



**HOUSING COMMISSION AGENDA**  
**Regular Meeting: November 10, 2010**  
Time: 8:00 a.m.

HACA Board Room, 22941 Atherton Street, Hayward, CA 94541-6633

*The public is welcome at all Housing Commission meetings. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed.*

*To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Housing Commission.*

*The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on November 4, 2010, duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.*

**AMERICANS WITH DISABILITIES:** *In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510)727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.*

		<b><u>PAGE</u></b>
<b>1.</b>	<b>CALL TO ORDER / ROLL CALL</b>	
<b>2.</b>	<b>APPROVAL OF MINUTES OF THE OCTOBER 13, 2010 MEETING</b>	<b>2</b>
<b>3.</b>	<b>PUBLIC COMMENT</b> On matters not on the Agenda	
<b>4.</b>	<b>NEW BUSINESS</b>	
4-1.	Approve Revisions to HACA's Section 8 Administrative Plan	<b>ACTION</b> 7
4-2.	Resolution Authorizing Submittal of Application to HUD for the Family Unification Program	<b>ACTION</b> 9
4-3.	Resolution Approving Amendments to HACA's Conflict of Interest Code	<b>ACTION</b> 11
4-4.	Resolution Appointing Mark Gerry and Ron Dion to Northern California Community Housing Services, Inc. Board of Directors	<b>ACTION</b> 15
4-5.	Management Class Annual Comparability Adjustment	<b>ACTION</b> 17
4-6.	Quarterly Financial Statement	<b>INFORMATION</b> 19
4-7.	Program Activity Reports	<b>INFORMATION</b> 21
<b>5.</b>	<b>COMMITTEE REPORTS</b>	
<b>6.</b>	<b>COMMISSIONER REPORTS</b>	
<b>7.</b>	<b>COMMUNICATIONS</b>	
<b>8.</b>	<b>ADJOURNMENT</b>	

# **MINUTES**

October 13, 2010



**HOUSING COMMISSION REGULAR MEETING  
OCTOBER 13, 2010, 8:00 A.M.  
HACA BOARD ROOM**

**SUMMARY ACTION MINUTES**

**1. CALL TO ORDER/ROLL CALL**

**Call to Order**

Chairperson Steiner called the meeting to order at 8:05 a.m.

**Roll Call**

Present: Cmr. Atkin, Dutra-Vernaci, Gerry,  
Haddock, Lockhart, Natarajan, Peixoto and Steiner

Entered after Roll Call: Cmr. Reed

Excused: Cmr. Cashmere and Medina

**2. APPROVAL OF MINUTES OF THE SEPTEMBER 8, 2010 MEETING**

Recommendation: Approve the minutes as presented.

Motion/Second: Atkin/Dutra-Vernaci

Ayes: All Motion passed.

**APPROVED AS RECOMMENDED.**

*Before opening Public Comment, Chairperson Steiner introduced Marvin Peixoto, the new Commissioner from the City of Hayward. Cmr. Peixoto spoke briefly about his background and stated that he was looking forward to serving on the Housing Commission.*

**3. PUBLIC COMMENT**

None.

**4. NEW BUSINESS**

**4-1. PRESENTATION: RECOGNIZE TONYA EDMOND AS EMPLOYEE OF THE QUARTER (EOQ)**

Marsha Collier, chair of the Communications Committee, introduced Tonya Edmond as the employee of the quarter for Oct-Dec 2010. Ms. Edmond expressed her appreciation for the recognition and Commissioners congratulated her.

**4-2. RESOLUTION NO. 14-10: APPROVING THE DISPOSITION APPLICATION - NIDUS COURT & DYER STREET PUBLIC HOUSING DEVELOPMENTS**

Recommendation: Adopt the Resolution No. 14-10 approving and authorizing submittal of a disposition application for 100 public housing units.

Motion/Second: Atkin/Natarajan.

Commission Discussion: Cmr. Natarajan asked if projects planned for rehabilitation receive an automatic exemption under environmental laws. Mr. Dion explained that a checklist must first be prepared to determine whether or not an exemption applies.

Ayes: All Motion passed.

**APPROVED AS RECOMMENDED.**

**4-3. RESOLUTION NO. 15-10: APPROVING AMENDED AND RESTATED ARTICLES OF INCORPORATION AND BYLAWS FOR NORTHERN CALIFORNIA COMMUNITY HOUSING SERVICES, INC. (NCCHS)**

Recommendation: Adopt Resolution No. 15-10 approving the amended and restated articles of incorporation and amended and restated bylaws.

Motion/Second: Natarajan/Dutra-Vernaci

Commission Discussion:

Cmr. Gerry volunteered to serve on the NCCHS Board, filling the third Commission seat. Cmr. Atkin read a sentence from Article III, Section 2 of the amended and restated bylaws and commented that it was difficult to understand that section due to the way it is worded.

Ayes: All Motion passed.

**APPROVED AS RECOMMENDED**

**4-4. ACTION: APPROVAL OF BENEFIT PAYMENT STANDARDS**

*Before the staff report was presented, Ms. Gouig acknowledged the tremendous amount of work and analysis that was completed by Jennifer Cado, Senior Administrative Analyst.*

Recommendation: Approve the proposed payment standards.

Motion/Second: Lockhart/Natarajan

Commission Discussion:

Cmr. Dutra-Vernaci asked if the proposed payment standards included utility allowances and Ms. Cado explained how they were used in the analysis for determining the proposed payment standards. Cmr. Atkin commented on the proposed payment standards for Emeryville and gave an example to show that they may not be adequate in Emeryville's current real estate market.

9 Ayes; 1 Nay: Cmr. Atkin Motion passed.

**APPROVED AS RECOMMENDED.**

**4-5. INFORMATION: BUDGET STATUS REPORTS**

Report received.

**4-6. INFORMATION: PROGRAM ACTIVITY REPORTS**

Report received.

Comments from the Public:

Sharon DeCray, HAFS Program Manager, announced that the accomplishments of participants in the Family Self-Sufficiency program will be celebrated at an event in November. Ms. DeCray thanked Cmr. Reed for securing the San Leandro Library for the event. Ms. DeCray also spoke about the *What Home Means to Me* poster contest and announced that 3 posters from HACA were selected by NAHRO's Northern California chapter for submission to the national competition. She also thanked Cmr. Reed and Cmr. Reed's son for helping the children while they were creating posters.

**5. COMMITTEE REPORTS**

None.

**6. COMMISSIONER REPORTS**

None.

**7. COMMUNICATIONS**

Ms. Gouig announced that Mary Rizzo-Shuman, HAHM Program Manager, was honored by the City of Hayward as a volunteer and acknowledged some of the certificates that Ms. Rizzo-Shuman received from local and state officials.

Jim McRoberts, Information Technology Manager, announced that HACA's Electronic Content Management (ECM) solution was featured in a government case study article. A copy of the article was distributed to the Housing Commission.

**8. ADJOURNMENT**

There being no further business, Chairperson Steiner adjourned the meeting at 8:50 a.m.

Respectfully submitted,

---

Melissa Taesali  
Executive Assistant

---

Christine Gouig  
Executive Director/Secretary

Approved: 

---

Christine Steiner  
Commission Chairperson

# **NEW BUSINESS**

November 10, 2010

## **HOUSING AUTHORITY OF ALAMEDA COUNTY**

### **AGENDA STATEMENT**

**Meeting:** November 10, 2010

Subject: Model Section 8 Admin Plan Revisions and Other Revisions

Exhibits Attached: Attachment A - Summary of policy revisions

Recommendation: Receive report; approve proposed policy revisions

Financial Statement: None

---

#### **BACKGROUND**

Every housing authority with a Section 8 Housing Choice Voucher (HCV) Program is required by HUD to adopt an Administrative Plan (Admin Plan). The purpose of the Admin Plan is to establish the housing authority's policies for administering the Section 8 Program in a manner consistent with HUD requirements and the housing authority's Agency Plan—which is its policies, programs, operations, and strategies for meeting local housing needs and goals. HACA's Administrative Plan is available for public review.

HACA's Admin Plan is based on the Model Administrative Plan published by Nan McKay and Associates, Inc. (Nan McKay), one of the industry's most highly regarded training, consulting, and publishing enterprises. Periodically, Nan McKay publishes updates to its Model Admin Plan that consolidate the HUD policy mandates issued since the last revision and make various editorial clarifications. The proposed revisions to HACA's Admin Plan apply the relevant changes from the Nan McKay Model Administrative Plan. As discussed below, additional policy changes to HACA's Admin Plan are also proposed.

#### **DISCUSSION and ANALYSIS**

Policy revisions are being made to the following HACA Admin Plan Chapters: 3, 4, 5, 6, 7, 10, 12, and 14 and 16. See Attachment A.

Except as otherwise described below, the policy revisions were necessitated by HUD's December 29, 2009, issuance of a final rule changing regulations on disclosure and documentation of social security numbers (SSN), and making use of the HUD Enterprise Income Verification (EIV) System mandatory for all housing authorities. Since the rule became effective on January 31, 2010, HUD's Office of Public and Indian Housing has issued three major notices providing guidance on effective use of the EIV System.

### **Chapter 3**

In addition to revisions being made to page 3-15 to comply with the mandated HUD regulatory changes, for clarity, revisions are also being made to page 3-9 to add previously omitted HUD requirements regarding live-in aides.

### **Chapter 4**

In addition to revisions being made to 4-III.E, pp. 4-18 and 4-19, to reflect new SSN disclosure and documentation requirements, revisions are also being made to pp. 4-12 and 4-13 to document HACA selection policies applicable to categories of families for which HUD has designated assistance or awarded funding to HACA, or for which HUD may award funding to HACA in response to an application from HACA.

### **Chapter 5**

Revised page 5-5 to update reference to guidance on fraud and to add a mandatory briefing packet document; added content to page 5-12 to add previously omitted HUD requirements regarding live-in aides.

### **Chapter 6**

Revised pages 6-7 through 6-9 to reflect mandatory use of EIV systems and HUD verification guidance; added content to page 6-26 on the treatment of overpayment deductions from social security benefits.

### **Chapter 7**

Deleted Exhibit 7-1 (old verification hierarchy) and made extensive revisions throughout the chapter to reflect new HUD regulations and guidance on mandatory use of the EIV system, disclosure and documentation of SSNs, and verification.

### **Chapter 10**

Revised page 10-11 to reflect that sending EIV data to portability receiving housing authorities is mandatory, and that rules on disclosure and documentation of SSNs have changed.

### **Chapter 12**

Made revisions and added content to page 12-3 regarding deferral of termination for failure to disclose SSNs; added content to page 12-4 regarding the death of a sole family member.

### **Chapter 14**

Revised pages 14-2 and 14-4 to reflect new regulations and HUD guidance.

### **Chapter 16**

Revised pages 16-25 through 16-28 to reflect new HUD guidance.

Staff recommends that you approve the revisions to the Administrative Plan. Once approved, staff training will be conducted and the revised Plan will be implemented.



# **HOUSING AUTHORITY OF ALAMEDA COUNTY**

## **AGENDA STATEMENT**

**Meeting:** November 10, 2010

Subject: 2010 Family Unification Program (FUP) Application

Exhibits Attached: Resolution 16-10

Recommendation: Adopt a resolution authorizing the Executive Director to submit a FUP application and to enter into any agreements necessary for the application

Financial Statement: None

---

### **BACKGROUND**

The Family Unification Program (FUP) provides Section 8 housing choice vouchers to housing authorities to assist families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in foster care; or the delay in the discharge of the child, or children, to the family from foster care. Youths at least 18 years old and not more than 21 years old (i.e., have not reached their 22nd birthday) who left foster care at age 16 or older and who do not have adequate housing are also eligible to receive housing assistance under the FUP.

HACA was awarded 100 FUP vouchers in 1999 and administered the Program in partnership with the Alameda County Social Services Agency (SSA). Social workers from SSA identified possible candidates and helped them complete eligibility documents. HACA determined eligibility and entered into a contract with owners to provide the housing assistance for these eligible families. This time-limited program was deemed successful in serving the target population.

HACA applied for FUP funding in 2009 but its application was not selected in the competition.

