

Practical Points

May 2012

From

PMCS-ICAP

Services and Solutions for Properties of All Sizes

Urgent: CCR/DUNS Numbers

On April 25, 2012 HUD published Notice H 2012-06, which codifies the DUNS Number and CCR registration requirements into Federal regulations. **Owners with Project-Based Section 8, Section 202 or 811 PRACs, RAP or Rent Supplement Contracts must obtain a Dun and Bradstreet Number System (DUNS) Number and register in the Central Contractor Registration (CCR) by Friday June 22, 2012 or risk suspension of your property's housing assistance payments or rental assistance payments.**

Project-Based Section 8, Section 202 and 811 PRACs were already required to obtain a DUNS Number and register in the CCR under Notice 2011-01 (issued January 5, 2011). Notice H 2012-06 expands these requirements to RAP and Rent Supp properties.

After you have a DUNS Number and register in the CCR, **you must also submit your Registration Certification to your local HUD office**, to demonstrate compliance with the requirements of Notice H 2012-06 and H 2011-01. HUD has informed us that **if you have ALREADY submitted this certification to your local HUD office, you do not need to do so again**. Please click here: [Attachment A- DUNS Number and CCR Registration Certification](#) (portal.hud.gov/huddoc/12-06hsgna.pdf) for the certification form. Please note that you must update **ANNUALLY**.

To obtain a DUNS number, click here: <http://fedgov.dnb.com/webform>. Other resources:

- Dun and Bradstreet Web Help: govt@dnb.com
- DUNS Numbers Help Hotline: 866-705-5711
- [OSHA SIC Codes](#) for Real Estate Entities
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To obtain or renew your CCR system registration (please note that you need a DUNS Number to register for CCR), click here: <https://www.bpn.gov/ccr/default.aspx>. Other resources:

- CCR Assistance - Federal Service Desk Help Line: 1-866-606-8220
- CCR FAQs: <https://www.fsd.gov/app/answers/list>

Some HUD Field Offices are double-checking property CCR registration information in the CCR public database, in addition to the property self-certification to ensure compliance with Notices H 2011-01 and H 2012-06. **Make sure your registration is publicly viewable in the CCR system by clicking the appropriate check-box during your registration/renewal.**

For a copy of Notice H 2012-06, visit: <http://portal.hud.gov/huddoc/12-06hsgn.pdf>

For a copy of Notice H 2011-01, please visit: <http://portal.hud.gov/hudportal/documents/huddoc?id=11-01HSGN.PDF>

If you have any additional questions about the DUNS Number and CCR requirements, please email: Theresa.D.Fields@hud.gov.

CCR ALERT: The CCR Program Office was alerted of another new scam. Fraudulent letters appearing to be from the USDA seeking personal and financial information are being sent via FAX to individuals and businesses. Remember that your CCR contains very confidential information including bank information.

Please do not respond to any inquiries, especially in email requests. The alert can be found at:

<https://www.bpn.gov/CCR/default.aspx>

These letters are a scam. Registrants should not respond to these requests. For more information [click for the USDA Notice](#).

EIV Online System was Updated to Version 9.3

You'll see a "new and improved" EIV when you pull your May reports! The following changes were made on April 28, 2012:

- When Coordinators reauthorize Users, the second step (certifying the User for his/her sites) is no longer necessary.
- Fixed the rounding inconsistencies between pulling Income Reports by Head of Household, versus pulling them from the Contract/Project Detail tabs. All the income amounts should now be the same, regardless of the report printing option you use.
- Removed the option of printing reports by individual months for the Deceased Tenant Report and the Identity Verification Reports, since HUD now requires that they be printed for All Tenants.
- Added a new Pending Verification Report as a third Income Verification Report, to list tenants whose identifiers are currently in the process of being verified with the Social Security Administration. So far, there is no HUD requirement to use this Report or to retain it in a particular place. If you do want to print and use it, describe its use in your EIV Policies and Procedures.
- Fixed Java errors when printing Income and Existing Tenant Search reports.

