



2009 — Get Organized

It is 2009, why are we still talking about getting organized? Why start off with organization?

Getting organized is one of the leading New Years resolutions and for good reason. What does organization have to do with managing affordable housing? One definition of being organized is “methodical and efficient planning”. Organization is key to not just better managing your files but managing them at all.

Actually, January is “National Get Organized Month”. Research has shown that the average person wastes \$3,000 a year on disorganization. And, one of the biggest benefits is saving. Not just saving money but time and stress.

To survive in the ever changing fast-paced world of regulations, we need to know what to do, when to do it and how to do it correctly and quickly. Unfortunately, our good intentions can be quickly overwhelmed when we ask ourselves “Where do I begin?”

Often, disorganization forces us into a crisis mode leading to last-minute changes and decisions at premium prices. Other costs from disorganization come from the lack of a file set-up system, missing paperwork, late rent increases or late contract renewals and lack of preparation for inspections or reviews. And if “time is money,” then the time spent unnecessarily hunting for the “missing paperwork” is money down the drain.



A good organization plan makes the difference between just getting it done and getting it done right. Studies show that five minutes of planning could save you one hour of implementation time.

Does this sound familiar? “I just received the MOR (Management Occupancy Review) and as I look around my office, my heart begins to pound and my palms begin to sweat. Where do I start? Have I implemented the latest HUD update? Are all of the “student rules” paperwork correct? Where is that 4350.3 Revision 1 Change 2 or did Change 3 ever come out?” If this sounds familiar then you need to get organized.

Getting started can be the most difficult step to take. Most people hate the thought of *getting* organized. Most of us want to be organized but we just don’t have the time to “waste” getting organized. It just seems so overwhelming that we just keep “being busy”.

START . . . Choose a place to start. Start with the resident files. All resident files must be maintained in a neat, orderly manner at all times. The files should reflect the complete and accurate records of the activities related to determining the resident’s rent.

Don’t wait — Get started. A standard, logical resident file set-up should be the first thing established then used. Using a file-set not only keeps the files organized but it is an excellent training tool. Don’t wait. Your MOR is just around the corner.

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Do a “self review” MOR. Go through every question. And, if you do not understand, then ASK questions before the actual MOR.

MAKE SURE THE RESIDENT FILES ARE READY FOR REVIEW

Files in general

1. Make sure your resident files follow your company's written procedures for "tenant file" management.
2. One of the most important file management policies is the security and confidentiality of the resident files.
3. Written policies and procedures must include technical, administrative and physical safeguards including, but are not limited, to making sure that the HUD required 9887, 9887a and consents are updated and included in every resident file for every household member 18 years and older.
4. Information contained in the resident file is strictly confidential. Because these are confidential files, they are required to be maintained in a locked file cabinet and in a secure place with access limited to the appropriately designated people.

Current resident files

Every current resident household must have a "working" file which, based on HUD regulation, requires that the original application paperwork be kept in the file as long as the resident lives on-site. The file must contain the current annual recertification and the last two annual recertifications, as well as any interims and/or gross rent changes.

Move-out files

The following includes but is not limited to the forms and documents that should be added to the resident's file at move-out: (Always, check with your HUD or CA who may require more.)

1. Notice of Intent to Vacate
2. Signed Move-Out Inspection by manager and resident if at all possible
3. Notification of Lease Termination
4. Move-Out Checklist
5. Notification of Vacancy
6. Security Deposit Disposition
7. Copy of Special Claim Damages / Vacancy Loss

Former resident files

Security and confidentiality is still important even if the residents have moved out. These files should also be kept in a secure locked file cabinet. Arrange files so that you can find any move-out file when and if it is requested.

The HUD form 9834 (Management Occupancy Review) includes the "Tenant File Review" which will be used by HUD and the CA (Contract Administrator) during the MOR. Do a file self - review using the "Tenant File Review" which is actually Addendum A. Be prepared.