### **DISCUSSION and ANALYSIS**

HUD has released a Notice of Funding Availability (NOFA) for new FUP vouchers for up to \$15 million nationwide. Applications are due by December 1, 2010. This FY 2010 NOFA creates a new category for families or youths displaced by domestic violence, and families or youths in imminent danger of losing their housing as part of the definition of "lack of adequate housing." HACA plans to request 100 vouchers, the maximum permitted by the NOFA.

HACA and the Alameda County SSA have developed a memorandum of understanding (MOU) that outlines the roles of each agency in operating the FUP. The FUP NOFA requires such an MOU. The resolution authorizing submittal of the FUP application also authorizes the executive director to execute the MOU.

# HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

## RESOLUTION NO. 16-10

### **AUTHORIZING EXECUTION AND SUBMITTAL OF APPLICATION, AGREEMENTS AND MEMORANDA OF UNDERSTANDING FOR FAMILY UNIFICATION PROGRAM**

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) has issued a Notice of Funding Availability (NOFA) for Family Unification Program (FUP)Vouchers; and

**WHEREAS**, the Housing Authority of the County of Alameda (HACA) desires to submit an application for FUP vouchers in response to the NOFA;

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Commission hereby authorizes the executive director to execute and submit an application to HUD for up to the maximum number of vouchers permitted under the NOFA and to submit any and all additional information and amendments that HUD may require in reviewing, processing and awarding funding under the application.

**BE IT FURTHER RESOLVED** that the Housing Commission hereby approves HACA's partnering with the Alameda County Social Services Agency to provide services to the FUP participants and authorizes the executive director to execute an MOU with the Agency.

**PASSED, APPROVED AND ADOPTED** by the Commissioners of the Housing Authority of the County of Alameda on this 10<sup>th</sup> day of November 2010 by the following vote:

**AYES:**

**NAYS:**

**ABSTAIN:**

**ABSENT:**

**EXCUSED:**

---

Christine Steiner  
Housing Commission Chairperson

Attest:

---

Christine Gouig  
Executive Director/Housing Commission Secretary

**Approved: November 10, 2010**

# **HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

## **AGENDA STATEMENT**

Meeting: November 10, 2010

Subject: Resolution Approving Amendments to the Conflict of Interest Code

Exhibits Attached: - Edited and Clean versions of the proposed amendments to the Conflict of Interest Code's List of Designated Employees  
- Resolution No. 17-10

Recommendation: Approve the proposed amendments

Financial Statement: None

---

### **BACKGROUND**

The Political Reform Act (Government Code §81000) requires state and local governmental agencies to review their Conflict of Interest Codes (Code) for accuracy and to notify their code reviewing bodies in even numbered years whether the Code does or does not need to be amended.

### **DISCUSSION and ANALYSIS**

Staff has reviewed HACA's Code and determined that amendments must be made to the Code's List of Designated Employees. These amendments include revisions to department and job titles, the insertion of newly created job classifications, and the deletion of positions that have been eliminated.

Edited and clean versions of Appendix A of HACA's Conflict of Interest Code are attached. Staff recommends that your Commission approve the proposed amendments to the Code.

Upon approval, the amended Code will be submitted to the Alameda County Board of Supervisors for final approval. The amended Code is not effective until it has been approved by the Board.

**APPENDIX "A"**  
**CONFLICT OF INTEREST CODE FOR THE**  
**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

	<u>Designated Employees</u>	<u>Disclosure Categories</u>
Add	Administrative Analyst	ALL
Delete	<del>Administrative Services Assistant</del>	<del>ALL</del>
	*Consultants	ALL
Delete	<del>Contracts Manager</del>	<del>ALL</del>
	Deputy Director for Operations	ALL
	Deputy Director for Programs	ALL
Delete	<del>Dublin Area Manager</del>	<del>ALL</del>
	Eligibility Services Leadworker	I, III
	Executive Assistant	ALL
Add	Family Self-Sufficiency Leadworker	I, III
	Housing Assistance and Housing Management Manager	ALL
Delete	<del>Housing Assistance and Family Services Leadworker</del>	<del>I, III</del>
	Housing Assistance and Family Services Manager	ALL
	Housing Inspector	I, III
Delete	<del>Housing Manager</del>	<del>I, III</del>
Add	Housing Management Assistant	I, III
Add	Housing Management Leadworker	I, III
	Housing Specialist	I, III
Add	Human Resources Analyst	ALL
	Information Technology Manager	ALL
Add	Leasing Services Leadworker	I, III
Add	Maintenance and Modernization Manager	ALL
	Network Administrator	I, III
Add	Procurement Analyst	ALL
	Sr. Administrative Analyst	ALL

**APPENDIX "A"**  
**CONFLICT OF INTEREST CODE FOR THE**  
**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

<b><u>Designated Employees</u></b>	<b><u>Disclosure Categories</u></b>
Administrative Analyst	ALL
*Consultants	ALL
Deputy Director for Operations	ALL
Deputy Director for Programs	ALL
Eligibility Services Leadworker	I, III
Executive Assistant	ALL
Family Self-Sufficiency Leadworker	I, III
Housing Assistance and Housing Management Manager	ALL
Housing Assistance and Family Services Manager	ALL
Housing Inspector	I, III
Housing Management Assistant	I, III
Housing Management Leadworker	I, III
Housing Specialist	I, III
Human Resources Analyst	ALL
Information Technology Manager	ALL
Leasing Services Leadworker	I, III
Maintenance and Modernization Manager	ALL
Network Administrator	I, III
Procurement Analyst	ALL
Sr. Administrative Analyst	ALL

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**RESOLUTION NO. 17-10**

**APPROVING AMENDMENTS TO THE HOUSING AUTHORITY OF THE COUNTY OF  
ALAMEDA CONFLICT OF INTEREST CODE**

**WHEREAS**, the Political Reform Act (Government Code §81000 et seq.) requires every local governmental agency to review its Conflict of Interest Code ("Code") for accuracy to determine if it is necessary to amend the Code; and

**WHEREAS**, the Housing Authority of the County of Alameda ("HACA") has reviewed its Code and has determined that amendments to the Code's List of Designated Employees are necessary;

**NOW, THEREFORE, BE IT RESOLVED**, that the Housing Commission of the Housing Authority of the County of Alameda does hereby approve the amendments to the Code.

**BE IT FURTHER RESOLVED**, that the Executive Director shall submit the amended Code to the Alameda County Board of Supervisors for final approval.

**PASSED, APPROVED, AND ADOPTED** by the Housing Commission of the Housing Authority of the County of Alameda on this 10<sup>th</sup> day of November 2010, by the following vote:

**AYES:**

**NAYS:**

**ABSTAIN:**

**EXCUSED:**

**ABSENT:**

---

Christine Steiner  
Housing Commission Chairperson

Attest:

---

Christine Gouig  
Executive Director/Housing Commission Secretary

**Adopted: November 10, 2010**

# **HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

## **AGENDA STATEMENT**

Meeting: November 10, 2010

Subject: Appointments to Board of Directors of Northern California  
Community Housing Services, Inc. (NCCHS)

Exhibits Attached: Resolution 18-10

Recommendation: Adopt a resolution to appoint Mark Gerry and Ron Dion to NCCHS  
Board of Directors

Financial Statement: None

---

## **BACKGROUND**

At your October 13, 2010 meeting, your Commission approved Amended and Restated Articles of Incorporation and Amended and Restated Bylaws for Northern California Community Housing Services, Inc. (NCCHS), a non-profit instrumentality of HACA. HACA plans to transfer certain of its public housing units to NCCHS once HUD approves HACA's disposition application. HACA will then convert the units to Section 8 project based voucher units, thus providing a more financially-sound income stream with which to operate and maintain the housing over the long term. The amendments to the articles of incorporation and bylaws were necessary to enable NCCHS to carry out the new ownership and management functions inherent in the transfer of units.

## **DISCUSSION and ANALYSIS**

One change to the articles of incorporation and bylaws was a reconfiguration of the five-member Board of Directors to delete the two outside directors and substitute a third member of your Commission and a HACA deputy director. At your October 13 meeting, Commissioner Mark Gerry volunteered to serve on the NCCHS Board. In addition, the executive director recommended that Ron Dion, Deputy Director for Programs, be appointed to fill the HACA deputy director seat.

As these specific appointments were not on your agenda, the executive director indicated she would bring them back for consideration at your November meeting. Staff recommends that your Commission approve the appointments of Commissioner Mark Gerry and Deputy Director Ron Dion.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**RESOLUTION NO. 18-10**

**APPROVING APPOINTMENTS TO THE BOARD OF DIRECTORS OF  
NORTHERN CALIFORNIA COMMUNITY HOUSING SERVICES, INC.**

**WHEREAS**, the Northern California Community Housing Services, Inc. ("NCCHS") is a non-profit instrumentality of the Housing Authority of the County of Alameda, organized under the Nonprofit Public Benefit Corporation Law for the purpose of providing affordable housing; and

**WHEREAS**, the NCCHS Amended and Restated Bylaws state that NCCHS's activities and affairs shall be managed by a Board of Directors; and

**WHEREAS**, the NCCHS Amended and Restated Bylaws stipulate that the five (5) Directors shall be the persons holding the offices of: Commission Chair, Commission Vice-Chair, Commissioner, Executive Director, and Deputy Director; and

**WHEREAS**, the Commissioner and Deputy Director positions are vacant and the Housing Commission desires to fill said vacancies;

**NOW, THEREFORE, BE IT RESOLVED**, that the Housing Commission of the Housing Authority of the County of Alameda does hereby appoint Commissioner Mark Gerry and Deputy Director Ron Dion to the Board of Directors of Northern California Community Housing Services, Inc.

**PASSED, APPROVED, AND ADOPTED** by the Housing Commission of the Housing Authority of the County of Alameda on this 10<sup>th</sup> day of November 2010 by the following vote:

**AYES:**

**NAYS:**

**ABSTAIN:**

**EXCUSED:**

**ABSENT:**

**ATTEST:**

---

Christine Steiner  
Housing Commission Chairperson

---

Christine Gouig  
Executive Director/Housing Commission  
Secretary

**ADOPTED: November 10, 2010**



# **HOUSING AUTHORITY OF ALAMEDA COUNTY**

## **AGENDA STATEMENT**

Meeting: November 10, 2010

Subject: Management Class Annual Comparability Adjustment

Exhibits Attached: 2010 Management Class Comparability Survey Results

Recommendation: Approve a zero annual salary adjustment

Financial Statement: None

---

### **BACKGROUND**

At the September 2009 Housing Commission meeting, you approved the continued use of the Housing Authority's Management Compensation Policy. Under this policy, a survey of agencies in the Housing Authority's Comparability Pool is conducted annually to determine the cost of living adjustments that have been granted to management employees. The average of the survey results is then presented to you for approval as an annual salary comparability adjustment. The amount is applied to both the employees' salaries and the Housing Authority's salary ranges. Your Commission has previously directed staff to round the results to the nearest whole percent.

The survey is usually conducted in the fall of each year because many public employers settle represented employees' union contracts and adopt their annual budgets prior to granting management employee increases and often the increase is not known until July, August or later.

### **DISCUSSION and ANALYSIS**

The results of this year's survey are attached. The results are unique in that, while most agencies in the pool gave no increase, several gave compensation adjustments not tied to a direct percentage increase in gross wages. Specifically, the Contra Costa County Housing Authority gave a flat \$75/month increase effective January 1, 2010; the San Mateo County Housing Authority is giving a flat \$400/year increase effective December 1, 2010; and the Santa Clara County Housing Authority picked up employee contributions to retirement at the rate of 3% of salary in July 2009 and another 1% of salary in January 2010.

The average COLA adjustment for the agencies in the Comparability Pool was .33%. Based on your Commission's direction, the results are rounded to 0%. Our current budget was prepared assuming a 2% annual comparability increase. HACA's represented employees received a 3% adjustment to all classes as negotiated in the current MOU. Staff recommends a zero salary adjustment based on your Commission's previous policy.