Stay "in the LOOP" with Webinar

Those who want to be "in the know" can now access information via HUD's Webinar system. On March 1, 2012 HUD updated its video player to support enhanced viewing and better sharing. There is a lot of information of interest to properties. You will have access to a large variety of webcasts; you can download slides, and find information that's on YouTube. Take a moment and check out this site:

<http://portal.hud.gov/hudportal/HUD?src=/press/multimedia/videos>.

Instructions explaining how to use the site are provided. You can link to a video, and/or share it via the *share* button that appears in the video screen at the end of each video.

From the "Titanic to a Jet Crash"

One hundred years ago in April, an "unsinkable" ship sank - and in April, 2012, a jet plane crashed into an apartment community in Virginia Beach, Virginia. In the first incident, many lives were lost – thankfully, in the second there were no fatalities. But each brought about questions. Were they prepared for the chaos that descended upon each occurrence? Did they have some kind of plan in place to handle the situation? The crew of the Titanic worked feverishly to provide a little more time for rescue. When the jet plowed into the building, there was no time. Hopefully, the apartment community had an emergency plan that included evacuation and pertinent information for the emergency personnel.

We highly recommend that you have an Emergency Plan that is reviewed with some regularity for your properties. You may not be the Titanic, but you never know when an emergency of some type will creep up on your property quickly. Be prepared!

Annual Adjustment Factors (AAFs) 2012

On March 13, HUD released (in the Federal Register) its Annual Adjustment Factors for FY 2012 for Section 8 contracts on their contract anniversaries. These factors are based on a formula using residential rent and utility

cost changes from the most recent annual Bureau of Labor Statistics Consumer Price Index (CPI) survey. These factors will be applied at Housing Assistance Payment (HAP) contract anniversaries, for calendar months beginning in May, 2012.

The AAFs have not been posted to the HUD User website yet - keep checking for the tables:
http://www.huduser.org/portal/datasets/aaf/FY2012_tables.pdf.

A copy of the Federal Register Notice can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2012-04-13/pdf/2012-8971.pdf>

For FY 2011 and FY 2010, these AAFs were designated as “Contract Rent” AAFs, to differentiate them from the “Renewal Funding” AAFs that were used exclusively to renew funds for tenant-based rental assistance through Public and Indian Housing. Renewal Funding AAFs are being replaced by an inflation factor established by HUD, so there is no need to differentiate the AAF by use any more. A separate *Federal Register* Notice will be published that will identify the inflation factors that will be used to adjust tenant-based rental assistance funding for FY 2012, for use by PIH.

Fair Housing Basics: Free HUD Webinar

Event Date: May 17, 2012

Event Time: 1:00 PM-4:00 PM PACIFIC TIME

Description: This is an on-line Webinar designed for owners, property managers and tenants to learn the basics of the Federal Fair Housing Act. There will be some in-depth discussion on issues such as disability, family status, and sexual orientation. This knowledge is not only critical to prevent costly violations, it's also good business!

Log-in information will be emailed to registrants the day prior to the training date. Note that the time listed is PACIFIC time. You MUST register in advance, online at the URL below.

Questions? Contact Kristina Miller at 509-368-3214 or Kristina.Miller@hud.gov

For more information, please call: 509-368-3214

Please register on-line at:

<http://www.hud.gov/emarc/index.cfm?fuseaction=emar.addRegisterEvent&eventId=1063&update=N>

New Grants for Assisted Living

In some of our communities, residents are aging in place and reaching a point where they can no longer live alone or with the help of a Live-In Aide. There are not enough affordable assisted living communities to meet the growing need.

HUD has announced a NOFA for FY 2012 for the Assisted Living Conversion Program for Eligible Multifamily Projects. \$25 million is available in the form of grants. “The funds are available for the physical conversion of eligible multifamily assisted housing projects, or portions of projects, to assisted living facilities (ALFs) or service-enriched housing (SEH).”

The FY 2012 General Section establishes threshold and other critical application submission requirements that affect this NOFA. Applicants should review this section for policy and submission information before submitting an application. More information can be found at:

<http://www.grants.gov/search/search.do;jsessionid=QnGHPfQYhpZ7yjCnYhX8wGBnvLL9JKPMF41L062Z11PyydnBpyQS!582005965?oppId=152693&mode=VIEW>

For questions regarding the General Section, contact the Grants Management Office at 202-708-0667. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800-877-8339.

