

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

February 2011

From

## PMCS-ICAP

& PAWA House Service Bureau

Services and Solutions for Properties of All Sizes

### DUNS & CCR Registration Reminder

As a reminder, Section 8 and PRAC (Project Rental Assistance Contract) properties are required to register with the Central Contractor Registry (CCR) in order to continue receiving assistance payments. Prior to registering with the CCR, owners will need to obtain a DUNS number (Data Universal Numbering System), a unique nine digit identification number provided for each physical location of your business. The registration process must be completed by March 4, 2011 to ensure that your property(ies) continue receiving subsidy payments.

For more information, please review HUD Notice H 2011-01 found here:

<http://portal.hud.gov/hudportal/documents/huddoc?id=11-01HSGN.PDF>.

Corresponding attachment: <http://portal.hud.gov/hudportal/documents/huddoc?id=11-01hsgnatch.pdf>

### HUD's New One-Stop Resource Page for Multifamily Online Systems

We often hear from our clients that keeping track of all the HUD online news, changes in requirements, systems passwords, maintenance and reauthorization requirements is confusing. AAHSA (Association of Affordable Housing and Services for the Aging) strongly recommended that HUD create a single-site information resource for multifamily owners and managers to refer to. AAHSA staff, working with HUD's program level and webpage managers in November, convinced HUD to accept the challenge!

On February 1, 2011 a redesigned webpage was launched, providing a consolidated reference place for the multifamily online systems registrations and user maintenance requirements we have to use. It has links for more information on each system (i.e. User Guides), details of password maintenance/reset timeframes, certification/recertification and training requirements, and (on the right) links to related information like mandatory registration with DUNS and CCR.

HUD is open to further recommendations to improve the page as needed. Check out the site at:

<http://www.hud.gov/offices/hsg/mfh/fhaosmf.cfm>

### HUD Proposed Rule would Protect Applicants from Discrimination Based on Sexual Orientation or Gender Identity

In a January 20<sup>th</sup> news release, HUD Secretary Sean Donovan calls these protections a "fundamental issue of fairness" and goes on to say, "With this proposed rule, we will make clear that a person's eligibility for federal housing programs is, and should be, based on their need and not on their sexual orientation or gender identity." HUD is currently conducting the first-ever national study of housing discrimination against members of the LGBT community.

This rule would clarify that all eligible families, regardless of marital status, sexual orientation, or gender identity will be able to participate in HUD's programs. Otherwise-eligible applicants and tenants could not be

excluded from any programs simply because one or more family members may be (or is perceived to be) an LGBT (lesbian, gay, bi-sexual or trans-gender) individual, or have an LGBT relationship.

The rule would prohibit owners and managers of HUD-assisted housing (and of housing whose financing is insured by HUD) from inquiring about the sexual orientation or gender identity of an applicant or a tenant. The Federal Register (1/24/11) requests public comment – comments are due no later than March 25, 2011.

Read the news release here:

[http://portal.hud.gov/hudportal/HUD?src=/press/press\\_releases\\_media\\_advisories/2011/HUDNo.11-006](http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2011/HUDNo.11-006)

See the proposed rule in the Federal Register here:

<http://portal.hud.gov/hudportal/documents/huddoc?id=LGBTPR.PDF>

## New Section 8 Fact Sheet Released

The Section 8 “How Your Rent is Determined” Fact Sheet has been revised. The new version, dated September 2010, is the one that should be used; you’ll want to destroy any old ones (dated July 2007) that you still have in your office. The major change is that the following income is no longer excluded: “Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs.”

None of the other Fact Sheets have been revised – just the Fact Sheet for Section 8. The “How Your Rent is Determined” Fact Sheet, specific to your subsidy type, outlines the calculations used to establish a tenant’s rent. It is required to be distributed to the tenant, then signed and dated at annual recertification.

A .pdf copy can be found here: [http://www.hud.gov/offices/hsg/mfh/gendocs/facts\\_sec8.pdf](http://www.hud.gov/offices/hsg/mfh/gendocs/facts_sec8.pdf).