Use the tenant file review to develop a "Resident File Checklist". Use the checklist to keep track of all of the items that are to be in every resident's file. Attach a checklist to each file to verify that important documents are in fact in the file. This checklist also helps the person reviewing the file to know where certain required items are located in the file. The checklist also can act as a training tool.

In summary, unorganized files which are sloppy and not up to date, cause more headaches than the time it takes to keep them organized. It does not matter who does the review, if the files are not up to required standards, then you will end up with more paperwork to do, closer scrutiny by HUD and possibly have to reimburse HUD for assistance payments. Whether it is carelessness or just a simple mistake, any mistake, can have a costly outcome.

All records should reflect a high quality of management and professional standards. It is the auditor or reviewer's contact with these files/records that will form a vital first impression.

Compliance Tips

KNOWING YOUR HUD PROGRAMS IS ESSENTIAL !!

1. All Requirements DO NOT Apply to All properties or residents
2. A property may receive assistance from more than one HUD Program
3. And, be subject to multiple sets of requirements

NON-COMPLIANCE ISSUES — MAKE SURE THESE MISTAKES ARE NOT YOUR MISTAKES

1. Not keeping up with HUD regulations — if it is a new regulation, then you can bet that HUD/CA will be looking for it
2. No documentation that management is providing the Residents Rights & Responsibilities brochure
3. No documentation that management is providing the HUD Fact Sheet at move-in and at recertification
4. Missing non citizens documentation — Family Summary / Owner Summary / Declaration of citizenship, naturalization or non citizenship status
5. 9887 outdated and missing correct HUD and/or CA addresses
7. Documentation missing or just not doing the sex offender screening
8. Incorrect lease dates or differing dates from 50059
9. Not doing the 1st reminder notice 120 days before the annual effective date
10. Race and Ethnicity Form missing, incomplete or that the manager completed and resident signed
11. 50059 not signed by manager or resident
12. Changes to lease without HUD approval
13. Resident Selection Plans not updated with new requirements or do not contain all HUD required items
14. Incorrect income/asset/allowance calculations
15. Incorrect Security Deposits — amount listed in Lease different than TRACS or just missing
16. Not keeping track of the ELI (Extremely Low Income) - 40% of all new move-ins must make below 30% of medium income

**Do a pre- MOR before HUD or the CA comes to do the review so you will be prepared and will not have any surprises !!
AND, make sure all the HUD required forms are up to date and being used !!**

Rules of Behavior for HUD Systems

The U.S. Department of Housing and Urban Development has granted access to you to utilize the Department's automated information resources. However, as a condition of receiving this access, you are required to be aware of the Department's system security policies and to abide by these policies. Security policy emphasizes awareness practices for the purpose of safeguarding the Department's valuable information resources.

The system user identification (USERID) and password issued to you are your means to access these resources. They are to be used solely in connection with the performance of your responsibilities as set forth in your job description, contract or agreement(s) with the HUD. Use by anyone other than yourself is **expressly prohibited**.

- You agree to be responsible for the confidentiality of the assigned information and accountable for all activity with your user identification (USERID).
- Further, you agree that you will not provide this confidential USERID/password to another user nor will you sign on to HUD systems so that another person may access or operate the workstation in your absence or on your behalf.
- Actions of this type constitute a breach of system security and will result in immediate termination of your assigned USERID/password from the system.

In addition, you agree to:

