

# \*\*\* Practical Points \*\*\*

June 2010

From

## PMCS-ICAP

& PAWA House Service Bureau

Services and Solutions for Properties of All Sizes

### 2010 HUD Income Limits Have Been Released

HUD has published the 2010 Income Limits for Multifamily Housing, effective May 14, 2010.

Click: <http://www2.huduser.org/portal/datasets/il/il10/index.html> to find them. You can click on **FY 2010 Income Limits Documentation** on the top of the page, then click on the link to find your county, and print your Income Limits in a new, larger format. Or, click on links at the bottom of the page to find the familiar format for Income Limits for your state or for the entire country.

In a May 17, 2010 Federal Register Notice, HUD announced that, effective with the 2010 income limits, new regulations have replaced its Hold-Harmless Policy. Now, Section 8 income limits are allowed to decrease, but no more than 5 percent annually. And, annual income limit increases cannot be more than 5% OR twice the change in the national Median Family Income (MFI), whichever is greater.

Change in Income Limit	Maximum Change	Calculation Examples for XYZ County
Decrease	5%	2009 Very Low Income Limit was \$20,000 There is a decrease for 2010 $5\% \times \$20,000 = \$1,000$ $\$20,000 - \$1,000 = \$19,000$ <b>2010 Very Low Income Limit is \$19,000</b>
Increase	5% or 2x National MFI	2009 Very Low Income Limit was \$20,000 There is an increase for 2010 $5\% \times \$20,000 = \$1,000$ $\$20,000 + \$1,000 = \$21,000$ <b>HOWEVER</b> 2010 National MFI has increased by \$600 $\$600 \times 2 = \$1,200$ $\$20,000 + \$1,200 = \$21,200$ $\$21,200$ is more than \$21,000 <b>2010 Very Low Income Limit is \$21,200</b>

If you'd like to read the Federal Register Notices about the Hold-Harmless policy and why it has ended, click on this link: <http://www2.huduser.org/portal/datasets/il.html>.

### Final Rule SSN Documentation - Update

The EIV Summary Report for each household is required to be printed, to document that SSNs have been validated for all household members. **TIP:** You don't have to enter each tenant's SSN to do this! Simply pull

up the Income Report as you normally do each month. From the Income Summary, click on a SSN to find the Summary Report to print. This is a one-time requirement, and must be kept in the tenant file.

In a conversation with Michael Sharkey (HUD Policy) on May 26, PMCS Associate Director Bonnie Wilpon confirmed that [sites are NOT required to destroy copies of tenants' Social Security cards](#). Michael explained that the EIV Summary is considered a more reliable verification of SSN, since it cannot be forged.

For this reason, and to limit the number of documents in tenant files that contain the full SSN, the Final Rule says sites “should” destroy the copy of the SSN card upon printing the Summary. However, Michael emphasized that, while HUD encourages this, HUD does not require it, and CAs cannot give MOR Findings for retaining a copy of the SS card in the tenant file.

## Diane Hooten Retires from HUD

Diane Hooten, Housing Project Manager, Housing Assistance and Grant Administration, retired from HUD on Friday, May 28<sup>th</sup>. Based in the Des Moines, IA HUD Office, Diane has been a key resource for HUD Headquarters Policy during the last few years. You may remember seeing her as part of HUD’s presentation panel on EIV and Final Rule Webcast trainings.

Her in-depth knowledge of the 4530.3 and responsiveness to industry questions made her a touchstone, and she will be greatly missed. When PMCS wished her a Happy Retirement, Diane responded, “Thank you. I am looking forward to doing some fun things in retirement but am going to miss all of the great people I have worked with over the years.”

## Apply for Grant Funds to Transform Your Community

If your property is in an area of poverty, extremely low income, high unit vacancy, high crime and poor neighborhood school systems, you are eligible to apply for grant funds. \$65 million dollars will be distributed to help improve affordable housing projects like yours, through rehabilitation or reconstruction, as well as building the community as a whole by improving the surrounding facilities and services.

Visit [www.grants.gov](http://www.grants.gov) to apply. The five-step process can take up to a month to complete and you need to be sure you have an active DUNS (Dun and Bradstreet Universal Numbering System) number for your project. Applications will be due 60 days from the release of the first NOFA (Notice of Funds Availability) in summer 2010. From there, 10 finalists will be required to provide a more detailed application.

Have you ever dreamed of a cleaner, safer project for your tenants and staff? This could be your opportunity to contribute to the restructuring of your local community, to create better lives and better opportunities for your tenants, and all local residents! Recipients of the grant funds will be required to work with local organizations, including schools and housing agencies, to strengthen and build a quality, sustainable community.

Find more information here: <http://www.hud.gov/offices/pih/programs/ph/cn/>

## Tips, Clips & Quips

### TIPS

**Question:** I’m confused – what’s the difference between TRACS and EIV? **Sarah, NJ**

**Answer:** TRACS (Tenant Rental Assistance Certification System) is HUD's electronic system for sending your tenant certifications and vouchers to HUD. These items are transmitted, from your computer to your CA or to HUD, using a protocol called iMAX (Integrated Multifamily Access Exchange). You can see the certs and vouchers that have been transmitted by going to the TRACS section of HUD's Secure Systems, online.