## MORs & EIV – What You Need to Know

How will EIV affect your upcoming Management and Occupancy Review (MOR)? Until Form HUD-9834 has been revised and approved by the Office of Management and Budget (OMB), HUD has clarified which EIV findings will affect your MOR score:

1. Category A – Findings that could affect the MOR overall score.
2. Category B – Findings that *will not* affect the MOR overall score.

**Note:** Your Contract Administrator/HUD will need to provide a Condition, Criteria, Cause, Effect, Required Corrective Action and a Target Completion Date (TCD). You will be required to respond to each finding.

### Category A Findings

These findings are associated with EIV and exist under current occupancy requirements listed on Form HUD-9834.

- Your written EIV Policies and Procedures are not up-to-date
- The use of the Existing Tenant Report has not been added to your Tenant Selection Plan
- You are not using the Existing Tenant Search Report
- There are unresolved Failed Verification and Failed EIV Pre-Screening Reports
- You are not following HUD’s record retention requirements
- There are missing/incomplete HUD-9887 Forms

### Category B Findings

These EIV issues will be listed as findings on the MOR Report, but will NOT affect your overall score.

- You do not have access to EIV
- You did not begin using EIV for recertifications on June 1, 2010
- EIV Documents are missing or incomplete
- There are no signed Rules of Behavior for non-system users
- Sharing of EIV data with unauthorized persons or organizations
- Tenant Files do not contain:
  - EIV Income Reports as third party verification
  - Documented resolutions to EIV Income Discrepancies
- The following reports are not being reviewed and resolved:
  - New Hires Report
  - Deceased Tenant Report
  - Multiple Subsidy Report
- You're not providing your tenants with the EIV & You brochure at Move-In and Annual Recertification

Still have questions? Give us a call! PMCS is your EIV solutions headquarters. From EIV consulting to our EIV telephone seminars and live classes, we have you covered. Stop by [www.pmcs-icap.com](http://www.pmcs-icap.com) or call 315-451-2423 for more information on the EIV solutions we can provide to you!

## 2010 Holiday Letter Drawing

Thank you to all of you who responded to our Holiday Letter contact information contest! We are so happy to have received so many contact information forms to help keep our records current. The information you provided is so important in keeping our lines of communication open. Due to the impressive response, we decided to draw an additional winner! All 4 winners will receive a \$100.00 Visa gift card!

### Our 2010 Holiday Letter Drawing Winners are:

- **Sharon Johnson – Unico Village, PA**
- **Keith Miller – Johnson City Elderly, NY**
- **Donna Baratta – Siloam Homes, NJ**
- **Diane McArthur – Adelaide Walters Apartments, NC**

If you would like to receive our Holiday Letter, drop by our website, sign up to receive *this* newsletter (if you don't already), and take a look around – we'd love to hear from you! [www.pmcs-icap.com](http://www.pmcs-icap.com)

## Tips, Clips & Quips

### TIPS

**Question:** All our sites are for the elderly. We have "old" Section 202 projects, Section 208/8 Projects, PRACS, and 236/8 projects. It is not uncommon these days to find grandparents having to raise their grandchildren because the parents are incapable or unable. So, are grandparents allowed to have their grandchildren live with them in projects for the elderly, or must they leave and seek housing elsewhere?  
**Carmen, CA**

**Answer:** HUD's qualification for moving into "Elderly properties" is that the Head, Spouse or Co-Head must be 62+ (and, in some sites, tenants can be younger if they are disabled). There is no prohibition against younger people moving in with the qualified individual. And, HUD does not allow discrimination based on familial

relationships. So there is nothing that prevents a grandchild from moving into a HUD property for people who are elderly – there’s nothing anywhere that restricts a household member from being under 62 (or under 18, for that matter!).

**Question:** Medical expenses: Should shipping and handling charges from a mail order place be included in the medical expense? Also what about the sales tax on prescriptions or OTC meds? **Shirley, OH**

**Answer:** The 4350.3 instructs us to count, as expenses, “out of pocket” medical costs for all allowable pharmaceuticals. And, since shipping & handling and sales taxes are part of the out of pocket costs, they should be counted – even though the 4350.3 does not explicitly mention them. It is possible that an MOR reviewer might disallow these costs since the Handbook doesn’t address them; however I would respectfully ask that reviewer to document a citation excluding those particular tenant-paid items.