<u>PUBLIC AGENCY</u>	<u>COLA</u>	<u>EFFECTIVE DATE</u>
City of Fremont	0.0%	
City of Hayward	4.0%	June 21, 2010
City of San Leandro	0.0%	
City of San Mateo	0.0%	
County of Alameda	0.0%	
H.A. City of Alameda	0.0%	
H.A. Contra Costa County *	0.0%	
H.A. Marin County	0.0%	
H.A. City of Oakland	0.0%	
H.A. City Richmond	0.0%	
H.A. San Mateo County **	0.0%	
H.A. Santa Clara County ***	0.0%	
<b>AVERAGE</b>	0.33%	

\* \$75/month across the board increase effective 1/1/10

\*\* \$400/year across the board increase effective 12/10

\*\*\* 3% of gross salary retirement pickup 7/1/09 and  
1% of gross salary retirement pickup 1/1/10

# **QUARTERLY** **FINANCIAL STATEMENT**

HOUSING AUTHORITY OF ALAMEDA COUNTY  
Financial Status Report for the Quarter ending September 30, 2010

	Low Rent Public Housing	Housing Choice Vouchers	Housing Development Fund	Park Terrace	Ocean Avenue	Totals
<u>Operating revenues</u>						
Rental revenue - tenants	\$ 253,688	\$	\$ 35,750	\$ 28,658	\$ 12,612	\$ 330,708
Other revenue	5,862			261	202	6,325
Total operating revenues	<u>259,550</u>		<u>35,750</u>	<u>28,919</u>	<u>12,814</u>	<u>337,033</u>
<u>Operating expenses</u>						
Administration	145,459	1,427,059	14,919	5,562	4,628	1,597,627
Tenant service	675		0	0	0	675
Utilities	32,782		14,105	0	1,743	48,630
Ordinary maintenance and operations	195,370		67,428	10,092	15,202	288,092
General expenses	41,674	571,752	4,181	852	767	619,226
Capital Eqpt Purchase	0	0	0	0	0	0
Transfer of Equity to PH	0		0			0
Total operating expenses	<u>415,960</u>	<u>1,998,811</u>	<u>100,633</u>	<u>16,506</u>	<u>22,340</u>	<u>2,554,251</u>
Operating (loss)	<u>(156,410)</u>	<u>(1,998,811)</u>	<u>(64,883)</u>	<u>12,412</u>	<u>(9,526)</u>	<u>(2,217,217)</u>
<u>Non-operating revenues</u>						
HUD PHA grants	97,082	1,925,605		0	0	2,022,687
Capital grants	28,897			0	0	28,897
Other revenue	11,526	85,194	5,000	0	0	101,720
Investment income	311	893	8,859	635	497	11,194
Total non-operating revenues	<u>137,816</u>	<u>2,011,692</u>	<u>13,859</u>	<u>635</u>	<u>497</u>	<u>2,164,498</u>
<b>Income/(loss)</b>	<b>\$ (18,594)</b>	<b>\$ 12,881</b>	<b>\$ (51,024)</b>	<b>\$ 13,047</b>	<b>\$ (9,029)</b>	<b>\$ (52,719)</b>
Unrestricted Net Assets balance 7/1/10	\$ 117,061	\$ 2,918,420	\$ 9,083,922	\$ 878,810	\$ 666,755	\$ 13,664,968

# **PROGRAMS** **ACTIVITY REPORT**

## HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

### AGENDA STATEMENT

Meeting: November 10, 2010

Subject: Programs Activity Report

Exhibits Attached: Section 8 Contract Report; Fraud Payments Report; Landlord Rental Listing Report; FSS Program Monthly Report

Recommendation: Receive Report

Financial Statement: None

---

### **SECTION 8 HOUSING CHOICE VOUCHERS**

- **Lease-Up:** As of November 1, 2010 the Section 8 Housing Choice Voucher program had 5,502 units under contract. The fiscal year-to-date lease-up average is 96.26% units. The fiscal year-to-date budget authority use average through September is 97.87%.
- **Program Utilization:** As of November 1, 2010 the average HAP subsidy is \$1,085 and the average tenant-paid rent portion is \$354 for an average Contract Rent of \$1,439.
  - ❖ As of November 1, 2010 HACA has 49 outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction).
  - ❖ As of November 1, 2010 HACA billed other housing authorities, primarily the Oakland Housing Authority, for 1,574 incoming portability contracts. HACA receives only 80% of the HUD-authorized Administrative Fee for billed incoming portability contracts.
- **Section 8 Contract Report:** A copy of the Contract Report is attached.
- **Fraud / Debt Recovery:** HACA retained \$3,688.29 in fraud and debt recovery payments for the month of October 2010. A total of \$45,416.10 was retained over the last six months.

HACA retained \$665.00 in Housing Assistance Payment (HAP) overpayments for the month of October 2010. A total of \$3,619.00 was retained over the last six months.
- **Landlord Rental Listings:** As of November 1, 2010 there were 1,175 landlords with properties in HACA's jurisdiction utilizing the *GoSection8* rental listing service. There were 13 new landlords to the Section 8 program this month. There were 134 active properties listed.

### **FAMILY SELF SUFFICIENCY (FSS)**

FSS continued its regular round of workshops and case management activities in October while beginning preparations for the November and December activities. November 18<sup>th</sup> is the celebration of achievements event where scholarship winners, poster contest artists, new graduates, and newly-employed participants will be honored. FSS will also take this opportunity to honor volunteers and donors who have made significant contributions to the success of the program in 2010. Commissioners and HACA staff are also invited. FSS is also beginning to gather donations for the December Holiday Gifts. It is one of the busiest and most exciting times of the year in FSS.

### **PUBLIC HOUSING**

- **Occupancy:** As of November 1, 2010 the Public Housing program had 229 of 230 units leased and has a 99.13% fiscal year-to-date lease up rate.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**  
**Section 8 Contract and HAP Report for the month of OCTOBER 2010**

	Certificates		Vouchers		OCTOBER 2010 TOTAL			
City	Number	HAP*	Number	HAP**	Number	HAP	OCTOBER 2009	OCTOBER 2008
Albany	-	\$ -	44	\$ 47,740	44	\$ 47,740	43	43
Castro Valley	13	\$ 11,453	240	\$ 260,400	253	\$ 271,853	246	246
Dublin	2	\$ 1,762	266	\$ 288,610	268	\$ 290,372	220	198
Emeryville	5	\$ 4,405	85	\$ 92,225	90	\$ 96,630	95	98
Fremont	26	\$ 22,906	1,380	\$ 1,497,300	1,406	\$ 1,520,206	1,413	1,371
Hayward	107	\$ 94,267	2,325	\$ 2,522,625	2,432	\$ 2,616,892	2,390	2,404
Newark	2	\$ 1,762	295	\$ 320,075	297	\$ 321,837	289	292
Pleasanton	4	\$ 3,524	154	\$ 167,090	158	\$ 170,614	142	148
San Leandro	18	\$ 15,858	1,325	\$ 1,437,625	1,343	\$ 1,453,483	1,332	1,283
San Lorenzo	2	\$ 1,762	196	\$ 212,660	198	\$ 214,422	193	182
Union City	3	\$ 2,643	709	\$ 769,265	712	\$ 771,908	697	710
TOTALS	182	\$160,342.00	7,019	\$7,615,615.00	7,201	\$7,770,532.00	7,060	6,975

\* based on an average OCTOBER Housing Assistance Payment (HAP) of \$881 per certificate contract

\*\*based on an average OCTOBER Housing Assistance Payment (HAP) of \$1085 per voucher contract



10-11

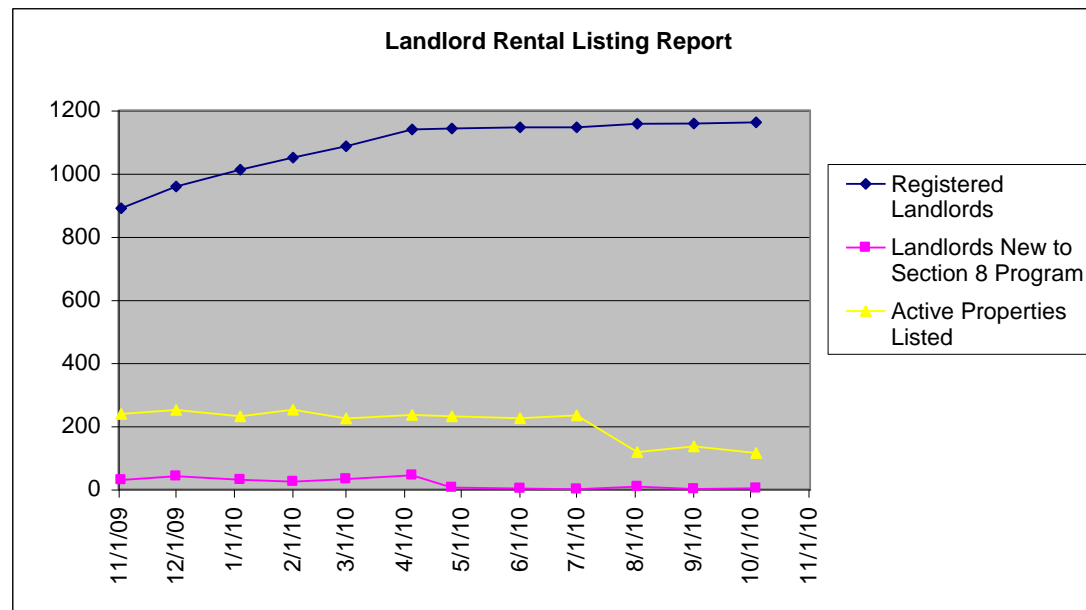
DEBT COLLECTIONS  
FYE 06/30/11

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	GRAND TOTALS
<i>DAMAGE CLAIMS</i>	\$85.64	\$0.00	\$0.00	\$1,280.00									\$1,365.64
<i>FRAUD REPAYMENTS</i>	\$8,469.51	\$5,201.58	\$7,358.33	\$3,688.29									\$24,717.71
<i>HAP OVERPAYMENTS</i>	\$339.50	\$383.00	\$1,155.00	\$665.00									\$2,542.50
<b>TOTALS</b>	<b>\$8,894.65</b>	<b>\$5,584.58</b>	<b>\$8,513.33</b>	<b>\$5,633.29</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$28,625.85</b>

## Landlord Rental Listing Report

### Monthly

	11/2/09	12/1/09	1/4/10	2/1/10	3/1/10	4/5/10	4/26/10	6/1/10	7/1/10	8/2/10	9/1/10	10/4/10	11/1/10
Registered Landlords	890	959	1012	1050	1086	1139	1142	1146	1146	1157	1158	1162	1175
Landlords New to Section 8 Program	29	41	30	24	32	44	5	2	0	8	1	3	13
Active Properties Listed	238	251	231	252	224	235	231	225	234	118	136	115	134





**To:** Christine Gouig, Executive Director  
**From:** Sharon DeCray, HAFS Manager  
**Re:** **FSS Program Summary**  
**CC:** Ron Dion, Phyllis Harrison, Linda Evans, Mary Sturges  
**Date:** October 26, 2010

---

### **Program Summary**

### **October 2010**

Total Clients under Contract:	202
Graduates:	1
Escrow Disbursed:	\$8,883.44
Ports In:	0
Ports Out:	0
Terminations:	16
New Contracts:	5

### **Program Coordinating Committee (PCC)**

FSS staff held a PCC meeting on Thursday, October, 14, 2010, here at the Housing Authority. The PCC is the advisory board for our FSS program and assists in accessing community resources. It consists of two program participants, four FSS staff members and six members from community based organizations. FSS Coordinators gave updates on the FSS program and presented a draft revision to the FSS Action Plan. Realtor Tammy Yao discussed the real estate outlook for low-income families wanting to purchase a home. Ollie Arnold, representing 2-1-1, the local social services call center, described a few of their new programs and processing procedures for getting through to their hotlines for services.

### **Section 8 Homeownership Orientation Elderly / Disabled**

A Section 8 Homeownership orientation for the elderly and disabled was held on Thursday, October, 14, 2010. The orientation covered the basics of HACA's Section 8 homeownership requirements as they relate to being elderly and/or disabled. Eighteen attended.

### **Workshops**

FSS partnered with Meriwest Credit Union and held a *Money Management, Part-2* workshop. At this free workshop, participants received information on how to:

- Manage your credit
- Protect your credit score
- Take action if your wallet or purse is lost or stolen
- Access your credit report for free from all 3 bureaus
- Protect yourself when buying things on the web
- Fight back against identity theft

The response and turn out was excellent as this is the last financial workshop for the year. Twenty-five enrolled and 30 attended.

