**PMCS** - Services and Solutions for Properties of All Sizes

February 2014

## ANNOUNCEMENTS

## **PMCS Welcomes Jenny DeSilva**



PMCS is pleased to extend a warm welcome to Jenny DeSilva who is joining the PMCS team in early March. Jenny joins us from Southwest Housing Compliance Corporation, one of HUD's Performance Based Section 8 Contract Administrators. She brings with her 13+ years of experience with the Project-Based Section 8 program, having served as both a Senior Asset Manager overseeing Management and Occupancy Reviews and more recently, as SHCC's Director of Housing Assistance Payments, responsible for all voucher and special claims processing and subsidy disbursement activities.

As Director of Training for PMCS, Jenny will draw upon that PBCA regulatory experience and provide clients the benefit of a "uniquely balanced" training approach. By enhancing PMCS' current training curriculum, Jenny will provide affordable housing professionals with the necessary skills to manage their communities properly and efficiently while adhering to HUD's program requirements.

Jenny holds a Bachelor of Science in Biology from the University of Texas at Austin and has over 17 years of general management experience. She is a Certified Occupancy Specialist, and is an active member of HUD's TRACS Working Group. Jenny is a recognized TRACS industry expert and speaker with extensive training experience.

Please join us in welcoming Jenny to PMCS!

#### **BREAKING NEWS**

## Medical Expenses: New Mileage Rates

Many times our residents have medical expenses that include automobile expense. If you are calculating medical expenses that include that type of transportation, this is vital information. The Internal Revenue Service has issued its 2014 standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical and moving purposes.

Beginning January 1, 2014, the standard mileage rates for the use of a car (which includes vans, pickups and panel trucks) is:

- 23.5 cents per mile driven for medical or moving purposes
- 56 cents per mile for business miles driven
- 14 cents per mile driven in service of charitable organizations

The business and medical/moving rates have decreased one-half cent from the 2013 rates.

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## PMCS Holiday Scavenger Hunt Winners!

Congratulations to our Holiday Website Scavenger Hunt Winners:

- Rachel Mott: of Luther Court in PA
- Deanna Schmidt: of Dunbar Towers in WV
- Sharon Marshall: of Walnut Street Apartments in TN

Rachel, Deanna and Sharon successfully completed our Holiday Scavenger Hunt and were selected at random to receive a \$100 cash prize. Thank you to everyone that participated!

#### **PMCS**

829 West Genesee Street Syracuse, New York, 13204

Phone: 800-245-PMCS(7627) or 315-451-2423 E-mail: solutions@pmcs-icap.com

www.pmcs-icap.com

#### **BREAKING NEWS**

# Can't Get Your EIV Deceased Tenant Report?

If you haven't been able to print a complete EIV Deceased Tenant Report, you're not alone. Due to a glitch, only properties with both a contract number AND a project number are able to get these reports right now.

If you can't get your report, make a note in your EIV Master File that **RHIIP ListServ Posting #310** – Deceased Tenant Report Unavailable for Some Multifamily EIV Users shows why your report is missing, or include a copy of the RHIIP ListServ itself. Your CA has been instructed not to issue MOR findings for missing Deceased Tenant Reports that are documented in this way.

There are about 2,455 EIV users who won't be able to get their Deceased Tenant Report until the EIV programmers implement a fix, which is scheduled for February 14, 2014.

## Global 30-day Extension for 12/31/13 Submissions

Financial Assessment of Multifamily Housing (FASS-MF). (2013, January 6) The Office of Housing has authorized a global 30-day extension to all owners with fiscal years ended 12/31/13. This extension is being offered to allow owners and auditors additional time to adapt to the requirements of Housing Notice H 2013-23, and the FASSUB system release on December 6, 2013, that implemented revisions to the HUD Consolidated Audit Guide, Handbook 2000.04. Submissions with fiscal years ended 12/31/13 will now be due on April 30, 2014.

"Global 30-day Extension for 12/31/13 Submissions." HUD.gov. Web. 06 Jan. 2014.

## **APPS and FASSUB Updates**

#### **Active Partners Performance System (APPS)**

The Active Partners Performance System (APPS) currently has a glitch caused by the December 21, 2013 software release. At this time, the received date cannot be entered, and the 2530s cannot be approved in the system by HUD staff. HUD is working on a fix.

#### **Financial Assessment Subsystem (FASSUB)**

If you are a for-profit and/or limited distribution owner who receives under \$500,000 in federal assistance, Notice 2013-23 allows you to submit owner-certified financial statements instead of audited ones. This change applies to project owners with a fiscal year end date of December 31, 2013 and thereafter. In order to submit your owner-certified financial statement, you will have to wait for Financial Assessment Subsystem (FASSUB) to complete its scheduled update on February 14, 2014.

The Notice can be found on HUD.gov under Housing Notices (Number: 13-23; Title: Change in Annual Financial Statement (AFS) Submission Requirements for Some Multifamily Housing Project)

### **QUESTION & ANSWER**

## **Question:**

In the 4350.3 Handbook (Change 4) there is a note on page 9-10 about not using the full 9-digit SSN on "email or other electronic communications". Do you have any industry clarification on what is meant by "other electronic communications"? This arose in the course of examining why the SSN was removed from our verification forms. How does HUD expect us to correspond with third parties who want a SSN to verify the person's identity? ~ Justin in FI

## **Answer:**

In section 5-13 B 2, HUD defines electronic verifications as fax, email and internet. The new verification process in Change 4 should greatly reduce the number of written verification requests a property sends out, so this should not arise too often. When you need to electronically correspond with verification sources, you would use (as HUD does) the last four digits of the SSN. That, combined with the person's full name, would be sufficient for the source to adequately identify the individual.