EIV (Enterprise Income Verification) is a different one of the systems within HUD's online Secure Systems. HUD requires sites to use that system to obtain income verification information (Social Security, wages and unemployment) for recerts, as well as to follow up on items in eight other reports, such as income discrepancies, tenants who appear to live in more than one assisted site, etc.

**Question:** Should we include food stamps as a form of income on the recertification paperwork? **Melissa, TN**

**Answer:** Food stamps do not count as income. You can find this in Section [5-6(R).2].

**Question:** I'm working on revising my Tenant Selection Plan. What EIV items need to be included? **Margie, TX**

**Answer:** Since the Tenant Selection Plan deals with applicants, only the use of EIV's Existing Tenant Search is required to be included in your TSP. This report checks to see whether any household member is currently living in another Public & Indian Housing or Multifamily site, so you can coordinate the Move-Out/Move-In dates with the current property. HUD requires that this report be run for each person in the applicant household before you offer the family a unit. And, you must keep the Existing Tenant Search as part of the family's permanent Move-In packet in the tenant file.

Have a question that you'd like answered in this column? Email us at [Solutions@pmcs-icap.com](mailto:Solutions@pmcs-icap.com) with Practical Points Question on the subject line, or fax to 315-451-2456.

## QUIPS

"I believe in an open mind, but not so open your brains fall out."  
-- Arthur Hays Sulzberger

"A small body of determined spirits fired by an unquenchable faith in their mission can alter the course of history."  
-- Mohandas Gandhi

"If a June night could talk, it would probably boast it invented romance."  
-- Bern Williams

**Featured Service:  
Secure Systems and EIV Registration & Consulting**

**When it comes to Secure Systems, could you use some help:  
Registering new staff members?**

## Assigning new properties to your M-ID? Running EIV Reports?

With all the new HUD requirements and changes, it's tough finding time to handle Secure Systems and its multiple sub-systems. From registration to complete set-up, PMCS is here for you! We offer a variety of services that will help save you time, such as:

- Customized consulting: Ask questions or share your issues and we'll provide the help you need.
- Let us complete your registration process for both Secure Systems *and* EIV.
- We can run all of your EIV reports on a monthly basis and email them to you or your staff.

Your order form is attached - contact PMCS at Solutions@pmcs-icap.com, 800-245-7627, or visit <http://www.pmcs-icap.com/pmcs-icap-tenant-selection-plans.html>. We'll be happy to discuss your specific needs, and provide a customized proposal.

Our goal is to keep you compliant by providing high quality services at affordable prices! Check out our services on the web at [www.pmcs-icap.com](http://www.pmcs-icap.com). We can now accept your credit card payments via PayPal, so using our services is easier than ever before!

### Upcoming Trainings

#### Highlights from Our Upcoming 2010 Telephone Seminars

##### **Management and Occupancy Reviews (MORs)**

What will be reviewed and how can you prepare?  
We'll provide tips to pass with flying colors...and less stress!

Wednesday, June 16, 11:00 AM - 12:30 PM EST

##### **Advanced EIV**

You know the basics – now, how do you handle difficult situations?  
We're including case studies, *your* questions & situations, and practical uses of EIV reports!

Wednesday, July 7, 3:00 PM - 4:30 PM EST

##### **Final Rule/TRACS ROB Update**

Learn about changes in SSN and EIV requirements in the 4/14/2010 HUD Notice 10-08  
You'll also find out how to comply with the new Rules of Behavior (ROB) and TRACS Security Test.

Thursday, July 8, 11:00 AM - 12:30 PM

**Save Money – Save Time – Go **Green** with our Audio Seminars**

#### Where you can find us:

##### Conferences:

##### **Real Page Conference**

Sunday, July 25 – Tuesday, July 27  
Las Vegas, NV

**NJ Governor's Conference**  
Tuesday, September 28 – Wednesday, September 29  
**Atlantic City, NJ**

**PennDel AHMA Fall Management Conference & Expo**  
Wednesday, October 13 – Thursday, October 14  
**Lancaster, PA**

**NEAHMA Conference & Trade Show**  
Thursday, October 28  
**Norwood, MA**

**Tell us what you'd like to see!**

We welcome your ideas for new class topics (or old topics you'd like to see again)! Have you looked for training on a topic... and didn't find it? Have you taken trainings with others that were on the wrong level - not basic enough, or not advanced enough? Send your suggestions to Matt Simon at [solutions@pmcs-icap.com](mailto:solutions@pmcs-icap.com) or call 1-800-245-7627 x1535. Our Spring/Summer 2010 Telephone Seminar schedule is available online at [www.pmcs-icap.com/pmcs-icap-events.html](http://www.pmcs-icap.com/pmcs-icap-events.html).

**Private Classes for Associations, Management Companies and Contract Administrators**

We provide high-quality training for your members and staff. Any of our live or telephone classes can be customized to meet your specific needs. If you have a Conference or Educational Series coming up within the next year, consider bringing us in to conduct a full-day, half-day or 1-2 hour workshop session.

**Questions about phone trainings?**

Contact: Michelle Cimino at 800-245-7627 x1520 to request a schedule and registration form for Telephone Seminars, or email [solutions@pmcs-icap.com](mailto:solutions@pmcs-icap.com).

**For Further Information, Please Contact Us:**

**Telephone:** 1-800-245-PMCS (7627)

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**Solutions You Can Count On**