

Practical Points

April 2012

From

PMCS-ICAP

Services and Solutions for Properties of All Sizes

April is "Fair Housing Month"

April 2012 marks the 44th anniversary of the 1968 landmark Fair Housing Act. April is designated to remind us all that federal and local laws prohibit discrimination in the sale, rental and financing of dwellings, and in other housing-related transactions, based on race, color, sex, familial status, religion, handicap, disability, sexual orientation, gender identity, marital status, or national origin.

"Best Practices" Tip: This is the time to review your current Affirmative Fair Housing Marketing Plan. Your Plan is valid for a period of five years after approval - however, it is highly recommended that you review yearly. If your Plan is to be updated in the near future, it is prudent to look at the new form HUD-935.2A (2/2011). It is longer and more detailed than the old form, and some research will be needed to fill in the blanks.

We have just completed our first telephone seminar on the Affirmative Fair Housing Marketing Plan, and the class was well received. Many find it helpful if they are visual learners to walk through the process with others. You are welcome to join us for our next class. We will do our best to keep things simple and easy to understand.

PBCA Update

We want to keep you updated on the status of the PBCA awards in the 42 previously contested states and territories. The latest information:

<u>Timeline:</u>	NOFA (Notice of Funds Availability) Published	March 9
	Application Deadline	June 11
	Award Announcements	August 31
	Transition Period	September 1–November 30
	New PBCA Contracts Begin	December 1

Major Highlights:

(1) No MORs during the 2-year contract for sites that got an Above Average or Superior rating the last time – with the exception of full mark-to-market renewal contracts, which will have an MOR each year. For Satisfactory ratings, ½ of the properties will have an MOR during the 1st year, and the other ½ will have an MOR during the second year. For projects that had a Below Average or Unsatisfactory Rating, MORs will be done annually.

(2) There is now no limitation on the number of units a multi-state PBCA/contractor can apply for.

(3) Awards will go to the applicant with the most points. If there's a tie, it will go to the one with the highest rating on Factor 5. If there is still a tie, it will go to the one with the highest rating on Factor 1. If there is still a tie, it will go to the one with the lowest fee.

a. Maximum is a 2% fee (reduced from 2.5%). A fee of 2% gets 1 point; a fee of 1% or less gets 30 points.

- b. Rating Factors are: (1) Capability, (2) Technical Approach, (3) Quality Control Plan, (4) Affirmatively Furthering Fair Housing, (5) Job Creation and (6) Administrative Fee Percent. Applicants must score at least 45 of 70 points in sub-factors for capability, soundness of approach and policy priorities to qualify for an award.
- c. TEP (Technical Evaluation Panel) teams will have 3 people each, and they'll individually evaluate/assign points to each of the Rating Factors. Then they'll compare their evaluations and points, reconcile differences, and get to a final evaluation and final total points. The teams are made up of HUD CAOMs (CA Oversight Managers), Supervisory Project Managers and Project Managers.
- d. HUD will only consider out-of-state applicants when they don't get an application from a qualified in-state applicant. Getting an application from an in-state applicant will result in the rejection of all out-of-state applicants.

Click here for all the details. In particular, you might want to check out the 25-page [Highlights of PBCA NOFA & ACC for NOFA](#) (2012 Changes, Deletions, and Additions) and the 2-page [Updated PBCA NOFA & ACC Q&A Summary](#) documents.

http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rfp/NOFA

Annual Financial Statement Submission Update

This is a reminder that the annual electronic financial statement submissions were due by 3/31/2012 for all owners who have a year end of 12/31/2011. HUD thanks all owners who already submitted theirs, and encourages the rest to submit their annual financial statements as soon as possible.

HQ has advised us that as of last week, only 1/3 of those due have been electronically filed with HUD.

