

## **EIV SYSTEM INCOME VERIFICATION POLICY/PROCEDURES**

(02/2020)

### **UNLAWFUL DISCLOSURE OR USE OF THE EIV DATA CAN RESULT IN CIVIL AND CRIMINAL PENALTIES.**

#### **DISCLOSURE**

- The EIV & You brochure will be provided to tenants at move-in and at each annual recertification.
- Form HUD-9887/9887-A; Applicant's/Tenant's Consent to the Release Of Information Packet will be signed and dated by each household member 18 years of age or older prior to accessing income reports in EIV. The forms will be retained in the tenant file for the term of tenancy plus three years. The forms are valid for 15 months.
- The tenant may receive a copy of their EIV Income Report upon written request. The request must be signed & dated by all adult household members and the owner/agent. It will be retained in the tenant file.
- The EIV data of one adult household member will not be shared, provided or displayed with another adult household member or any unauthorized third party without a signed "Tenant Consent to Disclose EIV Income Information".

#### **LIMITED ACCESS**

1. Data obtained via the EIV System is used only by authorized personnel in connection with the administration of subsidy for \_\_\_\_\_, to aid in the verification of annual income and benefit information as detailed in this document.
  - The Coordinator will be recertified annually for continued access to EIV.
  - The Coordinator will re-certify their EIV Users through the User Certification feature in the EIV system bi-annually (twice per year).
  - The Coordinator will monitor user activity on the EIV System.
  - Users will not share user names or passwords with anyone.
  - The computer will not be left unattended by personnel when signed in to the EIV System.
  - EIV data will not be displayed on the computer screen so unauthorized persons can view it.
  - Reports will be printed only to the user's personal printer.
  - Restricted areas will be clearly identified and a list of authorized personnel will be maintained.
  - EIV access will be revoked prior to termination of the employee and the EIV file will be documented to indicate the date user access was terminated.
  - EIV Coordinators/Users will have security training annually and will retain the Certificate of Completion.
  - Tenant files are secured to ensure confidentiality. Any applicant or tenant affected by negligent disclosure or improper use of information may bring civil action for damages against the employee.
  - Tenant files and records will be disposed of in a manner that will prevent any unauthorized access to personal information.
  - Improper disclosure of information is grounds for immediate dismissal.

### **A BINDER OF THE FOLLOWING SIGNED EIV DOCUMENTS (INITIAL AND CURRENT) WILL BE MAINTAINED AND WILL BE MADE AVAILABLE TO NDHFA FOR REVIEW ANNUALLY DURING THE MOR PROCESS.**

- EIV Owner Approval Letters (Originals only)
- Initial & Currently Approved EIV Coordinator Access Authorization Form(s) (CAAFs) form HUD-90011~ Includes "Rules of Behavior"

- Initial & Currently Approved EIV User Access Authorization Form(s) (UAAFs) form HUD-90012~ Includes “Rules of Behavior”
- Rules of Behavior for Use of Enterprise Income Verification (EIV) Information for Individuals without Access to the EIV System (all originals)
- TRACS Rules of Behavior, signed and dated (form HUD-52676)
- Certificates of Completion for Annual Security Awareness Training for EIV & TRACS for all.
- Log of current & former Coordinators & Users including name, title, type of access, date approved, date they left employment and the date their access was removed.

## **DATA REPORTING**

- EIV information from HUD is obtained from data transmitted on form HUD-50059, requiring accurate and timely reporting of form HUD-50059 data.
- The agent is responsible to make sure the information in TRACS agrees with the information on the form HUD-50059 in the tenant’s file and will correct any discrepant information in the TRACS database.
- The completeness and accuracy of all data on form HUD-50059 will be reviewed and errors corrected prior to transmitting to TRACS.
- Form HUD-50059 for move-ins, move-outs, terminations, initial certifications, unit transfers, interim recertifications and annual recertifications will be transmitted timely.

## **EIV REPORTS (FREQUENCY CHART PAGE 4)**

- The schedule will be strictly enforced to ensure that applicants and tenants are treated in a nondiscriminatory manner. Reports will be monitored, reviewed and resolved at the frequency listed in the chart.
- Discrepancies require follow-up, verification, documentation and corrective action within 30 days of the report.
- A copy of each report will be retained along with supporting documents and detailed information on the resolution of the reported discrepancy.