### **Upcoming Events**

We are preparing for our first annual "It's Your Time to Shine" celebration. During this event, we will celebrate the educational and/or employment milestones of the FSS participants and their household family members. FSS staff will acknowledge all the NAHRO poster contest participants, HACA and NorCal NAHRO winners and scholarship recipients and give a special acknowledgement to our volunteers that help keep FSS running smoothly. The event will take place at the San Leandro Library on Thursday November 18, 2010 from 6PM to 8 PM. All HACA Commissioners are invited.

### **Holiday Gift Drive**

This holiday season we are having another gift drive to help raise donations to prepare for assisting all of our FSS families with a grocery gift card. Each year we ask for donations from various vendors, staff members, and the community. We are accepting monetary donations, gift cards, clothing, toys, and cans and bottles for recycling.

### **Referrals = Case Management 65**

1 mass mailing to all 202 participants

- Meriwest Credit Union Workshop
- Poll Workers Employment Opportunity
- October 22<sup>nd</sup> Job Fair at the Tri-Cities One Stop
- The Bread Project Training Program

# **It's Your Time to Shine!**



**WE WANT TO HEAR FROM YOU.**

**FSS would like to celebrate you and your  
accomplishments at our November 18, 2010  
Party at the San Leandro Library from  
6:00pm – 8:00pm**

**Have you or anyone in your household achieved  
a milestone (e.g. school graduation, new job...) in  
the past 12 months? Let us know.**

**Contact FSS at (510) 727-8582**

# **ATTACHMENT A**

### 3-1.M. LIVE-IN AIDE

*Live-in aide* means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403]. This definition applies to a specific person [PIH 2008-20].

The PHA may not approve an unidentified live-in aide, nor a larger unit than the family qualifies for under the PHA's subsidy standards for an unidentified live-in aide.

Occasional, intermittent, multiple or rotating care givers do not meet the definition of a live-in aide since 24 CFR Section 982.402(b)(7) implies live-in aides must reside with a family permanently for the family unit size to be adjusted in accordance with the subsidy standards established by the PHA. Therefore, an additional bedroom should not be approved.

Regardless, a family may always request a reasonable accommodation to permit program participation by individuals with disabilities. A family's composition or circumstances may warrant the provision of an additional bedroom to permit disability-related overnight care and allow the family equal use and enjoyment of the unit. Such limited exceptions to the established subsidy standards are permitted under 24 CFR Section 982.402(b)(8).

The PHA must consider requests for an exception to the established subsidy standards on a case-by-case basis and provide an exception, where necessary, as a reasonable accommodation. The PHA shall document the justification for all granted exceptions.

HACA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

#### HACA Policy

The live-in aide, and any family members of the live-in aide, must be identified by the family and approved by HACA.

A family's request for a live-in aide must be made in accordance with HACA's Request for Reasonable Accommodation policies (2.II.C). Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must submit a new request-subject to HACA verification every two years.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

Deleted: 07

Deleted: 7

Deleted: 07

#### Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]

For new occupants joining the assisted family, HACA must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, HACA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

#### HACA Policy

HACA will verify the status of applicants at the time other eligibility factors are determined.

#### 3-IL.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218, Notice PIH 2010-3]

The applicant and all members of the applicant's household (including Live-In Aides and foster children/adults) must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. A detailed discussion of acceptable documentation is provided in Chapter 7-II.B.

Note: These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

HACA must deny assistance to an applicant family, if it does not meet the SSN disclosure, and documentation requirements contained in 24 CFR 5.216 (see Chapter 12-ID).

~~Deleted: provide documentation of a valid Social Security Number (SSN) as set forth in Chapter 7. Assistance cannot be provided to an applicant family until all SSN documentation requirements are met.~~

~~Formatted: Space After: Auto~~

~~Deleted: Each participant, except those age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010 must provide the documentation at the next interim or regularly scheduled reexamination of family composition or income if the participant has (1) not previously disclosed a SSN, (2) previously disclosed a SSN that HUD or the SSA determined was invalid, or (3) been issued a new SSN. ¶ If a new member is added to the family who is at least six years of age, or is under the age of six and has an assigned SSN, the new member's SSN documentation must be submitted at the time of the request, or at the time of processing the interim reexamination of family composition that includes the new member. If the new household member is under the age of six and has not been assigned a SSN, the participant is required to provide the complete and accurate SSN assigned to each new child and SSN documentation within 90 calendar days of the child being added to the household. HACA will grant an extension of one additional 90-day period if HACA, in its discretion, determines that the participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant. During the period that HACA is awaiting documentation of a SSN, HACA will include the child as part of the assisted household and the child will be entitled to all the benefits of being a household member. If, upon expiration of the provided time period, the participant fails to produce documentation of a SSN, HACA will follow the provisions of 24 CFR 5.218 as discussed in Chapter 12-ID.¶ If any member of the household obtains a previously undisclosed SSN, or has been assigned a new SSN, the documentation must be submitted at either the time of receipt of the new SSN or at the family's next interim, regularly scheduled...~~

~~Deleted: , and terminate the assistance of a participant family.~~

~~Deleted: and verification, and certification~~

~~Deleted: 07~~

~~Deleted: 7~~

~~Deleted: 07~~



Each participant, except those age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010 must provide the documentation at the next interim or regularly scheduled reexamination of family composition or income if the participant has (1) not previously disclosed a SSN, (2) previously disclosed a SSN that HUD or the SSA determined was invalid, or (3) been issued a new SSN.

If a new member is added to the family who is at least six years of age, or is under the age of six and has an assigned SSN, the new member's SSN documentation must be submitted at the time of the request, or at the time of processing the interim reexamination of family composition that includes the new members. If the new household member is under the age of six and has not been assigned a SSN, the participant is required to provide the complete and accurate SSN assigned to each new child and SSN documentation within 90 calendar days of the child being added to the household. HACA will grant an extension of one additional 90-day period if HACA, in its discretion, determines that the participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant. During the period that HACA is awaiting documentation of a SSN, HACA will include the child as part of the assisted household and the child will be entitled to all the benefits of being a household member. If, upon expiration of the provided time period, the participant fails to produce documentation of a SSN, HACA will follow the provisions of 24 CFR 5.218 as discussed in Chapter 12-I.D.

If any member of the household obtains a previously undisclosed SSN, or has been assigned a new SSN, the documentation must be submitted at either the time of receipt of the new SSN or at the family's next interim, regularly scheduled reexamination or other recertification.

## PART III: SELECTION FOR HCV ASSISTANCE

### 4-III.A. OVERVIEW

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families receive assistance from the waiting list depends on the selection method chosen by HACA and is impacted in part by any selection preferences that the family qualifies for. The source of HCV funding also may affect the order in which families are selected from the waiting list.

HACA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to HACA's selection policies [24 CFR 982.204(b) and 982.207(e)].

### 4-III.B. SELECTION AND HCV FUNDING SOURCES

#### Special Admissions [24 CFR 982.203]

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition or disposition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, HACA may admit families that are not on the waiting list, or without considering the family's position on the waiting list. HACA must maintain records showing that such families were admitted with special program funding.

#### Targeted Funding [24 CFR 982.204(e)]

HUD may award HACA funding, and/or designate assistance, for a specified category of families on the waiting list. HACA must use this funding only to assist the families within the specified category.

#### HACA Policy

For any specified category of families for which HUD may award funding to HACA, and/or designate assistance for, HACA will select the applicant for assistance in the following order:

- If set forth by the HUD funding award, in that order;
- If not set forth by the HUD funding award, in the order of first come, first served.

HACA Selection Policies Applicable to Categories of Families for which HUD Has Designated Assistance or Awarded Funding to HACA, or for which HUD May Award Funding to HACA in Response to an Application From HACA:

- HUD Office of Policy Development and Research, Impact of Housing and Services Interventions on Homeless Families Study  
For up to a maximum of 10 permanent vouchers that HACA has agreed to dedicate to the study, the wait list is always open to an otherwise eligible homeless applicant referred to HACA by the research project.

Formatted: Indent: Left: 0.5"

Formatted: Default, Space Before: 0 pt, Bulleted + Level: 1 + Aligned at: 1" + Tab after: 1.25" + Indent at: 1.25"

Formatted: Font: 12 pt, Not Bold, Not Italic

Deleted: 05

Deleted: 9

Deleted: 05

- Notice of Funding Availability (NOFA) Family Unification Program (FUP)  
HACA has executed a Memorandum of Understanding (MOU) dated  
November 11, 2010 with the Alameda County Social Services Department,  
the applicable Public Child Welfare Agency (PCWA). HACA, upon receipt of  
the PCWA list of families and youths currently in the PCWA caseload, will  
compare the names with those of families and youths already on HACA's HCV  
waiting list. Any family or youth on HACA's HCV waiting list that matches with  
the PCWA's list will be assisted in order of its position on the waiting list in  
accordance with HACA admission policies. Any family or youth certified by the  
PCWA as eligible and not on the HCV waiting list will be placed on the waiting  
list. If HACA has closed the HCV waiting list, it will reopen the waiting list to  
accept a FUP applicant family or youth who is not currently on HACA's HCV  
waiting list.

Formatted: Highlight

#### Regular HCV Funding

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

Deleted: 05

Deleted: 9

Deleted: 05

#### 4-III.D. NOTIFICATION OF SELECTION

When a family has been selected from the waiting list, HACA must notify the family.

##### HACA Policy

HACA will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

Date, time, and location of the scheduled application interview (in-person, by telephone, or by mail), including any procedures for rescheduling the interview

Who is required to attend the interview if interview is to be conducted in-person or by telephone.

Documents that must be provided at, or before, the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

Other documents and information that should be brought to the interview or submitted by mail

If a notification letter is returned to HACA with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

#### 4-III.E. THE APPLICATION INTERVIEW

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination through a private interview [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the PHA determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the PHA [Notice PIH 2010-3].

Formatted: Font color: Auto

Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

##### HACA Policy

Families selected from the waiting list are required to participate in an eligibility interview (in-person, by telephone, or by mail).

If an in-person or telephone interview is required, the head of household and the spouse/cohead will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/cohead may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to HACA.

The interview will be conducted only if the head of household or spouse/cohead provides appropriate documentation of legal identity. (Chapter 7 provides a discussion of proper

Deleted: 05

Deleted: 9

Deleted: 05

documentation of legal identity). If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained.

Pending disclosure and documentation of social security numbers, the PHA will allow the family to retain its place on the waiting list for a period of 90 calendar days. If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, HACA will grant the family an additional 90-day period to comply with the SSN disclosure and documentation requirement, if HACA determines the family was unable to comply with the requirements due to circumstances that could not have reasonably been foreseen and were outside the control of the family.

Formatted: Font: 12 pt

Formatted: Indent: Left: 0.5",  
Space Before: 6 pt

HACA must deny the eligibility of an applicant if s/he (including each member of the household required to disclose his/her SSN) does not disclose a SSN and provide documentation of such SSN within the above time period. If not all household members have disclosed their SSNs at the next time the PHA is issuing vouchers, the PHA will issue a voucher to the next eligible applicant family on the waiting list.

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Don't adjust space  
between Latin and Asian text, Don't  
adjust space between Asian text and  
numbers

Deleted: 05

Deleted: 9

Deleted: 05

If the PHA is located in a metropolitan FMR area, the following additional information must be included in the briefing packet in order to receive full points under SEMAP Indicator 7, Expanding Housing Opportunities [24 CFR 985.3(g)]:

- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction.
- Information about the characteristics of these areas including job opportunities, schools, transportation and other services.
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs with names, addresses, and telephone numbers.

Deleted: .

Deleted: including

Deleted: b

**Additional Items to Be Included in the Briefing Packet**

In addition to items required by the regulations, PHAs may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB p. 8-7, Notice PIH 2010-19].

HACA Policy

HACA will provide the following additional materials in the briefing packet:

When HACA-owned units are available for lease, a written statement that the family has the right to select any eligible unit available for lease, and is not obligated to choose a HACA-owned unit.

Deleted: .

Information on how to fill out and file a housing discrimination complaint form.

