



October 2015

BREAKING NEWS

The New PMCS Website is Live!

This month, we are pleased to announce the launch of our new website! Our developers and marketing team have developed what we believe is a more customer-service oriented online resource for our clients. Some of the new improvements include:

- Online training registration and secure payment via Paypal®.
- A digital training calendar to aid registrants in selecting webinar sessions that work with their schedule.
- A full listing of webinar classes organized by series (New Manager, Intermediate, Advanced, and EIV) to assist registrants in picking sessions appropriate for their skill level and training needs.
- Incorporation of our Low Income Housing Tax Credit Compliance Services.

While we are excited about the site's new functionality and design, our website will always be a work in progress. We will continue to update our website regularly with new training topics, new product and service offerings, and industry news announcements that will assist our clients with their housing compliance needs.

Please take a moment and navigate through our [new website](#). If you have any questions or comments regarding content, please feel free to use the Contact Us page on our website or email us at solutions@pmcsinc.com. We hope you like what you see!

FAQs Published on Utility Allowance Analysis Methodology

In July 2015, PMCS informed our readers about the release of *Housing Notice 2015-04 - Methodology for Completing a Multifamily Housing Utility Analysis*. This was HUD's nationwide attempt to standardize the analysis methodology used by multifamily owners for utility allowances. It provided specific sampling instructions to follow when completing a utility analysis and clarified the frequency that such analyses are required.

As the mandatory implementation date for this Notice (December 19, 2015) draws near, the industry continues to digest the regulation in order to plan for upcoming renewal or rent adjustment submissions that must incorporate a compliant analysis. To address some of the specific questions posed by the industry, HUD has published a Frequently Asked Questions related to the newly prescribed methodology. To read the full FAQ document, [click here](#).

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Visit our website for the latest News and Trending Topics in the Affordable Housing Industry.

www.pmcs-icap.com

INDUSTRY NEWS

What is LEP?

HAP, PRAC, EIV, TRACS, and TSP are just a few of the numerous abbreviations used daily in the HUD affordable housing industry. However, there is a relatively new acronym that many are not as familiar with. LEP stands for Limited English Proficiency. LEP persons are defined as individuals who, as a result of national origin, do not speak English as their primary language and who have a limited ability to speak, read, write, or understand English.

In August 2000, [Executive Order \(EO\) 13166](#) was signed, directing HUD to work to ensure LEP individuals can effectively participate in, or benefit from, federally assisted housing programs. In the spirit of this Executive Order, HUD was required to issue guidance designed to assist owners in providing meaningful access to their programs to LEP individuals. However, it wasn't until January 2007, that HUD published ["Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons"](#).

This guidance requires owners to conduct a four-factor analysis to:

1. Identify the frequency with which LEP persons come into contact with their housing program(s); and
2. To develop a Language Access Plan (LAP) to ensure access for those individuals.

HUD also established a website to provide the industry with helpful resources related to this topic, <http://www.hud.gov/offices/ftheo/lep.xml>.

Despite this guidance being nearly 9 years old, many owners and agents in the affordable housing industry are not familiar with its requirements. Have you developed your property's Language Access Plan (LAP)? If not, contact PMCS today at solutions@pmcsinc.com to learn more about our custom LAP product offerings.

WHERE WE WILL BE

Jenny DeSilva, PMCS' Director of Training, will be at the following Affordable Housing Conferences. She will facilitate two training sessions: One focused on EIV Income Discrepancies and a second focused on Tackling Assets at a HUD Property.

October 13-14, 2015

SWAHMA San Antonio Affordable Housing Conference and Trade Show

October 20-21, 2015

SWAHMA Arkansas Affordable Housing Conference and Trade Show

[Visit our website](#) for more details.

Need Training Now?

Visit our website for a listing of our new [webinars](#).

PMCS is excited to launch our new webinar series trainings. We now offer online registration and payment, too!

Visit our website at www.pmcs-icap.com to learn more.



In addition to new dates and topics, we have categorized our classes into specialized series to better meet the training needs of clients with varied skills and experience with HUD and LIHTC regulatory compliance.

QUESTION AND ANSWER

PMCS answers questions based solely on the details provided within the scenario. Readers are advised to consider any impact omitted information may have on guidance provided.

Question:

I have a tenant that has a VA benefit of \$1100/month, but every month, the government garnishes \$100 of the payment for unpaid taxes. What do I count as the income?

~Patricia-New York

Answer:

You must count the full, gross benefit in annual income. *HUD Handbook 4350.3, Rev-1, Change 4, 5-6 L*, says, "The **full amount** of periodic payments from annuities, insurance policies, retirement funds, pensions, and disability or death benefits is included in annual income....Payments such as Blank Lung Sick Benefits, **Veterans Disability**, and **Dependent Indemnity Compensation for the Widow of a Killed in Action Serviceman** are examples of such periodic payments."

There are similar types of benefit payments, from Social Security Administration, that have unique rules related to the correction of prior overpayments. However, do **not** confuse those exceptions with this scenario. This is a garnishment, **not** a correction of an overpayment; these are VA benefits, **not** Social Security benefits.

Question:

I had an EIV Income Discrepancy show up for one of my tenants when I ran the EIV reports for her Annual Recertification. I have researched it and verified it is **not** valid. How do I make it go away?

~Natalie, Pennsylvania

Answer:

Income Discrepancies do **not** drop off the report or go away. The discrepancy will continue to show in EIV's system until either:

1. A new certification is processed in TRACS that does not have a discrepancy associated with it; or
2. A correction to the original discrepant certification is processed that does **not** trigger the discrepancy.

The discrepancy may even continue to show once one (or both) of these actions occur depending on the period of income and income listed on the new certification.

You are required to document the file to indicate why it is **not** valid. Per HUD Handbook **4350.3, Change 4, 9-11 C.3.c.**, "Owners **must** retain the Income Discrepancy Report along with detailed information on the resolution of the reported discrepancy in the tenant file. This includes information on resolution of the discrepancy regardless of whether the discrepancy was found to be valid or invalid."

Are you truly resolving discrepancies correctly? Do you need more practice? Are you keeping proper documentation in the tenant file when a discrepancy is deemed invalid? If you are unsure of your methods and documentation, check out our 90-minute interactive webinars that focus on varied levels of EIV Income Discrepancies.