Follow our Blog for Breaking News and Trending Topics in the Affordable Housing Industry.

www.pmcs-icap.com

## **MONTHLY NEWS**

## Social Security Award Letters are Going Paperless

In a recent letter from Kenny P. Oguejiofor, Public Affairs Specialist, Social Security Administration, Social Security has made some important upcoming changes to the services that will be provided across the country.

"As of February 2014, the Social Security Administration will no longer offer Social Security number (SSN) printouts and benefit verification information in our field offices. However, to ensure a smooth transition, we will continue providing these services if requested until April 2014. We are making these changes to meet the increasing demands for our services at the same time that our agency budget has been significantly cut by over \$1B in each of the last three years. During this same time period we have invested technology that offers more convenient, cost-effective, and secure

options for our customers to obtain certain services without visiting a local office."

Because the SSN printout is not an official document with security features, and is easily duplicated, misused, shared illegally, or counterfeited, eliminating it helps prevent fraud. Employers, departments of motor vehicles, and other entities requiring SSN verification can obtain this information in real time or overnight using online government services such as E-verify and Social Security's Business Services Online. Beneficiaries and recipients needing a benefit verification letter can obtain one immediately by registering at: www.socialsecurity.gov, or through the mail within 5-7 days by calling our national toll-free number, 1-800-772-1213.

"I would like to say that PMCS has been a pleasure to work with for many years. My job as an AR Manager is so much easier being able to rely on PMCS' Hud expertise and great customer service."

~ Dollene, Connecticut

### **QUESTION & ANSWER**

## **Question:**

We have an individual whose income is being garnished by the IRS. The net amount that he currently receives would allow him to meet our income requirements. But if we use his gross wages, he would be above the income limit. Do we have to count the gross amount or can we count the net amount since that's what he actually has to live on? ~Marco in Texas

### **Answer:**

Wages (or Social Security income) can be garnished for a variety of reasons, most commonly child support or alimony. HUD requires that the gross income be counted in these cases, even when it will disqualify an individual for subsidy. Here's an example: If your tenant lived with his child we would count his gross wages, even though he has to spend money to support the child. So in cases where people don't live with their children, the child support amount is not deducted from their gross wages either.

## **ANNOUNCEMENT**

January begins PMCS' celebration of 25 years of Services and Solutions. Be sure to check our website for upcoming anniversary year happenings.



### **MONTHLY NEWS**

## Maintenance Personnel and Fair Housing

It's important to remember how important our maintenance staff is when it comes to Fair Housing. It's easy for them to fall into traps when dealing with residents.

A couple of examples may help you deal with this issue. How would you handle these situations?

**A.** A resident speaks to a maintenance person about hanging a ceiling fan. The maintenance person tells the resident to please place a work order with the office, and states that he/she has installed fans for other residents and it isn't that difficult. The resident calls the office to request that the fan be connected and is told that it is not a routine request and that it will cost the resident to have the fan installed. The resident is angry and feels that s/he is being treated differently from other residents who had their work done by maintenance.

**Suggestion:** It is important not to reveal, to any resident, work that has been done for another tenant, because it becomes a source of comparison. Any work request should come from the office and should not be discussed at any time with another resident. The best response would have been. "Please place an work order with the office."

**B.** A maintenance employee does not like a resident and tries to avoid doing work orders for this person. The resident files a complaint against the community because she alleges that her requests for maintenance are being ignored because of her ethnicity.

**Suggestion:** Every resident deserves the right to have repair requests completed, whether an employee likes the resident or not. It is our job to take care of maintenance requests. If there is a communication or personality problem it might be best to have two people handle the request. Employees should take great care in how they address residents and how they look at them. A stern look or a look of exasperation could cause complaints.

**C.** A maintenance employee, whose first language is Spanish, speaks more frequently to residents in his native language in the presence of another resident who does not speak the language. Some of the conversations are lively and the other resident feels they are talking about him and ignoring him in the conversation. The resident files a complaint with the office that he is being discriminated against because of the nature of the conversation.

**Suggestion:** All people have the right to speak their native language. However when others perceived that they are being criticized or excluded, it could result in a complaint. It is important to treat all residents the same way. Talk with your personnel about possible misperceptions, and ask them to help you avoid these situations, especially in public areas.

These scenarios may not be a violation of the Fair Housing Act. However, they could have been handled in a better way. It is important to share with your maintenance staff the importance of the Fair Housing Laws and to help them to be aware of ways they can be careful in how they handle situations. They need to understand that they too are part of "management" to the residents, and that their actions could cause Fair Housing Complaints.

## **QUESTION & ANSWER**

## **Smoking Policy Violations**

If you have established a nonsmoking policy for your property, it is important that you enforce that policy. The biggest question is, "How do we prove that someone is violating the policy?"

The smell of the smoke can be reported and documented. Sometimes staff will see the tenant smoking, or another resident will report that there is a problem. It is important that all of these verbal reports are properly documented. Look at the area where smoking was reported. If there are burn marks, they need to be documented with pictures.

Once you have documented the violations, here are steps to take:

Notify the resident in writing of the complaint by sending them a notice that an infraction of the smoke free policy has occurred and that it is a violation of the lease agreement.

Each time that an incident is reported, a notice should be sent to the resident. It is important that your operating policies are clear that, when a certain number of violations have occurred, legal action may be taken that could lead to an eviction.

Eviction should be the last resort, but actions must be taken in order to be in compliance with your policies and your lease agreement.

All lease violations should be documented and placed in the resident's file.

Remember there is not a constitutional right to smoke. (www.tobaccolawcenter.org)