1. Log-off the system when leaving the system/workstation area;
2. Refrain from leaving written passwords in the workstation area;
3. Avoid creating a personal password that can be easily associated with you;
4. Avoid posting printouts of sensitive output data on bulletin boards;
5. Avoid leaving system output reports unattended or unsecured;
6. Control input documents by returning them to files or forwarding them to the appropriate contact person in your office;
7. Avoid violation of the Privacy Act which requires confidentiality of personal data contained in government and contractor data files;
8. Immediately contact the HUD Inspector General's Office, as appropriate, regarding any suspected violation or breach of system security;
9. Cooperate in providing personal background information to be used in conducting security background checks to the extent required by Federal regulations;
10. Respond to any inquiries and requests for information you may receive from either the HUD Headquarters or management officials regarding system security practices.
11. Protect all electronic/optical media and hardcopy documentation containing sensitive information and properly dispose of it by shredding hardcopy documentation, or by contacting the HITS Help Desk to dispose of electronic/optical media.
12. Avoid saving sensitive HUD information on the local drive of a laptop, personally owned computer, or other mobile or portable technology ("flash drives", removable/external hard drives, etc.).
13. If sensitive data must be stored on any type of HUD-approved mobile/portable technology (laptops, removable hard drives, "flash drives", etc.), ensure that it is protected via encryption.
14. Individuals who telework or remotely access HUD information should do so only through approved remote access solutions (such as hudmobile.hud.gov), and should safeguard all sensitive information accessed in this manner.

**Don't forget your
"Security Policy"!**

No More Super NOFA

1. HUD plans to publish its Notice of Funding Availability (NOFA) as they are approved for publication and not in a combined Super NOFA which should make them available earlier in the fiscal year.
2. The information regarding NOFA programs and schedules is subject to the availability of appropriations.
3. Based on appropriations, HUD may elect to amend the anticipated dates, estimated funds available, and/or program requirements.
4. Any amendment to HUD published NOFAs will be made available through a Federal Register publication and published on <http://www.grants.gov>.

Grants.gov is your source to FIND and APPLY for federal government grants. The U.S. Department of Health and Human Services is proud to be the managing partner for Grants.gov, an initiative that is having an unparalleled impact on the grant community.

Grants.gov was established as a governmental resource named the E-Grants Initiative, part of the President's 2002 Fiscal Year Management Agenda to improve government services to the public.

Applicant System-to-System Interface provides:

- Platform Independent Messaging Service
- Security (Secure Socket Layer (SSL) and mutual authentication)
- Opportunity Schemas and Instructions
- Automated Grant Application Submission
- Validation (XML vs. Schema Check)

Applicant Status Tracking

Today, Grants.gov is a central storehouse for information on over 1,000 grant programs and provides access to approximately \$500 billion in annual awards.

Grants are not **benefits** or **entitlements**. A federal grant is an award of financial assistance from a federal agency to a recipient to carry out a public purpose of support or stimulation authorized by a law of the United States. Federal grants are not federal loans or assistance to individuals.

A federal grant may not used to acquire property or services for the federal government's direct benefit. The 26 federal agencies offer over 1,000 grant programs annually in various categories.

More than 1,000 grant programs are offered by 26 federal grant-making agencies, and these programs fall into 21 categories.

APPLICANT SYSTEM-TO-SYSTEM

Grants.gov applicant System-to-System provides applicants (with a high volume of application submissions) a web services interface for automated submission of completed grant applications and related services. The system allows applicants who submit grant applications frequently, to save time and resources by eliminating the need to reenter repetitious data into multiple individual application forms and therefore streamlines the application submission process. The system is designed for secure e-business transaction processing and provides a platform independent messaging service that follows the Simple Object Access Protocol (SOAP) with attachments specification.

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Agriculture
Arts
Business and Commerce
Community Development
Disaster Prevention and Relief
Education
Employment, Labor and Training
Energy
Environmental Quality
Food and Nutrition
Health
Housing
Humanities
Information and Statistics
Law, Justice and Legal Services
Natural Resources
Regional Development
Science and Technology
Social Services and Income Security
Transportation

REMINDERS

PREPARING FOR THE NEXT MOR 2009

I know this is not the first time that you have the following statement — New year and yet another MOR. I have spent so much time reviewing the MOR findings and comments that I often feel as if I have sections memorized.

Many of you are not going to like what I am getting ready to say but I believe this is one of the biggest issues that causes the most problems, namely lack of knowledge of your own compliance policies and procedures. During the actual MOR, there needs to be someone from the management company that truly, and I mean truly, understands the HUD regulations. And, it is not enough just to know the HUD regulations but really understanding your company compliance procedures and how they enhance the compliance process. Case in point, two of the findings regarding the tenant selection plan were not really findings. Neither the manager nor the supervisor could explain several items in the tenant selection plan; therefore, the reviewer was led to believe that the items were incorrect and what was required was missing.