## **RECORD RETENTION (CHART PAGE 5)**

- Upon expiration of the retention period, all documents will be shredded to prevent unauthorized access.

## **REPORT RESOLUTION**

### **Failed EIV Pre-Screening Report and Failed Verification Report**

- The reports provide a brief description of the problem.
- Obtain 3rd party verification or documents to determine accurate information.
- If the data transmitted on form HUD-50059 is incorrect, process a correction with the verified data.
- Encourage the tenant to contact SSA to correct any incorrect data in their database if the information in TRACS is accurate.
- Retain a copy of the report along with supporting documents and detailed information on the resolution of the reported discrepancy.

## INCOME DISCREPANCY REPORT

1. Notify and discuss the discrepancy with the tenant.
2. Obtain written independent verification of disputed EIV data:
  - 3rd party verification to obtain specific information needed (effective dates, earnings for a specific period, etc.).
  - Copies of W-2's (for all applicable employers) from the tenant.
  - Copy of applicable tax forms from the tenant.
3. If the tenant does not dispute the data contained in the EIV Income Report, obtain the signature and date of all adult household members indicating such on the EIV Certification Page to be retained in the tenant file.
4. Provide the tenant the right to contest the findings.
5. If the tenant cannot repay the full amount, collect what the tenant can pay and execute a repayment agreement to collect the balance over a specific period of time (reasonable, but not less than 10% of the tenant's gross monthly income and should not exceed 12 months). Inform the tenant that failure to comply with the terms of the agreement will result in the tenant's termination of tenancy.
  - Initiate termination of tenancy if the tenant fails to repay pursuant to the executed repayment agreement (scheduled repayment amount plus current monthly rent).
  - If necessary, civil action may be filed to recover the funds.

## REPAYMENT AGREEMENT

The repayment agreement will:

- Explain the reason for the repayment and provide reference to the appropriate area of the lease.
- Provide specifics regarding dates and dollar amounts involved, along with the total amount owed.
- Include a section for an "Initial Payment" & provide a schedule of individual amounts due on specified dates.
- Inform the tenant amounts due under the repayment agreement are in addition to the tenant's monthly rent payment.
- Inform the tenant failure to comply with the terms of the agreement will result in termination of tenancy.
- Contain the phrase "The terms of the agreement will be re-negotiated if there is a decrease or increase in the family's income of \$200 or more per month."
- Contain the signature and date from all adult household members and the owner/agent.

**Note:** *The tenant is not required to reimburse the owner for undercharges caused by the owner's failure to follow HUD's procedures for computing rent or assistance payments. Refer to: HUD Handbook 4350.3 REV-1, Chapter 8, Section 4: Discrepancies, Errors, and Fraud*

## OWNER'S OBLIGATION TO REPAY HUD

1. Funds owed to HUD on a repayment plan by a tenant due to unreported income:
  - Process correction(s) and/or interim recertification(s) to include unreported income.
  - The tenant will not receive 30 day notice if they failed to report timely, therefore the effective date will be the 1st day of the month following the date of hire.

- Follow the requirements outlined in the current version of the HUD Monthly Activity Transmission (MAT) Guide. Repayment agreements and repayment amounts must be entered in site software and reflected on the voucher HUD Form 52670 Part 6.
  - Email a copy of the repayment agreement to NDHFA prior to submitting the billing voucher or when submitting the billing voucher reflecting the positive adjustment.
  - Monitor and remit tenant payments. If the tenant fails to remit the monthly repayment plus the current month's rent, begin the eviction process.
  - NDHFA will monitor the repayments and contact us for an explanation if the repayment is not received.
  - Repayment plans and all associated documents (including initial payment, payment amounts and dates collected) will be retained in the tenant file.
2. HUD reimbursement for overpayment of assistance due to owner/agent error or failure to follow procedures.
- Repayments of this nature are generated by correction(s) to the original transactions and/or interim recertifications.
  - Contact the Contract Administrator at NDHFA if you have any questions or if repayment in full would jeopardize the financial condition of the property.

I have read and understand the EIV System Verification Policy/Procedures. I agree to follow the procedures as listed in this document and to report any improper disclosure of information. Notice H-2013-06.

Printed Name	Signature	Date
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Report	Frequency	Details
Existing Tenant Search	When Processing an Application	Verify if the applicants ( <u>all</u> household members) are currently residing in subsidized housing. Must be filed with the application in the tenant file. Must be resolved and documented prior to occupancy.
Summary Report (Verified)	Within 90 Days of a New Move-in	File with/or replace Social Security # Verifications for all Household Members
Income Report	<ul style="list-style-type: none"> <li>• Within 90 Days of a New Move-in</li> <li>• Annual Recertification</li> <li>• Interim Recertifications</li> <li>• And as Needed to Verify Income Discrepancies,</li> <li>• New Hires,</li> <li>• Failed Verification Information</li> </ul>	<p>Print and retain a copy of the income report(s) in the tenant's file. Provides information on new employment, quarterly wages, unemployment insurance benefits, social security benefits and Medicare premiums.</p> <p>* if the tenant agrees with the amounts listed for social security benefits and Medicare premiums the income report serves as third party verification. <b>No further verification is required.</b></p> <p>** The income report serves only as verification of the tenant's employment &amp; is <b>NOT</b> to be used to calculate annual income from employment or unemployment during recertification.</p> <p>*** The income report does <b>NOT</b> serve as third party verification of disability status.</p>
Income Discrepancy Report	Monthly	To investigate and resolve possible discrepancies and errors. Tenants will appear on this report <b>only</b> if the discrepancy is \$200/mo. or more. Discrepant data must be resolved within <u>30</u> days of the date of the report.
New Hires Report	Monthly	Verify employment information on tenants who have started new jobs. Should be resolved within <b>30</b> days of the date of the report.
Failed EIV Pre-Screening Report and Failed Verification Report	Monthly	Clear up any invalid, discrepant or missing information such as SSN, last name or DOB in the TRACS database. (new tenants) Correct TRACS data within <b>30</b> days of the date of the report.
Multiple Subsidy Report	Quarterly	Identify individuals who may be receiving multiple rental subsidies. Should be resolved within <b>30</b> days of the date of the report.
Deceased Tenants Report	Quarterly	Identify tenants who are reported by SSA as being deceased. Discrepant data must be updated within <b>30</b> days of the report. Correct TRACS data within <b>30</b> days of the date of the report.
No Income on 50059 Report	Annual Recertification and Interim Recertifications	No income was reported as a result of the match against SSA or new hire records or on HUD-50059. Make sure the right questions are asked to give the tenant(s) the opportunity to disclose any income they receive (zero income certification). <b>Re-verify the status of tenants reporting zero income quarterly.</b>

**Upon expiration of the retention period, all documents will be shredded to prevent unauthorized access to personal information.**

<b>Report</b>	<b>Retained Where</b>	<b>Additional Information</b>	<b>Retention Period</b>
Existing Tenant Search	Tenant file	File with the application	Term of Tenancy Plus 3 Years
Summary Report (Verified)	Tenant file	File with/or replace Social Security Number Verifications <b>within</b> 90 days after M/I All Household Members	Term of Tenancy Plus 3 Years
Income Report	Tenant file	File directly behind form HUD-50059 for EACH Certification including 90 Days after M/I	Term of Tenancy Plus 3 Years
Income Discrepancy Report	Tenant file	Separate Section for Income Discrepancy Reports to include ALL documentation supporting Income Discrepancy resolutions. Verifications, calculations, form HUD-50059's, repayment agreements and a ledger recording dates and amounts due along with payment amounts and dates collected.	Term of Tenancy Plus 3 Years
New Hires Report	<ul style="list-style-type: none"> <li>• New Hires Report</li> <li>• Master File</li> </ul>	By Date	3 Years
Failed EIV Pre-Screening Report Failed Verification Report	<ul style="list-style-type: none"> <li>• Identity</li> <li>• Verification Report</li> <li>• Master File</li> </ul>	<ul style="list-style-type: none"> <li>• One Master File for Both</li> <li>• Failed EIV Pre-Screening Report</li> <li>• Failed Verification Report</li> </ul>	3 Years
Multiple Subsidy Report	<ul style="list-style-type: none"> <li>• Multiple Subsidy Report</li> <li>• Master File</li> </ul>	Alphabetical	3 Years
Deceased Tenants Report	<ul style="list-style-type: none"> <li>• Deceased Tenant Report</li> <li>• Master File</li> </ul>	Alphabetical	3 Years
No Income Report	Tenant File	File with form HUD-50059	Term of Tenancy Plus 3 Years