You can check new postings at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/reac/products/prodmf

EIV Update

In the April update of EIV's online system, HUD Policy staffer Michael Sharkey noted that there are six areas that have been addressed:

- (1) The Java error we see relative to dual entitlement will be fixed.
- (2) When Coordinators reauthorize Users, they'll just approve the UAAF. The extra step of certifying the User for specific properties will be removed.
- (3) There will be more information provided for tenants who are active in TRACS but have no EIV data. The Identity Verification Screen (Income Summary) will show a code 6,7 or 0 to indicate things like Verification in Process (identifiers were sent to SSA but they haven't been verified yet) and other information. So every tenant should either have an Income Report, show up on a No Income Report, or be Not Verified with a reason why not.
- (4) Printer Friendly option for Existing Tenant Search wasn't working and will be fixed.
- (5) There's an inconsistency relative to rounding on income (between pulling the Income Report from the tab in the tenant record, vs. pulling it from the Printer Friendly area in Income Reports). This will be made consistent.
- (6) Deceased Tenant Report: the month option has been removed, so it will always print for All Tenants.

In a March 30, 2012 email to industry trainers, Mr. Sharkey also clarified how to handle Required Minimum Distributions for elderly tenants: "RMD withdrawals are to be included in annual income as required by 24

CFR 5.609(b)(4) even if taken annually (they are considered to be periodic withdrawals). When this income is put into an asset account, the amount of the asset is to be calculated as usual for the appropriate certification. The scenario is similar to a paycheck being deposited into a savings account; both are counted.”

Since the household has begun taking periodic withdrawals from this asset, the balance of the retirement account asset no longer counts.

REAC Tip of the Month

Are you storing your flammable materials properly? It is important to remember to look at every possible situation that could possibly exist on your property, including inside apartments.

Inspectors will look at flammable materials that are still in their original containers, such as (but not limited to): hair spray, other aerosol cans, fingernail polish remover, butane and charcoal lighter fluids, and paint thinner. If these items are stored in safe places - such as under kitchen sinks or in hall closets, an inspector should not record them as being improperly stored.

However, if any of the above items are in close proximity to open flames or heat sources such as gas hot water heaters, gas HVAC units or electric heaters, it will be recorded as improperly stored. Any combustible items such as paper, plastics, boxes or clothes that are kept close to any open flame or heat source are considered to be improperly stored.

TIP: During inspections, note if items such as plastic dishes, paper plates, paper napkins, foil on the burner plates, PAM or other aerosol cans are left on the range or in the oven. These are definite hazards.

Gasoline fueled equipment with gas in the tank, such as lawn mowers, weed eaters and motorcycles, should not be stored in a unit or in a residential building’s basement that is not designed for such storage. (Yes, tell that resident that a motorcycle cannot be kept inside the apartment for “safe-keeping”.) Gasoline, propane and kerosene can be allowed in a residential unit only if it is accessible from outside - not from inside the apartment.

Propane tanks or gas powered equipment stored outside of a building, but in close proximity to a building should not be recorded as improperly stored flammable materials. As you look at your property, look at it with the “eyes of safety” in mind. If you think there could a problem, then there will be.

The Maze of Acronyms

This month, “Back to the Basics”

4350.3 - HUD Occupancy and Eligibility Handbook: This handbook “describes occupancy-related program requirements and the responsibilities of HUD, Contract Administrators, property owners, property managers, and tenants.”

50059 - Owner’s Certification of Compliance with HUD’s Tenant Eligibility and Rent Procedures: This form serves as a contract between the resident, management and HUD. It shows the amount the tenant will pay for rent, as well as the amount of assistance that HUD will contribute. The information is collected to determine an applicant's eligibility, unit size, and the amount the tenant(s) must pay toward rent and utilities.

TRACS 202D Update

TRACS 202D has been delayed. The new timetable:

Vendor Testing

December 2012 – February 2013

Go Live Date
Must Use By Date

March 1, 2013
September 1, 2013 for the October 2013 voucher

NAHMA Art Poster Contest 2013 for Calendar

This is a wonderful project to get your community actively involved in. NAHMA (National Affordable Housing Management Association) is kicking off its annual art/calendar contest for the year 2013 with the theme, **The Next Step is Yours: “Let’s Take Care of Our World”**. “The underlying message for the contest will continue to have a drug-free theme but we also wanted to open the door for more avenues of expression”, explains NAHMA.