So, we are back to what I believe is critical. Do a self review MOR. Go through every question. And, if you do not understand, then ASK questions before the actual MOR. And, you should know your company's compliance procedures and policies. Be prepared. Know your property's compliance policies and procedures so that when one is requested, you are able to provide.

TIP: Start out with a "Resident File Checklist". Use the checklist to keep track of all of the items that are to be in every resident's file. Attach a checklist to each file to verify that important documents are in fact in the file. This checklist also helps the person reviewing the file to know where certain required items are located in the file. The checklist also can act as a training tool as well as a tracking device for initial, annual or interim certifications.

REMINDER OF UPCOMING CHANGE OF REQUIREMENTS FOR SOCIAL SECURITY NUMBERS

The proposed revision to the regulations requires disclosure of social security numbers by all individuals applying for or participating in HUD's rental assistance programs. Once the Final Rule is in effect, applicants will be required to disclose and provide verification of the social security number for all members of their household before they can be admitted.

Current residents will be required to disclose and provide verification of social security numbers for all members of their household, where disclosure and verification has not occurred, at the time of their next interim or annual recertification.

Owners and management agents are encouraged to begin informing applicants and residents who have not disclosed their social security number, or the social security number of a child under the age of 6, or who have certified they do not have a social security number, of this upcoming revision to the regulations and their need to begin the process of obtaining a social security number.

TIPS

OWNERS AND AGENTS ARE ENCOURAGED TO SIGN-UP FOR EIV ACCESS

Owners/management agents who have not signed up for access to the EIV system are encouraged to do so. EIV may not yet be mandatory but it will be very soon. If you wait until it is mandatory then it may take longer to get approved and up and running since everyone else will be doing the same thing.

Instructions for getting access to the system are posted on the Multifamily EIV website located at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>

DO NOT WAIT — GET STARTED NOW

VAWA

Managers are required by the federal VAWA law to provide victims of domestic violence with the certification form and the appropriate notice upon request. And, while it is not required by law to help victims find assistance, managers should consider doing just that.

Take a few minutes to research what “domestic violence assistance” is available in your area. So, in addition to the required forms, you can provide the victim with an assistance contact list to help them get started.

FAIR HOUSING RESPONSE TO UNWANTED QUESTIONS

Please do not ask. Nor should you expect to be shown apartments according to any religious, racial, ethnic, sexual composition, familial status or national origin of the different areas in which the apartments are located. Our “Company” policy as well as the state and the federal Fair Housing laws prohibit the discussion of any such information when discussing the availability of apartments for rent. We verify eligibility and the ability to adhere to the lease. We welcome all applicants to apply and be processed through our resident selection policy.

LEASE VIOLATIONS

No matter how minor the lease violation is, it is very important that the resident be sent a warning violation. The lease violation should state what section of the lease has been violated and how it was violated. The resident needs to be told what they can do to correct the violation and the consequences of not adhering to the lease. Consistency is key in managing all lease violations and evictions.

REAC — TECHNICAL ASSISTANCE AVAILABLE via EMAIL

FASS-MF has been notified that during peak submission periods callers often experience lengthy hold periods when contacting REAC Technical Assistance Center (TAC). To circumvent this issue, REAC recommends that you send your questions to the TAC via email at REAC_TAC@hud.gov. TAC representatives contact customers directly by email or phone. When emailing TAC please specify in the subject line that you are inquiring about a FASS-MF reporting problem.

THINGS NOT TO FORGET

What do the letters after a Social Security Number mean?

The codes following a Social Security number indicate the type of benefits recipients are entitled to. The SSN followed by one of these codes is often referred to as a claim number and they are only assigned once the benefits have been applied for.