"Is Fraud Worth It?" (form HUD-11401141-OIG) which explains the types of actions a family must avoid and the penalties for program abuse.

Formatted: Space Before: Auto, After: Auto

Deleted: The publication Applying for HUD Assistance? Think About This... Is Fraud Worth It? (HUD-1141) that

"What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19.

Deleted: .

Deleted:

Deleted: 07

Deleted: 7

Deleted: 07

- Unless a live-in-aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under HACA subsidy standards.

#### HACA Policy

HACA will assign one bedroom for each two persons within the household, except in the following circumstances:

The head of household will be allocated a separate bedroom even if there is no spouse/significant other in the household.

A live-in aide will be allocated a separate bedroom. The total family unit size is as shown in the table below. As set forth in Section 3-I.M., any family members of a live-in aide must be identified by the family and approved by HACA. No additional bedroom(s) will be allocated to the household for family members of a live-in aide.

Single person families will be allocated one bedroom.

HACA will reference the following charts in determining the appropriate voucher size for a family:

Voucher Size	Persons in Household (Minimum – Maximum)
1 Bedroom	1-2
2 Bedrooms	2-4
3 Bedrooms	3-6
4 Bedrooms	4-8
5 Bedrooms	6-10

Deleted: L

Deleted: s

Deleted: 07

Deleted: 7

Deleted: 07



## 6-1.C. ANTICIPATING ANNUAL INCOME

HACA is required to count all annual income set forth in 24 CFR 5.609. Policies related to anticipating annual income are provided below.

### Basis of Annual Income Projection

HACA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes PHAs to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- The family reports little to no income [24 CFR 5.609(a)(2)(ii)(A)]
- The PHA is unable to determine annual income due to fluctuations in income (e.g., seasonal or cyclic income) [24 CFR 5.609(a)(2)(ii)(B)]

PHAs are required to use HUD's Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

Formatted: Font color: Auto

Formatted: Space Before: Auto, After: Auto

HUD allows PHAs to use pay-stubs to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.

Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

### HACA Policy

When EIV data are obtained and the family does not dispute the EIV employer data, HACA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, HACA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

Formatted: Font color: Auto

Formatted: Indent: Left: 0.5", Space Before: Auto, After: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

HACA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:

Formatted: Font color: Auto

Formatted: Font color: Auto

If EIV or other UTI data is not available.

If the family disputes the accuracy of the EIV employer data, and/or

If the PHA determines additional information is needed.

In such cases, the PHA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.

When HACA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), HACA may average past actual income received or earned within the last 12 months before the determination date to calculate annual income. HACA may also request the family to provide documentation of current income. If the family can provide acceptable

Deleted: 07

Deleted: 7

Deleted: 07



documentation dated either within the 60-day period preceding the determination date or the 60-day period following the request date, HACA may use this documentation to calculate annual income.

Anytime current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to HACA to show why the historic pattern does not represent the family's anticipated income.

#### *Known Changes in Income*

If HACA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

**Example:** An employer reports that a full-time employee who has been receiving \$6/hour will begin to receive \$6.25/hour in the eighth week after the effective date of the reexamination. In such a case HACA would calculate annual income as follows: (\$6/hour × 40 hours × 7 weeks) + (\$6.25 × 40 hours × 45 weeks).

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases HACA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if HACA's policy in Chapter 11 does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date. EIV quarterly wages will not be used to project annual income at an annual or interim reexamination.

#### Projecting Income

In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.

Formatted: Indent: Left: 0.5", Space Before: Auto, After: Auto

Formatted: Space Before: Auto, After: Auto

Formatted: Indent: Left: 0", Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: 07

Deleted: 7

Deleted: 07

## 6.I.D. EARNED INCOME

### Types of Earned Income Included in Annual Income

#### *Wages and Related Compensation*

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(b)(1)].

#### HACA Policy

For persons who regularly receive bonuses or commissions, HACA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, HACA will use the prior year amounts. In either case the family may provide, and HACA will consider, a credible justification for not using this history to anticipate future bonuses or commissions if a new employee has not yet received any bonuses or commissions. HACA will count only the amount estimated by the employer. The file will be documented appropriately.

#### *Some Types of Military Pay*

All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

### Types of Earned Income Not Counted in Annual Income

#### *Temporary, Nonrecurring, or Sporadic Income* [24 CFR 5.609(c)(9)]

This type of income (including gifts) is not included in annual income. Sporadic income includes temporary payments from the U.S. Census Bureau for employment lasting no longer than 180 days [Notice PIH 2009-19].

#### HACA Policy

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

#### *Children's Earnings*

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income [24 CFR 5.609(c)(1)]. (See Eligibility chapter for a definition of *foster children*.)

#### *Certain Earned Income of Full-Time Students*

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

#### *Income of a Live-in Aide*

**Deleted: Using Up-Front Income Verification (UIV) to Project Income**  
UIV is "the verification of income, before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals" [VG, p. 7]. PHAs must use one such UIV tool, HUD's Enterprise Income Verification (EIV) System, as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income [24 CFR 5.233(a)(2)]. HUD also strongly recommends the use of other up-front income verification (UIV) in conjunction with family-provided documents to anticipate income [UIV].  
**HACA Policy**  
HACA procedures for anticipating annual income include the use of HUD's EIV System in conjunction with family-provided documents dated within the last 60 days of the HACA interview or mail packet received date.  
-----Page Break-----

Deleted: 07

Deleted: 7

Deleted: 07

## 6.I.H. PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

### Periodic Payments Included in Annual Income

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]

### Lump-Sum Payments for the Delayed Start of a Periodic Payment

Most lump-sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income [CFR 5.609(b)(4)]. Additionally, any deferred disability benefits that are received in a lump-sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [FR Notice 11/24/08].

#### HACA Policy

When a delayed-start payment is received and reported during the period in which HACA is processing an annual reexamination, HACA will adjust the family share and HACA subsidy prospectively.

### Treatment of Overpayment Deductions from Social Security Benefits

HACA must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, HACA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2010-31.

Formatted: Font color: Auto

Formatted: Space Before: Auto, After: Auto

Formatted: Indent: Left: 0", Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: 07

Deleted: 7

Deleted: 07

## 7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

### HUD's Verification Hierarchy ~~[Notice PIH 2010-19]~~

HUD authorizes PHAs to use six methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires PHAs to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

~~Deleted: HACA~~

~~Deleted: five~~

~~Deleted: HACA~~

~~Deleted: HACA~~

#### HACA Policy

In order of priority, the forms of verification that HACA will use are:

Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system

~~Formatted: Indent: Left: 1", Space Before: Auto, After: Auto, No bullets or numbering~~

Up-front Income Verification (UIV) using a non-HUD system

Written Third Party Verification (may be provided by applicant or participant)

Written Third-party Verification Form

Oral Third-party Verification

Self-Certification

~~Formatted: Indent: Left: 1"~~

~~Formatted: Bullets and Numbering~~

~~Deleted: Up-front Income Verification (UIV)  
Third-party Written Verification  
Third-party Oral Verification  
Review of Documents  
Self-Certification~~

~~Formatted: Indent: Left: 1", No bullets or numbering~~

~~Deleted: Exhibit 7-1 at the end of the chapter contains an excerpt from the notice that provides guidance with respect to how each method may be used.~~

~~Deleted: calendar~~

~~Deleted: HACA will accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides semi-annual reports, HACA would accept the most recent report.~~

~~Deleted: w~~

~~Deleted: HACA~~

~~Deleted: HACA~~

~~Deleted: 2007~~

~~Deleted: 07~~

~~Deleted: 7~~

~~Deleted: 07~~

Each of the verification methods is discussed in subsequent sections below.

### Requirements for Acceptable Documents

#### HACA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 days of the date they are provided to HACA. The documents must not be damaged, altered or in any way illegible.

Print-outs from Web pages are considered original documents.

HACA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to HACA.

### File Documentation

PHAs must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

#### HACA Policy





The EIV discrepancy report is a tool for identifying families who may have concealed or under-reported income. Data in the discrepancy report represents income for past reporting periods and may be between 6 months and 30 months old at the time reports are generated.

Deleted: IDR.

Deleted: IDR.

Deleted: IDRs.

Deleted: IDR.

Families who have not concealed or under-reported income may appear on the discrepancy report in some circumstances, such as loss of a job or addition of new family members.

Income discrepancies may be identified through use of the EIV "Income Discrepancy Report" or by review of the discrepancy tab for the individual family.

Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

#### HACA Policy

HACA will generate the Income Discrepancy Report at least once every 6 months.

Deleted: and review IDRs on a quarterly basis. The IDR threshold percentages will be adjusted as necessary based on the findings in the IDRs.

When HACA determines that a participant appearing on the Income Discrepancy Report has not concealed or under-reported income, the participant's name will be placed on a list of "false positive" reviews. To avoid multiple reviews in this situation, participants appearing on this list will be eliminated from discrepancy processing until a subsequent interim or annual reexamination has been completed.

Deleted: In reviewing IDRs, HACA will begin with the largest discrepancies.

Deleted: IDR.

Deleted: IDR.

HACA will review the EIV discrepancy tab during processing of annual and interim reexaminations.

Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

When it appears that a family may have concealed or under-reported income, HACA will request written third-party verification of the income in question.

Deleted: written

When HACA determines through file review and third party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

Deleted: IDR.

#### EIV Identity Verification

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on social security number, name, and date of birth.

Deleted: Social

Deleted: S

Deleted: S

PHAs are required to use EIV's Identity Verification Report on a monthly basis to improve the availability of income information in EIV [Notice PIH 2010-3].

Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

When identity verification for a participant fails, a message is displayed within the EIV system and no income information is displayed.

#### HACA Policy

HACA will identify participants whose identity verification has failed by reviewing EIV's Identity Verification Report on a monthly basis.

Formatted: Font: Italic

Deleted: as part of the annual reexamination process

HACA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When HACA determines that discrepancies exist due to HACA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

Deleted: reviewing file documents.

Formatted: Space Before: Auto, After: Auto

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

Upfront Income Verification Using Other Than HUD's Enterprise Income Verification (EIV) System (Optional)

In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

HACA Policy

HACA will inform all applicants and participants of its use of the following UIV resources during the admission and reexamination process:

HUD's EIV system

CalWIN (California Work Opportunity and Responsibility to Kids Information Network)

The Work Number

The California Employment Development Department (EDD) computer matching system

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

#### 7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

Formatted: Space Before: Auto, After: Auto

##### Written Third-Party Verification [Notice PIH 2010-19]

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

Formatted: Indent: Left: 0.5", Space Before: Auto, After: Auto

##### HACA Policy

Third-party documents provided by the family must be dated within 60 days of HACA's request date.

If HACA determines that third-party documents provided by the family are not acceptable, HACA will explain the reason to the family and request additional documentation.

As verification of earned income, HACA will request pay stubs covering the 60-day period prior to the PHA's request.

Formatted: Space Before: Auto, After: Auto

##### Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

A written third-party verification form is mandatory when there is an unreported source of income or a substantial difference in reported income (\$2400 annually or more) and there is no UIV or tenant-provided documentation to support the income discrepancy.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07



PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

#### HACA Policy

HACA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by HACA.

#### Oral Third-Party Verification [Notice PIH 2010-19]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

#### HACA Policy

In collecting third-party oral verification, HACA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification HACA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

#### When Third-Party Verification is Not Required [Notice PIH 2010-19]

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

#### HACA Policy

If the family cannot provide original documents, HACA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Formatted: Space Before: Auto,  
After: Auto

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Deleted: Reasonable Effort and  
Timing<sup>¶</sup>

Unless third-party verification is not required as described below, HUD requires HACA to make at least two unsuccessful attempts to obtain third-party verification before using another form of verification [VG, p. 15].<sup>¶</sup>

HACA Policy<sup>¶</sup>  
HACA will diligently seek third-party verification using a combination of written and oral requests to verification sources. Information received orally from third parties may be used either to clarify information provided in writing by the third party or as independent verification when written third-party verification is not received in a timely fashion.<sup>¶</sup>  
HACA may mail, fax, e-mail, or hand deliver third-party written verification requests and will accept third-party responses using any of these methods. HACA will send a written request for verification to each required source within 5 business days of securing a family's authorization for the release of the information and give the source 10 business days to respond in writing. If a response has not been received by the 11<sup>th</sup> business day, HACA will request third-party oral verification.<sup>¶</sup>

HACA will make a minimum of two attempts, one of which may be oral, to obtain third-party verification. A record of each attempt to contact the third-party source (including no-answer calls) and all contacts with the source will be documented in the file. Regarding third-party oral verification, HACA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.<sup>¶</sup>

When any source responds verbally to the initial written request for verification HACA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.<sup>¶</sup> [4]

Formatted: Space Before: Auto,  
After: Auto

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

### Primary Documents

Third-party verification is not required when data from HUD's EIV System, or legal documents, such as a birth certificate or other legal documentation of birth, are the primary source.