They are anticipating more than 5,000 children, elderly/disabled and special needs residents to participate in this year’s contest. Now is the time to start encouraging your residents to participate. All entries must be in NAHMA’s office by June 11, 2012. More information about guidelines can be found at:
<http://www.nahma.org/content/calendar2008.htm>

Compliance Q & A

Question: If you offer a resident an apartment and they are not able to move in until the first of the month, but you have someone on the wait list that is able to move-in now, which one does the apartment go to?? Joy in Texas

Answer: You must always offer the unit to the person at the top of the list (unless you are skipping due to Income Targeting, as described in your Tenant Selection Plan). What was your unit offer? If your unit offer was to move in on the 15th, and the applicant refuses, your Tenant Selection Plan indicates whether the household keeps its place on the list, goes to the bottom of the list or is removed from the list. If the applicant refuses the offer, then you can offer the unit to the next person on the list.

Question: I have a resident who receives Social Security and has Medicare deducted from her check. She also works and has Medicare taken out of her paycheck. Does she get both deductions as medical expense? Sue in Texas

Answer: “Medicare” can include several things these days, including basic coverage, supplements and Part D prescription drug coverage. Any medical insurance, Medicare or otherwise, is a medical expense when it’s paid out of pocket by the household, and the household is eligible for medical deductions (head/spouse/co-head 62+ or handicapped/disabled). So, in this case, all Medicare deductions are medical expenses.

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

General Consulting

“Enjoy Peace of Mind”

Have you ever just needed a quick answer to that unsolvable HUD Compliance question?
Have you ever wondered if you were fully compliant with HUD regulations?
Does your head spin with every HUD change?

If any of these scenarios hit home, you may be interested in PMCS’ General Consulting Agreement Option. A General Consulting Agreement with PMCS offers you professional guidance often needed in the ever changing world of HUD Compliance!

With a General Consulting Agreement in place, you or designated member(s) of your staff may contact us for assistance with HUD Compliance issues as they arise. We are available for quick questions or scheduled consulting and training sessions. Each consulting session will be customized to meet your specific needs. Obtain assistance with areas such as: EIV income discrepancies, EIV reports, Special Claims, Tenant Repayment agreements, voucher transmissions, FASS, Fair Housing, MOR preparation or review and many other HUD compliance topics.

For more information on our General Consulting Agreement Option, please call PMCS at 315-451-2423 or email solutions@PMCS-ICAP.com

2012 PMCS Telephone Seminars

Train with Jeanette Claus, Bonnie Wilpon and Michael Alexander

Telephone Seminar Topics Include:

- EIV • AFHMPs • Bed Bugs • Crisis Management • LEP & SAVE System
- Fair Housing • MOR Preparation • Resident Relations • General Occupancy

Class schedules and registration forms are available on our website at www.pmcs-icap.com
(Direct link to our class registration form at www.pmcs-icap.com/telephone_schedule.html)

Classes are still only \$99.00 each – and if you register for 6 or more together, they're only \$89.00 each!

Industry Organizations: Where We'll Be...

- April 26: **Rocky AHMA: SD State Meeting, Sioux Falls:** Bonnie Wilpon
May 3-4: **JAHMA (New Jersey) Spring Management Conference:** Jeanette Claus, HUD 202D
May 8-9: **SAHMA, NC State Meeting, Greensboro:** Bonnie Wilpon: EIV, TRACS
May 14-15: **SAHMA, KY State Meeting, Louisville:** Bonnie Wilpon: EIV, TRACS
May 15: **PennDel AHMA, Wilmington, DE:** Jeanette Claus, EIV Training
May 16: **PennDel AHMA, Camp Hill, PA:** Jeanette Claus, EIV Training
May 23-24: **SAHMA, TN State Meeting, Murfreesboro:** Bonnie Wilpon: EIV, MOR Preparation
June 12: **Rocky AHMA, WY State Meeting, Jackson:** Bonnie Wilpon: EIV
June 13: **Rocky AHMA, Denver, CO:** Bonnie Wilpon: EIV
July 19: **East Texas AHMA:** Bonnie Wilpon, EIV
September 19-21: **PennDel AHMA Conference, Dover DE:** Jeanette Claus

For Further Information, Please Contact Us:

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