For example, if the Social Security Number is 123-45-6789, then once they apply for retirement benefits, then the claim number is 123-45-6789A. **This number will also be used as their Medicare claim number, once they are eligible for Medicare.**

Code	Identification	Code	Identification
A	Wage Earner (Retirement)	F4	Stepmother
B	Wife	F5	Adopting Father
B1	Husband	F6	Adopting Mother
B2	Young Wife	G	Claimant of Lump-Sum Death Benefits
C1-C9	Child - Includes disabled or student child	HA	Wage earner (disability)
D	Aged Widow	HB	Wife of disabled wage earner
D1	Widower	HB1	Husband of disabled wage earner
D6	Surviving Divorced Wife	HC	Child of disabled wage earner
E	Widowed Mother	M	Uninsured–Premium Health Insurance Benefits (Part A)
E1	Surviving Divorced Mother	M1	Uninsured-Qualified for but refused HIB (Part A)
E4	Widowed Father	T	Uninsured - Entitled to HIB (Part A) under deemed or renal provisions
E5	Surviving Divorced Father	W	Disabled Widow
F1	Father	W1	Disabled Widower
F2	Mother	W6	Disabled Surviving Divorced Wife
F3	Stepfather		

THINGS NOT TO FORGET

EIV — EXISTING TENANT SEARCH

There is an option in EIV called “Existing Tenant Search” that allows a manager to key in the Social Security number of any applicant to determine if the applicant is already receiving Section 8 assistance.

It can not be stressed enough that TRACS may not be up to date so if the manager gets a positive “hit” they should investigate. If a move-out has not been recorded in TRACS, then the applicant looks like they are still receiving assistance. So, the manager should check with the applicant and the prior landlord to why the applicant’s name is already in TRACS.

ALWAYS: Every applicant should be checked against the EIV—Existing Tenant Search to see if their name shows up. And, if it does then you know not to allow them to move in until you have documentation that they are eligible to receive Section 8 assistance from your property.

NOTE: It cannot be stressed enough how important it is for managers to check the TRACS database to make sure the information in the certification query includes all certifications have been sent.

LABOR LAW POSTERS

Labor law posters are required by law. To stay in compliance with labor laws, you need to determine if your state has new regulations that will need to be updated along with the new federal Family and Medical Leave Act (FMLA).

The Department of Labor advises U.S. employers that the long awaited final federal Family and Medical Leave Act (FMLA) poster on December 18th. These new regulations became effective Jan. 16, 2009.

The Department of Labor has released the updated version of the FMLA compliance poster. The revision date is January, 2009, and it has been expanded to include the Military Family Leave Entitlements.

The final regulations implement two important new military family leave entitlements for eligible specified family members:

- (1) Up to 12 weeks of leave for certain qualifying exigencies arising out of a covered military member's active duty status, or notification of an impending call or order to active duty status, in support of a contingency operation, and
- (2) Up to 26 weeks of leave in a single 12-month period to care for a covered servicemember recovering from a serious injury or illness incurred in the line of duty on active duty. Eligible employees are entitled to a combined total of up to 26 weeks of all types of FMLA leave during the single 12-month period.

The new poster also contains several new details regarding the FMLA final rules:

- Definition of Serious Health Condition
- Use of Leave
- Employee Responsibilities
- Employer Responsibilities

NOTE: Find a good “compliance poster” vendor that you can purchase the posters from. And, then you can depend on poster vendor to keep you notified of regulation changes.

IRS Begins Tax Season 2009 with Steps to Help Financially Distressed Taxpayers; Promotes Credits, e-File Options

The Internal Revenue Service today kicked off the 2009 tax filing season by announcing a number of new steps to help financially distressed taxpayers maximize their refunds and speed payments while providing additional help to people struggling to meet their tax obligations.

IRS Commissioner Doug Shulman encouraged taxpayers to take advantage of several new tax credits and deductions this filing season and announced a major enhancement to the Free File program that will allow nearly all taxpayers to e-file for free and accelerate their refunds.

