/A does not have access to EIV?

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# O/A DOES NOT HAVE EIV ACCESS

- Encourage O/A to get EIV access
- Review with O/A the type of information he/she can get from EIV

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# O/A DOES NOT HAVE EIV ACCESS Cont'd

## **HUD staff/CA must not:**

- Write-up O/A for not having EIV access
- Provide EIV reports to O/A
- Require O/A to take action based on a report HUD staff/CA obtained from the EIV system

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# O/A DOES NOT HAVE EIV ACCESS Cont'd

## **O/As do not have the authority to:**

- have access to EIV data, or
- use EIV information

until they apply for, receive approval and are given access to the EIV system.



What is HUD staff's/CA's responsibility when O/A has access to EIV and using EIV employment and income at time of recertification?



# O/A HAS EIV ACCESS

## **O/A's Policies and Procedures:**

Determine how the O/A has implemented changes to his/her policies and procedures for recertifying tenants using EIV employment and income data.

- Change in written policies and procedures?
- Training?



# O/A HAS EIV ACCESS Cont'd

## **O/A's Policies and Procedures cont'd:**

If HUD staff/CA find that the O/A who is using EIV has not implemented changes to his/her policies and procedures to incorporate use of the EIV data, this should be noted in Section G, *General Management Practices*, Question c, *How does the owner/agent implement HUD changes to policies and procedures?* of the MOR form HUD-9834.



# O/A HAS EIV ACCESS Cont'd

## **Recertification – HUD staff/CA must determine:**

- There is a valid signed and dated HUD-9887 form
- Income is verified
- Income and rent is calculated correctly
- Income discrepancies are resolved
- O/A has entered into repayment agreements with tenant(s) when applicable
- Terminated assistance or tenancy, when applicable

(See Handbook 4350.3 REV-1, Chapters 5 and 8 covering the above requirements.)

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# O/A HAS EIV ACCESS Cont'd

HUD staff/CA must write up applicable findings when it is determined the O/A is not verifying income, determining rents and resolving income discrepancies.

(Form HUD-9834, Addendum A, *Tenant File Review Worksheet*, and Section E, *Leasing and Occupancy*, sub-section 19, *Summary of Tenant File Review*, Question d, *Certification/Recertification Activities*)

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# TENANT FILES SHOULD CONTAIN:

- Applicable EIV reports and supporting documentation
- Documentation to support EIV discrepancy resolution

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# TENANT FILES SHOULD CONTAIN Cont'd:

**Recommend that O/As select the “ALL” feature when printing the Income Report for a tenant to print:**

- Summary Report (tenant/household members)
- Income Report
- Discrepancy Report (if no discrepancy this will be indicated on the report)

These reports should be retained in the tenant's file.

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# RECORD RETENTION

- Social security benefit reports – term of tenancy plus 3 years
- New hires (W-4), wage, unemployment compensation – 2 years
- Tenant has both social security benefits and employment or wage information – 2 years



# RECORD RETENTION Cont'd

Recommend O/A document the tenant file when data that was used for verification purposes is destroyed.



# RECORD RETENTION Cont'd

HUD staff/CA should write up a Finding if O/A is not following HUD's record retention requirements.

(Form HUD-9834, Section E, *Leasing and Occupancy*, sub-section 18, *Tenant File Security*, Question d, *Is the owner/agent maintaining tenant files according to HUD's document retention requirement?* And Question e, *Is the owner/agent properly disposing of tenant records (shred, burn, pulverize, etc.)?*)

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# SECURITY OF EIV DATA

## **FILES CONTAINING EIV REPORTS:**

- Information covered by the Privacy Act
- Security measures should already be in place to protect access to the tenant files limiting/restricting access to authorized staff only

(Form HUD-9834, Section E, *Leasing and Occupancy*, Question 18.a, *Are the files locked and secured in a confidential manner?* And Question 18.c, *Is access to tenant file information limited to only authorized staff?*)

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# EIV DATA DISCLOSED IS FOR OFFICIAL USE ONLY

**HUD has authorization to disclose EIV data to:**

- O/A – recertification
- CA – monitoring
- HUD Staff – monitoring
- Office of Inspector General - investigation

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# OFFICIAL USE DOES NOT INCLUDE DISCLOSING DATA TO OTHER AGENCIES

## **EIV data cannot be:**

- Used to certify/recertify tenants under the Low Income Housing Tax Credit (LIHTC) program
- Disclosed to State agency staff monitoring the LIHTC program
- Disclosed to Rural Housing Services (RHS) staff monitoring the Section 515 program

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# QUESTIONS ???????

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