**Question:** In EIV Training, it was mentioned that the SSA Disability Status on the EIV Income Report cannot be used as verification of disability. Why not? What exactly does this mean? Where is that written formally so I can tell my boss this? **Lynne, FL**

**Answer:** The bottom section of the EIV Income Report notes whether a tenant has been determined to be Disabled by Social Security or not. Page 24 of HUD Notice H2010-10 says, *The SSA Disability Status is not always accurate, therefore, it must not be used for determining an applicant’s or tenant’s eligibility as disabled for a HUD program or for receiving the elderly/disabled household allowance.*

For projects that use Definition E for Persons with Disabilities (Section 8 New Construction, Sub Rehab, PDSA and State Agency; RHS 515/8 and 231/8), verified SSD benefit income is adequate verification of disability status. {4350.3, 3-28 (B)}. This verification can be in the form of undisputed income listed on the EIV Income Report, or via standard verification from Social Security if EIV data is unavailable.

**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.

## CLIPS

All archived HUD webcasts can now be found here:

<http://portal.hud.gov/portal/page/portal/HUD/press/multimedia/videos>.

## QUIPS

“I submit to you that if a man hasn't discovered something that he will die for, he isn't fit to live.”

-- Dr. Martin Luther King, Jr.

## 2011 PMCS Telephone Seminars

**Our 2011 Telephone Seminars are now in full swing.  
Join our growing list of participants and see what they’re all about!**

**\*The ALL NEW 2011 Telephone Seminar schedule and registration form is attached to this newsletter\***

### **Basics/Validate Your Procedures:**

New to the industry or just want to confirm your current practices are really compliant with current HUD regulations?

Do you know the ‘WHY’ behind what you do at the site?

Build your confidence and share your experiences during these classes.

Certs and Vouchers • Verifying Income, Assets & Expenses  
Tenant Files • Secure Systems • TRACS/iMAX • Waiting Lists

**Enterprise Income Verification (EIV):**

Why try to cram everything about EIV into one class? EIV is *extensive*.  
Want to fulfill your annual security training requirement – look no further!  
Make sure you are compliant with all EIV requirements for that upcoming MOR!

- EIV – What’s It All About? • Requirements & Responsibilities for EIV Coordinators •
- Understanding All 10 EIV Reports • Dealing with Income Discrepancies Using Case Studies •
  - EIV Affects it All – Using EIV During Tenant Interviews •
  - Bringing EIV Together – Q & A, Discussion, Tips & Updates •

**Register for one class or take all 12, it’s up to you! Classes are still only \$99.00, and if you register for 6 or more, they are only \$89.00 each! You’ll receive a certificate of completion for *each* class you take!**

**Save Money – Save Time  
With PMCS Telephone Seminars**

**Go Green!  
Add your notes and save them electronically!  
Materials are emailed in Word – no need to print!**

**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? Send your suggestions to [solutions@pmcs-icap.com](mailto:solutions@pmcs-icap.com) or call 315-451-2423. Our 2011 Telephone Seminar schedule is available online at <http://www.pmcs-icap.com/pmcs-icap-customized-training.html>.

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

We provide high-quality training for 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 PMCS in to conduct a full-day, half-day or 1-2 hour workshop session.

**Questions about phone trainings?**

Contact: [solutions@pmcs-icap.com](mailto:solutions@pmcs-icap.com) to request a schedule and registration form for our 2011 Telephone Seminars.

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

**Solutions You Can Count On**

**Telephone:** 315-451-2423

**Web:** [www.pmcs-icap.com](http://www.pmcs-icap.com)

**E-mail:** [Solutions@pmcs-icap.com](mailto:Solutions@pmcs-icap.com)

**Main Office:** 829 West Genesee Street, Syracuse, New York 13204