Clarification to Q&A in April PP

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). All Medicare deductions are medical expenses. **All deductions for Medicare premiums are allowable medical expenses. Paycheck deductions for Medicare tax are not allowable medical expenses.**

We apologize for the confusion... our Q&As are taken from answers to client questions, and sometimes do not include the proper context, as happened in this case.

REAC Tips

Recently a question was raised about a wood frame shed that met all the conditions of the definition of a building, except that it was anchored to a 12-inch diameter poured concrete pier. Is a pier foundation considered a permanent foundation under the Uniform Physical Condition Standard?

It is a building by the UPCS definition, and pier foundations are considered permanent. Part of the Compilation Bulletin Rev2.1, page 9 states, “an individual building is any structure that has a contiguous roofline, a permanent foundation, is enclosed on all sides and has at least one utility servicing it such as electric, gas, water or sewer.”

Any storage building or maintenance building - whether free-standing or attached - must be considered in the REAC inspection.

-- Buildings – (Source : Compilation Bulletin – Page 10)

- Free-standing or Attached Structures: Inspectors must adhere to the following guidance when determining whether and how to inspect freestanding or attached structures:
 - If a storage shed, garage or carport is attached to the exterior of a building, and is designated for the specific use of a unit, inspect it and record deficiencies in the associated building and unit as applicable.
 - If a storage shed, garage or carport is attached to the exterior of a building and used as common space, record deficiencies in the associated building and common area as applicable.
 - If a storage shed or garage is a free-standing building and designated for the use of a specific unit, inspect it and record deficiencies in the associated building and unit as applicable.
 - If a storage shed, garage or carport is a free-standing common building, inspect it as an individual common building and record deficiencies as applicable (exceptions are noted in Case C).
 - If a storage shed, garage, carport or other free-standing structure does not meet the definition of a building, do not inspect it as a building. However, if a Health and Safety deficiency is

observed on the structure, it should be recorded as an H&S deficiency under Site / Health and Safety.

New Leadership in Multifamily Housing

On April 27, 2012 Marie Head, Deputy Assistant Secretary for the Office of Multifamily Housing Programs announced that Mr. Kerry Hickman has been selected for the position of Director, Office of Housing Assistance and Contract Administration Oversight. Mr. Hickman has been with the Office of Multifamily Housing Programs for six years, and served as a member of the HACA staff for the entire period as a Financial Operations Analyst. Mr. Hickman has a total of eight years with HUD, extensive financial management experience, and is uniquely suited to address the administrative and programmatic challenges facing the Office.

Mr. Hickman's appointment is effective May 6, 2012. He replaces Deborah Lear, and heads up the Office that oversees Contract Administrators.

Compliance Q & A

Question: When a tenant installs an additional lock on the door in addition to the house lock, are they required to provide the landlord with a copy of the key to the additional lock? Michael in NY

Answer: The standard HUD Model Lease (90105a) covers this in Paragraph 9. The lease says that the tenant agrees not to install added or different locks without the landlord's written permission. And, if the landlord does give permission, the tenant must provide the landlord with the key. However, the Model Leases for 202/8 and PRAC sites don't address locks in any way. So, for those subsidy types, you'll want to include your regulations and procedures in your House Rules.

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.

2012 PMCS Telephone Seminars

Train with Jeanette Claus, Bonnie Wilpon and Michael Alexander

May's featured phone seminar: **MOR Preparation**

If you are having a MOR performed by your PBCA or internally want to make sure you are HUD-compliant, this seminar is for you! We'll focus on best practices to prepare for your Management and Occupancy Review. What should you have on hand that sets you apart from other properties, and shows that you're going above and beyond HUD's requirements? The latest scoring system, as well as EIV considerations will also be discussed.

PLAN AHEAD: June's featured seminar: **Fair Housing and 504 Compliance Overview**

A basic class on 504 and Fair Housing requirements, and how to meet them. We'll also explore the nuances of favoritism, and visual and verbal faux pas that will catch you off guard. We'll discuss best practices, cue cards, and tips. Sign up today!

**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...

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, King of Prussia, 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
September 19-21: **PennDel AHMA Conference, Dover DE:** Jeanette Claus

For Further Information, Please Contact Us:

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