#### Imputed Assets

HUD permits HACA to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

#### HACA Policy

HACA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

Deleted: Certain
Deleted: and Expenses
Deleted: will
Deleted: HACA will determine that third-party verification is not available if the asset or expense involves an insignificant amount, making it not cost-effective or reasonable to obtain third-party verification [VG, p. 15].¶
Formatted: Space Before: Auto, After: Auto
Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers
Deleted: use review of documents in lieu of requesting third-party verification when the market value of an individual asset or an expense is less than \$500 annually and the family has original documents that support the declared amount.
Deleted: Certain Income, Asset and Expense Sources ¶ HACA will determine that third-party verification is not available when it is known that an income source does not have the ability to provide written or oral third-party verification [VG, p. 15]. For example, HACA will rely upon review of documents when HACA determines that a third party's privacy rules prohibit the source from disclosing information. ¶ HACA Policy¶ HACA also will determine that third-party verification is not available when there is a service charge for verifying an asset or expense and the family has original documents that provide the necessary information. ¶ HACA will document in the family file the reason that the third-party verification was not available and will place a photocopy of the original document(s) in the family file. [VG, p. 15]¶ If the family cannot provide original documents, HACA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.¶ The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an ... [5]
Deleted: 2007
Deleted: 07
Deleted: 7
Deleted: 07

### 7-I.E. SELF-CERTIFICATION

Self-certification, or "tenant declaration," is used as a last resort when the PHA is unable to obtain third-party verification.

When the PHA relies on a tenant declaration for verification of income, assets, or expenses, the family's file must be documented to explain why third-party verification was not available.

#### HACA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to HACA.

HACA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to HACA and must be signed by the family member whose information or status is being verified.

Deleted: 7-I.E. REVIEW OF

DOCUMENTS

Using Review of Documents as  
Verification

HACA Policy

If HACA has determined that third-party verification is not available or not required, HACA will use documents provided by the family as verification. HACA may also review documents when necessary to help clarify information provided by third parties. In such cases HACA will document in the file how HACA arrived at a final conclusion about the income or expense to include in its calculations.

Deleted: F

Formatted: Space Before: Auto,  
After: Auto

Formatted: Space Before: Auto,  
After: Auto, Don't adjust space  
between Latin and Asian text, Don't  
adjust space between Asian text and  
numbers

Formatted: Font: Not Bold

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

---

Page 5: [1] Deleted	RonDion	10/14/2010 3:23 PM
---------------------	---------	--------------------

---

HACA Policy

HACA will inform all applicants and participants of its use of the following UTV resources during the admission and reexamination process:

HUD's EIV system

CalWIN (California Work Opportunity and Responsibility to Kids Information Network)

The Work Number

The California Employment Development Department (EDD) computer matching system

---

Page 5: [2] Deleted	RonDion	10/14/2010 3:48 PM
---------------------	---------	--------------------

---

PHAs must use HUD's EIV system as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income, in accordance with 24 CFR 5.236 [24 CFR 5.233(a)(2)].

---

Page 5: [3] Deleted	RonDion	10/14/2010 3:48 PM
---------------------	---------	--------------------

---

The EIV system contains two main components: tenant income data reports and "exceeds threshold" reports.

---

Page 9: [4] Deleted	RonDion	10/14/2010 5:01 PM
---------------------	---------	--------------------

---

**Reasonable Effort and Timing**

Unless third-party verification is not required as described below, HUD requires HACA to make at least two unsuccessful attempts to obtain third-party verification before using another form of verification [VG, p. 15].

HACA Policy

HACA will diligently seek third-party verification using a combination of written and oral requests to verification sources. Information received orally from third parties may be used either to clarify information provided in writing by the third party or as independent verification when written third-party verification is not received in a timely fashion.

HACA may mail, fax, e-mail, or hand deliver third-party written verification requests and will accept third-party responses using any of these methods. HACA will send a written request for verification to each required source within 5 business days of securing a family's authorization for the release of the information and give the source 10 business days to respond in writing. If a response has not been received by the 11<sup>th</sup> business day, HACA will request third-party oral verification.

HACA will make a minimum of two attempts, one of which may be oral, to obtain third-party verification. A record of each attempt to contact the third-party source (including no-answer calls) and all contacts with the source will be documented in the file. Regarding third-party oral verification, HACA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification HACA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

If a third party agrees to confirm in writing the information provided orally, HACA will wait no more than 5 business days for the information to be provided. If the information is not provided by the 6<sup>th</sup> business day, HACA will use any information provided orally in combination with reviewing family-provided documents.

#### **When Third-Party Information is Late**

When third-party verification has been requested and the timeframes for submission have been exceeded, HACA will use the information from documents on a provisional basis. If HACA later receives third-party verification that differs from the amounts used in income and rent determinations and it is past the deadline for processing the reexamination, HACA will conduct an interim reexamination to adjust the figures used for the reexamination, regardless of HACA's interim reexamination policy.

Page 10: [5] Deleted

RonDion

10/14/2010 5:17 PM

#### ***Certain Income, Asset and Expense Sources***

HACA will determine that third-party verification is not available when it is known that an income source does not have the ability to provide written or oral third-party verification [VG, p. 15]. For example, HACA will rely upon review of documents when HACA determines that a third party's privacy rules prohibit the source from disclosing information.

#### **HACA Policy**

HACA also will determine that third-party verification is not available when there is a service charge for verifying an asset or expense *and* the family has original documents that provide the necessary information.

HACA will document in the family file the reason that the third-party verification was not available and will place a photocopy of the original document(s) in the family file. [VG, p. 15]

If the family cannot provide original documents, HACA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].



## 7-ILB. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and Notice PIH 2010-31]

The family must provide documentation of a valid social security number (SSN) for each member of the household with the exception of individuals who do not contend eligible immigration status. Exemptions also include existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

The PHA must accept the following documentation as acceptable evidence of the social security number:

An original SSN card issued by the Social Security Administration (SSA)

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

An original SSA-issued document, which contains the name and SSN of the individual

An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual, along with other identifying information of the individual

Such other evidence of the SSN as HUD may prescribe in administrative instructions

The PHA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document, if the original document has been altered, mutilated, or is not legible, or if the document appears to be forged.

Formatted: Space Before: Auto,  
After: Auto

### HACA Policy

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

HACA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days.

In the case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the required documentation must be provided within 90 calendar days from the date of admission into the program. The PHA must grant one additional 90-day extension if it determines that the applicant's failure to comply was due to circumstances that were beyond the applicant's control and could not have been reasonably foreseen.

Formatted: Space Before: Auto,  
After: Auto

### HACA Policy

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

HACA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, HACA will terminate the individual's assistance.

When the participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

Formatted: Space Before: Auto,  
After: Auto

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

#### HACA Policy

HACA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously-assisted occupancy.

#### HACA Policy

HACA will verify each disclosed SSN by:

Obtaining documentation from applicants and participants that is acceptable as evidence of social security numbers

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," the PHA should remove and destroy copies of documentation accepted as evidence of social security numbers by no later than the next reexamination.

#### HACA Policy

Once an individual's status is classified as "verified" in HUD's EIV system, HACA will remove and destroy copies of documentation accepted as evidence of social security numbers by no later than the next reexamination.

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Formatted: Space Before: Auto,  
After: Auto

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Formatted: Space Before: Auto,  
After: Auto

Formatted: Indent: Left: 0.5",  
Space Before: Auto, After: Auto

Deleted: HCV GB, p. 5-12<sup>¶</sup>

For every household member (including Live-In Aides and foster children/adults), the family must provide the complete and accurate SSN assigned to each household member and documentation of the valid social security number (SSN).<sup>¶</sup>  
For applicants, the documentation must be provided when the applicant family's eligibility is being determined.<sup>¶</sup>  
Each participant, except those age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010 must provide the documentation at the next interim or regularly scheduled reexamination of family composition or income if the participant has (1) not previously disclosed a SSN, (2) previously disclosed a SSN that HUD or the SSA determined was invalid, or (3) been issued a new SSN.<sup>¶</sup>

When a participant requests to add a new household member who is at least six years of age, or is under the age of six and has an assigned SSN, the participant must submit the documentation for that SSN at the time of the request or at the time of processing the interim reexamination or recertification of family composition that includes the new member(s). When a participant requests to add a new household member who is under the age of six and has not been assigned a SSN, the participant is required to provide the complete and accurate SSN assigned to each new child and SSN documentation within 90 calendar days of the child being added to the household. HACA shall grant an extension of one additional 90-day period if HACA, in its discretion, determines that the participant's failure to comply was due to circumstances that could not have been reasonably foreseen and were outside the control of the participant. During the period that HACA is awaiting documentation of a SSN, HACA <sup>¶</sup>...

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

**HCV GB, p. 5-12]**

For every household member (including Live-In Aides and foster children/adults), the family must provide the complete and accurate SSN assigned to each household member and documentation of the valid social security number (SSN).

For applicants, the documentation must be provided when the applicant family's eligibility is being determined.

Each participant, except those age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010 must provide the documentation at the next interim or regularly scheduled reexamination of family composition or income if the participant has (1) not previously disclosed a SSN, (2) previously disclosed a SSN that HUD or the SSA determined was invalid, or (3) been issued a new SSN.

When a participant requests to add a new household member who is at least six years of age, or is under the age of six and has an assigned SSN, the participant must submit the documentation for that SSN at the time of the request or at the time of processing the interim reexamination or recertification of family composition that includes the new member(s). When a participant requests to add a new household member who is under the age of six and has not been assigned a SSN, the participant is required to provide the complete and accurate SSN assigned to each new child and SSN documentation within 90 calendar days of the child being added to the household. HACA shall grant an extension of one additional 90-day period if HACA, in its discretion, determines that the participant's failure to comply was due to circumstances that could not have been reasonably foreseen and were outside the control of the participant. During the period that HACA is awaiting documentation of a SSN, HACA will include the child as part of the assisted household and the child will be entitled to all the benefits of being a household member. If, upon expiration of the provided time period, the participant fails to produce documentation of a SSN, HACA will follow the provisions of 24 CFR 5.218 as discussed in Chapter 12-ID.

If the participant or any member of the participant's household has a previously undisclosed SSN, or has been assigned a new SSN, the participant must submit the documentation for that SSN at the time of receipt of the new SSN or at the family's next interim, regularly scheduled reexamination or other recertification.

**HACA Policy**

HACA will accept the following documents as evidence of the SSN:

- a valid SSN card issued by the Social Security Administration;
- an original document issued by a federal or state government agency, which contains the name of the individual and the SSN of



### 7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

#### Social Security/SSI Benefits

##### HACA Policy

To verify the SS/SSI benefits of applicants, HACA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), HACA will ask the family to request a benefit verification letter from SSA's Web site at [www.socialsecurity.gov](http://www.socialsecurity.gov) or by calling SSA at 1-800-772-1213. Once the applicant has received the benefit verification letter, s/he will be required to provide it to HACA.

Formatted: Space Before: Auto, After: Auto

To verify the SS/SSI benefits of participants, HACA will obtain information about social security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, HACA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) HACA will ask the family to request a benefit verification letter from SSA's Web site at [www.socialsecurity.gov](http://www.socialsecurity.gov) or by calling SSA at 1-800-772-1213. Once the participant has received the benefit verification letter they will be required to provide it to HACA.

Formatted: Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: .

Deleted: If

Deleted: .

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

### 7-III.D. ALIMONY OR CHILD SUPPORT

#### HACA Policy

The way HACA will seek verification for alimony and child support differs depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be sought in the following order.