“With so many people facing financial difficulties, we want taxpayers to get all the tax credits they’re entitled to as quickly as they can,” Shulman said. “In addition, we are creating new protections to help people trying to meet their tax obligations. The IRS will do everything it can to help during these tough times.”

Help for People Who Owe Taxes: With many people facing additional financial difficulties, the IRS is taking several additional steps to help people who owe back taxes.

“We need to ensure that we balance our responsibility to enforce the law with the economic realities facing many American citizens today,” Shulman said. “We want to go the extra mile to help taxpayers, especially those who’ve done the right thing in the past and are facing unusual hardships.”

On a wide range of situations, IRS employees have flexibility to work with struggling taxpayers to assist them with their situation. Depending on the circumstances, taxpayers in hardship situations may be able to adjust payments for back taxes, avoid defaulting on payment agreements or possibly defer collection action.

The IRS reminds taxpayers who are behind on tax payments and need assistance to contact the phone numbers listed on their IRS correspondence. There could be additional help available for these taxpayers facing unusual hardship situations.

Among the areas where the IRS can provide assistance:

- 1. Postponement of Collection Actions:** IRS employees will have greater authority to suspend collection actions in certain hardship cases where taxpayers are unable to pay. This includes instances when the taxpayer has recently lost a job, is relying solely on Social Security or welfare income or is facing devastating illness or significant medical bills. If an individual has recently encountered this type of financial problem, IRS assistants may be able to suspend collection without documentation to minimize burden on the taxpayer.
- 2. Added Flexibility for Missed Payments:** The IRS is allowing more flexibility for previously compliant individuals in existing Installment Agreements who have difficulty making payments because of a job loss or other financial hardship. The IRS may allow a skipped payment or a reduced monthly payment amount without automatically suspending the Installment Agreement. Taxpayers in a difficult financial situation should contact the IRS.
- 3. Additional Review for Offers in Compromise on Home Values:** An Offer in Compromise (OIC), an agreement between a taxpayer and the IRS that settles the taxpayer’s tax debt for less than the full amount owed, may be a viable option for taxpayers experiencing economic difficulties. However, the equity taxpayers have in real property can be a barrier to an OIC being accepted. With the uncertainty in the housing market, the IRS recognizes that the real-estate valuations used to assess ability to pay may not be accurate. So in instances where the accuracy of local real-estate valuations is in question or other unusual hardships exist, the IRS is creating a new second review of the information to determine if accepting an offer is appropriate.
- 4. Prevention of Offer in Compromise Defaults:** Taxpayers who are unable to meet the periodic payment terms of an accepted OIC will be able to contact the IRS office handling the offer for available options to help them avoid default.
- 5. Expedited Levy Releases:** The IRS will speed the delivery of levy releases by easing requirements on taxpayers who request expedited levy releases for hardship reasons. Taxpayers seeking expedited releases for levies to an employer or bank should contact the IRS number shown on the notice of levy to discuss available options. When calling, taxpayers requesting a levy release due to hardship should be prepared to provide the IRS with the fax number of the bank or employer processing the levy.

Visit the IRS Web site which has more information on these and other popular credits, such as the child tax credit, the Earned Income Tax Credit and alternative fuel vehicle credit.

Visit www.irs.gov

Fair Housing and Section 504

Our property has a strong commitment to both the spirit and the letter of the fair housing laws and continues to convey this promise to its employees, its residents, and to the general public.



TRACS DATABASE MOVING TO VERSION 2.0.2.C.

The TRACS database will be moving to Version 2.0.2.C.

Release dates

- iMAX Implementation must be complete between December 1, 2008 and no later than February 20, 2009 if you are reporting to a CA and February 28, 2009 if you are reporting directly to HUD.
- Implementation of TRACS 2.0.2.C must be complete no later than March 31, 2009. Between December 1, 2008 and March 31, 2009, TRACS will accept both 2.0.2 B and 2.0. .2.C files.
- CAs are mandated by HUD to accept 202C and iMAX files by 12/1/08.

Sometimes the questions are complicated but the answers are simple.