



MEMORANDUM

TO: GHA Staff, Field Office FOAMs, & DCA Auditors

FROM: Jeff Wirrick, Chief Asset Management Officer

SUBJECT: An Update on EIV Implementation

DATE: May 20, 2010

As you all know, HUD mandated that Owners and Agents (O/A) use the Enterprise Income Verification (EIV) System effective January 31, 2010. Our role as the PBCA is to ensure O/A's have access to the system and that they are using the system as prescribed by HUD in Housing Notice H 09-20 & Notice H 10-08. We also expect HUD to make additional changes, impacting both these notices in the upcoming months.

GENERAL INSTRUCTIONS

Back in January 2010, GHA sent preliminary instructions on what we would do to monitor this activity. Those instructions included the following:

- Ensure the O/A is using the system (send EIV Non-Compliance Notification, as applicable)
- Verify that certain documents, namely the EIV access documents, are on site for review, as outlined in our scheduling letter:
 - EIV & You Brochure (is given to applicants and tenants @ recertification)
 - Owner Coordinator Authorization
 - EIV Coordinator Access Authorization Form (CAAF)
 - EIV User Access Authorization Form (UAAF) – all property users
 - Rules of Behavior, as applicable

NOTE: If the O/A does not have the required EIV access forms, a non-compliant email will be sent to HUD @ mfeiv_alert@hud.gov by the SFOM. However, before sending the email to HUD and as a courtesy to the O/A, request that the missing forms be sent to you (the FOAM) within 10 calendar days of the MOR. As always, include missing forms on the Exit Conference form. The FOAM will notify the SFOM when and if the issue has been resolved.

- Verify that the O/A has established an EIV Security & Use Policy
- Use the EIV Security Checklist to help you walk through the property's internal safeguards for protecting confidential tenant data
- Verify the O/A is using Income Reports at re/certification (must be in tenant file for June 1, 2010 recertifications) and the O/A has established schedule for using the Verification Reports per their EIV Use Policy

These instructions were incorporated into our MOR Process Checklist and other related GHA internal forms and forwarded to you on March 2, 2010.

MOR Rating and Findings

HUD assigned 18 specific MOR findings which are to be considered in our monitoring of O/A's use of the EIV System. In Georgia, only one (1) General Finding is required in the MOR report. This finding would detail each non-compliance issue, as applicable, and require the O/A to take appropriate corrective action. In Illinois, we do not have HUD's concurrence on this approach; therefore, each finding is listed in the appropriate area of the 9834 – corrective action is also required. GHA will continue to pursue this option with the Illinois HUD office.

Regardless of how we report findings or how many findings are related to EIV implementation, these findings cannot be factored into the final MOR rating. This will change once HUD re-issues HUD Handbook 4350.1, Chapter 6.

Assessing 5% Penalty

On April 13, 2010, HUD issued Notice H10-08. In this Notice, HUD describes a potential 5% penalty the O/A would incur for not having access to the EIV system. Upon further clarification from HUD, the penalty would only be assessed if the O/A did not have access to the system at the time of the MOR. In these cases, GHA would issue a notice to the O/A during the MOR, stating they must obtain access to the EIV system within 30 days or a 5% reduction in the total HAP voucher will be taken.

This action is similar to issuing a traffic ticket or HUD 10-Day FHEO Notice. Attached is the Notification form you will use during the MOR. They must provide evidence that access was obtained to the system within 30 days of the MOR.

When scheduling your MOR with the O/A, please make them aware of the seriousness of this issue and if they do not have access to the system or are not using it properly, they should do so before you arrive on-site to conduct the MOR.

Social Security Number (SSN) Requirements

In this same Notice (H10-08), HUD clarified SSN disclosure requirements. Applicants and tenants must disclose and provide verification of complete and accurate Social Security Numbers (SSN); this includes **all** members of the household with the following exceptions:

- Individuals who do not contend eligible immigration status
- Individuals age 62 or older who as of January 31, 2010 had not provided a SSN previously for initial eligibility into Section 8 assisted housing

The timeframe for providing the SSN information for applicants is upon application or NLT 90 days from first offer of available unit. The timeframe for providing the SSN information for existing residents is at their next interim or annual recertification. New household members (including infants) must provide a SSN within 90 days.

Handling EIV Data

In order to access or review EIV system data, you must either have authorization to directly access the EIV system (UAAF on file) or have a signed Rules of Behavior (ROB) form on file. Further, as the

PBCA – by nature of our business with HUD, we have authorization to review tenant files while conducting the MOR and all other related PBCA business. However, we still have a fiduciary responsibility to protect this confidential data.

Therefore, you cannot share any EIV information with outside parties and also you must refrain from passing SSN information via email to co-workers, etc. SSN must be redacted (removed) from these reports.

At this time, the only EIV system data that is being shared with you is the O/A Certification Report. As we continue to develop our EIV policies and procedures, more instructions will be will provided on properly handling EIV data.

Future EIV Instructions

As additional guidance and notices are issued, these requirements will be communicated to you. Our plan is to distribute a comprehensive EIV Use Policy within the next 60 days. Of course, we are waiting for the system to be back on-line and anticipate new guidance from HUD. For these reasons, this schedule may be delayed.