Copy of the receipts and/or payment stubs for the 60 days prior to PHA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If the family declares that it *receives irregular or no payments*, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

**Formatted:** Indent: Left: 1.5", Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

**Deleted:** If payments are made through a state or local entity, HACA will request a record of payments for the past 12 months and request that the entity disclose any known information about the likelihood of future payments.

**Deleted:** Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedule.  
Copy of the latest check and/or payment stubs.

**Deleted:** 2007

**Deleted:** 07

**Deleted:** 7

**Deleted:** 07

the individual, along with other identifying information of the individual; or

such other evidence of the SSN as HUD may prescribe in administrative instructions, including those documents listed in HUD's Verification Guidance dated March 2004 so long as they contain the SSN. Specifically:

- A driver's license

- Identification card issued by a federal, state, or local agency

- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)

- Identification card issued by an employer or trade union

- Benefit award letters from government agencies

- Retirement benefit letter

- Life insurance policies

- Court records (real estate, tax notices, marriage and divorce, judgment, or bankruptcy records).

If the family is an applicant, eligibility will not be established and assistance will not be provided until proper documentation of the SSN is provided (see Chapter 3-II.C.). If the family is a participant, HACA will terminate assistance if the applicable SSN documentation is not provided (see Chapter 12-I.D.).

### 7-III.F. NET INCOME FROM RENTAL PROPERTY

#### HACA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, HACA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

### 7-III.G. RETIREMENT ACCOUNTS

#### HACA Policy

HACA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of original document that will be accepted depends upon the family member's retirement status.

*Before* retirement, HACA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

*Upon* retirement, HACA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

*After* retirement, HACA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

Formatted: Space Before: 0 pt, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: When third-party verification is not available t

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

### 7-III.H. INCOME FROM EXCLUDED SOURCES

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HACA must obtain verification for income exclusions only if, without verification, HACA would not be able to determine whether the income is to be excluded. For example: If a family's 16 year old has a job at a fast food restaurant, HACA will confirm that HACA records verify the child's age but will not ~~require third-party verification of the amount earned~~. However, if a family claims the earned income disallowance for a source of income, both the source and the income must be verified.

Formatted: Space Before: 0 pt, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: send a verification request to the restaurant

#### HACA Policy

HACA will reconcile differences in amounts reported by the third party and the family only when the excluded amount is used to calculate the family share (as is the case with the earned income disallowance). In all other cases, HACA will report the amount to be excluded as indicated on documents provided by the family.

### 7-III.I. ZERO ANNUAL INCOME STATUS

#### HACA Policy

HACA will check UTV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SSI, etc., are not being received by families claiming to have zero annual income.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

### 7-III.J. STUDENT FINANCIAL ASSISTANCE

Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, HACA would not be able to determine whether or to what extent the income is to be excluded (see Section 7-III.H).

#### HACA Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), HACA will request written third-party verification of both the source and the amount. Family-provided documents will be requested from the educational institution attended by the student as well as documents generated by any other person or entity providing such assistance, as reported by the student.

Formatted: Space Before: 0 pt, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: written

Deleted: from

In addition, HACA will request written verification of the student's tuition amount.

Deleted: from the institution of higher education regarding

If HACA is unable to obtain third-party written verification of the requested information, HACA will pursue other forms of verification following the verification hierarchy in Section 7-I.B.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

#### 7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

##### Amount of Expense

###### Attendant Care

###### HACA Policy

HACA will accept written third-party documents provided by the family.

If family-provided documents are not available, HACA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Formatted: Space Before: 0 pt, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: when possible

Deleted: If third-party is not possible, copies of cancelled checks used to make attendant care payments and/or receipts from care source<sup>¶</sup>

Deleted: or document review

###### Auxiliary Apparatus

###### HACA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

Formatted: Indent: Left: 1", Space Before: Auto, After: Auto

Deleted: Third-party verification of anticipated purchase costs of auxiliary apparatus <sup>¶</sup>  
If third-party is not possible, billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months<sup>¶</sup>

Deleted: or document review

In addition, HACA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

###### Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. HACA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07



#### Family Member(s) Permitted to Work

HACA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

##### HACA Policy

HACA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.).

This documentation may be provided by the family.

If third-party and document review verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Deleted: seek

Deleted: R

Deleted: A

#### Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

##### HACA Policy

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

Deleted: An attendant care provider will be asked to certify that, to the best of the provider's knowledge, the expenses are not paid by or reimbursed to the family from any source.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07



#### 7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, HACA must verify that:

- The child is eligible for care.
- The costs claimed are not reimbursed.
- The costs enable a family member to pursue an eligible activity.
- The costs are for an allowable type of child care.
- The costs are reasonable.

##### Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. HACA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

##### Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

##### HACA Policy

The family will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

Deleted: The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.\*

##### Pursuing an Eligible Activity

HACA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

##### HACA Policy

##### *Information to be Gathered*

HACA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

##### *Seeking Work*

Whenever possible HACA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases HACA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to HACA any reports provided to the other agency.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

In the event third-party verification is not available, HACA will provide the family with a form on which the family member must record job search efforts. HACA will review this information at each subsequent reexamination for which this deduction is claimed.

#### *Furthering Education*

HACA will ~~request third-party documentation to~~ verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. ~~The documentation may be provided by the family.~~

Deleted: ask that the academic or vocational educational institution

#### *Gainful Employment*

HACA will seek ~~third-party~~ verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. ~~The documentation may be provided by the family.~~

Deleted: from the employer

Deleted:

### **Allowable Type of Child Care**

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

#### HACA Policy

HACA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

HACA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorated costs if some of the care is provided for ineligible family members).

HACA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

### **Reasonableness of Expenses**

Only reasonable child care costs can be deducted.

#### HACA Policy

The actual costs the family incurs will be compared with HACA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, HACA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

#### 7-IV.B. MEDICAL EXPENSE DEDUCTION

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

##### Amount of Expense

###### HACA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

HACA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. HACA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months

In addition, HACA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

##### Eligible Household

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. HACA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Chapter 7 (7-IV.A.) of this plan.

##### Qualified Expenses

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for HACA's policy on what counts as a medical expense.

##### Unreimbursed Expenses

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

###### HACA Policy

**Deleted:** HACA will provide a third-party verification form directly to the medical provider requesting the needed information. ¶

**Formatted:** Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

**Deleted:** Third-party verification form signed by the provider, when possible

**Deleted:** If third-party is not possible, copies of cancelled checks used to make medical expense payments and/or printouts or receipts from the source will be used. In this case

**Formatted:** Space Before: Auto, After: Auto

**Formatted:** Space Before: Auto, After: Auto, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

**Deleted:** 2007

**Deleted:** 07

**Deleted:** 7

**Deleted:** 07

#### 7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

##### Amount of Expense

###### Attendant Care

###### HACA Policy

HACA will accept written third-party documents provided by the family.

If family-provided documents are not available, HACA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Formatted: Space Before: 0 pt, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: when possible

Deleted: If third-party is not possible, copies of cancelled checks used to make attendant care payments and/or receipts from care source<sup>§</sup>

Deleted: or document review

###### Auxiliary Apparatus

###### HACA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

Formatted: Indent: Left: 1", Space Before: Auto, After: Auto

Deleted: Third-party verification of anticipated purchase costs of auxiliary apparatus<sup>§</sup>  
If third-party is not possible, billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months<sup>§</sup>

Deleted: or document review

In addition, HACA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

###### Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. HACA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

#### Family Member(s) Permitted to Work

HACA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

##### HACA Policy

HACA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.).

This documentation may be provided by the family.

If third-party and document review verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Deleted: ask

Deleted: R

Deleted: A

#### Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

##### HACA Policy

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

Deleted: An attendant care provider will be asked to certify that, to the best of the provider's knowledge, the expenses are not paid by or reimbursed to the family from any source.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

#### 7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, HACA must verify that:

- The child is eligible for care.
- The costs claimed are not reimbursed.
- The costs enable a family member to pursue an eligible activity.
- The costs are for an allowable type of child care.
- The costs are reasonable.

##### Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. HACA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

##### Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

##### HACA Policy

The family will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

Deleted: The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.<sup>9</sup>

##### Pursuing an Eligible Activity

HACA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

##### HACA Policy

##### *Information to be Gathered*

HACA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

##### *Seeking Work*

Whenever possible HACA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases HACA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to HACA any reports provided to the other agency.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07



#### 7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, HACA must verify that:

- The child is eligible for care.
- The costs claimed are not reimbursed.
- The costs enable a family member to pursue an eligible activity.
- The costs are for an allowable type of child care.
- The costs are reasonable.

##### Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. HACA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

##### Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

##### HACA Policy

The family will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

Deleted: The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.<sup>9</sup>

##### Pursuing an Eligible Activity

HACA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

##### HACA Policy

##### *Information to be Gathered*

HACA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

##### *Seeking Work*

Whenever possible HACA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases HACA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to HACA any reports provided to the other agency.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07

In the event third-party verification is not available, HACA will provide the family with a form on which the family member must record job search efforts. HACA will review this information at each subsequent reexamination for which this deduction is claimed.

#### *Furthering Education*

HACA will ~~request third-party documentation to~~ verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. ~~The documentation may be provided by the family.~~

Deleted: ask that the academic or vocational educational institution

#### *Gainful Employment*

HACA will seek ~~third-party~~ verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. ~~The documentation may be provided by the family.~~

Deleted: from the employer

Deleted:

### **Allowable Type of Child Care**

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

#### HACA Policy

HACA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

HACA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorated costs if some of the care is provided for ineligible family members).

HACA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

### **Reasonableness of Expenses**

Only reasonable child care costs can be deducted.

#### HACA Policy

The actual costs the family incurs will be compared with HACA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, HACA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

Deleted: 2007

Deleted: 07

Deleted: 7

Deleted: 07



### Initial Contact with the Receiving PHA

After approving a family's request to move under portability, the initial PHA must promptly notify the receiving PHA to expect the family [24 CFR 982.355(c)(2)]. This means that the initial PHA must contact the receiving PHA directly on the family's behalf [Notice PIH 2008-43 and PIH 2008-43]. The initial PHA must also advise the family how to contact and request assistance from the receiving PHA [24 CFR 982.355(c)(2)].

#### HACA Policy

For families approved to move under portability, within 10 business days of the later of: the family's notification that it wishes to move, or if a reexamination is required, the completion date of the reexamination, HACA will notify the receiving PHA by mailing or faxing it the "portability packet", i.e., the documents described immediately below. HACA will give the family written notification of how to contact and request assistance from the receiving PHA. HACA will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax, email and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for voucher issuance. HACA will pass this information along to the family. HACA will also ask for the name, address, telephone number, fax and email of the person responsible for processing the billing information.

### Sending Documentation to the Receiving PHA

The initial PHA is required to send the receiving PHA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2008-43]
- A copy of the family's voucher [Notice PIH 2008-43]
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058 [24 CFR 982.355(c)(4), Notice PIH 2008-43]
- Copies of the income verifications backing up the form HUD-50058, including a copy of the family's current EIV data [24 CFR 982.355(c)(4), Notice PIH 2008-43]

#### HACA Policy

In addition to these documents, HACA will provide the following information, if available, to the receiving PHA:

- Social security numbers (SSNs)
- Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system
- Documentation of legal identity
- Documentation of citizenship or eligible immigration status
- Documentation of participation in the earned income disallowance (EID) benefit
- Documentation of participation in a family self-sufficiency (FSS) program

Formatted: Space Before: 0 pt, Tabs: 0.25", List tab

Formatted: Font: (Default) Times New Roman

Formatted: Font: (Default) Times New Roman

Formatted: Font: (Default) Times New Roman

Formatted: Font: (Default) Times New Roman

Formatted: Font: (Default) Times New Roman

Formatted: Normal, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Formatted: Font: (Default) Times New Roman

Deleted: family members

Formatted: Font: (Default) Times New Roman

Formatted: Font: (Default) Times New Roman

Deleted: 06

Deleted: 12

Deleted: 06

#### Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]

HACA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by HACA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

#### Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2010-3]

HACA must terminate assistance of a participant and the participant's household, if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and HACA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, HACA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date HACA determined the family to be noncompliant.

#### PHA Policy

HACA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

#### Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

HACA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

#### Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, is not residing with his/her parents in an HCV assisted household, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, HACA must terminate the student's assistance if, at the time of

Deleted: Provide

Deleted: Documentation

Formatted: Space Before: Auto, After: Auto

Formatted: Indent: Left: 0.5", Space Before: Auto, After: Auto

Deleted: does not meet the applicable SSN disclosure, documentation and verification requirements outlined in Chapter 7-II.B.1  
HACA may, in its discretion, defer termination and provide the participant with an additional 90 calendar days to disclose a SSN if HACA determines that (1) the failure to meet these requirements was due to circumstances that could not have been reasonably foreseen and were outside the control of the participant; and (2) there is a reasonable likelihood that the participant will be able to disclose a SSN by the deadline. Failure of the participant to disclose a SSN by the extended deadline will result in termination of the assistance or tenancy, or both, of the participant and the participant's household.

Deleted: 07

Deleted: 7

Deleted: 07

reevaluation, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and HACA policies, or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

#### Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]

The PHA must immediately terminate program assistance for deceased single member households.

### 12-IE. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

#### Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]

HUD requires HACA to establish policies that permit HACA to terminate assistance if HACA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity
- Any household member has violated the family's obligation not to engage in violent criminal activity

#### Use of Illegal Drugs and Alcohol Abuse

##### HACA Policy

HACA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

*Currently engaged in* is defined as any use of illegal drugs during the previous twelve months.

HACA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

In making its decision to terminate assistance, HACA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D and 12-II.E.

## PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

### 14-I.A. PREVENTING ERRORS AND PROGRAM ABUSE

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and program abuse. PHAs are required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and participants with form HUD-52675, "Debts Owed to PHAs and Terminations"
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

#### HACA Policy

HACA anticipates that the vast majority of families, owners, and HACA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors.

To ensure that HACA's HCV program is administered effectively and according to the highest ethical and legal standards, HACA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

HACA will discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 5.

HACA will provide each applicant and participant with a copy of "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

HACA will provide each applicant and participant with a copy of its publication entitled "EIV & YOU", its guide to the personally identifiable information contained in the HUD Enterprise Income Verification (EIV) system.

HACA will place a warning statement about the penalties for fraud (as described in 18 U.S.C. 1001 and 1010) on key HACA forms and form letters that request information from a family or owner.

HACA staff will be required to review and explain the contents of all HUD- and HACA-required forms, upon participant request, prior to requesting family member signatures.

HACA will offer first-time owners (or their agents) information regarding HAP contract requirements.

HACA will provide each HACA employee with the necessary training on program rules and the organization's standards of conduct and ethics.

Formatted: Space Before: 6 pt, After: Auto

Formatted: Space Before: Auto, After: Auto, Bulleted + Level: 1 + Aligned at: 0.5" + Tab after: 0.75" + Indent at: 0.75"

Formatted: Space Before: Auto, After: Auto, Bulleted + Level: 1 + Aligned at: 0.5" + Tab after: 0.75" + Indent at: 0.75", Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: the publication Applying for HUD Assistance? Think About This... Is Fraud Worth It?

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Deleted: that

Formatted: Space Before: 6 pt, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

Deleted: the False Statement Act

Deleted: 05

Deleted: 9

Deleted: 05



#### 14-1.B. DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, HACA will use a variety of activities to detect errors and program abuse.

##### Quality Control and Analysis of Data

Under the Section 8 Management Assessment Program (SEMAP), HUD requires HACA to review a random sample of tenant records annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure HQS compliance [24 CFR, Part 985]. (See Chapter 16 for additional information about SEMAP requirements).

##### HACA Policy

In addition to the SEMAP quality control requirements, HACA will employ a variety of methods to detect errors and program abuse.

HACA will routinely use available sources of up-front income verification, including HUD's EIV system, to compare with family-provided information.

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

HACA will compare family-reported income and expenditures to detect possible unreported income.

Deleted: will

Formatted: Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

##### Independent Audits and HUD Monitoring

OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit conducted by an independent public accountant (IPA). In addition, HUD conducts periodic on-site and automated monitoring of HACA activities and notifies HACA of errors and potential cases of program abuse.

##### HACA Policy

HACA will use the results reported in any independent audit or HUD monitoring report to identify potential program abuses as well as to assess the effectiveness of HACA's error detection and abuse prevention efforts.

##### Individual Reporting of Possible Errors and Program Abuse

##### HACA Policy

HACA will encourage staff, program participants, and the public to report possible program abuse.

Deleted: 05

Deleted: 9

Deleted: 05

## 16-IV.B. REPAYMENT POLICY

### Owner Debts to HACA

#### HACA Policy

Any amount due to HACA by an owner must be repaid by the owner. HACA will notify the owner in writing that it will reduce the owner's future HAP payments effective with the next HAP payment. HACA may deduct the amount of the overpayment from any amounts due the owner (including amounts due under any other Section 8 assistance contract).

Formatted: Space After: Auto

If the owner is not entitled to future HAP payments HACA may, in its sole discretion, offer to enter into a repayment agreement on terms prescribed by HACA.

Deleted: will

Deleted: in accordance with the policies below

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, HACA will pursue legal action for collection of same and may ban the owner from future participation in HACA Programs.

Formatted: None, Space Before: Auto, After: Auto, Allow hanging punctuation, Font Alignment: Auto

Formatted: Space Before: Auto, After: Auto

### Family Debts to HACA

#### HACA Policy

Any amount owed to HACA by a family must be repaid by the family. If the family is unable to repay the debt within 30 days, HACA may offer to enter into a repayment agreement in accordance with the policies below.

Deleted: due

Deleted: an HCV participant

Deleted: will

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, HACA will terminate assistance in accordance with the policies in Chapter 12 and pursue other modes of collection.

Deleted: the

Deleted: this part IV, notify the family

### Repayment Agreement [24 CFR 792.103]

The term *repayment agreement* refers to a formal written document signed by a participant or owner and provided to HACA in which the participant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

Deleted: tenant

Deleted: a tenant

### General Repayment Agreement Guidelines for Families

#### Down Payment Requirement

#### HACA Policy

Before executing a repayment agreement with a family, HACA will generally require a down payment of 5 percent of the total amount owed. If the family can provide evidence satisfactory to HACA that a down payment of 5 percent would impose an undue hardship, HACA may, in its sole discretion, require a lesser percentage or waive the requirement.

Formatted: Indent: Left: 0.5"

Deleted: the P

Deleted: the P

Deleted: As the initial payment of the repayment agreement, an owner must pay 10% and a family 5% of the balance owed to HACA.

Deleted: 06

Deleted: 12

Deleted: 06

### Payment Thresholds

Notice PIH 2010-19 recommends that the total amount that a family must pay each month—the family's monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family's monthly adjusted income. However, a family may already be paying 40 per cent or more of its monthly adjusted income in rent. Moreover, Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish their own "thresholds and policies" for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

Formatted: None, Space After: Auto, Allow hanging punctuation, Font Alignment: Auto

Formatted: Font: Not Bold, Not Italic

### HACA Policy

#### Total Family Debts to HACA

Amount Owed	Repayment Term
≤ \$500	6 months
\$501 - \$1,000	1 year
\$1,001 - \$2,500	2 years
\$2,501 - \$5,000	3 years
\$5,001 - \$7,500	4 years
\$7,501 - \$10,000	5 years

Deleted: Total Owner Debts to HACA ¶  
Amounts between \$3,000 and the Federal or State threshold for criminal prosecution must be repaid within 36 months. ¶  
Amounts between \$2,000 and \$2,999 must be repaid within 30 months. ¶  
Amounts between \$1,000 and \$1,999 must be repaid within 24 months. ¶  
Amounts under \$1,000 must be repaid within 12 months. ¶  
If the amount owed is greater than \$10,000, a repayment agreement may only be entered into with the Executive Director's written approval. ¶

If the amount owed is greater than \$10,000, a repayment agreement may only be entered into with the Executive Director's written approval.

If a family can provide evidence satisfactory to HACA that the threshold applicable to the family's debt would impose an undue hardship, HACA may, in its sole discretion, determine that a lower monthly payment amount is reasonable. In making its determination, HACA will consider all relevant information, including the following:

Formatted: Indent: Left: 0.5", Space Before: Auto

Formatted: Indent: Left: 1", Space Before: 6 pt, After: 6 pt

Deleted: the PHA

Inserted: the PHA ¶  
The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control ¶  
The family's current and potential income and expenses ¶  
The family's current family

The amount owed by the family to HACA.

The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control

The family's current and potential income and expenses

The family's current family rent share, as calculated under 24 CFR 982.515

The family's history of meeting its financial responsibilities

Formatted: Indent: Left: 1", Space After: 6 pt

Formatted: None, Space Before: 0 pt, Allow hanging punctuation, Font Alignment: Auto

Deleted: the P

Deleted: the P

Deleted: The

Deleted: must sign the repayment agreement

Deleted: 06

Deleted: 12

Deleted: 06

### Execution of the Agreement

#### HACA Policy

Any repayment agreement between HACA and a family must be signed and dated by HACA and by the head of household.

### Due Dates

#### HACA Policy

All payments are due by the close of business on the 7<sup>th</sup> day of the month. If the 7<sup>th</sup> does not fall on a business day, the due date is the close of business on the first business day after the 7<sup>th</sup>.

#### Late or Missed Payments

##### HACA Policy

If a payment is not received by the end of the business day on the due date, a delinquency notice will be sent giving the family 10 calendar days to make the late payment. Upon the third delinquency notice for unexcused late payments in a 12 month period the repayment agreement will be considered in default and HACA will terminate assistance upon written notification to the family.

Approval for excused/late or missed payments will be considered based on the following mitigating circumstances:

- Extenuating circumstances beyond the control of the family that prevent it from complying with the terms of the repayment agreement (for example, a death or medical emergency in the immediate family or a serious accident or natural disaster).
- When the family claims a hardship. A hardship exists in the following circumstances:
  - When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program.
  - When the income of the family has decreased significantly (at HACA's sole discretion upon the approval of the Unit Manager) because of changed circumstances, including loss of employment, or temporary disability.

The following remedies for default may be employed at the sole discretion of HACA:

- HACA may suspend payments for a specific term thereby extending the repayment agreement term.
- HACA may reduce the amount of monthly payment and extend the repayment agreement term.

A payment received by personal check that is returned for insufficient funds (NSF) will be considered a non-payment and the participant will incur a charge of \$20 for processing costs. The participant will be required to make future payments for the term of the repayment agreement with certified checks or money orders.

#### No Offer of Repayment Agreement

##### HACA Policy

HACA will generally not enter into a repayment agreement with a family if there is already a repayment agreement in place with the family, or if the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

#### Repayment Agreements Involving Improper Payments

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because the family underreported or failed to report income:

Deleted: Non-
Formatted: Bullets and Numbering
Formatted: Bullets and Numbering
Deleted: <# HACA may forgive the debt in the rare circumstance where warranted by mitigating factors of sufficient weight that come to light subsequent to the time the overpayment was calculated, e.g., (all dependent on the specific circumstances).>
<# The head of household (HOH) dies and the debt is transferred to the remaining family member (who becomes HOH) but had no part in causing the debt.>
<# The HOH does not have sufficient capacity to understand reporting requirements.>
<# Another person acting on the HOH's behalf, and without the HOH's knowledge, creates a situation which causes a debt, or>
<# A guardian is appointed to care for minor children due to the incapacitation or incarceration of the HOH.>
Formatted: None, Space After: 6 pt, Allow hanging punctuation, Font Alignment: Auto
Deleted: or owner
Deleted: :
Deleted: while the matter is under investigation for possible criminal prosecution or is currently being criminally prosecuted
Formatted: Space Before: 6 pt, After: 6 pt
Deleted: :
Inserted: it underreported or failed to report income.>
A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act>
A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner>
A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases>
A statement that late or missed payments constitute default of the repayment agreement and may result in termination [1]
Deleted: 06
Deleted: 12
Deleted: 06



- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

Formatted: Bullets and Numbering

Formatted: None, Space After: 6 pt, Bulleted + Level: 1 + Aligned at: 0" + Tab after: 0.25" + Indent at: 0.25", Allow hanging punctuation, Font Alignment: Auto

Deleted: 06

Deleted: 12

Deleted: 06

it underreported or failed to report income:

A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act

A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner

A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases

A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance