

# Ipswich Housing Authority

## Annual Plan for Fiscal Year 2022

### For State-Aided Public Housing

The Annual Plan is a document compiled by housing authority staff in advance of each new fiscal year. The plan serves as both a tool for the Local Housing Authority (LHA) to reflect upon the prior fiscal year, and as an opportunity to develop a clear and transparent plan that builds on successes, identifies needs, and corrects any issues that have arisen in prior years. Additionally, the Annual Plan is an important tool for tenants, who may use the document to better understand the operations and needs of their housing authority, advocate for changes to policies and procedures, access data about the housing authority, and participate in their housing authority's governance.

In addition to the physical document, the Annual Plan is also a process of public engagement. Throughout the Annual Plan process, the LHA executive director or their designee will be expected to review the Plan with any Local Tenant Organizations (LTO's) and Resident Advisory Board (RAB) before the LHA presents the plan to the LHA Board of Commissioners; make a draft available for review to all residents and the general public; post on the website and make a copy available to each LTO at least 30 business days before the public hearing; hold a hearing on the document; and collect, integrate, and report back on substantive comments. Additionally, the Board will read, offer recommendations, and approve the Annual Plan in advance of its submission to DHCD.

The law that mandates the Annual Plan is [An Act Relative to Local Housing Authorities, Massachusetts General Laws, Chapter 121B Section 28A](#). The regulation that expands upon Section 28A is [760 CMR 4.16](#). The regulations that address Local Tenant Organization (LTO) and resident participation in the Annual Plan are [760 CMR 6.09 \(3\)\(h\)](#) and [760 CMR 6.09\(4\)\(a\)\(4\)](#).

The Ipswich Housing Authority's Annual Plan for their 2022 fiscal year includes the following components:

1. Overview and Certification
2. Capital Improvement Plan (CIP)
3. Maintenance and Repair Plan
4. Operating Budget
5. Narrative responses to Performance Management Review (PMR) findings
6. Policies
7. Waivers
8. Glossary
9. Other Elements
  - a. Public Comments and LHA Responses
  - b. Cover sheet for tenant satisfaction surveys
  - c. Tenant Satisfaction Survey - COMBO
  - d. MOR Report\_Ipswich
  - e. MOR Reponse\_Ipswich

**State-Aided Public Housing Developments**

The following table identifies the state-aided public housing units with developments of more than 8 units listed separately. Units in developments of 8 or fewer units are aggregated as noted. Units that the LHA provides to assist clients of the Department of Mental Health (DMH), the Department of Developmental Services (DDS), or other agencies are also aggregated separately.

<b>Dev No</b>	<b>Type</b>	<b>Development Name</b>	<b>Num Bldgs</b>	<b>Year Built</b>	<b>Dwelling Units</b>
200-01	Family	SOUTHERN HEIGHTS 200-01	8	1949	24
667-01	Elderly	SOUTHERN MANOR 667-01	3	1956	20
667-02	Elderly	WHITTIER PARK-67 667-02	6	1967	42
667-03	Elderly	WHITTIER PARK-72 667-03	7	1972	58
	Other	Special Occupancy units	2		12
<b>Total</b>			<b>26</b>		<b>156</b>

The following development(s) operate under a combination of state and federal requirements, including HUD's Section 8 New Construction and Substantial Rehabilitation Program (see the Glossary for a program description).

<b>Dev No</b>	<b>Type</b>	<b>Development Name</b>	<b>Num Bldgs</b>	<b>Year Built</b>	<b>Dwelling Units</b>
705-01	Family	AGAWAM VILLAGE (F) 705-01	3	1979	14
667-04	Elderly	AGAWAM VILLAGE 667-04	6	1979	80

Massachusetts Rental Voucher Program (MRVP)

The Massachusetts Rental Voucher Program (MRVP) is a state-funded program that provides rental subsidies to low-income families and individuals. In most cases, a “mobile” voucher is issued to the household, which is valid for any market-rate housing unit that meets the standards of the state sanitary code and program rent limitations. In some cases, vouchers are “project-based” into a specific housing development; such vouchers remain at the development if the tenant decides to move out.

Ipswich Housing Authority manages 43 MRVP vouchers.

Federally Assisted Developments

Ipswich Housing Authority also manages Federally-assisted public housing developments and/or federal rental subsidy vouchers serving 55 households.

LHA Central Office

Ipswich Housing Authority  
One Agawam Village, Ipswich, MA, 01938  
Kate McGuire, Executive Director  
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LHA Board of Commissioners

	<u>Role</u>	<u>Category</u>	<u>From</u>	<u>To</u>
Charles Allen	Chair	State Appointee	05/30/2013	05/30/2018
Judith Butterly	Member		05/30/2016	05/30/2021
Glenn Gibbs	Member		06/30/2020	06/30/2025
Jaqueline Hayward	Treasurer		06/30/2020	06/30/2025
Richard Kallman	Vice-Chair		05/30/2019	05/30/2024

Plan History

The following required actions have taken place on the dates indicated.

REQUIREMENT	DATE COMPLETED
A. Advertise the public hearing on the LHA website.	09/21/2020
B. Advertise the public hearing in public postings.	09/21/2020
C. Notify all LTO's and RAB, if there is one, of the hearing and provide access to the Proposed Annual Plan.	N/A
D. Post draft AP for tenant and public viewing.	10/15/2020
E. Hold quarterly meeting with LTO or RAB to review the draft AP. (Must occur before the LHA Board reviews the Annual Plan.)	N/A
F. Annual Plan Hearing. Hosted by the LHA Board, with a quorum of members present. (For Boston, the Administrator will host the hearing.)	12/01/2020
G. Executive Director presents the Annual Plan to the Board.	12/01/2020
H. Board votes to approve the AP. (For Boston Housing Authority, the Administrator approves and submits the AP.)	12/01/2020

Certification

## CERTIFICATION FOR SUBMISSION OF THE ANNUAL PLAN

I, Kate McGuire, Executive Director of the Ipswich Housing Authority, certify on behalf of the Housing Authority that: a) the above actions all took place on the dates listed above; b) all facts and information contained in this Annual Plan are true, correct and complete to the best of my knowledge and belief and c) that the Annual Plan was prepared in accordance with and meets the requirements of the regulations at 760 CMR 4.16 and 6.09.

Date of certification: 12/10/2020

The Department of Housing and Community Development (DHCD) completed its review of this Annual Plan (AP) on March 11, 2021. Review comments have been inserted into the plan.

**Capital Improvement Plan (CIP)****Capital Improvement Plan****DHCD Description of CIPs:**

The Capital Improvement Plan (CIP) is a five year plan which identifies capital projects, provides a planning scope, schedule and budget for each capital project and identifies options for financing and implementing the plan. The CIP identifies anticipated spending for each Department of Housing and Community Development (DHCD) fiscal year (July 1 to June 30) based on the project schedules.

Local Housing Authorities (LHAs) receive yearly awards from DHCD (Formula Funding Awards) which they target to their most urgent capital needs in their CIP. They may also receive special awards from DHCD for specific projects which meet specific criteria. Special awards may be given for certain emergency, regulation compliance, energy and water conservation, and other projects. The first three years of the CIP are based on actual awards made to the LHA, while years four and five are based on estimated planning amounts, not actual awards.

LHAs may sometimes secure other sources of funding and assistance that you will note in their CIP, such as: Community Preservation Act (CPA) funding, Community Development Block Grant (CDBG) funding, Local Affordable Housing Trust Funds (AHTF), HOME grants, income from leasing a cell tower on their property, savings from net meter credit contracts with solar developers, utility rebates and contracted work from utility providers, and Sheriff's Department work crews. However, not all of these funding sources are available every year, or in all communities.

The CIP includes the following parts:

- A table of available funding sources and amounts
- A list of planned capital projects showing spending per fiscal year
- A table showing special awards and other funding for targeted projects, if any, which supplements Formula Funding awarded to the LHA
- A 'narrative' with a variety of additional information.

**Additional Remarks by Ipswich Housing Authority**

The IHA is beginning a multi phased project to address the bathrooms at Caroline Ave that are in desperate need of repair. The project will be taking up most of the IHA's formula funds for the next 3 years. The project will hopefully help the IHA with unit turnover time and also reduce the number of ordinary work orders received by the IHA.

## Capital Improvement Plan (CIP)

## Aggregate Funding Available for Projects in the First Three Years of the CIP:

Category of Funds	Allocation	Planned Spending	Description
Balance of Formula Funding (FF)	\$1,129,311.84		Total of all FF awards minus prior FF spending
LHA Emergency Reserve	\$112,931.18		Amount to reserve for emergencies
Net FF Funds (First 3 Years of the CIP)	\$1,016,380.66	\$911,263.88	Funds to plan & amount actually planned in the first 3 years of the CIP
ADA Set-aside	\$9,335.64	\$9,335.64	Accessibility projects
DMH Set-aside	\$68,151.29	\$68,151.19	Dept. of Mental Health facility
DDS Set-aside	\$0.00	\$0.00	Dept. of Developmental Services facility
Unrestricted Formula Funding (FF)	\$938,893.73	\$833,777.05	Funds awarded by DHCD to be used on projects selected by the LHA and approved by DHCD.
Special DHCD Funding	\$2,029,777.85	\$2,011,777.85	Targeted awards from DHCD
Community Development Block Grant (CDBG) Funds	\$0.00	\$0.00	Federal funds awarded by a city or town for specific projects.
Community Preservation Act (CPA) Funds	\$0.00	\$0.00	Community Preservation Act funds awarded by a city or town for specific projects.
Operating Reserve(OR) Funds	\$0.00	\$0.00	Funds from the LHA's operating budget.
Other Funds	\$1,981.21	\$1,981.21	Funds other than those in the above categories. See explanation below.
Total funds and planned spending	\$3,048,139.72	\$2,925,022.94	Total of all anticipated funding available for planned projects and the total of planned spending.

**Capital Improvement Plan (CIP)****Additional notes about funding:**

The Ipswich HA is excited to wrap up the ModPhase project which was provided by a special award from DHCD. The project included a complete rehab of 20 units at the IHA's oldest development Southern Manor. The IHA is also looking forward to the design and installation of an outdoor community space surrounding the building that houses The Open Door food pantry. This project is made possible by a \$218,000 grant award from DHCD. The space will be creatively designed to serve the needs and interests of both young and old. The proposed project components include a stage with a natural amphitheater, landscaping an enhanced garden area, a stationary bicycle that can charge phones and a 'love seat library' to create an inviting space for socializing or just relaxing,

**Capital Improvement Plan (CIP)****CIP Definitions:**

**ADA Set-aside** is funding allocated within the Formula Funding (FF) for use on projects that improve accessibility for people with disabilities. 10% of FF awards are designated for this purpose.

**Available State Bond Funding** is the amount of State Bond Funding available to the LHA for the first three years of the CIP. It is calculated by totaling all of FF and Special Awards granted to the LHA through the end of the third year of the plan and subtracting the amount of these funds spent prior to July 1 of the first year of the plan.

**Amount spent prior to the plan** is the total amount of Formula Funding (FF) and Special Awards spent prior to July 1 of the first year of the plan.

**Capital project** is a project that adds significant value to an asset or replaces building systems or components. Project cost must be greater than \$1000.

**CDBG** stands for Community Development Block Grant, a potential source of project funds.

**CPA** stands for Community Preservation Act, a potential source of project funds.

**CapHub Project Number** is the number given to projects entered into DHCD's project management system known as CapHub.

**DMH Set-aside** is funding allocated within the Formula Funding (FF) for use on facilities leased to the Department of Mental Health (DMH) program vendors, if any exist at this LHA.

**DDS Set-aside** is funding allocated within the Formula Funding (FF) for use on facilities leased to the Department of Developmental Services (DDS) program vendors, if any exist at this LHA.

**Formula Funding (FF)** is an allocation of state bond funds to each LHA according to the condition (needs) of its portfolio in comparison to the entire state-aided public housing portfolio.

**Operating Reserve** is an account, funded from the LHA operating budget, primarily used for unexpected operating costs, including certain extraordinary maintenance or capital projects.

**Other Funds** could include other funding by the city or town or from other sources.

**Special Awards** are DHCD awards targeted to specific projects. Award programs include funds for emergencies beyond what an LHA can fund, for complying with regulatory requirements, for projects that will save water or energy use, and various other programs the department may run from time to time.

**Total Cost** is the sum of investigation, design, administration, permitting, and construction costs for a project

**Unrestricted Formula Funding (FF)** is money awarded to the LHA by DHCD under the Formula Funding program other than amounts set aside (restricted) for accessibility improvements or for facilities operated by DMH or DDS.

**Capital Improvement Plan (CIP)****Regional Capital Assistance Team**

Ipswich Housing Authority participates in the Regional Capital Assistance Team (RCAT) program and project implementation responsibilities are as follows:

- o For projects with construction cost under \$10,000, the LHA has the sole responsibility to initiate, implement and manage the project. RCAT offers technical assistance upon request.
- o For projects with construction cost between \$10,000 and \$100,000 the RCAT will have lead responsibility to initiate, implement and manage the project with both DHCD and LHA involvement and oversight throughout the process. For projects in this range, the LHA will work with the RCAT Project Manager who will contact the LHA to initiate projects.
- o For projects with construction cost over \$100,000, or projects below that threshold that are complex or have a subsequent phase that exceeds \$100,000 construction cost, DHCD will take the lead and draft a WO or RFS to hire a designer to prepare plans and specs. RCAT will not be involved in the implementation of projects in this range and the LHA will continue to work directly with the DHCD Project Manager and DHCD design staff.

Capital Improvement Plan (CIP)

Formula Funding and Special DHCD Award Planned Spending - Other funding not included

Cap Hub Project Number	Project Name	Development(s)	Total Cost	Amount Spent Prior to Plan	fy2021 Spent	fy2021 Planned	fy2022	fy2023	fy2024	fy2025
144027	2008 FF Master CFA	SOUTHERN MANOR 667-01	\$4,800	\$4,800	\$0	\$0	\$0	\$0	\$0	\$0
144053	FF: ADA automatic door opener	SOUTHERN HEIGHTS 200-01	\$2,821	\$2,821	\$0	\$0	\$0	\$0	\$0	\$0
144056	Accessibility Study Project to Create Two (2) Fully Accessible Units	WHITTIER PARK-67 667-02	\$583,574	\$62,949	\$5,311	\$520,625	\$0	\$0	\$0	\$0
144059	FY17 - Sustainability - Energy - refrigerators	WHITTIER PARK-67 667-02	\$34,998	\$34,335	\$0	\$664	\$0	\$0	\$0	\$0
144061	FY17 - Sustainability - Energy - lighting	AGAWAM VILLAGE 667-04	\$124,230	\$100,175	\$0	\$24,056	\$0	\$0	\$0	\$0
144062	FF: ModPHASE: unit renovations; roofs, windows, doors; MEP	SOUTHERN MANOR 667-01	\$2,963,117	\$1,617,220	\$950,638	\$1,345,897	\$0	\$0	\$0	\$0
144065	FF: Roof replacement - Caroline Ave (Phase 2)	WHITTIER PARK-72 667-03	\$134,985	\$122,201	\$0	\$12,785	\$0	\$0	\$0	\$0
144067	FF: Electrical Emergency	IPSWICH HOUSE 689-01	\$27,106	\$10,562	\$0	\$16,545	\$0	\$0	\$0	\$0
144070	FF: Bathroom Upgrade	WHITTIER PARK-67 667-02	\$346,985	\$29,713	\$1,200	\$210,114	\$107,158	\$0	\$0	\$0

Capital Improvement Plan (CIP)

Formula Funding and Special DHCD Award Planned Spending - Other funding not included

Cap Hub Project Number	Project Name	Development(s)	Total Cost	Amount Spent Prior to Plan	fy2021 Spent	fy2021 Planned	fy2022	fy2023	fy2024	fy2025
144073	FF: Asphalt Roadway/Parking Lot Paving Curb and Sidewalk Sealcoat	IPSWICH HOUSE 689-01	\$9,675	\$0	\$0	\$6,979	\$2,697	\$0	\$0	\$0
144076	FF: Asphalt Roadway/Parking Lot Paving and Sidewalk Sealcoat	ESSEX ROAD 167-01	\$3,956	\$0	\$0	\$3,956	\$0	\$0	\$0	\$0
144077	FF: Roof Replacement - Caroline Ave (Phase 3A)	WHITTIER PARK-67 667-02	\$19,925	\$19,925	\$0	\$0	\$0	\$0	\$0	\$0
144079	FF: Selective Bathroom Renovation	IPSWICH HOUSE 689-01	\$28,915	\$0	\$0	\$28,915	\$0	\$0	\$0	\$0
144081	Roof Replacement	WHITTIER PARK-67 667-02	\$93,737	\$0	\$0	\$35,858	\$57,880	\$0	\$0	\$0
144082	Bathroom Renovations	ESSEX ROAD 167-01	\$50,550	\$0	\$4,000	\$50,550	\$0	\$0	\$0	\$0
144083	Siding Repairs and Exterior Painting (phase 3)	SOUTHERN HEIGHTS 200-01	\$44,905	\$0	\$0	\$43,948	\$0	\$0	\$0	\$0
144084	Roofing Replacement	IPSWICH HOUSE 689-01	\$19,536	\$0	\$0	\$19,536	\$0	\$0	\$0	\$0
144085	Creative Placemaker Outdoor Communal Space	SOUTHERN HEIGHTS 200-01	\$238,700	\$0	\$0	\$9,895	\$226,806	\$0	\$0	\$0

**Capital Improvement Plan (CIP)**

Formula Funding and Special DHCD Award Planned Spending - Other funding not included

Cap Hub Project Number	Project Name	Development(s)	Total Cost	Amount Spent Prior to Plan	fy2021 Spent	fy2021 Planned	fy2022	fy2023	fy2024	fy2025
•	Selective bulkhead cement and gasket repair	SOUTHERN HEIGHTS 200-01	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
•	Underground Electrical Emergency	SOUTHERN HEIGHTS 200-01	\$37,117	\$0	\$0	\$37,117	\$0	\$0	\$0	\$0
•	Partial Window replacement (Phase 1)	SOUTHERN HEIGHTS 200-01	\$158,789	\$0	\$0	\$0	\$0	\$0	\$62,461	\$96,329
•	Bathroom Upgrade	WHITTIER PARK-72 667-03	\$355,817	\$0	\$0	\$0	\$208	\$160,861	\$194,750	\$0
<b>TOTALS</b>			\$5,294,235	\$2,004,698	\$961,148	\$2,367,435	\$394,747	\$160,861	\$257,210	\$106,329

Capital Improvement Plan (CIP)

FUNDS IN ADDITION TO ANNUAL FORMULA FUNDING AWARD

Cap Hub Project Number	Project Name	DHCD Special Award Comment	Special DHCD Awards				Other Funding			
			Emergency Reserve	Compliance Reserve	Sustain-ability	Special Awards	CDBG	CPA	Operating Reserve	Other Funds
144056	Accessibility Study Project to Create Two (2) Fully Accessible Units	asbestos	\$0	\$32,835	\$0	\$501,343	\$0	\$0	\$0	\$0
144059	FY17 - Sustainability - Energy - refrigerators	Refrigerators (75)	\$0	\$0	\$34,998	\$0	\$0	\$0	\$0	\$0
144061	FY17 - Sustainability - Energy - lighting	Lighting	\$0	\$0	\$124,230	\$0	\$0	\$0	\$0	\$0
144062	FF: ModPHASE: unit renovations; roofs, windows, doors; MEP	Complete units; roofs, windows, doors; MEP	\$0	\$809,884	\$4,408	\$1,924,679	\$0	\$0	\$0	\$0
144065	FF: Roof replacement - Caroline Ave (Phase 2)	Emg roof replacement	\$24,345	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144067	FF: Electrical Emergency	electrical emergency Sect. 8 nc properties	\$10,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144070	FF: Bathroom Upgrade	asbestos	\$0	\$43,378	\$0	\$0	\$0	\$0	\$0	\$0
144085	Creative Placemaker Outdoor Communal Space	creative placemaking	\$0	\$0	\$0	\$218,000	\$0	\$0	\$0	\$2,000
<b>TOTALS</b>			\$34,907	\$886,097	\$163,636	\$2,644,021	\$0	\$0	\$0	\$2,000



## **Capital Improvement Plan (CIP) Narrative**

### **Including Requests to DHCD & Supporting Statements**

#### **1. Request for increased spending flexibility.**

DHCD designates a spending target (cap share) and an allowable spending range for each year of the CIP. A Housing Authority may request to shift the cap shares of the first three years in order to increase scheduling flexibility. A CIP utilizing this flexibility is called an Alternate CIP. The total spending over three years and over five years must continue to meet the limits set by DHCD. DHCD will approve an Alternate CIP only with acceptable justification and only if funding is available.

Ipswich Housing Authority has submitted an Alternate CIP with the following justification:

- Projected spending on projects currently in bidding or construction exceeds Cap Share in one or more years of the CIP.

current projects in construction exceed the capshare in year 1 and 2

#### **2. Request for additional funding.**

A Housing Authority may request additional funding from DHCD for projects that qualify as emergencies, required legal compliance upgrades, or sustainability improvements.

Ipswich Housing Authority has not requested additional funding.

#### **3. Overall goals of the Housing Authority's CIP**

The IHA continues to work toward improving the building envelop of our portfolio while improving resident experience.

#### **4. Changes from the Housing Authority's previous CIP**

Every new CIP differs from the previous CIP because projects have been completed and a new year has been added with new projects. These changes and other significant changes to the content of the CIP are highlighted below:

There are few changes in the first year of the plan as projects under construction. Projects in the later years were reprioritized as needed.

#### **5. Requirements of previous CIP approval**

There were no special conditions attached to the approval of our previous CIP.

#### **6. Quarterly capital reports**

Our most recent quarterly capital report (form 80 and 90) was submitted on 09/30/2020.

**7. Capital Planning System (CPS) updates**

Our CPS facility data has been updated with current condition information, including changes resulting from projects completed in the past year, as of 12/01/2020.

**8. Project priorities**

All the projects in our CIP are high priority (Priority 1 and 2 projects).

**9. High priority deficiencies**

We have included all of our high priority (CPS priority 1 and 2) projects in our CIP.

**10. Accessibility**

We are not aware of any accessibility deficiencies in our portfolio.

**11. Special needs development**

Ipswich Housing Authority has one or more special needs (167 or 689 programs) development. We have completed the service provider input process according to the required procedures detailed in the lease agreement and held an annual meeting with the service provider staff at all special needs developments as of 09/15/2020.

**12. Energy and water consumption**

Our 12 most recent monthly energy reports are for months 11/2019 to 10/2020.

The following table lists the DHCD thresholds for Per Unit Monthly (PUM) expense for electricity, natural gas, oil, and water use and the developments at the Housing Authority that have expenses in excess of the thresholds, if any.

	Electric PUM > Threshold	Gas PUM > Threshold	Oil PUM > Threshold	Water PUM > Threshold
Threshold PUM:	\$100	\$80	\$50	\$60
	705-01	705-01		200-01
				667-02
				667-03
				705-01

The IHA will look into the usage at the above list developments as well as looking into energy saving initiatives

**13. Energy or water saving initiatives**

Ipswich Housing Authority is not currently pursuing any energy or water-saving audits or grants that could affect CIP project scope, costs or timing of projects.

**14. Vacancy rate**

Our unadjusted vacancy rate reported to DHCD is as follows. (The unadjusted vacancy rate captured in these figures is the percentage of ALL housing units that are vacant, including both offline units being used for other purposes and units with DHCD vacancy waivers.)

8% c. 667 (DHCD Goal 2%)

0% c. 200 (DHCD Goal 2%)

0% c. 705 (DHCD Goal 2%)

Ipswich Housing Authority will address the excess vacancies in the following manner:  
the ongoing MOD Phase project will correct this issue

**15. Vacancies**

Ipswich Housing Authority has no units listed as vacant, proposed to be vacant, or at risk of becoming vacant.

# CIP Approval For Ipswich Housing Authority for FY 2021

## Formula Funding Capital Improvement Plan (CIP), WorkPlan 5001

1/7/2021

Congratulations! The CIP-2021 submitted by Ipswich Housing Authority is approved, subject to the following conditions:

- Note project 144087 is an emergency project and should be completed as soon as possible.
- SUST: Ipswich has multiple developments that exceed the PUM for water costs. This was the case last year as well. Both last year, and this year, Ipswich's narrative says they will investigate the causes of the high water costs. As such, the LHA should let DHCD's Sustainability Program Developer with the results of this investigation.
- Your LHA participates in the Regional Capital Assistance Team (RCAT) program and project implementation responsibilities are as follows:
  - o For projects with construction cost under \$10,000, the LHA has the sole responsibility to initiate, implement and manage the project. RCAT will offer technical assistance upon your request. DHCD recently revised the Small Project Guide to address statutory and policy changes. It is available on the web at <http://www.mass.gov/hed/docs/dhcd/ph/small-projects/dhcdsmallprojectsguide.pdf>. The Guide contains step-by-step instructions to help you make sure that your projects are done efficiently, cost-effectively and according to applicable statutes, rules and regulations. Please be sure to complete projects in accordance with the requirements and procedures described in the Guide.
  - o For projects with construction cost between \$10,000 and \$100,000 the RCAT will have lead responsibility to initiate, implement and manage the project with LHA involvement and oversight throughout the process. If you have projects in this range, you will be working with your RCAT Project Manager who will contact you to initiate your project(s). Please note that DHCD has increased the threshold for independent implementation to \$100,000 construction cost in response to the passage of Chapter 218. Projects with an estimated Construction cost greater than \$25,000 still require soliciting the professional services of an architect or engineer. (See DHCD Small Project guide "When to Hire a Designer" (<http://www.mass.gov/hed/docs/dhcd/ph/small-projects/dhcdsmallprojectsguide.pdf>)). The RCAT may be able to provide "In House" specifications with an estimated construction cost greater than \$25,000, but requires the approval of DHCD before proceeding.
  - o For projects with construction cost over \$100,000, or projects below that threshold that are complex or have a subsequent phase that exceeds \$100,000 construction cost, DHCD will take the lead and draft a WO or RFS to hire a designer to prepare plans and specs. At this point, RCAT will not be involved in the implementation of projects in this range and you will continue to work directly with your DHCD Project Manager and DHCD design staff.

Ipswich Housing Authority is authorized to proceed on the following projects, which are to be managed with the LHA or RCAT as the Primary PM\*\*:

CPS Number	FISH #	Project Name	TDC Amount	Primary PM	Project Year
144-200-01-S01-20-422	144087	Underground Electrical Emergency	\$37,117.00	RCAT	2022

Construction cost for FY 2021 projects is to be incurred by June 30, 2021. Construction cost for FY 2022 projects is to be incurred between July 1, 2021 and June 30, 2022. Pre-construction costs may be incurred in FY 2021.

There are no large or complex projects to be managed by DHCD.

Going forward, if you need to add a project that is not in your approved CIP you will need to submit a revision through CIMS. Instructions for revising your CIP can be found on the CIMS Forms menu.

Details of the Approved CIP can be found at the link to 'Approved & Active CIP Reports' on the CIMS forms page in the CIP Reports section. Projects may utilize funding from multiple sources. The 'Original Approved' report details the proposed funding as submitted by the LHA. Please feel free to call DHCD Project Manager Cindy Zabriskie-PM at (617) 573-1186 with any questions.

**\*\*Primary PM'** is used to identify the agency responsible for updating a project's budget and schedule.

This document was created on 1/7/2021 by Stefanie Brynen-PMD, Project Management Director

Maintenance and Repair Plan

**Maintenance Objective**

The goal of good property maintenance at a public housing authority is to serve the residents by assuring that the homes in which they live are decent, safe, and sanitary.

**About This Maintenance and Repair Plan**

This Maintenance & Repair Plan consists of several subsections describing maintenance systems followed by charts showing typical preventive maintenance, routine maintenance, and unit inspection tasks and schedules. These subsections are:

- a. **Classification and Prioritization of Maintenance Tasks** - Defines and prioritizes types of work to be accomplished by maintenance staff and vendors. Explains how the housing authority is expected to respond to work orders (tasks or requests) based on the work order classification.
- b. **Emergency Response System** - Defines what constitutes an emergency and how to notify staff of an emergency.
- c. **Normal Maintenance Response System** - How to contact the maintenance staff for a non-emergency request.
- d. **Work Order Management** - Description of the housing authority's system for managing work orders (tasks and requests).
- e. **Maintenance Plan Narrative & Policy Statement** - Self-assessment, basic information, and goals for the coming year, along with a description of the housing authority's maintenance program.
- f. **Preventive Maintenance Schedule** - A listing and schedule of tasks designed to keep systems and equipment operating properly, to extend the life these systems and equipment, and to avoid unexpected breakdowns.
- g. **Routine Maintenance Schedule** - A listing and schedule of ordinary maintenance tasks such as mopping, mowing, raking, and trash collection required to keep the facilities in good condition.
- h. **Unit Inspections** - Scheduling of annual unit inspections.

### **Classification and Prioritization of Maintenance Tasks**

Maintenance items are tracked as “work orders” and are classified in the following categories. They are prioritized in the order listed. The following classifications and prioritization are required by the Department of Housing and Community Development (DHCD).

- I. **Emergencies** - Emergencies are only those conditions which are **immediately threatening** to the life or safety of our residents, staff, or structures.
  - **Goal: initiated with 24 to 48 hours.**
- II. **Vacancy Refurbishment - Work necessary to make empty units ready for new tenants.**
  - After emergencies, the refurbishment of vacancies for immediate re-occupancy has the highest priority for staff assignments. **Everyday a unit is vacant is a day of lost rent.**
  - **Goal: vacancy work orders are completed within 30 calendar days or if not completed within that timeframe, LHA has a waiver.**
- III. **Preventive Maintenance** - Work which must be done to **preserve and extend the useful life** of various elements of your physical property and avoid emergency situations.
  - A thorough Preventive Maintenance Program and Schedule that deals with all elements of the physical property is provided later in the document.
  - The Preventive Maintenance Program is reviewed and updated annually and as new systems and facilities are installed.
- IV. **Programmed Maintenance** - Work which is important and is completed to the greatest extent possible within time and budget constraints. Programmed maintenance is grouped and scheduled to make its completion as efficient as possible. Sources of programmed maintenance include:
  - Routine Work includes those tasks that need to be done on a regular basis to keep our physical property in good shape. (Mopping, Mowing, Raking, Trash, etc.)
  - Inspections are the other source of programmed maintenance.
    - o Inspections are visual and operational examinations of parts of our property to determine their condition.
    - o All dwelling units, buildings and sites must be inspected at least annually.
    - o **Goal: Inspection-generated work orders are completed within 30 calendar days from the date of inspection, OR if cannot be completed within 30 calendar days, are added to the Deferred Maintenance Plan or the Capital Improvement Plan in the case of qualifying capital repairs (unless health/safety issue).**
- V. **Requested Maintenance** - Work which is requested by residents or others, does not fall into any category above, and should be accomplished as time and funds are available.
  - Requests from residents or others for maintenance work which does not fall into one of the other categories has the lowest priority for staff assignment.
  - **Goal: Requested work orders are completed in 14 calendar days from the date of tenant request or if not completed within that timeframe (and not a health or safety issue), the task is added and completed in a timely manner as a part of the Deferred Maintenance Plan and/or CIP.**

**Emergency Request System**

For emergency requests call the numbers listed here. Qualifying emergency work requests are listed below.

<b>METHOD</b>	<b>CONTACT INFO.</b>	<b>TIMES</b>
Call Answering Service	978-356-2860 x207	Non-business hours
Call LHA at Phone Number	978-356-2860 x207	During business hours, with answerin

List of Emergencies - Emergencies are those conditions which are immediately threatening to the life or safety of our residents, staff, or structures. The following is a list of typical conditions that warrant an emergency response. If there is an emergency condition whether or not enumerated on this list please notify the office or answering service at the numbers listed above. If you have any questions regarding this list or other matters that may constitute an emergency, please contact the Ipswich Housing Authority main office.

<b>QUALIFYING EMERGENCY WORK REQUESTS</b>
Fires of any kind (Call 911)
Gas leaks/ Gas odor (Call 911)
No electric power in unit
Electrical hazards, sparking outlets
Broken water pipes, flood
No water/ unsafe water
Sewer or toilet blockage
Roof leak
Lock outs
Door or window lock failure
No heat
No hot water
Snow or ice hazard condition
Dangerous structural defects
Inoperable smoke/CO detectors, beeping or chirping

**Normal Maintenance Request Process**

Make normal (non-emergency) maintenance requests using the following methods:

<b>METHOD</b>	<b>CONTACT INFO.</b>	<b>TIMES</b>
Text Phone Number		
Call Answering Service	978-356-2860 x207	Non-business hours
Call Housing Authority Office	978-356-2860 x207	During business hours, with answering
Submit Online at Website	ipswichhousingauthority.co	24 hrs.
Email to Following Email		
Other		

**Work Order Management**

A. DHCD review of this housing authority’s operations shows that the authority uses the following system for tracking work orders:

Type of work order system: DHCD's usual on-site review for this housing authority's work order system was cancelled due to the COVID-19 emergency.

Work order classification used:

Emergency	
Vacancy	
Preventative Maintenance	
Routine	
Inspections	
Tenant Requests	

B. We also track deferred maintenance tasks in our work order system.

C. Our work order process includes the following steps:

Step	Description	Checked steps are used by LHA
1	Maintenance Request taken/submitted per the standard procedures listed above for the Emergency Request System and the Normal Maintenance Request Process.	<input checked="" type="checkbox"/>
2	Maintenance Requests logged into the work system	<input checked="" type="checkbox"/>
3	Work Orders generated	<input checked="" type="checkbox"/>
4	Work Orders assigned	<input checked="" type="checkbox"/>
5	Work Orders tracked	<input checked="" type="checkbox"/>
6	Work Orders completed/closed out	<input checked="" type="checkbox"/>
7	Maintenance Reports or Lists generated	<input checked="" type="checkbox"/>

D. Additional comments by the LHA regarding work order management:

We use PHA Web for Work Orders, all types.

### **Maintenance Plan Narrative**

Following are Ipswich Housing Authority's answers to questions posed by DHCD.

- A. Narrative Question #1: How would you assess your Maintenance Operations based on feedback you've received from staff, tenants, DHCD's Performance Management Review (PMR) & Agreed Upon Procedures (AUP), and any other sources?

The IHA frequently receives positive feedback from residents regarding the maintenance staff and management. Any issues that are raised by residents are dealt with immediately. The IHA is very proud of the progress made in the Maintenance Department over the past 5 years.

- B. Narrative Question #2: What changes have you made to maintenance operations in the past year?

The IHA hired a new Maintenance Director who was previously a Maintenance Mechanic at the IHA. The new Maintenance Director has done a fantastic job adjusting to his new position during these unprecedented times.

- C. Narrative Question #3: What are your maintenance goals for this coming year?

Due to the COVID-19 pandemic the IHA is prioritizing the health and safety of residents and staff and is dedicating significant time to cleaning and sanitizing the common areas. The IHA is anticipating that there will be a significant backlog of ordinary work orders when the COVID-19 restriction are lifted.

D. Maintenance Budget Summary

The budget numbers shown below are for the consolidated budget only. They do not include values from supplemental budgets, if any.

	Total Regular Maintenance Budget	Extraordinary Maintenance Budget
Last Fiscal Year Budget	\$194,820.00	\$15,000.00
Last Fiscal Year Actual Spending	\$159,703.00	\$67,639.00
Current Fiscal Year Budget	\$182,209.00	\$56,200.00

E. Unit Turnover Summary

# Turnovers Last Fiscal Year	15
Average time from date vacated to make Unit "Maintenance Ready"	26 days
Average time from date vacated to lease up of unit	49 days

**Attachments**

These items have been prepared by the Ipswich Housing Authority and appear on the following pages:

Preventive Maintenance Schedule - a table of preventive maintenance items showing specific tasks, who is responsible (staff or vendor), and the month(s) they are scheduled

Deferred Maintenance Schedule - a table of maintenance items which have been deferred due to lack of resources.

**PREVENTATIVE MAINTENANCE PROGRAM**

**FOR THE IPSWICH HOUSING AUTHORITY**

## **January Preventative Maintenance Tasks**

- Monitor and issue on-going snow removal work orders.
- **Check Hot air furnace / Boiler winter PM.**
- Oil circulator pumps if necessary.
- **Clean dryer vents.**
- **Vehicle Inspection, Keep truck clean and in good running condition, check plows and plow components.**
- Lease enforcement: Family Units: Snow removal from front and rear egress.
- **Cleaning of Hallways at CA and AV, - 2, 3 AV + 1,3,5 CA**
- **Inventory tools, equipment, refrigerators and stoves in stock.**
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- **Unit inspections – schedule so as to complete 100% each year.**
- **Check Smoke and Carbon Monoxide detectors during annual inspections.**
- **Fire extinguisher annual recertification.**
  
- Holidays: New Year's Day, Martin Luther King Jr. Day.

## **February Preventative Maintenance Tasks**

- Monitor and issue on-going snow removal work orders.
- A/C, heat and air handler filter change.
- **Check Snowmelt/salt/sand, Have Truck washed (undercarriage)**
- **Strip, wax and/or buff VCT and linoleum flooring in Common Areas.**
- Vehicle Inspection
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- **Check Smoke and Carbon Monoxide detectors during annual inspections**
- **Unit inspections – schedule so as to complete 100% each year.**
- **Lease enforcement: Common hallways and stairs free from all obstructions.**
- Holiday: Presidents Day.

## March Preventative Maintenance Tasks

- **Second Sunday, reset light timers and clocks for daylight saving time.**
- Monitor and issue on-going snow removal work orders.
- **Clean storage rooms and maintenance areas.**
- **Touch up all common area paint.**
- **Clean heater vents in all common areas.**
- Vehicle Inspection
- **Check Smoke and Carbon Monoxide detectors during annual inspections**
- **Unit inspections – schedule so as to complete 100% each year.**
- Lease enforcement: Furniture, trash and debris free from exteriors.
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**

## April Preventative Maintenance Tasks

- **Inspect all entry doors.**
- **Clean dryer vents, exhaust vents and roof vent motors if necessary.**
- **Service lawn equipment and Summer-ize all snow equipment.**
- **Inspect roofs and siding.**
- **Clean common area flooring and carpeting.**
- **Cleaning of parking areas, roadways, driveways, walkways and storm drains.**
- **Inspect trees and trim as needed (maintain 10ft distance from buildings)**
- **Spring Vehicle Inspection:** Wash Truck (including undercarriage)
  - Check all fluid levels: crank case, transmission, etc.
  - Check antifreeze, radiator rust inhibitor, and thermostat.
  - Check windshield washer fluid.
  - Check belts and hoses.
  - Check plugs, wiring, battery, clean and grease terminals.
  
  - Clean out air cleaner.
  - Check wheel alignment and tire balance (signs of uneven wear).
  - Check heater and defroster.
  - Check wiper blades for wear.
  - Change engine oil in all vehicles (2<sup>nd</sup> quarter)
- **Check Smoke and Carbon Monoxide detectors during annual inspections.**
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- **Unit inspections – schedule so as to complete 100% each year.**
- Lease enforcement: Check for proper AC installation (according to policy)
- Holiday: Patriots Day

## May Preventative Maintenance Tasks

- **Clean all storm drain grates.**
- Clean A/C condensers.
- **Sidewalk and parking lot crack and crevice sealing and repair.**
- **Weed treatment at all sites.**
- **Edge and mulch all planting beds.**
- **Prune/trim all shrubs and bushes away from buildings (maintain 2ft clearance from all structures).**
- **Fertilize lawns.**
- Vehicle Inspection:
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- **Check Smoke and Carbon Monoxide detectors during annual inspections.**
- **Unit inspections – schedule so as to complete 100% each year.**
- Lease enforcement: Cooking grills and fire pits (according to policy)
- Holiday: Memorial Day

## **June Preventative Maintenance Tasks**

- **Summer boiler shut-down and PM service. (non-heating season June 16<sup>th</sup> to September 14<sup>th</sup>)**
- Check A/C, heat and air handler filters.
- **Check interior emergency lighting.**
- **Weed and edge all planting beds every 2 weeks (June 1<sup>st</sup> to Oct 1<sup>st</sup>)**
- **Inspect site railings, walkways and stairs for potential hazards. Identify and repair as needed.**
- **Maintain all planting beds.**
- Check flags and replace as needed
- Vehicle Inspection
- **Check Smoke and Carbon Monoxide detectors during annual inspections.**
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- **Unit inspections – schedule so as to complete 100% each year.**
- Lease enforcement: Pools, trampolines and swing-sets (according to policy)
  - Furniture, trash and debris free from exterior.

## **July Preventative Maintenance Tasks**

- Clean dryer vents, exhaust vents and roof vent motors if necessary.
- Bi-Annual cleaning of all gutters. Inspect gutters, downspouts and splash blocks – repair as needed.
- Inspect common area windows (glass, seals, balances and locks).
- Inspect and repair site fencing
- Vehicle Inspection
- Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.
- Check Smoke and Carbon Monoxide detectors during annual inspections.
- Unit inspections – schedule so as to complete 100% each year.
- Lease enforcement: Pet policy (according to pet policy)
- Holiday: Independence Day

## August Preventative Maintenance Tasks

- Strip, wax and buff VCT and linoleum flooring in common areas.
- Vehicle Inspection:
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- Check Smoke and Carbon Monoxide detectors during annual inspections.
- Lease enforcement: Common hallways and stairs free from all obstructions.
- Unit inspections – schedule so as to complete 100% each year.
- **Annual Cleaning and Pumping of Sewer System. Maintain as necessary. Check Main Lines.**
- **Buy and stock ice melt for winter.**

## September Preventative Maintenance Tasks

- Check all boiler rooms, electrical panels in boiler rooms, and all common areas. Prep for Winter.
- Domestic hot water systems PM. Boiler tune-up. (Heating season is September 15<sup>th</sup> through June 15<sup>th</sup>)
- Clean storage rooms and maintenance areas.
- Clean heater vents in all common areas.
- Vehicle Inspection:
- Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens
- Check Smoke and Carbon Monoxide detectors during annual inspections.
- Unit inspections – schedule so as to complete 100% each year.
- Lease enforcement: Removal of all AC's (according to policy)
- Prune and trim all shrubs and bushes. (Maintain 2ft clearance from all structures)
- Holiday: Labor Day

## October Preventative Maintenance Tasks

- **October 7<sup>th</sup> through the 13<sup>th</sup> – Fire Prevention Month – Perform PM and check all fire systems, sprinklers, fire pumps, fire extinguishers, common area egress, etc.**
- **Boiler tune-up. (Heating season is September 15<sup>th</sup> through June 15<sup>th</sup>)**
- Check A/C, heat and air handler filters.
- **Bi-Annual cleaning of all gutters October/November. When leaves stop falling.**
- **Fall Clean UP begins**
- Continue to Prune and trim all shrubs and bushes. (Maintain 2ft clearance from all structures)
- Fertilize lawns.
- **Clean dryer vents, exhaust vents.**
- **Check Snow Equipment**
- **Cleaning of parking areas, roadways, driveways, walkways and storm drains.**
- **Clean, winterize, and store lawn equipment.**
- Vehicle Inspection
- **Check Smoke and Carbon Monoxide detectors during annual inspections.**
- **Unit inspections – schedule so as to complete 100% each year.**
- Lease enforcement: Decorations (Halloween) cords running through doors and windows.
  - Inspect all basements for proper clearance from heating systems (5ft).
  - Fire prevention notices to tenants.
- Columbus Day

## November Preventative Maintenance Tasks

- **First Saturday in November reset light timers and clocks back 1 hour for daylight saving time.**
- Monitor snow removal work orders and Ice melt/salting and sanding
- **Inspect trees and trim as needed (maintain 10ft clearance from all structures).**
- Vehicle Inspection
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms and closets and kitchens.**
- Lease enforcement: Blocked egresses.
- **Third Monday and Tuesday of the month - Unit inspections – schedule so as to complete 100% each year.**
- **Check Smoke and Carbon Monoxide detectors during annual inspections**
- **Continue Fall Cleanup**
- Holidays: Veterans Day, Thanksgiving Day

## December Preventative Maintenance Tasks

- Monitor snow removal work orders and Ice melt/salting and sanding
- Check and replace flags as needed.
- Vehicle Inspection
- **Cleaning of Shop, All Community Halls, and Office Areas. Including bathrooms, and closets, and kitchens.**
- Lease enforcement: Decorations (Christmas) Cords running through doors and windows.
- Unit inspections – schedule so as to complete 100% each year.
- Check Smoke and Carbon Monoxide detectors during annual inspections
- Holiday: Christmas Day

## Ipswich Housing Authority Deferred Work Order Report

Filter Criteria Includes: 1) Project: All Projects, 2) Deferred Type: All Types, 3) Deferred Note: N/A, 4) Completed: All

<b>Work Order Number</b>	<b>Completed Date/Time</b>	<b>Deferred Note</b>	<b>Deferred Type</b>
12229	11/14/2017 8:00 PM	Capitol Bathroom Project	Capital Improvement Plan
12521	1/12/2018 1:00 PM	This will be done in the bathroom project	Deferred Maintenance Plan
12523	1/12/2018 1:30 PM	This will be done in the bathroom project	Deferred Maintenance Plan
12524	1/20/2018 8:00 PM	Bathroom Renovation Project	Capital Improvement Plan
12837	3/6/2018 8:00 PM	Capitol Bathroom Project	Capital Improvement Plan
13188	5/23/2018 1:00 PM	This will be taken care of in the upcoming project	Deferred Maintenance Plan

*End of Report*

Operating Budget

The tables on the following pages show the approved budget and actual income and spending per budget account (row) for the fiscal year ending 03/31/2020. It also shows the approved budget for the current year (2021) if there is one, and the percent change from last year's spending to this year's approved budget. The final column shows the current approved amount for each account divided by the number of housing units and by 12 months to show the amount per unit per month (PUM). The chart does not show a draft budget for the coming fiscal year as that will typically be developed in the final month of the fiscal year.

The budget format and accounts are mandated by the Department of Housing and Community Development (DHCD). For a better understanding of the accounts and discussion of special situations see the notes following the budget tables and the "Definitions of Accounts" at the end of this section.

The LHA maintains a consolidated budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by the LHA. It does not maintain separate budgets for each development, except as noted in the list of budgets below.

Budgets included in this Annual Plan:

- 1.Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Ipswich Housing Authority , except as noted for separate budgets on the following pages.

- 2.Agawam Village

**Operating Reserve**

The LHA's operating reserve is the amount of funds that an LHA sets aside to sustain itself during lean years, or to remedy urgent health and safety concern or address deferred maintenance items. In addition, while DHCD approves a fixed non-utility operating budget level for every LHA (called the Allowable Non-Utility Expense Level, or ANUEL), LHAs can propose a budget that exceeds that level, with the additional cost to be funded from the Operating Reserve, as long as the reserve will still remain above the minimum threshold set by DHCD.

DHCD defines a full (100%) Operating Reserve (OR) amount to be equal to one-half of the previous year's operating expenses and requires LHAs to maintain a minimum OR of 35% of this amount to cover any unplanned but urgent needs that may arise during the year and that can't be funded by the operating budget. If the reserve is between 20% and 35% of the full level, the LHA must obtain prior written approval from DHCD to spend reserve funds, unless the expense is to resolve a health and safety issue. If the reserve is below the 20% level, the LHA can only spend OR funds on health and safety issues. In both cases, the LHA should address the health and safety issue immediately but must retroactively inform DHCD and obtain its approval.

The Ipswich Housing Authority operating reserve at the end of fiscal year 2020 was \$155,883.00, which is 36.1% of the full reserve amount defined above.

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Ipswich Housing Authority , except as noted for separate budgets on the following pages.

**REVENUE**

Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Received	2021 Approved Revenue Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3110	Shelter Rent - Tenants	\$591,456.00	\$636,072.00	\$648,192.00	1.9%	\$375.11
3111	Shelter Rent - Tenants - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
3115	Shelter Rent - Federal Section 8	\$0.00	\$0.00	\$0.00	0%	\$0.00
3190	Nondwelling Rentals	\$0.00	\$0.00	\$0.00	0%	\$0.00
3400	Administrative Fee - MRVP	\$0.00	\$0.00	\$0.00	0%	\$0.00
3610	Interest on Investments - Unrestricted	\$625.00	\$497.00	\$550.00	10.7%	\$0.32
3611	Interest on Investments - Restricted	\$0.00	\$0.00	\$0.00	0%	\$0.00
3690	Other Revenue	\$2,500.00	\$1,455.00	\$2,500.00	71.8%	\$1.45
3691	Other Revenue - Retained	\$0.00	\$45,684.00	\$24,000.00	-47.5%	\$13.89
3692	Other Revenue - Operating Reserves	\$0.00	\$0.00	\$0.00	0%	\$0.00
3693	Other Revenue - Energy Net Meter	\$0.00	\$0.00	\$0.00	0%	\$0.00
3801	Operating Subsidy - DHCD (4001)	\$181,728.00	\$200,740.00	\$302,370.00	50.6%	\$174.98
3802	Operating Subsidy - MRVP Landlords	\$0.00	\$0.00	\$0.00	0%	\$0.00
3803	Restricted Grants Received	\$0.00	\$0.00	\$0.00	0%	\$0.00
3920	Gain/Loss From Sale/Disp. of Prop.	\$0.00	\$0.00	\$0.00	0%	\$0.00
3000	TOTAL REVENUE	\$776,309.00	\$884,448.00	\$977,612.00	10.5%	\$565.75

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Ipswich Housing Authority , except as noted for separate budgets on the following pages.						
<b>EXPENSES</b>						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget.	2021 Dollars Budgeted per Unit per Month
4110	Administrative Salaries	\$135,425.00	\$135,190.00	\$199,743.00	47.7%	\$115.59
4120	Compensated Absences	\$0.00	\$654.00	\$0.00	-100%	\$0.00
4130	Legal	\$2,000.00	\$577.00	\$2,000.00	246.6%	\$1.16
4140	Members Compensation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4150	Travel & Related Expenses	\$1,257.00	\$1,085.00	\$1,331.00	22.7%	\$0.77
4170	Accounting Services	\$7,092.00	\$7,192.00	\$7,452.00	3.6%	\$4.31
4171	Audit Costs	\$6,966.00	\$7,818.00	\$7,738.00	-1%	\$4.48
4180	Penalties & Interest	\$0.00	\$210.00	\$0.00	-100%	\$0.00
4190	Administrative Other	\$75,553.00	\$78,627.00	\$74,707.00	-5%	\$43.23
4191	Tenant Organization	\$500.00	\$600.00	\$500.00	-16.7%	\$0.29
4100	TOTAL ADMINISTRATION	\$228,793.00	\$231,953.00	\$293,471.00	26.5%	\$169.83
4310	Water	\$98,665.00	\$132,951.00	\$118,824.00	-10.6%	\$68.76
4320	Electricity	\$58,511.00	\$56,161.00	\$71,209.00	26.8%	\$41.21
4330	Gas	\$37,859.00	\$37,378.00	\$44,688.00	19.6%	\$25.86
4340	Fuel	\$0.00	\$0.00	\$0.00	0%	\$0.00
4360	Net Meter Utility Debit/Energy Conservation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4390	Other	\$0.00	\$0.00	\$0.00	0%	\$0.00
4391	Solar Operator Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4392	Net Meter Utility Credit (Negative Amount)	\$0.00	\$0.00	\$0.00	0%	\$0.00
4300	TOTAL UTILITIES	\$195,035.00	\$226,490.00	\$234,721.00	3.6%	\$135.83

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Ipswich Housing Authority , except as noted for separate budgets on the following pages.						
<b>EXPENSES</b>						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4410	Maintenance Labor	\$118,770.00	\$112,605.00	\$117,819.00	4.6%	\$68.18
4420	Materials & Supplies	\$42,000.00	\$36,849.00	\$46,500.00	26.2%	\$26.91
4430	Contract Costs	\$34,050.00	\$10,249.00	\$17,890.00	74.6%	\$10.35
4400	TOTAL MAINTENANCE	\$194,820.00	\$159,703.00	\$182,209.00	14.1%	\$105.45
4510	Insurance	\$26,386.00	\$25,829.00	\$29,111.00	12.7%	\$16.85
4520	Payment in Lieu of Taxes	\$864.00	\$864.00	\$720.00	-16.7%	\$0.42
4540	Employee Benefits	\$128,037.00	\$123,163.00	\$127,357.00	3.4%	\$73.70
4541	Employee Benefits - GASB 45	\$0.00	\$-43,684.00	\$0.00	-100%	\$0.00
4542	Pension Expense - GASB 68	\$0.00	\$0.00	\$0.00	0%	\$0.00
4570	Collection Loss	\$2,000.00	\$23,073.00	\$2,000.00	-91.3%	\$1.16
4571	Collection Loss - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
4580	Interest Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4590	Other General Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4500	TOTAL GENERAL EXPENSES	\$157,287.00	\$129,245.00	\$159,188.00	23.2%	\$92.12
4610	Extraordinary Maintenance	\$15,000.00	\$67,639.00	\$56,200.00	-16.9%	\$32.52
4611	Equipment Purchases - Non Capitalized	\$2,500.00	\$4,140.00	\$5,000.00	20.8%	\$2.89
4612	Restricted Reserve Expenditures	\$0.00	\$0.00	\$0.00	0%	\$0.00
4715	Housing Assistance Payments	\$0.00	\$0.00	\$0.00	0%	\$0.00
4801	Depreciation Expense	\$0.00	\$46,561.00	\$0.00	-100%	\$0.00
4600	TOTAL OTHER EXPENSES	\$17,500.00	\$118,340.00	\$61,200.00	-48.3%	\$35.42
4000	TOTAL EXPENSES	\$793,435.00	\$865,731.00	\$930,789.00	7.5%	\$538.65

Consolidated Budget (400-1) for all state-aided 667 (Elderly), 200 (family), and 705 (scattered site family) developments owned by Ipswich Housing Authority , except as noted for separate budgets on the following pages.

**SUMMARY**

Account Number	Account Class	2020 Approved Budget	2020 Actual Amounts	2021 Approved Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3000	TOTAL REVENUE	\$776,309.00	\$884,448.00	\$977,612.00	10.5%	\$565.75
4000	TOTAL EXPENSES	\$793,435.00	\$865,731.00	\$930,789.00	7.5%	\$538.65
2700	NET INCOME (DEFICIT)	\$-17,126.00	\$18,717.00	\$46,823.00	150.2%	\$27.10
7520	Replacements of Equip. - Capitalized	\$2,176.00	\$2,176.00	\$2,259.00	3.8%	\$1.31
7540	Betterments & Additions - Capitalized	\$0.00	\$0.00	\$0.00	0%	\$0.00
7500	TOTAL NONOPERATING EXPENDITURES	\$2,176.00	\$2,176.00	\$2,259.00	3.8%	\$1.31
7600	EXCESS REVENUE OVER EXPENSES	\$-19,302.00	\$16,541.00	\$44,564.00	169.4%	\$25.79

Agawam Village						
<b>REVENUE</b>						
Account Number	Account Class	2020 Approved Revenue Budget	2020 Actual Amounts Received	2021 Approved Revenue Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3110	Shelter Rent - Tenants	\$380,016.00	\$408,211.00	\$527,752.00	29.3%	\$467.87
3111	Shelter Rent - Tenants - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
3115	Shelter Rent - Federal Section 8	\$296,784.00	\$789,174.00	\$1,157,408.00	46.7%	\$1,205.63
3190	Nondwelling Rentals	\$0.00	\$0.00	\$0.00	0%	\$0.00
3400	Administrative Fee - MRVP	\$0.00	\$0.00	\$0.00	0%	\$0.00
3610	Interest on Investments - Unrestricted	\$300.00	\$248.00	\$900.00	262.9%	\$0.80
3611	Interest on Investments - Restricted	\$0.00	\$0.00	\$0.00	0%	\$0.00
3690	Other Revenue	\$2,200.00	\$3,768.00	\$2,600.00	-31%	\$2.30
3691	Other Revenue - Retained	\$0.00	\$427.00	\$0.00	-100%	\$0.00
3692	Other Revenue - Operating Reserves	\$0.00	\$0.00	\$0.00	0%	\$0.00
3693	Other Revenue - Energy Net Meter	\$0.00	\$0.00	\$0.00	0%	\$0.00
3801	Operating Subsidy - DHCD (4001)	\$0.00	\$0.00	\$0.00	0%	\$0.00
3802	Operating Subsidy - MRVP Landlords	\$0.00	\$0.00	\$0.00	0%	\$0.00
3803	Restricted Grants Received	\$0.00	\$0.00	\$0.00	0%	\$0.00
3920	Gain/Loss From Sale/Disp. of Prop.	\$0.00	\$0.00	\$0.00	0%	\$0.00
3000	<b>TOTAL REVENUE</b>	<b>\$679,300.00</b>	<b>\$1,201,828.00</b>	<b>\$1,688,660.00</b>	<b>40.5%</b>	<b>\$1,759.02</b>

Agawam Village						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
4110	Administrative Salaries	\$105,090.00	\$105,071.00	\$149,148.00	41.9%	\$132.22
4120	Compensated Absences	\$0.00	\$693.00	\$0.00	-100%	\$0.00
4130	Legal	\$400.00	\$187.00	\$500.00	167.4%	\$0.44
4140	Members Compensation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4150	Travel & Related Expenses	\$697.00	\$536.00	\$874.00	63.1%	\$0.77
4170	Accounting Services	\$3,684.00	\$3,784.00	\$6,732.00	77.9%	\$5.97
4171	Audit Costs	\$1,416.00	\$1,888.00	\$2,184.00	15.7%	\$1.94
4180	Penalties & Interest	\$0.00	\$585.00	\$0.00	-100%	\$0.00
4190	Administrative Other	\$11,941.00	\$11,911.00	\$12,745.00	7%	\$11.30
4191	Tenant Organization	\$0.00	\$0.00	\$0.00	0%	\$0.00
4100	TOTAL ADMINISTRATION	\$123,228.00	\$124,655.00	\$172,183.00	38.1%	\$179.36
4310	Water	\$28,481.00	\$30,625.00	\$80,632.00	163.3%	\$71.48
4320	Electricity	\$59,810.00	\$53,226.00	\$86,048.00	61.7%	\$76.28
4330	Gas	\$41,539.00	\$31,187.00	\$47,375.00	51.9%	\$42.00
4340	Fuel	\$0.00	\$0.00	\$0.00	0%	\$0.00
4360	Net Meter Utility Debit/Energy Conservation	\$0.00	\$0.00	\$0.00	0%	\$0.00
4390	Other	\$0.00	\$0.00	\$0.00	0%	\$0.00
4391	Solar Operator Costs	\$0.00	\$0.00	\$0.00	0%	\$0.00
4392	Net Meter Utility Credit (Negative Amount)	\$0.00	\$0.00	\$0.00	0%	\$0.00
4300	TOTAL UTILITIES	\$129,830.00	\$115,038.00	\$214,055.00	86.1%	\$222.97

Agawam Village						
EXPENSES						
Account Number	Account Class	2020 Approved Expense Budget	2020 Actual Amounts Spent	2021 Approved Expense Budget	% Change from 2020 Actual to 2021 Spent	2021 Dollars Budgeted per Unit per Month
4410	Maintenance Labor	\$117,863.00	\$111,828.00	\$138,765.00	24.1%	\$123.02
4420	Materials & Supplies	\$19,000.00	\$16,902.00	\$22,300.00	31.9%	\$19.77
4430	Contract Costs	\$22,160.00	\$34,738.00	\$23,790.00	-31.5%	\$21.09
4400	TOTAL MAINTENANCE	\$159,023.00	\$163,468.00	\$184,855.00	13.1%	\$192.56
4510	Insurance	\$16,439.00	\$16,175.00	\$20,792.00	28.5%	\$18.43
4520	Payment in Lieu of Taxes	\$0.00	\$0.00	\$420.00	100%	\$0.37
4540	Employee Benefits	\$112,557.00	\$108,210.00	\$115,561.00	6.8%	\$102.45
4541	Employee Benefits - GASB 45	\$0.00	\$-38,402.00	\$0.00	-100%	\$0.00
4542	Pension Expense - GASB 68	\$0.00	\$0.00	\$0.00	0%	\$0.00
4570	Collection Loss	\$1,500.00	\$3,762.00	\$6,000.00	59.5%	\$5.32
4571	Collection Loss - Fraud/Retroactive	\$0.00	\$0.00	\$0.00	0%	\$0.00
4580	Interest Expense	\$110,400.00	\$374.00	\$0.00	-100%	\$0.00
4590	Other General Expense	\$0.00	\$0.00	\$0.00	0%	\$0.00
4500	TOTAL GENERAL EXPENSES	\$240,896.00	\$90,119.00	\$142,773.00	58.4%	\$148.72
4610	Extraordinary Maintenance	\$8,000.00	\$28,287.00	\$26,000.00	-8.1%	\$23.05
4611	Equipment Purchases - Non Capitalized	\$5,000.00	\$9,047.00	\$8,500.00	-6%	\$7.54
4612	Restricted Reserve Expenditures	\$0.00	\$0.00	\$0.00	0%	\$0.00
4715	Housing Assistance Payments	\$0.00	\$0.00	\$0.00	0%	\$0.00
4801	Depreciation Expense	\$0.00	\$99,577.00	\$0.00	-100%	\$0.00
4600	TOTAL OTHER EXPENSES	\$13,000.00	\$136,911.00	\$34,500.00	-74.8%	\$35.94
4000	TOTAL EXPENSES	\$665,977.00	\$630,191.00	\$748,366.00	18.8%	\$779.55

Agawam Village						
<b>SUMMARY</b>						
Account Number	Account Class	2020 Approved Budget	2020 Actual Amounts	2021 Approved Budget	% Change from 2020 Actual to 2021 Budget	2021 Dollars Budgeted per Unit per Month
3000	TOTAL REVENUE	\$679,300.00	\$1,201,828.00	\$1,688,660.00	40.5%	\$1,759.02
4000	TOTAL EXPENSES	\$665,977.00	\$630,191.00	\$748,366.00	18.8%	\$779.55
2700	NET INCOME (DEFICIT)	\$13,323.00	\$571,637.00	\$940,294.00	64.5%	\$979.47
7520	Replacements of Equip. - Capitalized	\$1,741.00	\$0.00	\$16,807.00	0%	\$14.90
7540	Betterments & Additions - Capitalized	\$0.00	\$0.00	\$0.00	0%	\$0.00
7500	TOTAL NONOPERATING EXPENDITURES	\$1,741.00	\$0.00	\$16,807.00	100%	\$17.51
7600	EXCESS REVENUE OVER EXPENSES	\$11,582.00	\$571,637.00	\$923,487.00	61.6%	\$961.97

## Explanation of Budget Accounts

The following explains how each of the line items is to be prepared.

3110: Shelter Rent: The shelter rent projection should be based on the current rent roll plus anticipated changes expected from annual rent re-determinations or as a result of regulatory amendments.

3111: Shelter Rent – Tenants - Fraud/Retroactive: This account should be used for the reporting of total rent receipts from residents due to unreported income. These are often called fraud or retroactive balances. In cases where deficit LHAs discover, pursue cases, and have entered into a written fraud/retroactive re-payment agreement **with a present or former tenant who did not report income**, the LHA will be allowed to retain two-thirds of the funds recovered. One third of the total dollar amount recovered should be included in the LHA's quarterly or year-end Operating Statement as Shelter Rent, account #3111, and two-thirds of this total dollar amount should be included in Other Revenue-Retained, account #3691.

3115: Shelter Rent - Section 8: This account applies only to those developments receiving support through the federal government's Housing and Urban Development (HUD) Section 8 New Construction and/or Substantial Rehab Programs.

3190: Non-Dwelling Rental: This account should be credited with the rents, other than tenants rents reported in line 3110 and 3115, including charges for utilities and equipment, billed to lessees of non-dwelling facilities as well as apartments rented for non-dwelling purposes, such as social service programs.

3400: Administrative Fee- MRVP/AHVP: This account should be credited with Administrative Fees to be received for the MRVP/AHVP Program. The MRVP/AHVP administrative fee is \$50.00 per unit per month, as of July 1, 2020.

3610: Interest on Investments – Unrestricted: This account should be credited with interest earned on unrestricted administrative fund investments.

3611: Interest on Investments – Restricted: This account should be credited with interest earned on restricted administrative fund investments. For example, an LHA may receive a grant whose use is restricted to a specific purpose, and the interest income earned on that grant may also be restricted to the same purpose.

3690: Other Operating Revenues: This account should be credited with income from the operation of the project that cannot be otherwise classified. Income credits to this account include, but are not limited to, penalties for delinquent payments, rental of equipment, charges for use of community space, charges to other projects or programs for the use of central office management and maintenance space, commissions and profits from vending machines, including washing machines, and certain charges to residents for additional services, materials, and/or repairs of damage caused by neglect or abuse in accordance with the Department's regulations on lease provisions..

3691: Other Revenue – Retained: This account should be credited with certain miscellaneous revenue to be retained by the LHA, and which is not used to reduce the amount of operating subsidy the LHA is due. The most common examples for this account is receipts for the rental of roof antennas to cell phone providers and net meter credits earned on electricity bills from Net Meter Power Purchase Agreements (PPA's). Generally, surplus LHAs may retain 100% of these savings and deficit LHAs may retain 25% of the savings, with

the 75% balance used to offset its need for operating subsidy. However, for the period 7/1/16 through 6/30/20, all deficit LHAs may keep 100% of the net meter credit savings, while they can keep 50% effective 7/1/2020.

3692: Other Revenue - Operating Reserves: This account should be credited with funds that LHAs plan to utilize from their operating reserve accounts in excess of the Allowable Non-Utility Expense Level (ANUEL). To be approvable, LHA must maintain the DHCD prescribed operating reserve minimum level after deducting the amount budgeted. The only exception to this is when the expenses are for health and safety issues.

3693: Other Revenue – Net Meter: This account should normally be credited with 75% of the total net meter credit savings realized by a deficit LHA, while surplus LHAs with net meter credit savings would enter \$0 here. Savings are calculated as the value of the net meter credits appearing on the LHA’s electric bills (or, in some cases, paid in cash to the LHA by their utility company), minus the cost of the payments made to the solar power developer under their Power Purchase Agreement (PPA). Deficit LHAs normally may retain 25% of the savings. That amount should be included as Other Revenue – Retained on line #3691. However, please note that for the period 7/1/16 through 6/30/20 all LHAs may retain 100% of their total net meter credit savings, and should report those savings as Other Revenue – Retained on line #3691. LHAs can keep 50% of savings effective 7/1/2020.

3801: Operating Subsidy – DHCD (400-1): This account represents all state-funded operating subsidy to be received and or to be earned for the fiscal year. At the end of each fiscal year, this account will be adjusted in the operating statement to equal the actual subsidy earned by the LHA.

3802: Operating Subsidy – MRVP/AHVP Landlords:

The credit balance in this account represents the anticipated total receipts from DHCD during the fiscal year for housing assistance payments to landlords. At the end of each fiscal year this account will be adjusted to equal the actual subsidy earned.

3920: Gain/Loss from Sale or Disposition of Property (Capitalized or Non-Capitalized): The debit or credit balance of this account represents the following items: a) Cash proceeds from the sale of property that was either: 1) non-capitalized; or 2) capitalized and has been fully depreciated, and b) Realized gain or loss from the sale or disposition of capitalized property that has not been fully depreciated.

4110: Administrative Salaries: This account should be charged with the gross salaries of LHA personnel engaged in administrative duties and in the supervision, planning, and direction of maintenance activities and operating services during the operations period. It should include the salaries of the executive director, assistant executive director, accountants, accounting clerks, clerks, secretaries, project managers, management aides, purchasing agents, engineers, draftsmen, maintenance superintendents, and all other employees assigned to administrative duties.

4120: Compensated Absences: The debit balance in this account represents the actual cost incurred during the fiscal year for vacation, paid holidays, vested sick leave and earned compensatory time. This account includes both the direct compensated absences cost and associated employer payroll expenses (employment taxes, pension cost, etc.).

4130: Legal Expense: This account should be charged with retainers and fees paid to attorneys for legal services relating to the operation of the projects.

4140: Compensation to Authority Members: A local authority may compensate its members for performance of their duties and such other services as they may render to the authority in connection with its Chapter 200 development(s). Compensation for any other program is not authorized. Because of this, LHAs must base such compensation only on the actual rent receipts for these developments plus a prorated share of other operating receipts of funds on a per unit basis. The precise amount that members may be compensated is defined by statute to a maximum of \$40 per member per day, and \$50 for the chairperson per day. The total of all compensation to all board members is not to exceed two percent (2%) of actual gross income of Chapter 200 developments in any given year, consistent with the approved budget amount. In no case shall the payment of compensation exceed \$12,500 annually for the chairperson, or \$10,000 for any member other than the chairperson. Please note the statute requires the member to perform housing authority business in order to receive compensation.

4150: Travel and Related Expense: Legitimate travel expenses incurred by board members and staff in the discharge of their duties for any **state-aided program** are reimbursable from this account, as consistent with Department policy.

4170: Contractual Accounting Services: Fees for accounting services that are provided routinely and are contracted for on an annual basis. Only accounting services performed on a contractual basis (fee accountant) should be included in this item. Full or part-time LHA accounting staff that provides routine accounting services should be included in Account 4110, Administrative Salaries.

4171: Audit Costs: This account includes the state program's prorated share of audit fees paid to an Independent Public Accountant (IPA). The procurement of an IPA is necessary to satisfy the Federal Government's audit requirements. Costs for these services should be shared with all state and federal programs of LHA. **Audit costs are to be absorbed within the ANUEL.** The new Agreed Upon procedures (AUP) audit costs for state-assisted public housing programs should also be included in this account.

4180: Penalties and Interest: Any expenses incurred from penalties, fees, and interest paid on delinquent accounts shall be included in this line item.

4190: Administrative Other: This account is provided for recording the cost of administrative items for which no specific amount is prescribed in this 4100 group of accounts. It includes, but is not limited to, the cost of such items as: reports and accounting forms; stationery and other office supplies; postage; telephone services; messenger service; rental of office space; advertising for bids; publications; membership dues; collection agency & court costs, training costs; management fees, and fiscal agent fees.

4191: Tenant Organization: LTO Funding by the LHA. Upon request the LHA shall fund all LTOs in a city or town at the annual rate of \$6.00 per state-aided public housing unit occupied or available for occupancy by residents represented by such LTO(s) or an annual total of \$500.00 prorated among all such LTO(s), whichever is more. For more information on the creation and funding of LTOs see 760 CMR 6.09.

Authorities which operate computer learning centers, which are funded by the state consolidated budget or by other sources (which are typically recorded in line #3691 as "Other Revenue Retained", should budget the cost of the centers on this line.

4310: Water: This account should be charged with the cost of water and sewer charges purchased for all purposes.

4320: Electricity: This account should be charged with the total cost of electricity purchased for all purposes. Many LHAs have entered into Net Meter Credit Power Purchase Agreements (PPA's). In these deals, an LHA executes a contract with a solar power developer who constructs and owns an off- site solar electricity-generating site. In exchange for contracting to purchase a percentage of the solar power produced, the LHA receives a credit on its utility electric bill for each KWH purchased or in some cases receives a direct cash payment from their utility company. Please ensure that the amount charged to this account is the total cost of electricity BEFORE any reductions due to the receipt of net meter credits.

4330: Gas: This account should be charged with the cost of gas (natural, artificial, or liquefied) purchased for all purposes.

4340: Fuel: This account should be charged with the cost of coal, fuel oil, steam purchased, and any other fuels (except electricity and gas) used in connection with Local Housing Authority operation of plants for the heating of space or water supplied to tenants as a part of rent.

4360: Net Meter Utility Debit/Energy Conservation: This account is to be charged with costs incurred for energy conservation measures.

4390: Other Utilities: This account should be charged with the cost of utilities which are not provided for in accounts 4310 through 4360. In addition, for all quarterly or year-end operating statements 9/30/20 or later, and all budgets 6/30/21 or later, please use this line to record the total net meter credits earned as reported in Line 4392, MINUS the Solar Operator Costs reported in Line 4391, with the result expressed as a positive number. For example, if you reported -\$20,000 in Net Meter Utility Credits in Line 4392 and \$15,000 in Solar Operator Costs in Line 4391, you would subtract the \$15,000 reported on Line 4391 from the -\$20,000 reported on Line 4392, and post the remainder of \$5,000 on Line 4360, as a positive number. This number essentially represents the "net" savings the LHA earned from its net meter credit contract.

4391: Solar Operator Costs: Many LHAs have entered into Net Meter Credit Power Purchase Agreements (PPA's). In these deals, an LHA executes a contract with a solar power developer who constructs and owns an off-site solar electricity-generating site. The LHA makes regular (usually monthly) payments to the developer for its contracted share of the solar electricity produced by the site. Those payments should be entered in this account.

4392: Net Meter Utility Credit (Negative Amount): As noted in account #4391 above, many LHAs have executed Net Meter Credit Power Purchase Agreements (PPA's). In exchange for contracting to purchase a percentage of the solar power produced, the LHA receives a credit on its utility electric bill for each KWH purchased from the developer, which reduces the balance on its electric bill, or, in some cases, the credits are paid in cash to the LHA by the utility company. The total gross amount of the net meter credits that appear on the LHA's utility bills should be carried in this account and entered as a negative number. In cases where credits are paid in cash to the Host LHA, the net balance after paying out the amounts due the participating housing authorities, should also be carried in this account and entered as a negative number.

4410: Maintenance Labor: This account should be charged with the gross salaries and wages, or applicable portions thereof, for LHA personnel engaged in the routine maintenance of the project.

4420: Materials & Supplies: This account should be charged with the cost of materials, supplies, and expendable equipment used in connection with the routine maintenance of the project. This includes the operation and maintenance of automotive and other movable equipment, and the cost of materials, supplies, and expendable equipment used in connection with operating services such as janitorial services, elevator services, extermination of rodents and household pests, and rubbish and garbage collection.

4430: Contract Costs: This account should be charged with contract costs (i.e. the cost of services for labor, materials, and supplies furnished by a firm or by persons other than Local Authority employees) incurred in connection with the routine maintenance of the project, including the maintenance of automotive and other movable equipment. This account should also be charged with contract costs incurred in connection with such operating services as janitorial services, fire alarm and elevator service, extermination of rodents and household pests, rubbish and garbage collection, snow removal, landscape services, oil burner maintenance, etc.

4510: Insurance: Includes the total amount of premiums charged all forms of insurance. Fire and extended coverage, crime, and general liability are handled by DHCD on a statewide basis. All other necessary insurance policies include: Workers' Compensation, boiler, vehicle liability and owner, etc.

4520: Payments in Lieu of Taxes:

This account should be charged with all payments in lieu of taxes accruing to a municipality or other local taxing body.

4540: Employee Benefits: This account should be charged with local housing authority contributions to employee benefit plans such as pension, retirement, and health and welfare plans. It should also be charged with administrative expenses paid to the State or other public agencies in connection with a retirement plan, if such payment is required by State Law, and with Trustee's fees paid in connection with a private retirement plan, if such payment is required under the retirement plan contract.

Employee benefits are based upon a given percentage of the total payroll; therefore, the total amount approved in this account will be based on the approved budgeted salaries representing the state's fair share.

4541: Employee Benefits - GASB 45: This line covers "Other Post-Employment Benefits" (OPEB). Of the total benefits offered by employers to attract and retain qualified employees, some benefits, including salaries and active-employee healthcare are taken while the employees are in active service, whereas other benefits, including post-employment healthcare and other OPEB are taken after the employees' services have ended. Nevertheless, both types of benefits constitute compensation for employee services. In accordance with required accounting practices, this amount is not projected in the budget (and is therefore blank) but the estimated future costs of this item is carried in the operating statement.

4542: Pension Expense – GASB 68: The primary objective of GASB 68 Statement is to improve accounting and financial reporting for pension costs. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. As with account 4541 above, in accordance with required accounting practices, this amount is not projected in the budget (and is therefore blank) but the estimated future costs of this item is carried in the operating statement.

4570: Collection Loss: The balance in this account represents the estimated expense to cover unexpected losses for tenant rents. Note: Do not include losses from fraud/retroactive balances here. Report them in Account 4571 – Collection Loss – Fraud/Retroactive.

4571: Collection Loss – Fraud/Retroactive: The balance in this account represents the estimated expense to cover unexpected losses for tenant rents due to unreported income, i.e. fraud/retroactive balances.

4580: Interest Expense: The debit balance in this account represents the interest expense paid and accrued on loans and notes payable. This debt can be from operating borrowings or capital borrowings.

4590: Other General Expense: This account represents the cost of all items of general expenses for which no specific account is prescribed in the general group of accounts.

4610: Extraordinary Maintenance – Non-Capitalized: This account should be debited with all *costs* (labor, materials and supplies, expendable equipment (such as many tools or routine repair parts), and contract work) of repairs, replacements (but not replacements of non-expendable equipment), and rehabilitation of such a substantial nature that the work is clearly not a part of the routine maintenance and operating program. The items charged to this account should not increase the useful life or value of the asset being repaired. These items are not capitalized and are not added as an increase to fixed assets at the time of completion. Nor are these items depreciated. An example of this would be scheduled repainting of apartments.

4611: Equipment Purchases – Non-Capitalized: This account should be debited with the costs of equipment that does not meet the LHA's criteria for capitalization. Because these items are being expended when paid, they should not be categorized as a fixed asset and therefore will not be depreciated. These items include stoves, refrigerators, small tools, most computers and software, etc.

The budget is a planning tool and as our portfolio ages it is essential that LHAs evaluate their properties annually and plan for extraordinary maintenance. To that end DHCD very strongly recommends that for all 400-1 operating budgets, depending on the age of the portfolio and condition, LHAs spend between \$100 and \$500 a year per unit in Extraordinary Maintenance, Equipment Purchases, Replacement of Equipment, and Betterments & Additions to ensure that the aging public housing stock is preserved.

4715: Housing Assistance Payments: This account should be debited with all housing assistance payments paid to landlords for the MRVP program on a monthly basis.

4801: Depreciation Expense: This account should be debited with annual fixed asset depreciation expenses as determined by the LHA's capitalization policy.

7520: Replacement of Equipment – Capitalized: This account should be debited with the acquisition cost (only the net cash amount) of non-expendable equipment purchased as a replacement of equipment of substantially the same kind. These items, such as vehicles, computers, or furniture, meet the LHA's criteria for capitalization and will also be added to fixed assets and therefore depreciated over the useful life.

7540: Betterments & Additions – Capitalized: This account should be debited with the acquisition cost (only the net cash amount) of non-expendable equipment and major non-routine repairs that are classified as a betterment or addition. These items meet the LHA's criteria for capitalization and will also be added to fixed

assets and therefore depreciated over the useful life of the asset. Examples are: major roof replacement, structural repairs such as siding, or major paving work.

In accordance with GAAP accounting, inventory purchases (Replacement of Equipment and Betterments & Additions) are distinguished between capitalized and non-capitalized items. Any inventory or equipment purchase greater than \$5,000 is required by DHCD to be capitalized, inventoried and depreciated. Any inventory or equipment purchase costing \$1,000 to \$4,999 should be inventoried by LHA staff for control purposes only but is not subject to capitalization or depreciation, it is, however, required to be expensed when the items are paid for. An LHA's inventory listing should include both capitalized and non-capitalized items of \$1,000 and more, as well as all refrigerators and stoves of any value. All items that appear on the inventory listing should be tagged with a unique identification number, and all refrigerators and stoves (regardless of value) should be tagged. LHAs may adopt a capitalization policy that capitalizes inventory purchases at a lesser amount than the \$5,000 requirement (i.e. \$1,000 - \$4,999); however, no capitalization policy can have an amount higher than \$5,000. Any inventory or equipment purchases costing \$0 to \$999 are to be expensed when paid for.

**PMR Narrative Responses****Narrative Responses to the Performance Management Review (PMR) Findings**

DHCD has cancelled publication of Performance Management Reviews for fiscal years ending 3/31/2020 through 12/31/2020 due to disruptions of normal operations in response to the COVID-19 virus. Therefore, there are no ratings included in this report.

Explanation of PMR Criteria Ratings

CRITERION	DESCRIPTION
<b>Management</b>	
Occupancy Rate	<p>The rating is calculated using the following formula: (Total Number of Occupied units on Monthly Report divided by (Total Number of Units Minus Units that Received a Waiver Minus Number of Units Vacant less than 30 days on Monthly Report)</p> <ul style="list-style-type: none"> <li>• “No Findings” : Occupancy Rate is at or above 98%</li> <li>• Operational Guidance: Occupancy rate is at 95% up to 97.9%</li> <li>• Corrective Action: Adjusted occupancy rate is less than 95%</li> </ul>
Tenant Accounts Receivable (TAR)	<p>This criterion calculates the percentage of uncollected rent and related charges owed by starting with the amount reported by the LHA, as uncollected balances for the TAR (Account 1122 from the Balance Sheet) minus Normal Repayment Agreements* divided by Shelter (Tenant) Rent (account 3110 from the Operating Statement)</p> <ul style="list-style-type: none"> <li>• “No Findings” : At or below 2%</li> <li>• “Operational Guidance” : More than 2% , but less than 5%</li> <li>• “Corrective Action” : 5% or more</li> </ul>
Certifications and Reporting Submissions	<p>Housing authorities are required to submit 4 quarterly vacancy certifications by end of the month following quarter end; 4 quarterly operating statements and 4 Tenant Accounts Receivable (TAR) reports within 60 days of quarter end.</p> <ul style="list-style-type: none"> <li>• “No Findings” : At least 11 of the required 12 reports were submitted and at least 9 were submitted on time.</li> <li>• “Operational Guidance” : Less than 11 of the required 12 reports were submitted and/or less than 9 were submitted on time.</li> </ul>
Board Member Training	<p>Percentage of board members that have completed the mandatory online board member training.</p> <ul style="list-style-type: none"> <li>• “No Findings” : 80% or more completed training</li> <li>• “Operational Guidance” : 60-79.9% completed training</li> <li>• “Corrective Action” : &lt;60 % completed training</li> </ul>

CRITERION	DESCRIPTION
<b>Financial</b>	
Adjusted Net Income	<p>The Adjusted Net Income criterion calculation starts with an LHA’s Net Income and subtracts Depreciation, GASB 45 (Retirement Costs), GASB 68 (Retirement Costs), Extraordinary Maintenance (maintenance expense outside of routine/ordinary expenses), and Equipment Purchases – Non Capitalized. This Adjusted Net Income amount is then divided by the Total Expenses of the LHA. If this Adjusted Net Income amount is positive, it means underspending and if it is negative it means overspending.</p> <p>Underspending Rating:</p> <ul style="list-style-type: none"> <li>• “No Findings” : 0 to 9.9%</li> <li>• “Operational Guidance”: 10 to 14.9%</li> <li>• “Corrective Action”: 15% or higher</li> </ul> <p>Overspending Rating:</p> <ul style="list-style-type: none"> <li>• “No Findings” : 0 to -4.9%</li> <li>• “Operational Guidance”: -5% to -9.9%</li> <li>• “Corrective Action”: -10% or below</li> </ul>
Operating Reserves	<p>Current Operating Reserve as a percentage of total maximum reserve level. Appropriate reserve level is buffer against any unforeseen events or expenditures.</p> <ul style="list-style-type: none"> <li>• “No Findings” :35%+ of maximum operating reserve</li> <li>• “Operational Guidance”: 20% to 34.9% of maximum operating reserve</li> <li>• “Corrective Action”: &lt;20% of maximum operating reserve</li> </ul>
<b>Capital Planning</b>	
Capital Improvement Plan (CIP) Submitted	<p>Housing authorities are required to submit a five-year capital plan every year.</p> <ul style="list-style-type: none"> <li>• “No Findings” =Submitted on time and no modifications required or modifications made within 45 days.</li> <li>• “Operational Guidance” =Up to 45 days late and no modifications required or modifications made within 45 days.</li> <li>• “Corrective Action” =More than 45 days late or modifications required and not completed within 45 days.</li> </ul>
Capital Spending	<p>Under the Formula Funding Program (FF), authorities receive undesignated funds to spend on projects in their Capital Improvement Plan. They are rated on the percentage of available funds they have spent over a three-year period</p> <ul style="list-style-type: none"> <li>• “No Findings” = at least 80%</li> <li>• “Operational Guidance” = At least 50%</li> <li>• “Corrective Action” = Less than 50%</li> </ul>

CRITERION	DESCRIPTION
<b>Health &amp; Safety</b>	
Health & safety violations	DHCD has observed conditions at the LHA's developments and reported health and safety violations. The LHA has certified the number of corrected violations in each category.
<b>Facility Management - Inspections</b>	
Unit Inspections Conducted	<p>Housing authorities are required to conduct inspections of all their occupied units at least once a year</p> <ul style="list-style-type: none"> <li>• "No Findings": 100 % of sampled units had inspections conducted once during the year</li> <li>• "Corrective Action": Fewer than 100% of sample units were inspected during the year</li> </ul>
Inspections Report	<p>Housing authorities are required to note all of the deficiencies found during inspections</p> <ul style="list-style-type: none"> <li>• "No Findings": 100 % of deficiencies are noted on inspection report</li> <li>• "Corrective Action": Fewer than 100% of deficiencies are noted in inspection report</li> </ul>
Inspection Work Order	<p>Housing authorities are required to generate work orders for all deficiencies noted during inspections</p> <ul style="list-style-type: none"> <li>• "No Findings": 100 % of deficiencies noted on inspection reports generated work orders</li> <li>• "Corrective Action": Fewer than 100% of deficiencies noted on inspection reports generated work orders</li> </ul>
Work Order System	<p>Work order system identifies, tracks, and can produce reports for inspection work orders.</p> <ul style="list-style-type: none"> <li>• "No Findings": Inspection work orders are identified, tracked, and reportable</li> <li>• "Operational Guidance": Inspection work orders are not identified, and/or tracked, and/or reportable</li> </ul>
Inspections Work Orders Completed	<p>Inspection work orders were completed within 30 calendar days from the date of inspection, OR if cannot be completed within 30 calendar days, are added to the Deferred Maintenance Plan or included in the Capital Improvement Plan in the case of qualifying capital repairs (unless health/safety issue).</p> <ul style="list-style-type: none"> <li>• "No Findings": Sampled inspection work orders were completed within 30 days of inspection date or added to deferred maintenance plan and/or CIP</li> <li>• "Operational Guidance": Sampled inspection work orders were completed within 31 to 45 calendar days of inspection date and not added to deferred maintenance plan or CIP</li> <li>• "Corrective Action": Sampled inspection work orders were completed in over 45 calendar days of inspection date</li> </ul>

CRITERION	DESCRIPTION
<b>Facility Management – Work Order System</b>	
Emergency Work Orders Properly Defined	<p>Emergency work orders should be defined per <u>Property Management Guide</u>, identified, tracked, reportable.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Emergency work orders defined per <u>Property Management Guide</u>, identified, tracked, reportable</li> <li>• “Operational Guidance”: Emergency work orders are not defined per <u>Property Management Guide</u>, and/or identified, and/or tracked, and/or reportable</li> </ul>
Emergency Work Orders Initiation	<p>Emergency work orders should be initiated within 24 to 48 hours.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Emergency work orders initiated within 24-48 hours</li> <li>• “Corrective Action”: Emergency work orders not initiated within 24-48 hours</li> </ul>
Vacancy Work Orders	<p>Vacancy work orders should be identified, tracked and reportable.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Vacancy work orders identified, tracked AND reportable</li> <li>• “Corrective Action”: Vacancy work orders are not identified, and/or tracked, and/or reportable</li> </ul>
Vacancy Work Orders Completed	<p>Vacancy work orders should be completed within 30 calendar days or if not completed within that timeframe, LHA has a waiver.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Vacancy work orders are completed within 30 calendar days or if not completed within timeframe, LHA has a waiver</li> <li>• “Operational Guidance”: Vacancy work orders completed within 31-60 calendar days</li> <li>• “Corrective Action”: Vacancy work orders completed 61+ calendar days</li> </ul>
Preventive Maintenance Program	<p>Housing authorities are required to maintain a comprehensive preventive maintenance program in which preventive work orders are identified, tracked, and reportable.</p> <ul style="list-style-type: none"> <li>• “No Findings”: A comprehensive preventive maintenance program exists and work orders are identified, tracked and reportable</li> <li>• “Corrective Action”: A comprehensive preventive maintenance program does not exist OR work orders are not identified and/or tracked and/or reportable</li> </ul>
Routine Work Orders	<p>Routine work orders should be identified, tracked, reportable and completed regularly.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Routine work orders identified, tracked, reportable and completed regularly</li> <li>• “Operational Guidance”: Routine work orders are not identified, and/or tracked and/or reportable, and/or completed regularly</li> </ul>

CRITERION	DESCRIPTION
Requested Work Orders	<p>Requested work orders should be identified, tracked and reportable.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Requested work orders identified, tracked, reportable and completed regularly</li> <li>• “Operational Guidance”: Requested work orders are not identified and/or tracked and/or reportable, and or completed regularly</li> </ul>
Requested Work Orders Completion	<p>Requested work orders should be completed in 14 calendar days from the date of tenant request or if not completed within that timeframe (and not a health or safety issue), the task should be added and completed in a timely manner as a part of the Deferred Maintenance Plan and/or CIP.</p> <ul style="list-style-type: none"> <li>• “No Findings”: Requested work orders are completed within 14 calendar days of tenant request OR added to deferred maintenance plan and/or CIP</li> <li>• “Operational Guidance”: Requested work orders are completed within 15-30 calendar days from the date of tenant request</li> <li>• “Corrective Action”: Requested work orders are completed in over 30 calendar days from the date of tenant request OR not completed</li> </ul>
Emergency Response System	<p>Housing authorities should have a 24 Hour Emergency Response System and distribute Emergency Definition to Residents, Staff, and Answering Service (if applicable).</p> <ul style="list-style-type: none"> <li>• “No Findings”: A 24-hour system for responding to emergencies exists AND definitions of emergencies have been distributed to staff, residents and answering service, if applicable</li> <li>• “Operational Guidance”: System exists, but no definition has been distributed</li> <li>• “Corrective Action”: Neither a system nor distributed definitions exist</li> </ul>



## Policies

The following policies are currently in force at the Ipswich Housing Authority:

<b>Policy</b>	<b>Last Ratified by Board Vote</b>	<b>Notes</b>
*Rent Collection Policy	02/23/2016	
*Personnel Policy	03/05/2019	
*Capitalization Policy	02/23/2016	
*Procurement Policy	06/02/2020	
*Grievance Policy	07/02/2019	
Community Room Use	12/22/2015	
Credit/Debit Card Policy	01/26/2016	
Emergency Response Plan	08/07/2018	
Investment Policy	02/23/2016	
Maintenance and Other Charges	11/06/2019	
Parking	03/10/2015	
Pet Policy	02/05/2019	
Reasonable Accommodations Policy	06/02/2020	
Sexual Harassment Policy	10/22/2015	
Smoking Policy	06/01/2018	
Travel Policy	10/03/2017	

\* Starred policies are required by DHCD. Policies without a "Latest Revision" date are not yet in force.

The list of policies has been provided by the LHA and has not been verified by DHCD.

## **Waivers**

AP-2022-Ipswich Housing Authority-00153 has no current waivers from the regulations of the Department of Housing and Community Development (DHCD).

## Glossary

**ADA:** Americans with Disabilities Act. Often used as shorthand for accessibility related issues or improvements.

**AHVP:** Alternative Housing Voucher Program

**Alternative Housing Voucher Program** provides rental vouchers to disabled applicants who are not elderly and who have been determined eligible for Chapter 667 (elderly and disabled) housing.

**Allowable Non-Utility Expense Level (ANUEL)** is the amount of non-utility expense allowed for each local housing authority based upon the type(s) of housing programs administered.

**ANUEL:** Allowable Non-Utility Expense Level

**AP:** Annual Plan

**Annual Plan:** A document prepared by each Local Housing Authority, incorporating the Capital Improvement Plan (CIP), Maintenance and Repair Plan, Budget, responses to the Performance Management Review, and other elements.

**Cap Share** is the amount of Formula Funding spending approved by DHCD for each year.

**Capital Funds:** Funds provided by DHCD to an LHA for the modernization and preservation of state-aided public housing, including Formula Funds and Special Capital Funds.

**Capital Needs Assessment**, similar to the CIP, often used for developments in the Section 8 New Construction/Substantial Rehabilitation program. Such developments are generally not eligible for state capital funds and therefore do not participate in the CIP process. However, to track their ongoing capital needs and plan for construction projects to address those needs, they often conduct a CNA to determine when building systems will wear out and need to be replaced, and what replacement will cost, so they can plan to ensure that the necessary funding will be available

**Capital Projects** are projects that add significant value to an asset or replace building systems or components. Project cost must be greater than \$1000.

**CIMS** is a web-based software system used for creating CIP's and Annual Plans. For the CIP, the CIMS program allows the LHA to prioritize, select and schedule projects, assign funding sources and direct project spending to specific fiscal years to create a CIP that is consistent with the LHA's FF award amount and FF cap shares, plus any additional funding resources the LHA has identified. The LHA submits its CIP and DHCD conducts its review of the LHA's CIP in CIMS. For the Annual Plan CIMS imports data from other DHCD systems and combines that with data entered by the LHA.

**CIP:** A Capital Improvement Plan (CIP) is a five (5) year plan which identifies capital projects, provides a planning scope, schedule and budget for each capital project and identifies options for financing and implementing the plan. The contents of a CIP are limited to available resources. An approved CIP is required in order to receive Formula Funds.

**CNA:** Capital Needs Assessment

**CPS** is DHCD's transparent Web-based capital planning system that catalogues the condition of every building and site in the statewide public housing portfolio, providing LHAs with detailed technical information to make strategic long-term capital investments. It includes a Facility Condition Index (FCI) for every development that compares the value of expired components of a development relative to its replacement cost.

**Deferred Maintenance** is maintenance, upgrades, or repairs that are deferred to a future budget cycle or postponed for some other reason. Sometimes it is referred to as extraordinary maintenance.

**Deficit housing authority:** a housing authority whose income (mainly from rent) does not cover all its normal operating costs in its approved operating budget, and which therefore operates at a deficit and requires operating subsidy from DHCD.

**DHCD:** Massachusetts Department of Housing & Community Development

**Extraordinary Maintenance:** see the description for budget line 4610 in the Explanation of Budget Accounts in the Budget Section of this Annual Plan.

**FF:** Formula Funding

**Formula Funding** is state bond funding allocated to each LHA according to the condition (needs) of its portfolio in comparison to the entire state-aided public housing portfolio.

**FYE:** Fiscal Year End

**HHA Administrative Fee** is the fee paid to an HHA from the RCAT Program budget.

**HHA:** Host Housing Authority for the RCAT program.

**Host Housing Authority (HHA).** An LHA selected by the Department to employ and oversee an RCAT.

**HUD:** U.S. Department of Housing and Urban Development

**LHA:** Local Housing Authority

**LTO:** Local Tenants Organization

**Management and Occupancy Report:** This is an annual HUD review process that is used to evaluate the performance of developments in various HUD housing programs, including the Section 8 New Construction/Substantial Rehabilitation program, which some LHAs operate. It is similar to the state PMR process in that it evaluates LHA performance on variety of financial, housing quality, and other standards

**Massachusetts Rental Voucher Program (MRVP)** is a state-funded program that provides rental subsidies to low-income families and individuals.

**MOR:** Management and Occupancy Report

**MRVP:** Massachusetts Rental V DHCD's annual review of each housing authority's performance. It pulls together data on the authority's occupancy rates, tenant accounts receivables, accounts payable, budget variance, operating reserve, capital improvement plan submission, capital spending, annual inspections and work order and maintenance systems to identify and address areas of strength and areas for development. Its goal is to allow DHCD and the LHA to

take a deep dive into the data, lift up best practices, and work together towards improving operations oucher Program.

**Performance Management Review (PMR):**

**PMR:** Performance Management Review

**RCAT:** Regional Capital Assistance Team

**Regional Capital Assistance Team:** One of three organizations employed at HHAs designated by the Department to carry out the RCAT Program.

**Sec.8 NC/SR (or S8NCSR):** Section 8 New Construction and Substantial Rehabilitation

**Section 8 New Construction and Substantial Rehabilitation (Sec.8 NC/SR):** This term refers to a federal HUD housing program operated at a small number of state public housing developments whose construction was funded by state grants, but whose ongoing operating costs are supported by project-based subsidies from HUD's federal Section 8 program, rather than from state public housing operating funds..

**Special Awards:** In addition to allocations to each LHA, DHCD has created limited set aside funds to provide for extreme emergency or code compliance needs which are beyond the capacity of an LHA's current FF balance.

**Surplus housing authority:** a housing authority whose income (mainly from rent) covers all its normal operating costs in its approved operating budget, and which therefore operates at a surplus and does not require operating subsidy from DHCD.

## **Attachments**

The following items have been uploaded as attachments to this Annual Plan.

Due to the COVID-19 emergency, on-site Performance Management Review (PMR) assessments by the Facilities Management Specialists were cancelled for the December fiscal year end housing authorities. Therefore, the Facility Management categories have been omitted from the PMR document.

- Public Comments and LHA Responses
- Cover sheet for tenant satisfaction surveys
- Tenant Satisfaction Survey - COMBO
- MOR Report\_Ipswich
- MOR Reponse\_Ipswich



**IPSWICH HOUSING AUTHORITY**

One Agawam Village

Ipswich, MA 01938

Phone: (978) 356-2860 Fax: (978) 356-7715

December 10, 2020

RE: Ipswich Housing Authority Annual Plan 2021

No public comments were made during the public hearing that took place via remote video link on December 1st, 2020.

Certified:

Kate McGuire  
Executive Director

December 10, 2020

## **Resident Surveys – Background:**

Since 2016 DHCD has been working with the Center for Survey Research at the University of Massachusetts Boston to survey residents in the state public housing units it oversees. The surveys are confidential, mailed directly to the residents and returned to the Center by mail (or, starting in 2019, completed on-line). In Round One of the surveys, conducted over the period 2016-2018, residents of elderly/disabled developments (also known as c. 667 developments) and family units (also known as c. 705 and c. 200 developments) were surveyed in four groups as described below. (Note: there are many more c. 667 units, so they were broken down into three groups).

### **ROUND ONE SURVEYS**

Spring 2016: (c. 200 and c. 705)

Fall 2016: (667 - Group 1)

Fall 2017: (667 - Group 2)

Fall 2018: (667 - Group 3)

By the end of 2018, all residents were surveyed in Round One with one exception: in the case of the twelve housing authorities with **more than** 225 c. 200 family units, a randomly selected group of 225 c. 200 residents were surveyed. This group was determined to be large enough to generate statistically useful results.

Round Two of the surveys began in 2019. The current plan is to complete all Round Two surveys in four groups as follows:

### **ROUND TWO SURVEYS**

Fall 2019 (667 - Group 1) - COMPLETED

Fall 2020 (200s and 705s)

Fall 2021 (667 - Group 2)

Fall 2022 (667 - Group 3)

### **Please Note:**

1. If there were at least twenty responses from residents of BOTH an authority's c.667 units AND from their c.200/705 units, then there is a separate report for each program.
2. If there were fewer than twenty responses in EITHER program, but at least twenty responses combined, then the elderly and family results were combined into a single report.
3. To protect resident confidentiality, survey results are generally reported ONLY for authorities that had at least twenty total resident responses from their combined c.667/200/705 residents. Therefore, a few smaller authorities that didn't have twenty responses do not have a published survey report.
4. Because the 2019-2022 surveys ask some different questions than the 2016-2018 survey, the results can't be combined (i.e., 2019 c.667 results can't be combined with 2016 c.200/705 results, as described in #2 above).
5. Responses from family residents in c.200 and c.705 housing are always combined together.

# IPSWICH HOUSING AUTHORITY

## Chapter 200, 667 & 705 Housing Summary Spring & Fall 2016

DHCD is working with the Center for Survey Research at the University of Massachusetts Boston to survey residents in the housing units it oversees.

- **Chapter 200 and 705 housing:** In the spring of 2016, surveys were sent to 9772 housing units. 3240 surveys were filled out and returned.
- **Chapter 667 housing:** In the fall of 2016, surveys were sent to 9624 housing units. 5511 surveys were filled out and returned.
- In the **Ipswich Housing Authority**, surveys were sent to a total of **204** Chapter 667, 705 and 200 housing units; **123** surveys were completed.

This report provides some information about how the residents from the **Ipswich Housing Authority** who answered the survey responded. It compares answers to those from the entire state and to those from medium LHAs in Northeastern Massachusetts. These medium LHAs in Northeastern Massachusetts include: Amesbury, Andover, Beverly, Billerica, Ipswich, Lynn, Marblehead, Melrose, Methuen, Saugus, Stoneham, and Woburn.

### Communication

Residents were asked about how they interacted with the Ipswich Housing Authority in the last 12 months. The table below shows what percentage of residents said they did each of the following:

	Ipswich Housing Authority	Medium LHAs in the Northeast*	Entire State
Contacted management about a problem or concern.....	77%	79%	80%
Felt they were usually or always treated with courtesy and respect when they contacted management.....	83%	86%	83%
Saw the Capital Improvement Plan.....	23%	23%	27%
Saw the Operating Budget.....	10%	14%	16%
Knew the Executive Director held a meeting with residents...	40%	47%	41%

\* Medium LHAs in Northeastern Massachusetts include: Amesbury, Andover, Beverly, Billerica, Ipswich, Lynn, Marblehead, Melrose, Methuen, Saugus, Stoneham, and Woburn.

## Services and Programs

**45%** of the Ipswich Housing Authority residents who responded to the survey said they would be interested in services and programs. Here are the services and programs residents said they would be most interested in participating in:

	Ipswich Housing Authority	Medium LHAs in the Northeast	Entire State
Job training programs.....	9%	12%	15%
Money management programs ( <i>budgeting, taxes, income building</i> ).....	11%	15%	16%
Children’s programs ( <i>tutoring, childcare, afterschool programs</i> ).....	8%	12%	16%
Health and Medical Services ( <i>visiting nurse, meal programs</i> ).....	20%	31%	32%
Adult Education ( <i>GED, ESL, educational counseling</i> ) .....	10%	18%	17%

## Maintenance and Repair

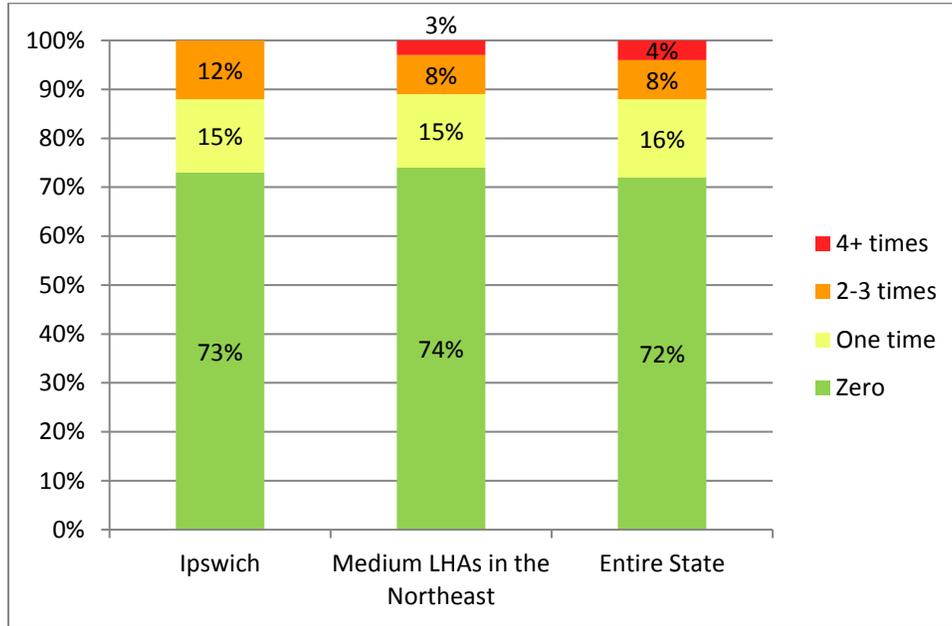
- **Who had problems?** About one-fourth of respondents had a problem with their heating and about half had a plumbing problem in the last 12 months.

	Ipswich Housing Authority	Medium LHAs in the Northeast	Entire State
Had a heating problem.....	26%	25%	27%
Had a problem with water or plumbing.....	53%	49%	51%

- **Heating Problems**

**How many times did residents have heating problems?**

The charts below shows how many times respondents had heat problems in the last 12 months. The green part of the bars shows what percentage of residents did not have the problem at all. The yellow shows who had the problem one time. The orange shows those who had the problem 2-3 times. And the red shows those who had the problem 4 or more times in the last 12 months.



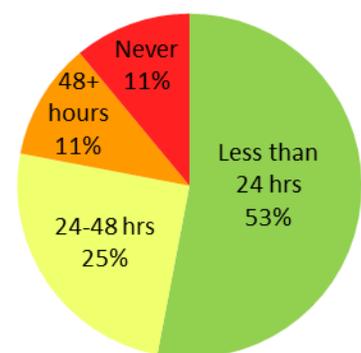
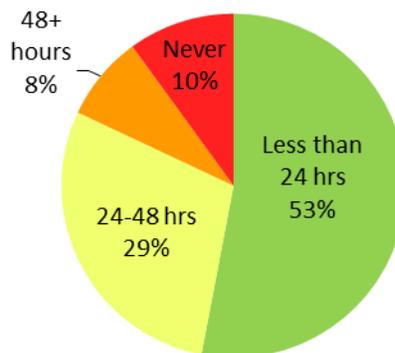
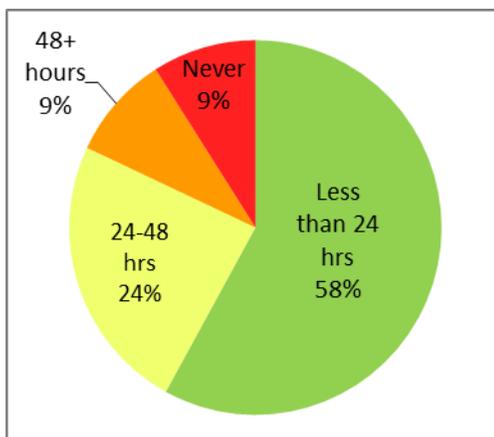
**How long did it take to fix the heating problems?**

For those respondents who had problems, we asked how long it usually took for the problems to be fixed – less than 24 hours, 24 - 48 hours, more than 48 hours, or never fixed.

**Ipswich Housing Authority**

**Medium LHAs in the Northeast**

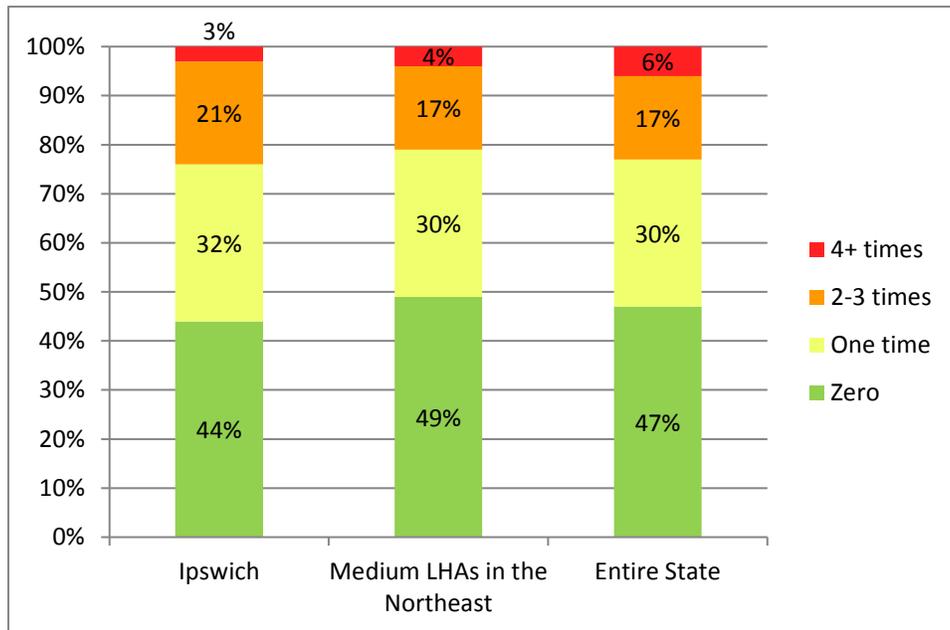
**Entire State**



- Water or Plumbing Problems**

**How many times did residents have problems with their water or plumbing?**

The charts below shows how many times respondents had water or plumbing problems in the last 12 months. The green part of the bars shows what percentage of residents did not have the problem at all. The yellow shows who had the problem one time. The orange shows those who had the problem 2-3 times. And the red shows those who had the problem 4 or more times in the last 12 months.



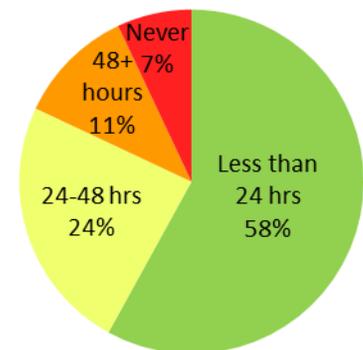
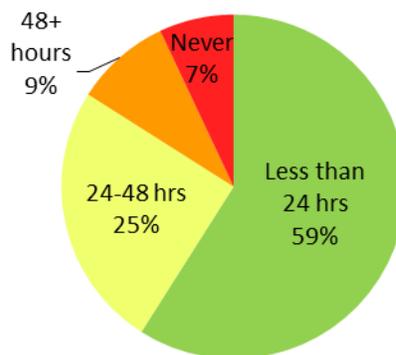
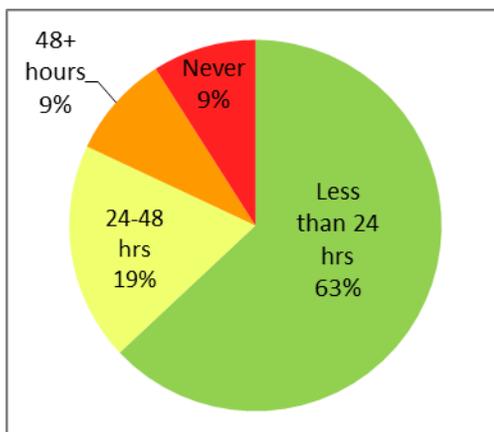
**How long did it take to fix the water or plumbing problems?**

For those respondents who had problems, we asked how long it usually took for the problems to be fixed – less than 24 hours, 24 - 48 hours, more than 48 hours, or never fixed.

**Ipswich Housing Authority**

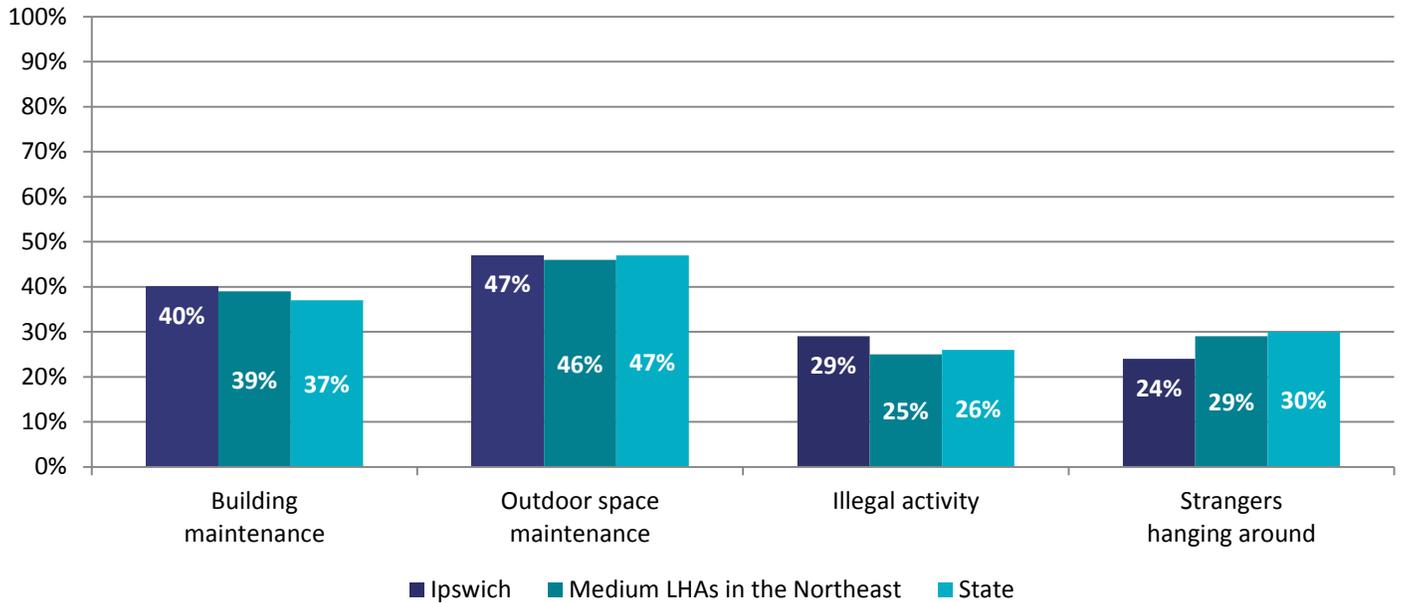
**Medium LHAs in the Northeast**

**Entire State**



- What other problems did respondents have?** Respondents were asked how often they had problems with: building maintenance (*such as clean halls and stairways and having lights and elevators that work*), outdoor space maintenance (*such as litter removal and clear walk ways*), illegal activity in the development, and strangers hanging around who should not be there. The chart below shows what percentage of respondents said that they “always” or “sometimes” had this problem in the last 12 months.

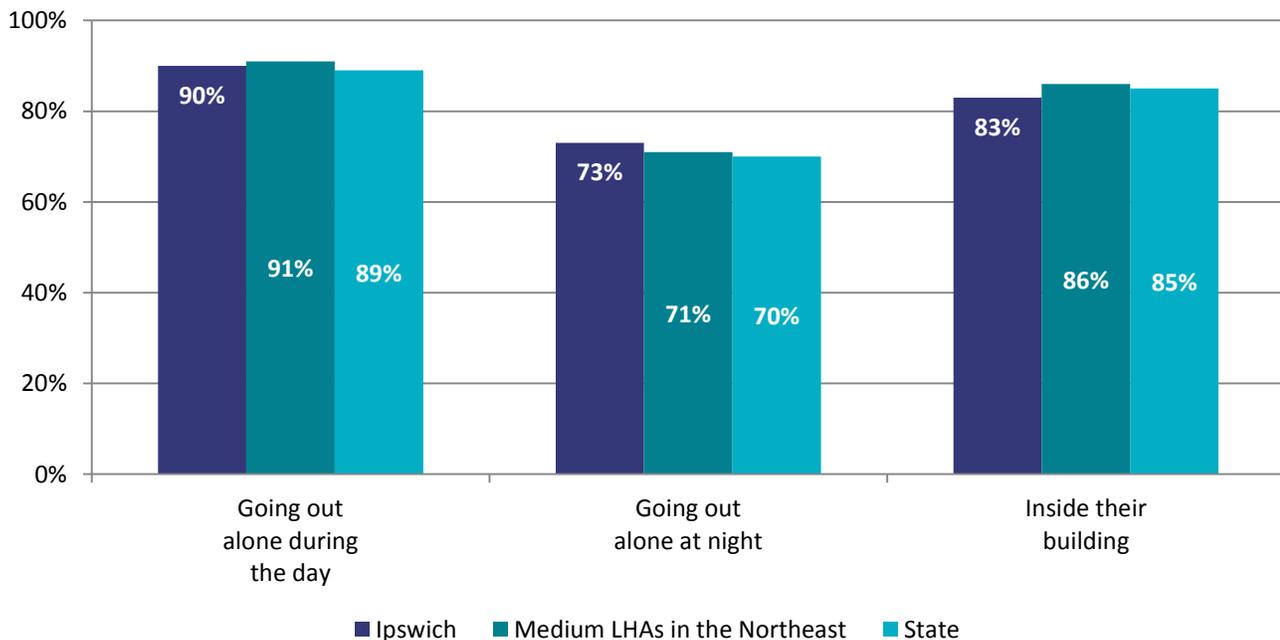
**Respondents who “always” or “sometimes” had problems with...**

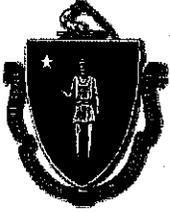


## Safety

Respondents were asked how safe they felt in their building and going outside alone. The chart below shows what percentage of people said they felt “very safe” or “mostly” safe.

**Respondents who felt “very safe” or “mostly safe” ....**





Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Janelle L. Chan, Undersecretary

[via Email]

August 16, 2018

Kate McGuire  
Executive Director  
Ipswich Housing Authority  
One Agawam Village  
Ipswich, MA 01938

Re: Management and Occupancy Review Report for Project # MA H052003

Dear Ms. McGuire:

The enclosed report reflects the results of the Management and Occupancy Review (MOR) of the above development, conducted by the Department of Housing and Community Development (DHCD) on June 26, 2018. The MOR is conducted to determine compliance with HUD's regulations and the owner's established management procedures and practices under the Section 8 New Construction / Substantial Rehabilitation Program. The review resulted in the following ratings:

<b>Category</b>	<b>Ratings</b>
General Appearance and Security	Above Average
Follow-up & Monitoring of Project Inspections	Above Average
Maintenance/Operating Procedures	Above Average
Financial Management/Procurement	Satisfactory
Leasing & Occupancy	Satisfactory
Tenant/Management Relations	Satisfactory
General Management Practices	Satisfactory
<b>Overall Rating</b>	<b>Satisfactory</b>

The deficiencies cited in the enclosed report need to be addressed in accordance with the respective corrective actions within 30 calendar days. If additional time is needed, please submit a corrective action plan within the 30 calendar days. The corrective action plan must identify a timeframe when the deficiencies will be resolved and how and what systems, controls, policies and procedures will be adjusted or changed to assure that the

error does not reoccur. The corrective action plan will be monitored by DHCD until all deficiencies have been addressed. If you have any questions regarding this report please feel free to contact me at (617) 573-1224.

Sincerely,

A handwritten signature in black ink that reads "Melanie Loveland Hale". The signature is written in a cursive style.

Melanie Loveland Hale  
Housing Management Specialist  
Bureau of Housing Management

Cc Laura Taylor, Director, Bureau of Housing Management

Item Number	Finding	Target Completion Date
12a.	Condition: The IHA has high receivables of 88% in 667-4 and 245% in 705-1. Cause: Unknown Criteria: HUD Handbook 4350.3 REV-1, Change 4 Effect: High receivables impacts operating reserves. Action: The IHA must review and identify the cause of the high receivables and review rent collection procedures to correct the deficiency.	10/1/2018
14. (g)	Condition: Owner does not have a written tenant selection plan that includes all the criteria state in Chapter 4, Handbook 4350.3 REV-1. Criteria: 24 CFR 891.410 Selection and Admission of Tenants. Effect: IHA is not in compliance with the requirement. Action: Chapter 4, HUD Handbook 4350.3 REV-1: Tenant Selection Plan IHA must develop and make public written tenant selection policies and procedures that include descriptions of the eligibility requirements and income limits for admission.	2/1/2019
14 (l)	Condition: IHA is not applying Income Targeting and Monitoring Requirements in Section 8 Properties. Criteria: HUD Handbook 4350.3 REV-1, Change 4 (Part 4-25: Applying Income Targeting. Effect: May result in non-compliance although normal tenant selection has resulted in selection of 40% extremely low-income households. Action: IHA must track income of applicants to ensure that not less than 40% of the dwelling units that become available for occupancy in any project fiscal year are least to extremely low-income families.	10/1/2018
17e/17f	Condition: Owner does not have EIV user policy Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-21 Safeguarding EIV Data B- 1) Effect: Owner may disclose data in the EIV system that contains personal information on individual tenants that is covered by the Privacy Act. Action: Owner must have a EIV user policy in accordance with HUD Handbook 4350.3	10/1/2018
17. (h/i)	Condition: IHA does not have a procedure to document and report any occurrence of unauthorized EIV access or security breach to the HUD National Help Desk. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 9, Section 5: 9-21 Safeguarding EIV Data) Cause: Unknown Effect: IHA does not meet the requirement Action: IHA must have a procedure to document and report any occurrence of unauthorized EIV Access or security breach to the HUD National Help Desk.	10/1/2018
18. (a)-	Condition: Owner does not have policies and procedures describing the use of EIV employment and income information and EIV reports. Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Par.9-8(B)(2)) Cause: Owner is not monitoring use or access to EIV Effect: Owner may not be using EIV in its entirety to track discrepancies, errors, or omissions Action: Owner must have policies and procedures describing the use of EIV employment and income information and EIV reports in accordance with HUD Handbook 4350.3.	2/1/2019
18. (b)	Condition: IHA does not retain an EIV "Master" file that is maintained in accordance with 4350.3. Criteria: 24 CFR 5.233 - Mandated use of HUD's Enterprise Income Verification (EIV) System and HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 9: Enterprise Income Verification) Cause: Unknown Effect: IHA does not meet the requirement Action: IHA must retain a "Master" EIV file in accordance with 4350.3 Rev-1, Change 4 (Par. 9-12: EIV Verification Reports)	10/1/2018
22a. (ii)	Condition: IHA files do not contain all documentation as required in HUD Handbook 4350.3., applicable HUD Notice Criteria: 24 CFR 5.659 Family Information and Verification and HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 6: Lease Requirements and Leasing Activities) Cause: Unknown Effect: IHA does not meet the requirement Action: IHA must review and utilize forms in accordance with HUD Handbook 4350.3 Rev-1, Change 4 (Par. 3-11 Consent and Verification Forms, please Exhibit 3-3 through 3-7;	10/01/2018

	Exhibit 9-4 through 9-5; HUD Form 92006; HUD form 90167; Attached sample acknowledgment ( EIV, Race and Ethnicity Form, Resident Rights, Lead Paint Disclosure and 9887/9887A) and asset disposition form	
<u>22c. (iii)</u>	<p>Condition: In two instances, lease addendums are not signed by tenant</p> <p>Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Par. 6-5: Lease Requirements)</p> <p>Effect: Lease addendums are not in compliance.</p> <p>Action: IHA must tenant obtain signatures for the owner's lease addendum in accordance with 4350.3 (Par. 6- 5(B)(1)(b))</p>	10/1/2018
<u>22c.(iv)</u>	<p>Condition: Addenda not properly attached to leases. (Noted: Pet Policy/House Rules and unit Inspections).</p> <p>Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Par. 6-5(G): Requirements of HUD Issued Lease Addendums</p> <p>Cause: Unknown</p> <p>Effect: IHA does not meet the requirement.</p> <p>Action: IHA must attach Pet Policy/House Rules and unit inspection to the lease in accordance with HUD Handbook 4350.3</p>	10/1/2018
<u>22c.(vii)</u>	<p>Condition: File does not contain signed acknowledgements and/or copies as required. Resident Rights/ EIV and You/ Fact Sheet and Race/Ethnicity Forms were missing in some files.</p> <p>Criteria: HUD Handbook 4350.3 Rev-1, (Par. 6-27 Briefing with New Tenants, Figure 6-9: Summary of Documents for Tenants).</p> <p>Cause: Unknown</p> <p>Effect: IHA does not meet the requirement.</p> <p>Action: IHA must obtain signed forms and or acknowledgements in accordance with HUD Handbook 4350.3 Rev-1, Change 4</p>	10/01/2018
<u>22d. (i)</u>	<p>Condition: Re- Certification Notices are not issued in accordance with the HUD Requirements</p> <p>Criteria: 24 CFR 5.657 Section 8 Project-based Assistance Programs: Re-examination of Family Income and Composition and (Par. 7-7(B) Description of Required Notices)</p> <p>Cause: Unknown</p> <p>Effect: IHA does not meet the requirement</p> <p>Action: IHA must notify tenants of recertification in accordance with the HUD Handbook 4350.3</p>	10/01/2018
<u>22d. (ii)</u>	<p>Condition: Tenant recertification(s) not completed on time. Two instances were noted.</p> <p>Criteria: Annual recertification must be completed by the tenant's recertification anniversary date, in accordance with HUD Handbook 4350.3 (Ch. 7: Recertification, Unit Transfers, and Gross Rent Changes, Section 1: Annual Recertification, Par. 7-5(A).</p> <p>Cause: Unknown.</p> <p>Effect: Tenant recertification(s) was not completed within the required timeframe.</p> <p>Action: Owner must complete annual re-certifications by the tenant's recertification anniversary date and process the recertification within 15 months of the previous year's recertification anniversary date, in accordance with HUD Handbook Ch. 7, Par 7-6.</p>	10/1/2018
<u>22d. (iii)</u>	<p>Condition: In some circumstances, the files did not contain all necessary verifications completed and properly documented, including: Criminal and Drug Screen/ Verification of Social Security Number; Eligible Immigration/Citizenship Status; CORI/Drug Screening; Lifetime Sex Offender Registry.</p> <p>Criteria: HUD Handbook 4350.3 Rev-1, Change 4 (Ch. 6: Lease Requirements and Leasing Activities, Par. 6-5(A)(3): Requirements of HUD Issued Lease Addendums).</p> <p>Cause: Unknown</p> <p>Effect: Owner is not certifying compliance with HUD's tenant eligibility and rent procedures.</p> <p>Action: Owner must complete required verifications.</p>	10/1/2018
<u>22e (i)</u>	<p>Condition: In one instance, it appears the income and deductions were calculated incorrectly prior to data entry [REDACTED]. The HAP payment does not agree with the 50059 (\$292 HAP should be \$137).</p> <p>Criteria: HUD Handbook 4350.3, Rev.1 Change 4 Ch. 5 Determining Income and Calculating Rent, Part 5-26 Procedures for Determining Tenant Contribution for Section 8.</p> <p>Cause: Unknown.</p> <p>Effect: Incorrect rent has resulted in possible underpayment of subsidy and incorrect voucher Payment.</p> <p>Action: Owner must review current rent determination and correct vouchers not in compliance with HUD Handbook 4350.3.</p>	10/1/2018

<p><u>22 f. (ii)</u></p>	<p>Condition: Tenant file(s) do not contain move-in inspections. (2 instances noted).  Criteria: 24 CFR 5.703 and 5.705 (Unit inspections) and HUD Handbook 4350.3 Rev-1, Change (Ch. 6, Section 4: The Leasing Process, Par. 6-29).  Cause: Unknown.  Effect: Owner does not meet HUD requirements.  Action: Tenant files must contain move-in inspections.</p>	<p>10/1/2018</p>
<p><u>22f. (iv)</u></p>	<p>Condition: IHA is not utilizing the Existing Tenant Search for all household members and applicants  Criteria: 24 CFR 5.233 Mandated Use of HUD's Enterprise Income Verification (EIV) System and HUD Handbook 4350.3 Rev-1, Change 4 (Par. 9-8: Using EIV Reports)  Cause: Unknown  Effect: Potential dual subsidy payment  Action: IHA must use the Existing Tenant Report for new tenants in accordance with 4350.3(Par. 9-8 (B))</p>	<p>10/1/2018</p>

# Management Review for Multifamily Housing Projects

U.S. Department of Housing and Urban  
Development  
Office of Housing – Federal Housing Commissioner

OMB Approval No. 2502-0178  
Exp. 04/30/2018

**PURPOSE:** To assess management and oversight of multifamily housing projects.

**INSTRUCTIONS:** This form is to be completed by HUD staff, Performance Based Contract Administrators (PBCA), Traditional Contract Administrators (CAs) and Mortgagees of Coinsured Projects (Mortgagees). The Management Review form consists of three parts: Desk Review, On-site Review with Addenda, and Summary Report. All reviewers of subsidized projects must complete Addenda (A, B, C, & D). Reviewers of unsubsidized projects must complete Addenda B & C only. If any questions on any given form are not relevant to the program under review or if the information is not available, notate with "N/A". FHEO staff provide MFH staff a list of requests for documents and special observations each year. Additional guidance regarding the management process can be found in HUD Handbooks 4350.1, REV-1 and 4566.2.

## A. Prior to On-Site Review

Complete Part I – Desk Review

- To complete the Desk Review worksheet prior to the on-site visit, review the project files, system reports, and other documents, and contact the HUD representative for any unavailable information needed to complete the desk review. Fair Housing/Civil Rights review requirements are all in Addendum B. This portion of the review will assist the reviewer in identifying potential problem areas. Owner must complete Addendum B, Part A, and send it to Multifamily Housing. HUD staff must complete the entire Desk Review for subsidized projects. For unsubsidized projects, HUD staff/mortgagees must complete all applicable sections. CAs must complete the entire Desk Review except where noted "This question applies only to HUD Staff/Mortgagees."
- Schedule a date for the on-site review with the owner/agent and confirm the review date in writing. The owner/agent should be given at least a two-week notice in writing and notified of the documents that need to be available the day of the review, as specified in Addendum C. Addendum C provides a list of documents notated by the reviewer that the owner/agent must have available during the on-site review. Addendum C and Part A of Addendum B must be forwarded to the owner/agent with the letter confirming the scheduled on-site review. The reviewer may request additional items as necessary.

## B. Conducting the On-Site Review

Complete Part II – On-Site Review

- On-Site Reviews will be completed as follows:
  - (1) HUD staff and Mortgagees must complete all applicable questions in Part II.
  - (2) CAs must complete all questions in Part II except where noted "This question applies only to HUD staff/Mortgagees."
  - (3) HUD staff completing a review of a project which is also reviewed by a CA will only complete questions not applicable to CAs.
- In accordance with Part D, bring back all information requested by FHEO.
- Use additional sheets as necessary to complete applicable questions.
- Upon completion of the on-site review, the reviewer will hold a close-out session with the owner/agent to discuss observations and conclusions.

## C. After On-Site Review

- The reviewer will record deficiencies, findings and corrective actions. Findings must include the condition, criteria, cause, effect and required corrective action. The condition describes the problem or deficiency. The criteria should cite the statutory, regulatory or administrative requirements that were not met. The cause explains why the condition occurred. The effect describes what happened because of the condition. The corrective action provides what the owner/agent must do to eliminate the deficiency. The corrective action must include a requirement that the owner determine and correct not only the discovered errors and omissions, but also describe to the reviewer how and what systems, controls, policies and procedures were adjusted or changed to assure that the errors and omissions do not reoccur. In completing the Report of Findings, the reviewer should also indicate the target completion date.
- The reviewer retrieves Addendum B and forwards the completed form to FHEO, along with the approved initial or updated Affirmative Fair Housing Marketing Plans in accordance with "General Operational Procedures for the Civil Rights Front-End and Limited Monitoring Reviews of Subsidized Multifamily Housing Projects", which may be found on FHEO's web site.
- Complete Summary Report as follows:

Based on the Report of Findings, the reviewer will assess the overall performance for each applicable category. The reviewer must indicate A (Acceptable) or C (Corrective action required) and include target completion dates (TCD) for all corrective action items. For those items not applicable, indicate "N/A" in the TCD column.

For each of the seven major categories (A, B, C, D, E, F, and G), rate each category by entering a score between 1 and 100. If a category was not reviewed, enter a score of zero (0). After rating the individual categories, an overall rating must be assessed. This rating will be based upon the ratings assigned in categories A through G. CAs will rate all categories except Category D. Category D is for HUD staff and Mortgagees only. Additional guidance for ratings can be found in HUD Handbook 4350.1, REV-1.
- Distribute the Summary Report and cover letter as follows:
  - (1) Project Owner (original)
  - (2) Management Agent (copy)
  - (3) HUD office for PBCA reviews rated below average or unsatisfactory
  - (4) HUD office for all traditional CA reviews

\*A copy of the completed Management Review Report, form HUD-9834 and supporting documents must be maintained in the project file.

- If a below average or unsatisfactory rating is determined, the owner/agent must be afforded an opportunity to appeal. Guidance on appeal procedures is provided in HUD Handbook 4350.1, REV-1.
- All Secure Systems users must document all required data in the Integrated Real Estate Management System (iREMS).

## D. Management Review Deficiency Follow up:

- Reviewer must conduct follow-up activity until all corrective actions as required in the Summary Report have been completed. Enter applicable close-out dates in iREMS.
- Housing reviewers will Forward all completed FHEO checklists and attachments to FHEO within five (5) business days of their own on-site reviews or within 5 business days of receipt of the checklists from the CA, as applicable. Follow-up instructions may be found on FHEO's web site.

**NOTE:** The Fair Housing and Equal Opportunity (FHEO) checklist has been included as part of this management review form; however no determination of compliance with applicable Fair Housing laws and regulations is included in the summary report. CAs must forward the original checklist (Addendum B) to HUD staff. HUD staff must maintain the original checklist in the project file and forward a copy to the Office of FHEO in the appropriate jurisdiction for review.

# Management Review for Multifamily Housing Projects

U.S. Department of Housing and Urban  
Development  
Office of Housing – Federal Housing Commissioner

OMB Approval No. 2502-0178  
Exp. 04/30/2018

## Summary

Date of On-Site Review: 6/26/2018	Date of Report: August 13, 2018	Project Number:	Contract Number: 52003
Section of the Act:	Name of Owner: Ipswich Housing Authority	Project Name: Agawam Village	Project Address: One Agawam Village, Ipswich MA
Loan Status: <input checked="" type="checkbox"/> Insured <input type="checkbox"/> HUD-Held <input type="checkbox"/> Non-Insured <input type="checkbox"/> Co-Insured	Contract Administrator: <input type="checkbox"/> HUD <input checked="" type="checkbox"/> CA <input type="checkbox"/> PBCA	Type of Subsidy: <input checked="" type="checkbox"/> Section 8 <input type="checkbox"/> PAC <input type="checkbox"/> Section 236 <input type="checkbox"/> Section 221(d)(3) BMR <input type="checkbox"/> Rent Supplement <input type="checkbox"/> RAP <input type="checkbox"/> PRAC <input type="checkbox"/> Unsubsidized	Type of Housing: <input checked="" type="checkbox"/> Family <input type="checkbox"/> Disabled <input type="checkbox"/> Elderly <input checked="" type="checkbox"/> Elderly/Disabled <input type="checkbox"/> Other (please specify)

For each applicable category, assess the overall performance by checking the appropriate column. Indicate A (Acceptable) or C (Corrective action required). Include target completion dates (TCD) for all corrective action items. For those items not applicable, place N/A in the TCD column.

	A	C	TCD	
<b>A. General Appearance and Security</b>				Enter a score between 1 and 100 for the General Appearance and Security Rating. If this Section was not reviewed, enter 0. <b>85</b> is 10% of the overall score. This category is rated 8.5
1. General Appearance	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
2. Security	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
<b>B. Follow-up and Monitoring of Project Inspections</b>	A	C	TCD	Enter a score between 1 and 100 for the Follow-up and Monitoring of Project Inspections Rating. If this Section was not reviewed, enter 0. <b>80</b> is 10% of the overall score. This category is rated 8
3. Follow-Up and Monitoring of Last Physical Inspection and Observations	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
4. Follow-Up and Monitoring of Lead-Based Paint Inspection	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
<b>C. Maintenance and Standard Operating Procedures</b>	A	C	TCD	Enter a score between 1 and 100 for the Maintenance and Standard Operating Procedures Rating. If this Section was not reviewed, enter 0. <b>83</b> is 10% of the overall score. This category is rated 8.3
5. Maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
6. Vacancy and Turnover	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
7. Energy Conservation	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
<b>D. Financial Management/Procurement</b>	A	C	TCD	Enter a score between 1 and 100 for the Financial Management/Procurement Rating. If this Section was not reviewed, enter 0. <b>75</b> is 25% of the overall score. This category is rated 18.75
8. Budget Management	<input type="checkbox"/>	<input type="checkbox"/>		
9. Cash Controls	<input type="checkbox"/>	<input type="checkbox"/>		
10. Cost Controls	<input type="checkbox"/>	<input type="checkbox"/>		
11. Procurement Controls	<input type="checkbox"/>	<input type="checkbox"/>		
12. Accounts Receivable/Payable	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
13. Accounting and Bookkeeping	<input type="checkbox"/>	<input type="checkbox"/>		
<b>E. Leasing and Occupancy</b>	A	C	TCD	Enter a score between 1 and 100 for the Leasing and Occupancy Rating. If this Section was not reviewed, enter 0. <b>79</b> is 25% of the overall score. This category is rated 19.75
14. Application Processing/ Tenant Selection	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
15. Leases and Deposits	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
16. Eviction/Termination of Assistance Procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
17. Enterprise Income Verification (EIV) System Access and Security Compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
18. Compliance with Using EIV Data and Reports	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
19. Tenant Rental Assistance Certification Systems (TRACS) Monitoring and Compliance	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
20. TRACS Security Requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
21. Tenant File Security	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
22. Summary of Tenant File Review	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
<b>F. Tenant/Management Relations</b>	A	C	TCD	Enter a score between 1 and 100 for the Tenant Services Rating. If this Section was not reviewed, enter 0. <b>79</b> is 10% of the overall score. This category is rated 7.9
23. Tenant Concerns	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
24. Provision of Tenant Services	<input type="checkbox"/>	<input type="checkbox"/>		
<b>G. General Management Practices</b>	A	C	TCD	General Management Practices Rating. If this Section was not reviewed, enter 0. <b>79</b> is 10% of the overall score. This category is rated 7.9
25. General Management Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
26. Owner/Agent Participation	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
27. Staffing and Personnel Practices	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

Overall Rating:  Superior  Above Average  Satisfactory  Below Average  Unsatisfactory **79** Overall Score:

To calculate an overall score: Multiply the derived performance value by the assigned percentage of the overall rating for each category. Once all tested categories have been calculated based on the performance indicator and performance indicator values, the total calculated points is divided by the total percentage of overall rating and rounded to the nearest whole number. For convenience, a utility is included with this form which will perform all of the necessary calculations.

Name and Title of Person Preparing this Report: (Please type or print):

Signature:

*Melanie Lambert Hale*

Date: 8/13/18

Name and Title of Person Approving this Report: (Please type or print):

Signature:

*[Signature]*  
Date: 8/15/2018

  
**IPSWICH HOUSING AUTHORITY**  
One Agawam Village  
Ipswich, MA 01938  
Phone: (978) 356-2860 Fax: (978) 356-7715

September 17, 2018

Department of Housing and Community Development  
Housing Management Specialist  
Melanie Loveland Hale  
100 Cambridge St #300  
Boston, MA 02114

Re: Management and Occupancy Report 2018

Dear Ms. Loveland-Hale,

The Ipswich Housing Authority is in receipt of the Management and Occupancy Report for Agawam Village and Agawam Village Family. Please find below a response to the citations contained in the report.

Sincerely,



Kate McGuire  
Executive Director



**IPSWICH HOUSING AUTHORITY**  
One Agawam Village  
Ipswich, MA 01938  
Phone: (978) 356-2860 Fax: (978) 356-7715

September 17, 2018

Re: Management and Occupancy Report 2018

**12 (a)**

The IHA is currently working with Fenton & Ewald Associates to write-off some of the Accounts Receivables. Previously the IHA prioritized working with Northeast Credit Bureau Associates to collect the bad debt. These debts will now be deemed uncollectable and written off.

**14 (l)**

The IHA is currently tracking this data using PHA Web. This data is attached to the report.

**14. (g) 17 (e) 17 (f) 17 (h/i) 18 (a) 18 (b), & 22 (f)**

The following policies will go before the IHA board on 9/1/2018:

- EIV User Policy
- EIV Security Policy
- EIV Master File Policy
- Tenant Selection Policy

**22 (a) ii**

DHCD did not attach the sample forms for IHA reference. The IHA currently uses guidance provided by DHCD Housing Management Specialist, Melanie Loveland-Hale via email on May 19, 2016. The IHA will correct the forms upon receipt of the sample forms.

**22 (c) iii, iv, vii**

The IHA has scheduled an audit day to examine all files and ensure all lease addenda and acknowledgment forms are signed by tenants.

**22 (d) i, ii**

The IHA released a memo on 9/3/2018 to inform all staff of the correct procedure for notification of annual recertification and notification of rent change. A copy of the memo is attached.

**22 (d) iii**

The IHA will be using a Final Screening checklist to document the CORI, SORI, Verification of Social Security Number and Eligible Immigration Status. A copy of the checklist is attached.

**22 (e)**

The IHA has requested information from DHCD regarding the specific file containing the inconsistency. When we receive the information we will correct the error.

**22 (f) ii**

The IHA does not have move-in inspections for any tenants who moved in prior to January 2015. The IHA conducts move-in and exit inspections for all apartments and keeps these in a separate file. The IHA will now keep a copy of the move-in and exit inspection in each file.

**22 (f) iv**

IHA staff members will participate in an online webinar for EIV training on September 25, 2018.

## **LIST OF ATTACHMENTS**

1. MOR Response
2. Income Tracking Data
3. EIV User Policy
4. EIV Security Policy
5. EIV Master File Policy
6. Tenant Selection Policy
7. Annual Recertification Memo 9/3/2018
8. Final Screening Checklist

**Ipswich Housing Authority  
TRACS Annual Income Limit Report**

1) Project: Agawamvillage Family - 705-1, 2) Income Limit Type: Default Income Limit, 3) Income Limits Effective: 1/1/2018, 4) Admission Dates: From 4/1/2017 To 4/1/2018, 5) Tenant Status Active Only Tenants

No. in Household	Annual Income No. of Families	Total Families			
	<b>Low Income</b>	<b>Very Low Inc.</b>	<b>Extremely Low</b>		
	\$56,800	\$37,750	\$22,650	Over 80%	
1	0	0	0	0	0
	\$64,900	\$43,150	\$25,900	Over 80%	
2	0	2	0	0	2
	\$73,000	\$48,550	\$29,150	Over 80%	
3	0	0	1	0	1
	\$81,100	\$53,900	\$32,350	Over 80%	
4	0	0	0	0	0
	\$81,600	\$58,250	\$34,950	Over 80%	
5	0	0	0	0	0
	\$94,100	\$62,550	\$37,550	Over 80%	
6	0	0	0	0	0
	\$100,600	\$66,850	\$40,150	Over 80%	
7	0	0	0	0	0
	\$107,100	\$71,150	\$42,750	Over 80%	
8	0	0	0	0	0
<b>Total Families</b>					<b>3</b>

**Annual Income Limit Summary**

Income Bracket	No. of Families
Low Income	0
Very Low Income	2
Extremely Low	1
Over 80% Income	0
<b>Total Families</b>	<b>3</b>

**Ipswich Housing Authority**  
**TRACS Annual Income Limit Report**

1) Project: Agawamvillage Family - 705-1, 2) Income Limit Type: Default Income Limit, 3) Income Limits Effective: 1/1/2018, 4) Admission Dates: From 4/1/2017 To 4/1/2018,  
5) Tenant Status Active Only Tenants

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**Family Member Details**

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<b>Head of Household</b>	<b>No. in Household</b>	<b>Income</b>
Duratti, Debra	2	Very Low Income
Makuwa, Francine	3	Extremely Low
St Peter, Julie	2	Very Low Income

*End of Report*

**Ipswich Housing Authority**  
**TRACS Annual Income Limit Report**

1) Project: Agawam Village Elderly, 2) Income Limit Type: Default Income Limit, 3) Income Limits Effective: 1/1/2018, 4) Admission Dates: From 4/1/2017 To 4/1/2018, 5) Tenant Status Active Only Tenants

No. in Household	Annual Income No. of Families	Total Families			
	Low Income	Very Low Inc.	Extremely Low		
1	\$56,800 0	\$37,750 1	\$22,650 5	Over 80% 0	6
2	\$64,900 0	\$43,150 0	\$25,900 0	Over 80% 0	0
3	\$73,000 0	\$48,550 0	\$29,150 0	Over 80% 0	0
4	\$81,100 0	\$53,900 0	\$32,350 0	Over 80% 0	0
5	\$81,600 0	\$58,250 0	\$34,950 0	Over 80% 0	0
6	\$94,100 0	\$62,550 0	\$37,550 0	Over 80% 0	0
7	\$100,600 0	\$66,850 0	\$40,150 0	Over 80% 0	0
8	\$107,100 0	\$71,150 0	\$42,750 0	Over 80% 0	0
<b>Total Families</b>					<b>6</b>

**Annual Income Limit Summary**

Income Bracket	No. of Families
Low Income	0
Very Low Income	1
Extremely Low	5
Over 80% Income	0
<b>Total Families</b>	<b>6</b>

**Ipswich Housing Authority  
TRACS Annual Income Limit Report**

1) Project: Agawam Village Elderly, 2) Income Limit Type: Default Income Limit, 3) Income Limits Effective: 1/1/2018, 4) Admission Dates: From 4/1/2017 To 4/1/2018,  
5) Tenant Status Active Only Tenants

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**Family Member Details**

---

<b>Head of Household</b>	<b>No. in Household</b>	<b>Income</b>
Dorr, Christopher	1	Extremely Low
Healey, Maureen	1	Extremely Low
Pappas, James	1	Extremely Low
Porter, Scott	1	Extremely Low
Thistlewood, Nancy	1	Extremely Low
Thomas, Janet	1	Very Low Income

*End of Report*



**IPSWICH HOUSING AUTHORITY**  
One Agawam Village  
Ipswich, MA 01938  
Phone: (978) 356-2860 Fax: (978) 356-7715

September 3, 2018

**NCSR ANNUAL RECERTIFICATION NOTICES**

RE: Timing of recertification notices for NCSR residents  
Effective: Immediately

Please find attached updated information regarding the notification of annual recertification for residents of Agawam Village and Agawam Village Family. The revised notice dates will be as follows:

Initial Notice: provided at lease up or annual recertification. Tenant must sign the acknowledge.

First Reminder Notice: 120 days before recertification date, June 1st.

Second Reminder Notice: 90 days before recertification date, for all residents who have not provided required documents on July 1st.

Third Reminder Notice: 60 days before recertification date, for all residents who have not provided required documents on August 1st.

### Examples – Recertification Anniversary Dates

#### **New Tenants**

If a family moves in on September 1, its anniversary date is September 1.

If a family moves in on September 15, its anniversary date is September 1.

If a family moves in on September 30, its anniversary date is September 1.

#### **Existing Tenants Who Receive a New Form of Assistance**

The Johnson family moves in on April 15 and pays the market rent. During the following January, the family qualifies to receive Section 8 assistance at the property and begins receiving rental assistance on February 1. The owner must set the Johnson's anniversary date at February 1.

The Murray family moves into a Section 236 project on April 15 and pays the Section 236 market rent established for the property. As a market renter, the Murrays are not required to complete annual recertifications. During October of the following year, the Murrays request that the owner complete an initial certification to determine their eligibility for paying less than the market rent. The family begins paying \$42 less than the market rent on November 1. The new anniversary date is November 1.

The Chiu family moves into a Section 236 project on April 15 and pays the Section 236 basic rent. The owner must set the family's anniversary date at April 1. During the following July, the Finnigans qualify for one of the RAP slots at the property and begin to receive rental assistance on August 1. The owner must set a new anniversary date for the Finnigans of August 1.

The Padilla family moves into a BMIR project on June 15 and pays the BMIR rent. The owner must set the anniversary date for the family at June 1. During August of the following year, the Riddles qualify for the Rent Supplement Program at the property and begin to receive rental assistance on September 1. The owner must set a new anniversary date for the Riddles of September 1.

The Kreutz family moves into a BMIR project on July 15 and pays the BMIR rent. The owner must set the anniversary date for the family at July 1. During the annual recertification process two years later the owner determines the Kreutz's income to be more than 110% of the income limit and the family begins paying 110% of the BMIR rent. During the following December, the Kreutzes request that the owner complete a new certification to determine their eligibility to pay the BMIR rent. The recertification results show that they are eligible and the family begins paying the BMIR rent on January 1. The owner must set a new anniversary date for the Kreutzes at January 1.

## 7-6 Overview of Annual Recertification Procedures

It is the owner's responsibility to process all recertifications in a timely manner. HUD Headquarters will terminate \*a certification\* if a new recertification is not submitted within 15 months of the previous year's recertification anniversary date. HUD has instructed Contract Administrators to terminate assistance payments to an owner if a new annual recertification has not been completed and submitted through TRACS within 15 months after the previous year's anniversary date. Owners must repay, by making an adjustment to the voucher, the assistance collected for the 3-month period from the date the annual recertification should have been effective through the end of the 15<sup>th</sup> month when assistance was terminated. Once the new certification is processed, owners must follow the guidance in paragraph 7-8 for determining the effective date for changes in the TTP, tenant rent and assistance payment when the recertification is delayed.

- A. Owners and tenants must complete the applicable steps listed in Figure 7-3.
- B. Owners must maintain a tracking system to facilitate timely completion of recertifications.
- C. To enable owners to give the tenant the required 30-day advance notice of any increase in the TTP or tenant rent, Steps 1 through 6 in Figure 7-3 should be completed at least 35 days before the recertification anniversary date.

## 7-7 Notices to Tenants

### A. Overview

Owners must inform tenants, through written notices, about the tenants' responsibility to provide information about changes in family income or composition necessary to properly complete an annual recertification. These notices include information on the recertification process, requirements, and timelines.

### B. Description of Required Notices

Owners must provide tenants with the Initial Notice and subsequent reminder notices as specified below during the annual recertification process. Figure 7-4 describes the timing of each notice.

**REMINDER:** Notices to a tenant with a disability must be in a form accessible to the tenant (e.g., in Braille or audio form for a tenant with a vision impairment). Notices may also need to be \*provided\* in languages other than English for LEP persons in accordance with HUD guidance.

1. **Initial Notice.** Upon initial signing of the lease and at each annual recertification, the owner must provide an Initial Notice to the tenant. This notice serves to ensure that tenants understand that they will need to report to the property's management office by the specified date the following year to prepare for their next recertification.

**Figure 7-3: Recertification Steps**

Action	Responsible Party
1. Provide Initial Notice to tenant about next year's annual recertification. (See paragraph 7-7.)	Owner
2. Provide First Reminder Notice to tenant. If needed, provide up to two subsequent reminder notices. (See paragraph 7-7.)	Owner
3. If not already established by the owner, schedule a recertification interview with the property owner or manager, collect information, as necessary, to verify income and family composition, and obtain signatures on consent forms to allow verification of income and other relevant characteristics from outside sources.	Tenant
4. *Obtain and review EIV Income Reports and EIV Verification Reports.* Conduct recertification interview.	Owner
5. Verify family income, assets, and allowances following the procedures described in Chapter 5, Section 3, for more information about verification of income. Ensure that the tenant file includes citizenship documentation, if applicable, for all family members and documented *social security numbers for all household members except those household members who do not contend eligible immigration status or members who were age 62 or older on January 31, 2010, and whose initial determination of eligibility was begun before January 31, 2010.*	Owner
6. Enter all required data into the owner's or service bureau's TRACS software package for calculation of the new TTP/ tenant rent and assistance payment and conversion to an electronic file ready for submission.	Owner
7. Notify the tenant of any change in the TTP or tenant rent resulting from the recertification. For rent increases, a 30-day notice must be provided.	Owner
8. Obtain the original signature of the head, co-head, spouse and all other adult members of the household on the HUD-50059 with the required data electronically generated by owner's (or service bureau's) software package. Owner representative signs the HUD-50059 and provides the tenant with a copy. Only after the tenant and owner representative sign the HUD-50059, transmit electronic file to the Contract Administrator or HUD.	Owner
9. Provide the tenant with the Initial Notice for next year's annual recertification (see paragraph 7-7 B.1).	Owner

**Figure 7-4: Recertification Notice Due Dates  
(Step 2 from Figure 7-3)**

Notice	Date the Notice Is Due to the Tenant	Sample Timeline Assumes a December 1 Recertification Anniversary Date
<b>Initial Notice for Upcoming Recertification</b>	At initial lease signing and at every annual recertification thereafter. (Obtain tenant signature acknowledging receipt.)	The initial notice should have been signed by the tenant at the previous year's certification/recertification date, <i>December 1</i> .
<b>First Reminder Notice</b>	120 days prior to the tenant's recertification anniversary date.	The first reminder notice should be sent out by <i>August 1</i> .
<b>Second Reminder Notice</b> (If no response to First Notice.)	At least 90 days prior to the tenant's recertification anniversary date.	The second reminder notice should be sent out by <i>September 1</i> .
<b>Third Reminder Notice</b> (If no response to Second Notice.)	At least 60 days prior to the tenant's recertification anniversary date.	The third reminder notice should be sent out no later than <i>October 1</i> .

- a. The Initial Notice must do the following:
  - (1) Refer to the requirements in the HUD model lease regarding the tenant's responsibility to recertify annually.
  - (2) Specify the cutoff date (the 10<sup>th</sup> day of the 11<sup>th</sup> month after the last annual recertification) by which the tenant must contact the owner and provide the required information and signatures necessary for the owner to process the recertification.
- b. The tenant must sign and date the initial notice to acknowledge receipt; the owner or manager must sign and date the notice as a witness.
- c. The owner must maintain the notice with original signatures in the tenant's file and provide a copy of the signed notice to the tenant.
- d. A sample Initial Notice is included as Exhibit 7-1.

**Example – Initial Recertification Notice Procedures**

- The Singhs move into a project and begin receiving Section 8 assistance on 9/1/2002. The owner establishes a 9/1 anniversary date for the Singhs.
- When the Singhs sign the lease, the owner provides the head of the family with an Initial Notice. In the Initial Notice, the owner states that the Singhs must report for their first annual recertification by 7/10/2003.
- When the Singhs sign all forms necessary to complete their annual recertification during the summer of 2003, the owner provides the head of the Singh household with another Initial Recertification Notice. In this Initial Notice, the owner states that the Singhs must report for their next annual recertification by 7/10/2004.

2. First Reminder Notice.

- a. Owners must provide tenants with a reminder notice at least 120 days prior to the recertification anniversary date.
- b. The First Reminder Notice must do the following:
  - (1) Refer to the requirements in the HUD model lease regarding the tenant's responsibility to recertify annually.
  - (2) State the name of the staff person at the property to contact about scheduling a recertification interview, the contact information for this person, and how the contact should be made. The owner may propose an interview date as long as the tenant has the option to reschedule the interview for a more convenient date and time.
  - (3) Give the location, days, and office hours that property staff will be available for recertification interviews.
  - (4) List the information that the tenant should bring to the interview.
  - (5) State the cutoff date by which the tenant must contact the owner and provide the information and signatures necessary for the owner to process the recertification.
  - (6) State that if the tenant responds to the owner after the specified cutoff date (10<sup>th</sup> day of the 11<sup>th</sup> month after the last annual recertification), the owner will process the annual recertification but will not provide the tenant 30 day notice of any resulting rent increase.
  - (7) State that if the tenant fails to respond before the recertification anniversary date, the tenant will lose the assistance and will be responsible for paying the Section 236 market rent in a 236 project, 110% of BMIR rent or the

full contract rent in a Section 8 or Section 202 PAC project. In a Section 202 PRAC or Section 811 PRAC project, the tenant may be evicted for noncompliance with the lease requirement to recertify annually.

- c. Owners must maintain a copy of this notice in the tenant file documenting the date the notice was issued.
- d. A sample First Reminder Notice is included as Exhibit 7-2.

3. Second Reminder Notice.

- a. If the tenant fails to respond within 30 days of the First Reminder Notice, the owner must provide a Second Reminder Notice approximately 90 days prior to the tenant's recertification anniversary date informing the tenant that his/her recertification information is due.
- b. The Second Reminder Notice must provide the tenant with all of the information given in the First Reminder Notice. (See subparagraph B-2 b above.)
- c. Owners must maintain a copy of this notice in the tenant file documenting the date the notice was issued.
- d. A sample Second Reminder Notice is included as Exhibit 7-3.

4. Third Reminder Notice.

- a. If the tenant does not respond to the Second Reminder Notice before 60 days prior to the recertification anniversary date, the owner must provide the tenant a Third Reminder Notice no later than 60 days prior to the anniversary date. This notice also serves as a 60-day notice to terminate assistance, and as a 60-day rent increase notice. (See Chapter 8 for information on the termination of assistance.)
- b. The Third Reminder Notice must do the following:
  - (1) Provide the tenant with all of the information given in the First Reminder Notice. (See subparagraph B-2 b above.)
  - (2) Specify the amount of rent the tenant will be required to pay if the tenant fails to provide the required recertification information by the recertification anniversary date and state that this rent increase will be made without additional notice.
  - (3) In a Section 202 PRAC or 811 PRAC project, state that the tenant may be evicted for noncompliance with the lease requirement to recertify annually.

**NOTE TO OWNERS:** Eviction should be pursued only as a last measure for enforcing compliance. Prior to any eviction proceedings, owners must make every effort to contact the disabled and frail elderly to be sure the requirements of the recertification process are communicated in a manner that is comprehended by the tenant.

- c. Owners must maintain a copy of this notice in the tenant file documenting the date the notice was issued.
- d. A sample Third Reminder Notice is included as Exhibit 7-4.

## **7-8 Effective Dates of Changes in Assistance Payment, Total Tenant Payment, and Tenant Rent**

### **A. Overview**

In general, recertification processing should be complete by the recertification anniversary date. However, there may be circumstances when delays are encountered while processing a recertification that prevent its completion in time to provide a resident with a notice 30 days prior to the anniversary date. HUD has established specific procedures regarding the timing of changes in the TTP, tenant rent, and assistance payment when the recertification is delayed.

### **B. Timely Completion of Recertification Process**

1. Timely completion of the recertification process occurs when all steps in Figure 7-3 are completed prior to the tenant's recertification anniversary date. Timely completion includes issuing the required 30-day notice of a rent change and timely delivery of the three reminder notices as shown in Figure 7-4. Exhibit 7-5 provides a Sample Recertification Interview and Verification Record that can help facilitate timely completion of the recertification process.
2. Changes to the TTP, tenant rent, and assistance payment all take effect on the recertification anniversary date. Exhibit 7-6 includes a sample notification of a rent increase resulting from recertification processing.

**Example – Timely Recertification of a Tenant**

- Recertification anniversary date is 9/1.
- Owner sends tenant First Reminder Notice on 5/1.
- Owner sends tenant Second Reminder Notice on 6/1.
- Tenant reports for recertification interview on 6/25.
- Owner completes processing of recertification and provides 30-day notice of rent increase to the tenant on 7/25.
- Assistance payment, TTP, and tenant rent change on 9/1.

**C. Timely Tenant Response, But Short Processing Time**

1. This situation can occur as follows:
  - a. The owner provides the First, Second, and Third Reminder Notices per HUD requirements; and
  - b. The tenant reports for the recertification interview just prior to the 10<sup>th</sup> day of the 11<sup>th</sup> month after the last annual recertification. The owner is then responsible for completing the verification process in time to give the tenant a 30-day advance notice of any rent change. In order to complete the verification processing and provide the notice in time to have the new rent take effect by the recertification anniversary date.

Third-party verification must continue to be pursued for other types of income or for deductions or family composition, but the processing of the recertification can be completed using other sources of verification. \*The owner must use the EIV Income Report as third party verification of employment and income unless the tenant disputes the EIV information or cannot provide acceptable documentation to use for rent calculation. (See Chapter 5 for more information on verifying and determining income using EIV.)\*

2. Should the owner fail to complete the verification process in time to give the tenant a 30-day advance notice of a rent increase, the tenant's rent increase may not take effect until the 30-day rent increase notice period has expired. The HAP change, however, will be effective on the recertification anniversary date.

If the tenant's rent is decreasing, no 30-day advance notice is required. Both the tenant's rent and the HAP will change on the recertification anniversary date.

**Example – Timely Tenant Response, But Delayed Verification Processing**

- Recertification anniversary date is 9/1.
- Owner sends out all notices in compliance with the requirements on 5/1, 6/1 and 7/1.
- Tenant responds on 7/8.
- Owner completes processing on 8/3.
- Assistance payment changes on 9/1.
- Rent increase is effective on 10/1.

**D. Late Response/Processing of Recertifications**

1. Delays in processing due to owner or third-party action.

a. This situation can occur as follows:

- (1) The owner fails to provide timely recertification reminder notices per HUD requirements; or
- (2) The owner has adequate time, but fails to complete verification and recertification processing procedures 30 days before the recertification anniversary date, and fails to provide the required 30-day notice for a rent increase to take effect on the recertification anniversary date.

b. Changes in the assistance payment take effect on the recertification anniversary date.

c. Changes in the TTP and tenant rent are effective as follows:

- (1) On the recertification anniversary date, if the tenant rent decreases as a result of the recertification; or
- (2) On the first of the month following a 30-day notice period, if the tenant rent increases as a result of the recertification.

**Example – Owner or Third-Party Causes  
Delays in Recertification Procedures**

- Recertification anniversary date is 9/1.
- Owner sends First Reminder Notice on 8/1.
- Tenant reports for recertification interview on 8/15.
- Owner finishes processing recertification and provides the tenant with rent increase notice on 9/15.
- Assistance payment changes take effect on 9/1.
- TTP and tenant rent changes take effect on 11/1.

2. Delays in processing due to late tenant response.
- a. This situation can occur as follows:
- (1) The owner provides all three recertification reminder notices in accordance with HUD requirements; and
  - (2) The tenant reports for the recertification interview and provides information and signatures after the cutoff date (i.e., after the 10<sup>th</sup> day of the 11<sup>th</sup> month following the last annual recertification), but before the recertification anniversary date.
- b. The owner processes the annual recertification.
- (1) Changes in the TTP/tenant rent and assistance payment take effect on the recertification anniversary date.
  - (2) As established in the Model Lease, the third reminder notice fulfills the requirement for a 30-day notice of rent increase effective on the anniversary date.
- c. In all cases where the tenant reports for recertification after the 10<sup>th</sup> day of the 11<sup>th</sup> month after the last annual recertification but before the recertification anniversary date (as described in subparagraph D-2 a above), all adjustments in assistance payments and the tenant's rent are made retroactive to the recertification anniversary date.

**Example – Tenant Delays Recertification Process**

- Recertification anniversary date is 9/1.
- Owner provides all three recertification reminder notices per HUD requirements.
- Tenant reports for recertification interview on 8/28.
- Owner finishes processing recertification and notifies the tenant on 9/20.
- New assistance payment, TTP, and tenant rent are retroactive to 9/1.
- The owner does not provide the tenant with a 30-day rent increase notice.

3. Tenant responds after recertification anniversary date. Tenant is out of compliance.

a. This situation occurs when:

- (1) The owner provides all three recertification reminder notices per HUD requirements; and
- (2) The tenant reports for the recertification interview on or after the recertification anniversary date.

b. On the recertification anniversary date, the tenant must begin paying the market rent.

**NOTE:** In a Section 202 PRAC or \*Section 811 PRAC project the tenant will be evicted for failing to comply with the recertification requirements.\* The tenant will pay the greater of operating rent or 30% of income until eviction procedures are completed.

**NOTE:** In a Section 236 project, the tenant must pay the Section 236 market rent. In a BMIR project, the tenant must pay the BMIR market rent.

c. Assistance should be reinstated if:

- (1) Assistance is available at the property;
- (2) The tenant submits the required information; and
- (3) The owner determines that the tenant qualifies for assistance.

d. The new TTP/tenant rent and assistance payment take effect the first day of the month following the date on which the tenant reported for the certification. The tenant must pay the market rent until this date. If the tenant fails to report for the recertification

interview and fails to pay market rent, or make arrangements to pay, the owner is obligated to evict for nonpayment.

**Example – Tenant Out of Compliance**

- Recertification anniversary date is 9/1.
- Owner provides all three recertification notices per HUD requirements.
- Tenant does not respond to notices. Rent raised to market rate effective 9/1.
- Tenant responds 9/10.
- Owner completes processing of income certification on 9/30.
- New rent TTP/tenant rent effective 10/1 (reduced from market rent if assistance reinstated).

**Example – Tenant Out of Compliance in 202 or 811 PRAC Project**

- Recertification anniversary date is 9/1.
- Owner provides all three recertification notices per HUD requirements.
- Tenant does not respond to notices. Eviction process is initiated. Rent is raised to the greater of operating rent or 30% of income until eviction completed.
- Tenant responds 9/10. Eviction process stopped.
- Owner completes processing of income certification on 9/30.
- New rent TTP/tenant rent effective 10/1 (rent based on 30% of income reinstated).

- e. If the owner completes the income certification processing during the month following the date on which the tenant reported for the certification, the new TTP/tenant rent and assistance payment still take effect on the first day of the month following the date on which the tenant reported for the certification. When the owner processes the rent change and assistance payment, they are retroactive to this effective date.
- f. The owner may not evict the tenant for failure to pay market rent after the tenant reports for the interview and the owner is processing the certification.

**Example – Tenant Out of Compliance and Recertification Completed in Second Month Following Tenant Response**

- Recertification anniversary date is 9/1.
- Owner provides all three recertification notices per HUD requirements.
- Tenant does not respond to notices. Rent raised to market rate effective 9/1.
- Tenant responds on 9/30.
- Recertification not complete 10/1.
- Owner completes recertification on 10/20.
- New TTP/tenant rent retroactive to 10/1.

- g. The tenant's recertification date changes to the first day of the month the property begins receiving assistance again for the tenant. The tenant's recertification is processed as an initial certification.
4. Extenuating circumstances when tenant is out of compliance. When a tenant fails to provide the required recertification information by the recertification anniversary date, an owner must inquire whether extenuating circumstances prevented the tenant from responding prior to the anniversary date. If the tenant is a person with disabilities, the owner must consider extenuating circumstances when this would be required as a matter of reasonable accommodation.
- a. Extenuating circumstances. These are circumstances beyond the tenant's control. Examples of extenuating circumstances include, but are not limited to:
- (1) Hospitalization of the tenant.
  - (2) Tenant out of town for a family emergency (such as the death or severe illness of a close family member).
  - (3) Tenant on military duty overseas.
- b. Inquiring about extenuating circumstances.
- (1) At the time the tenant submits the required recertification information, the owner must inquire whether extenuating circumstances prevented the tenant from submitting the information prior to the recertification anniversary date.
  - (2) If the tenant indicates that extenuating circumstances were present, the tenant must promptly provide the owner with evidence of their presence.

- c. Determining whether extenuating circumstances were present. When a tenant provides evidence of extenuating circumstances, the owner must determine whether the information provided shows that the circumstances meet the condition described above in subparagraph a.
  - d. Notice of decision. The owner must provide the tenant with a written notice of the decision. The notice must also inform the tenant of his/her right to appeal the owner's decision if the owner determines that extenuating circumstances were not present.
  - e. Appeal to the owner. If the owner denies extenuating circumstances, he or she must provide the tenant with an opportunity, within 10 days of notification, to meet with the owner or designated representative to appeal the decision to raise the tenant rent to market rent. The owner has an obligation to arrange for a person, who was not part of the original determination, to conduct the appeal meeting. The tenant may have representation at the meeting, may present information for consideration, and may respond to the information presented by others.
  - f. Extenuating circumstances NOT present. If the owner determines that extenuating circumstances were not present, follow the procedures in subparagraph D.3 above for completing processing of the tenant's information, determining whether assistance can be reinstated, and establishing effective dates.
5. Effective date of TTP/tenant rent, assistance, recertification anniversary when extenuating circumstances were present. If the owner determines that extenuating circumstances were present:
- a. There is no change in the recertification anniversary date; and
  - b. The TTP/tenant rent and the assistance payments determined based on the recertification information provided by the tenant are effective retroactively to the recertification anniversary date



**IPSWICH HOUSING AUTHORITY**

One Agawam Village

Ipswich, MA 01938

Phone: (978) 356-2860 Fax: (978) 356-7715

**EIV User Policy**

## **General EIV Discrepancy Administration**

EIV reports will be produced and reviewed by staff responsible for:

- HUD eligibility determination
- HUD discrepancy analysis
- HUD compliance monitoring
- HUD compliance training

Reports will be produced, secured and maintained in accordance with the property's EIV Security Policy.

When information in EIV indicates potential errors in the eligibility determination or assistance calculation, documentation of the investigations of such errors will be maintained in:

- The resident/applicant file
- The EIV Master File

The EIV Master File is used to track all reports ran by monthly, by property that HUD mandated. These reports will be maintained for three years from the date of the report and then destroyed according to the methods outlined in the EIV Security Policy.

### **Existing Resident and Applicant notification**

Existing residents and applicants will be notified of the implementation of EIV through the Resident Selection Plan and the HUD EIV and You brochure. Existing residents have been provided the brochure no later than 1/31/2010 and will be offered the brochure again at least annually as part of the recertification process. Applicants will be provided the EIV and YOU brochure along with their application before move-in.

### **Report Reviewed During the Final Eligibility Review**

Currently, there is only one EIV report available that provides information about *applicants*. This is the Existing Tenant Report. The Owner/Agent uses this report during the eligibility interview. Information about how this report is used during the screening process is described in the current Resident Selection Plan.

### **EXISTING TENANT SEARCH**

All applicants **MUST** disclose if they are currently receiving HUD housing assistance. The Owner/Agent will not knowingly assist applicants who will maintain a residence in addition to the HUD-assisted unit.

HUD provides the Owner/Agent with information about an applicant's current status as a HUD housing assistance recipient. The Owner/Agent will use the Existing Tenant Search, during the final eligibility review, to determine if the applicant or any member of the applicant household may be receiving HUD assistance. Copies of the report will be maintained in the applicant/resident file in accordance with HUD's recordkeeping requirements.



Since the applicant is required to provide current landlord information on the application, the Owner/Agent should be aware of the housing assistance. Nothing prohibits a HUD housing assistance recipient from applying to this property. However, the applicant must move out of the current property and/or forfeit any HUD voucher before HUD assistance on this property will begin. Special consideration applies to minor children where both parents share 50% custody or to applicants who are part of a "split" household.

The report gives the Owner/Agent the ability to coordinate move-out and move-in dates with the resident and the PHA or Owner/Agent of the property at the other location. The Owner/Agent will follow-up with the respective PHA or Owner/Agent to confirm the individual's program participation status before admission. In addition, applicants will be notified that assistance will not be provided in the new unit until the day after assistance stops in the residence identified in EIV (dual subsidy).

If the applicant or any member of the applicant household fails to fully and accurately disclose receipt of HUD assistance or rental history on the application, the applicant will be denied based on "misrepresentation" of information. If the Owner/Agent discovers a discrepancy, the applicant will be notified and will have 5 business days to respond to the inquiry.

Failure to respond to Owner/Agents requests for additional information and/or providing false or incomplete information will result in denial and removal from the waiting list in accordance with the property's current Resident Selection Plan. Unintentional errors that do not cause preferential treatment will not be used as a basis to deny assistance.

## **FAILED EIV PRE-SCREENING AND FAILED VERIFICATION REPORTS**

**Failed Pre-Screening Reports** indicate that SSA information provided on HUD Form 50059 failed some level of audit. Previously, these records were returned to the Owner/Agent through the TRACS mailbox. This report **MUST** be reviewed on a monthly basis, as well as at all annual and interim recertifications, and discrepancies addressed.

**Failed Verification Reports** identify household members who failed the SSA identity match due to invalid personal identifiers.

- Incorrect Social Security Number and/or
- Date of birth and/or
- Incorrect last name

Usually, Failed Verification Reports are returned when there are data entry errors. However, other factors can create errors. The methods for addressing information on both reports are the same and are described below:

### **Addressing Data Entry Errors**

The Owner/Agent will review the resident file to determine if a simple data entry error caused this discrepancy. If the Owner/Agent discovers a data entry error, the corresponding 50059 must be corrected within 30 days. This corrected certification must be signed by all adult household members, as specified by HUD, and the new, corrected, signed 50059 must be transmitted to the Contract Administrator and/or HUD.



## **Meeting with the Resident**

If the reason for the Failed Pre-Screening and/or Failed Verification Report discrepancy cannot be identified after a simple file review, the Owner/Agent will issue a notice to the affected resident and notify him/her that the Social Security Number, date of birth and/or last name is producing discrepancies. The resident will have **10 business days** to respond to the notice. Failure to respond will result in termination of assistance and/or tenancy pursuant to the HUD Handbook 4350.3 guidance as appropriate.

During the meeting with the resident, the Owner/Agent will discuss the discrepancy. In some cases, the Owner/Agent may request additional verification of the information provided. The Owner/Agent has the right to determine the veracity of the verification documents provided.

## **Addressing Valid Discrepancies for the Failed Pre-Screening and/or Failed Verification Report**

If the information provided by the resident was inaccurate, the Owner/Agent will issue a notice of "material lease violation" and begin the process to terminate assistance and/or tenancy as appropriate. Unintentional errors that do not cause preferential treatment will not be used as a basis to terminate assistance and/or tenancy.

If the Owner/Agent discovers that the Social Security Number provided was incorrect, the Owner/Agent is required to attempt to recover subsidy paid in error. In these cases, the Owner/Agent will:

- Create/correct appropriate certifications and
- Request all "assistance paid in error" is returned to HUD in one lump sum or
- Require that all "assistance paid in error" is returned to HUD as scheduled in an executed repayment agreement

If the resident refuses to sign the verification documents or attempts to refuse to return assistance paid in error, the Owner/Agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuit of fraud.

## **Invalid Data In EIV – Failed Verification**

If the resident claims that the information provided by EIV is inaccurate, the resident must sign appropriate verification release forms and assist the Owner/Agent in efforts to obtain verification of the information provided. The Owner/Agent will encourage the resident to contact the Social Security Administration to correct any inaccurate data in their databases.

In these cases, the Pre-Screening Report or Failed Verification Report will be printed and the Owner/Agent will note when the discrepancy was reviewed and verification documents support the information submitted on the resident's 50059 certification. The Owner/Agent will also describe contact with the resident and document efforts to communicate that he/she should attempt to resolve the discrepancy with the Social Security Administration.

## **Recordkeeping – Failed Verification**

Since Social Security identification discrepancies can impact program eligibility, the Owner/Agent will maintain detailed information about discrepancy investigation and resolution. This information will be maintained in the resident file with the "Move-in" information so that the explanation is not inadvertently archived when files are purged. Unresolved discrepancies will also be documented in the EIV Master File.



When both the Failed Pre-Screening and Failed Verification Reports are generated monthly, even if the reports return no results, the report will be printed and retained in the EIV Master File for the corresponding property. This binder will be provided to the Contract Administrator at Management and Occupancy Review.

## **EIV SUMMARY REPORTS**

EIV Summary Reports are a summary of the household information from the current active certification in the TRACS file at the time of the income match. It provides Identity Verification Status by identifying residents whose personal identifiers:

- Match the SSA database- "Verified"
- Does not match the SSA database- "Failed"
- Have not been sent by HUD to SSA for validation or have not yet been matched by SSA for validation- "Not Verified"
- SSA's records indicate the person is deceased- "Deceased"

EIV Summary Reports will be run at all recertification's (interim and annual). The EIV Summary Report will be printed and retained in the resident file.

If the Verification Status for all household members is identified as "verified" the report will not be printed again unless there is a change in household composition or in a household member's identity verification status.

If the Verification Status for a household member is identified as "Failed" or "Deceased" the Owner/Agent will review and resolve discrepant or invalid personal identifiers of the residents, per the methods listed under the Failed Pre Screening section of this policy.

## **Recordkeeping – Summary Reports**

The Owner/Agent will maintain detailed information about discrepancy investigation and resolution. This information will be maintained in the resident file with the "Move-In" information so that the explanation is not inadvertently archived when files are purged. Unresolved discrepancies will also be documented in the EIV Master File. This binder will be provided to the Contract Administrator at Management and Occupancy Review.

## **DECEASED TENANT REPORT**

This report identifies residents who are currently reflected in TRACS as existing/active residents and who have been identified by SSA as deceased. This report will be reviewed quarterly, and at all annual and interim recertifications. The Owner/Agent will confirm in writing, with the head-of-household, next of kin or emergency contact person to find out if the resident has passed away. If so, the Owner/Agent will create an interim 50059 to update the household composition and re-calculate assistance.

The Owner/Agent will refer to HUD instruction provided in HUD Handbook 4350.3 when working with the resident and creating the interim certification.



In the case where the deceased resident is the sole member of a household, the Owner/Agent will process a move out HUD-50059A in accordance with the HUD Handbook 4350.3, Chapters 7, 8 and 9 and with HUD's MAT Guide.

If the Owner/Agent verifies that the resident is not deceased, the Owner/Agent will encourage the resident to contact the SSA to get the discrepancy resolved. In some cases, the Owner/Agent may opt to waive minimum rent if financial assistance is temporarily terminated.

### **Recordkeeping – Deceased Resident**

The Owner/Agent will maintain detailed information about discrepancy investigation and resolution. This information will be maintained in the resident file with the "move-out" information. Unresolved discrepancies will also be documented in the EIV Master File.

When the Deceased Tenant Report is generated quarterly, even if the report returns no results, the report will be printed and retained in the EIV Master File for the corresponding property. This binder will be provided to the Contract Administrator at Management and Occupancy Review.

### **NEW HIRES REPORT**

This report provides employment information for residents who may have started new jobs. The information in this report is updated monthly. Since most employers report information on new hires to their state within 30 days of the hire date, an Owner/Agent may know within 60 days whether a resident has started a new job.

To ensure timely rent adjustments, this report will be reviewed quarterly as well as at all annual and interim recertifications. The Owner/Agent will not deny, suspend, or reduce any benefits of a resident until the Owner has taken appropriate steps to independently third party verify information relating to:

1. The amount of the wages, other earnings or income, or unemployment compensation involved;
2. Whether such resident actually has (or had) access to such wages, other earnings or income, or benefits for his or her own use; and
3. The period (or periods) when, or with respect to which, the resident actually received such wages, other earnings or income, or benefits.

### **Investigating the Household Situation**

The first thing the Owner/Agent will do when there is undisclosed new employment is investigate the resident's requirement to report. The following resident reporting requirements are in place:

- An adult member of the household who was reported as unemployed on the most recent certification or recertification obtains employment; or
- The household income cumulatively increases by \$200 or more per month
- There is a change in household composition

### **No Requirement to Report**

If the household member identified in EIV's New Hires Report was previously employed, the Owner/Agent will not contact the resident. Residents must be given the benefit of the doubt. Residents have no requirement to report a new job if the household cumulative income increases by less than \$200 per month (\$2400 per year) or if the household income decreases.



In these cases, the printout will be maintained in the resident file and discussed with the resident during the next certification interview.

### **Meeting with the Resident – New Hires**

If a resident fails to report as required, the household will be provided with a notice, in accordance with HUD Handbook 4350.3. The household will be required to meet with the Owner/Agent within 10 days of the notice or face termination of subsidy.

During the meeting, the resident will be asked if the information in EIV is accurate. The resident will be required to sign appropriate verification release forms so that the hire date and income information can be verified with the employer. Based on the information provided, an interim certification will be created. The resident will be required to return to HUD any assistance paid in error.

In these cases, the Owner/Agent will:

- Request all "assistance paid in error" is returned to HUD in one lump sum
- Require that all "assistance paid in error" is returned to HUD as scheduled in an executed repayment agreement

If the resident refuses to sign the verification documents or attempts to refuse to return assistance paid in error, the Owner/Agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuit of fraud.

In addition, the resident will be provided with notice of material lease violation. Action will be taken based on the Owner/Agent's policy and procedure regarding material lease violation.

### **Invalid Data in EIV – New Hires**

If the resident claims that the information is invalid, the resident must sign appropriate verification release forms. The Owner/Agent will contact the employer listed in EIV to verify the information provided by the resident. There can be several valid causes for errors that would preclude any action:

1. Human error
2. System Error (SSA/SSI/EIV/HHS)
3. Identity Theft

There may be cases where attempts to verify the EIV data is unsuccessful. In these cases, the resident must certify that the employer and employment information displayed in EIV is invalid and has been wrongly attributed to his or her personal identifiers (SSN, Last Name, and DOB).

The resident will be advised to contact the third-party income source(s), and if unsuccessful, contact the State Workforce Agency (SWA) to have that employer or agency remove the invalid income information from his or her records. In the meantime, the Owner/Agent will use tenant-provided documentation to verify tenant income.

### **Recordkeeping – New Hires**

The resident file will be documented by attaching:

1. Copy of the Notice to the Resident
2. Copy of letters sent to the third-party income source attempting to verify the EIV information



3. Copy of the certification that the tenant signed disputing the employer and income from wages reflected in EIV for the tenant
4. All other correspondence, including documentation of verbal communication, in relation to resolution of the discrepancy

Since failure to report changes in employment can impact the assistance calculation, the Owner/Agent will maintain detailed information about discrepancy investigation and resolution.

In the case of "New Hires" discrepancies, this information will be maintained in the resident file with the "Annual Certification" information. Unresolved discrepancies will also be documented in the EIV Discrepancy Log.

When the New Hires Report is generated quarterly, even if the reports return no results, the report will be printed and retained in the EIV Master File for the corresponding property. This binder will be provided to the Contract Administrator at Management and Occupancy Review.

### **MULTIPLE SUBSIDY REPORT**

The Multiple Subsidy Report will be generated quarterly for the property as well as at every interim and annual recertification for each individual in the specific household. If any household member received or attempted to receive assistance in another HUD assisted unit while receiving assistance on this property, the household member will be required to reimburse HUD for assistance paid in error. This is considered a material lease violation and may result in penalties up to and including eviction and pursuit of fraud charges.

#### **Investigating the Household Situation**

There are situations where a dual assistance is allowed. A minor may reside in two different HUD assisted units if two parents live in separate units and share 50% custody of the minor.

When households "split" (one household member remains in a unit and other household members move to a new unit), there may be a required notification period that prevents the Owner/Agent from removing a resident until the notice has been executed.

In addition, a resident receiving housing assistance that does not include subsidy, such as a 236 property, may also benefit from HUD's tenant-based voucher program.

#### **Meeting with the Resident – Multiple Subsidy**

If a resident appears on the Multiple Subsidy Report and the resident appears to be violating HUD's rules regarding dual subsidy or multiple residences, the household will be sent an appropriate notice. The household will be required to meet with the Owner/Agent or face termination and/or eviction as appropriate.

During the meeting, the resident will be asked if the information in EIV is accurate. The resident should sign appropriate verification release forms so that the Owner/Agent can contact the other landlord and, if necessary, determine the extent of the violation. The Owner/Agent will determine appropriate action including termination of assistance, termination of tenancy, requirement to return assistance paid in error to HUD and pursuit of fraud after verification is complete.



If the resident refuses to sign the verification documents or attempts to refuse to return assistance paid in error, the Owner/Agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuit of fraud.

In addition, the resident will be provided with notice of material lease violation. Action will be taken based on the Owner/Agent's policy and procedure regarding material lease violation.

### **Invalid Data in EIV – Multiple Subsidy**

If the resident claims that the information is invalid, the resident must sign appropriate verification release forms. The Owner/Agent will contact the landlord listed in EIV to verify the information provided by the resident. There can be several valid causes for errors that would preclude any action:

1. Human error
2. System Error
3. Identity Theft

There may be cases where attempts to verify the EIV data is unsuccessful. In these cases, the resident must certify that the residence information displayed in EIV is invalid and has been wrongly attributed to his or her personal identifiers (SSN, Last Name, and DOB).

The resident will be advised to contact the third-party income source(s), and if unsuccessful, contact the local Contract Administrator or local HUD office to have that landlord or agency remove the invalid income information from his or her records.

### **Recordkeeping – Multiple Subsidy**

The resident file will be documented by attaching:

1. Copy of the Notice to the Resident
2. Copy of letters sent to the landlord attempting to verify the EIV information
3. Copy of the certification that the tenant signed disputing the landlord information reflected in EIV
4. All other correspondence, including documentation of verbal communication, in relation to resolution of the discrepancy

The Owner/Agent will maintain detailed information about discrepancy investigation and resolution. In the case of "Multiple subsidies" discrepancies, this information will be maintained in the resident file with the "Annual Certification" information. Unresolved discrepancies will also be documented in the EIV Master File.

When the Multiple Subsidy Report is generated quarterly, even if the reports return no results, the report will be printed and retained in the EIV Master File for the corresponding property. This binder will be provided to the Contract Administrator at Management and Occupancy Review.

### **Reporting at Initial, Annual and Interim Certification**

Aside from the reports previously mentioned, EIV information will be obtained and reviewed for each adult resident during their initial, annual and interim certification process.

Income reports will be reviewed by the Owner/Agent at initial, Annual or Interim Recertification – the Owner/Agent will review income information (if available) up to 90 days of submission of any MAT 10



50059 In order to quickly identify any potential discrepancies that may affect the household's assistance payments.

## **INCOME REPORT**

The income report will be used to verify certain income/employment information as specified in this document. This report will be used as the preferred electronic 3<sup>rd</sup> party verification resource for this purpose per HUD's instruction. All discrepancies identified will be resolved within 30 days from the date of the EIV Income Report.

## **SOCIAL SECURITY BENEFITS**

The SSA match process begins at the beginning of each month with all of the data being loaded into EIV by the second week of the month. EIV retains the last eight actions processed by SSA for a resident. Social Security information provided by EIV includes SSA; SSI; Dual Entitlement; Medicare Part B Premium; Disability Onset.

### **Using the EIV Printout as 3<sup>rd</sup> Party Verification of Social Security Income**

If the Social Security benefit information in EIV agrees with the amount that the resident reports, the Owner/Agent will use the EIV printout as electronic 3<sup>rd</sup>-party verification of Social Security Income and Medicare Part B expenses. No additional verification is required. This information will be printed and maintained in the resident file for the term of tenancy plus 3 years after tenancy ends.

### **Including the Medicare Part B Deduction in the Assistance Calculation**

The Medicare Part B premium will be used as part of the medical expense deduction only when an "N" is indicated in the "Buy-In" column.

When the Medicare premium is being paid by the state or another entity, there will be a "Y" in the Buy-in column with a corresponding "Buy-In Date". In these cases, the Medicare Part B amount will not be used to calculate the medical expense.

### **Incorporating the Cost of Living Adjustment (COLA) Increase**

The SSA cost of living adjustments (COLAs) are not included in EIV until January. According to HUD Notice 08-03, when processing Annual Certifications effective January 1, February 1, March 1, and April 1, the Owner/Agent may:

- Use the benefit information reported in EIV that does not include the COLA as third party verification as long as the income data in EIV agrees with the income the resident reports he/she is receiving. (Request a current Award Letter when the income in EIV does not agree with the income the resident reports he/she is receiving, or the resident disputes the EIV data)
- Use the Award Letter provided by the resident if the resident has received his/her Award Letter that includes the COLA adjustment
- Determine the resident's income by applying the COLA increase percentage to the benefit amount in the Award Letter for the current award year or by applying it to the benefit reported in EIV that does not include the COLA



For this property, the Owner/Agent will use the information provided in EIV for the current year when processing January and February annual certifications. This ensures that all residents with annual certifications effective in those months are treated equally. No interim certification is required after the COLA increase is applied unless the adjustment contributes to a cumulative household income increase of \$200 or more per month.

For households whose annual certification is effective in March or later, the EIV printout reflecting the COLA increase will be used. If information is not available in EIV, the Owner/Agent will use a current benefit letter provided by the Social Security Administration or by the resident. Benefits/award letters must be no more than 120 days old from the date of receipt. In this case, the document will include a note explaining why 3<sup>rd</sup> party verification was not included in the file.

### **Addressing Unexplained Social Security Deductions**

While the SSA provides information on Medicare premiums, it does not provide information on additional deductions such as Medicare Part D (prescription drugs) premiums, repayment agreement information or garnishments.

If there is an unexplained difference between the gross benefit and the net payment, the Owner/Agent will ask the resident to disclose any deductions they may have from their SSA benefits and, when necessary, will request that the resident obtain a current Award Letter from SSA to verify these amounts. For example, if the resident is paying his/her Medicare premium and the difference between the gross and net SS benefit exceeds the amount of the Medicare premium, the Owner/Agent will:

- Discuss this with the resident
- Determine the reason for the difference and
- If applicable, obtain additional third party verification to support any of the deductions that may affect the resident's income or allowable expenses

According to Previous HUD Notice 08-20 and current HUD Notice 09-20, it is up to the Owner/Agent to determine whether additional verification is necessary. In consideration of this, the Owner/Agent will only require additional verification if the unexplained difference can affect the assistance calculation.

### **Obtaining Alternative/Additional Verification of Social Security Income**

If the information in EIV does not agree with the amount that the resident reports he/she receives or when the resident disputes the EIV data, the Owner/Agent must request that the resident obtain a current Award Letter from SSA. Information from the current Award Letter will be used as third party verification and for determining the resident's income and medical expense deduction, if applicable.

If there is no information in EIV reported for the resident, the Owner/Agent must request that the resident obtain a current Award Letter from SSA. Information from the current Award Letter will be used as third party verification (in accordance with HUD Notice 08-03 and HUD Notice 09-20) and for determining the resident's income and medical expense deduction, if applicable. Residents who need to request a current Award Letter may contact SSA by calling 1-800-772-1213 (TTY 1-800-325-0778) or by requesting it over the Internet at [www.ssa.gov](http://www.ssa.gov).

If the Owner/Agent finds it necessary to use some other alternative form of verification, e.g., oral verification, it may be necessary to use more than one document for verification. See Appendix 3, Acceptable Forms of Verification, of Handbook 4350.3. In addition, if the Owner/Agent uses a benefit



letter, or some other form of verification provided by the resident, the Owner/Agent will document the file and explain why third part verification was not used.

## **NDNH - WAGE AND UNEMPLOYMENT COMPENSATION**

For existing residents, EIV provides wage and unemployment benefit data contained in the National Directory of Multiple subsidy (NDNH) maintained by HHS. EIV retains NDNH employment and income data for a resident for two years.

EIV identifies all adult household members and provides wage and unemployment benefits for all active adults who are at least 18 years of age, pass the SBA/EIV verification or are not listed on the 50089 as a live-in aide. Live-in aides are not matched since their income is excluded from annual income.

### **Employment Income Verification**

The NDNH Wage information can be used to verify a resident's employment. If information provided by the resident matches the employment information on the income Report, this is considered 3<sup>rd</sup>-party electronic verification of employment.

The Owner/Agent will use the income calculated using verification documents provided by the resident and compare it to the income amounts provided in EIV.

Employment income verification using data provided by EIV is always done as follows:

- 1) Resident reports employment
- 2) Resident reports employment income
- 3) OA checks EIV and finds that employment matches resident's information
- 4) OA requests last 4 to 8 pay stubs and estimates income (alternative verification documents are acceptable as long as they meet the requirements outlined in HUD Handbook 4350.3 and/or Appendix 3)
- 5) OA compares that income to income in EIV
  - a) If income from verification documents is higher than income calculated using EIV, verification is complete
    - i) EIV printout is retained in the file for the term of tenancy and for three years after tenancy ends for any reason
    - ii) EIV printouts and the information provided by EIV can only be used for HUD occupancy, assistance calculation and discrepancy analysis purposes. Do not use for Tax Credits, 515 or financial audit purposes
  - b) If there is no material difference in income, verification is complete
    - i) EIV printout is retained in the file for the term of tenancy and for three years after tenancy ends for any reason
    - ii) The copies of the check stubs are retained in the resident file for the term of tenancy plus three years after tenancy ends
  - c) If income from verification documents is at least \$2400 less than income calculated using EIV, income history is reviewed and, if necessary, 3<sup>rd</sup> party verification is initiated
  - d) Owner/Agent contacts the employer for 3<sup>rd</sup> party verification
  - e) 3<sup>rd</sup> party verification from the employer is considered more reliable than information provided by EIV



### **3<sup>rd</sup> Party Verification of Employment Income**

The Owner/Agent will verify employment income in accordance with HUD Handbook 4350.3 and Appendix 3 when:

- No/incomplete employment or income information is available in EIV and the resident reports he/she is working
- Information in EIV is inconsistent with information provided by the resident as described above

There may also be times when Owner/Agents need to request third-party verification directly from the employer in order to have all of the information needed to determine income. For example, employers are not required to report the "Hire Date" when submitting their data to the state; therefore, the Owner/Agent may need to obtain third party verification for new employment to obtain this information.

### **Unemployment Income**

Since Unemployment income is generally reported in EIV after the benefit has stopped, EIV Unemployment income will not be used to project income for the next 12 months. However, this information will be compared to the previous 50059(s) to monitor resident reporting compliance.

### **Irregular Income - Using Income Reflected for the Past 12 Months**

As referenced in HUD Handbook 4350.3, some circumstances present more than the usual challenges to estimating anticipated income. Examples of challenging situations include a family that has sporadic work or seasonal income or a resident who is self-employed.

In all instances, Owners are expected to make a reasonable judgment as to the most reliable approach to estimating what the resident will receive during the year. In many of these challenging situations, mid-year or interim recertifications may be required to reflect changing circumstances.

In these cases, the Owner/Agent may elect to use historical income to assist in projecting income, for the new 50059. The EIV Income Report will be used as a TOOL to identify past income and verify past employment. In these cases, EIV may be used as electronic 3<sup>rd</sup>-party verification only if the resident agrees with the information provided in EIV. If complete information is unavailable or the resident claims that the information does not accurately reflect future income, the resident will be asked to sign appropriate verification release forms and/or produce alternative verification documents such as tax returns, bank statements or other documents indicated by HUD Handbook 4350.3. The resident may also be asked to provide W-2 or tax return information and/or self-certify income as a comparison to information obtained through EIV.

Using historical income verified through EIV versus projected income is an exception to standard policy and must be approved by the regional manager or by appropriate compliance/management staff ONLY in cases where tenant provided documentation or third party verification is not possible.

### **Recordkeeping – Income Reports – Employment/Income Verification**

Income reports used for verification will be printed and maintained in the resident file in accordance with EIV Recordkeeping Requirements. Reports obtained through EIV will be retained in the resident files for the term of tenancy plus three years.

After three years, EIV printouts will be destroyed in accordance with the Owner/Agents record destruction policy which includes shredding of paper files, erasing electronic files and destructions of any portable media such as CDs (if used).



## **INCOME DISCREPANCY REPORT**

By regulation, resident income information must be reviewed and verified on at least an annual basis. Reviewing Income Discrepancy Reports on an annual basis provides the Owner/Agent with information necessary to monitor and, if necessary, re-calculate rent and assistance. The reports help monitor compliance by providing information about residents who may have failed to report (Income Report):

- Social Security benefits
- Past or current employment and employment income
- Unemployment benefits

Income Discrepancy Reports will be reviewed monthly as they appear in EIV and until resolved or clarified as well as at every interim and annual recertification. Owner/Agents are required to review and, if necessary, resolve any discrepancies in income reported on the Income Discrepancy Report. The Owner/Agent will follow the guidance in HUD Handbook 4350.3.

The Owner/Agent will compare the SS, SSI, wage and unemployment compensation information reported on the HUD-50059 and, if applicable, third party verifications, with the employment and income information reported in EIV to determine whether or not there is a valid discrepancy.

The Owner/Agent will not suspend, terminate, reduce, or make a final denial of any financial assistance or payment under a federal benefit program against an individual, or take other adverse action against such individual, as a result of information produced by the EIV system without meeting with the resident and properly verifying the information and notifying the resident in writing of any adverse findings in the same manner as applies to other information and findings related to eligibility factors.

The Owner/Agent will obtain independent verification of disputed EIV data such as that provided by SSA and HHS' NDNH, in accordance with 24 CFR 5.236. If a resident fails to report as required, the household will be provided with a notice, in accordance with HUD Handbook 4350.3.

### **Income Discrepancies Already Explained by Resident File**

The Owner/Agent will review income discrepancies and compare the information in EIV with information included in the resident file. Because EIV information is historical and resident income calculations are generally "projected" the file may already include documentation that explains the discrepancy.

#### **Example 1: Discrepancy that Requires No Action Because of Previously Known Circumstance**

In 2009, the Davis household reports income of \$23000 per year  
In 2010, Ms. Davis becomes unemployed, reducing the household income by \$12000  
The Owner/Agent verifies termination of employment  
The Owner/Agent completes an interim certification reducing income  
EIV compares the projected income to historical income and indicates a \$12000 difference  
This Discrepancy is explained in the resident file and no additional action is required

#### **Example 2: Discrepancy that Requires No Action Because of Previously Known Circumstance**

In 2009, the Stephens household reports income for Brad Stephens of \$5000  
In 2010, Brad is a full time student so only \$480 is included on the 50059  
EIV returns an income discrepancy of \$4520



**This Discrepancy is explained in the resident file and no additional action is required**

## **Addressing Data Entry Errors**

The Owner/Agent will review the resident file to determine if a simple data entry error caused this discrepancy. If the Owner/Agent discovers a data entry error, and the corresponding 50059 must be corrected within 30 days and the new, corrected, signed 50059 must be transmitted to the Contract Administrator and/or HUD. In these cases, data entry errors may affect the assistance paid. The correction will generate an increase or decrease in the assistance and the rent.

If the correction generates a rent increase/assistance decrease, the Owner/Agent will correct the certification and any subsequent certifications using the original certification effective date. The Owner/Agent will provide a 30 day notice of rent increase to the household and the household rent will increase the first of the month after the 30 day notice expires.

### **Example**

- Owner/Agent creates and Annual Certification effective 10/1/2009
- New rent is effective 10/1/2009.
- Discrepancy analysis completed in April indicates that income was entered as 2480 instead of 4880
- AR is corrected
- Resident signs corrected AR
- 30-day notice of rent increase is provided to the resident on 4/15. New rent is effective 6/1
- Subsidy paid in error is \$60.00 per month (\$480).
- This will be reflected as a voucher adjustment on the voucher

If the correction generates a rent decrease/assistance increase, the Owner/Agent will correct the certification and any subsequent certifications using the original certification effective date.

The Owner/Agent will notify the resident of the rent change and make that change retroactive to the effective date of the certification. A rent credit will be returned to the resident. The resident can choose if they want the entire rent credit in one lump sum or if the credit should be applied to future rent.

### **Example**

- Owner/Agent creates and Annual Certification effective 5/1/2009
- New rent is effective 5/1/2009
- Discrepancy analysis completed in November indicates that income was entered as 4880 instead of 2480
- AR is corrected
- Notice of rent decrease is sent to the resident on 11/15. New rent is effective 5/1 (retroactive)
- Resident overpaid rent from 5/1 through 11/1 (\$60 per month)
- Resident decides if they want the rent refunded in one lump sum or if the "credit" should be applied to future rent.
- The subsidy will increase for this resident effective 5/1
- This will be reflected as a voucher adjustment on the voucher



## **Addressing Valid Income Discrepancies**

If review of the Income Discrepancy Report and review of the supporting Income Report indicate that the resident has failed to disclose an income decrease, the Owner/Agent will not notify the resident. It is the resident's responsibility to notify the Owner/Agent in this case.

If review of the Income Discrepancy Report and review of the supporting Income Report indicate that the resident has failed to disclose new income or increases in income as required, the Owner/Agent will send a notice to the household in accordance with HUD Handbook 4350.3, the resident will have 10 days to participate in a meeting with the Owner/Agent to discuss the discrepancy. Failure to respond to the notice will result in termination of assistance and/or residency the first of the month following the 10 day notice.

During the meeting, the resident will be asked if the information in EIV is accurate. If the information is accurate, the resident must sign appropriate verification release that will enable the Owner/Agent to determine if assistance was paid in error.

Based on the information verified, an interim certification will be created. The resident will be required to return to HUD any "assistance paid in error". The resident may return any "assistance paid in error":

- In one lump sum
- In compliance with an executed re-payment agreement

If the resident refuses to sign the verification documents or attempts to refuse to return "assistance paid in error", the Owner/Agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuing fraud.

The following are steps the Owner/Agent will take to resolve valid income discrepancies:

- Notify and discuss any discrepancy with the resident
- Request current documents from the resident to verify income or review verification obtained
- Request verification or clarification for any income source that the resident disputes
- Confirm effective dates of unreported income
- Provide the resident the right to contest the findings (10 day notice- ability to discuss with party not involved in the review of information)
- Document 10 day discussion meeting and results of meeting
- Create an interim certification to calculate retroactive certification to the beginning of the month following the date the action occurred
- Have certification signed by all adults and manager
- Return overpayment of rent to the resident as described in this policy or
- Determine the amount of "assistance paid in error" which must be returned to HUD (in cases where the Owner/Agent confirms that the resident failed to report income)
- If necessary, execute a repayment agreement when the resident is unable to pay the amount due in full, in accordance with HUD Handbook 4350.3,
- Reimburse to HUD any "assistance paid in error" in compliance with HUD Handbook 4350.3. If a repayment agreement is made, reverse full repayment to HUD and repay HUD as the tenant pays (if overpayment)

## **Invalid Data in EIV – Income Discrepancy**

If the resident claims that the information provided in EIV is invalid, the resident must sign appropriate verification release forms. The Owner/Agent will contact the employer listed in EIV to confirm the



information provided by the resident. There can be several valid causes for errors that would preclude any action:

1. Human error
2. System Error (SSA/SSI/EIV/HHS)
3. Identity Theft

If the resident refuses to sign the verification documents, the Owner/Agent will take appropriate action up to and including termination of assistance and/or tenancy.

### **Recordkeeping – Income Discrepancy**

Since income discrepancies can impact program eligibility and assistance, the Owner/Agent will maintain detailed information about discrepancy investigation and resolution. This information will be maintained in the resident file with the certification information.

### **No Income Report**

The No Income Report provides a list of residents whose identity was verified by SSA based on the SSN/Last Name/Date of Birth combination.

However, such residents did not receive or have never received SS/SSI benefits from SSA or wages or unemployment compensation insurance, as provided by the HHS NDNH database.

The No Income report will be reviewed during the annual, interim or initial recertification process to compare to resident provided income information and documentation.

### **POLICIES FOR RE-VERIFICATION OF STATUS OF TENANTS REPORTING**

#### **ZERO INCOME**

When a resident reports a change resulting in zero income or marginal household income (less than \$100/month), the adult members of the household will be required to complete a zero income questionnaire or monthly statement of income to identify all current and potential sources of income for the household. This questionnaire will be required on a quarterly basis as long as the household is reporting zero or marginal income. The Owner/Agent will review EIV for households reporting zero or marginal income quarterly.

The Owner/Agent will review the zero income questionnaire submitted by the adult members for completeness and compare to reported income. If there is a discrepancy or potential unreported income, the Owner/Agent will notify the household to attend an interview for an explanation.

For example, if the monthly expenses add up to \$650, but the adults declare their only income is \$180 in food stamps, it is likely that other sources of income have not been reported to management as income.

The Owner/Agent should be asking the right questions at interview so the resident is given the opportunity to disclose any income they receive. Do not hesitate to ask additional questions if the answers provided are unclear. The family may not be aware that certain monies they are receiving or payments on their behalf are considered income.



**Owner/Agents will consider all regular monetary or non-monetary contributions to the household as income unless specifically exempted by Federal Statute. Regular contributions or gifts will be defined as income, gifts or contributions, payments made by others on the applicant's/tenants behalf, monetary or not, coming into the household 2 or more times in a 12 month period.**

**Based on the information provided by the household or discovered in EIV, additional verification may be obtained by management. If the sources of income appear reasonable based on the expenses of the household, and management feels the household is reporting income correctly, the form will be filed in the resident file with a letter of review from management.**

**If however, management has reason to believe that the resident is not reporting income properly, the Owner/Agent will determine if the income should have been reported for the last annual or for an interim recertification, or if it will be considered at the next annual recertification, based on the amount and source of income.**

**In all cases, re-verification of the status of residents reporting zero or marginal income will be performed at least quarterly. On a quarterly basis, the Owner/Agent will notify the household with a 10 day interim notice, to attend an interview and provide verification and/or release verification forms. This would include a review of EIV and to obtain additional tenant provided documents or third party verification from the source of income or for payments on behalf of the household. In some cases, verification may be a combination of resident provided documents, which may include W-2, tax returns and/or self-declaration of income as allowed as alternate verification in Appendix 3 of the HUD handbook 4350.3.**

**If an income change has occurred that requires a certification, management will process a certification, and a repayment agreement as outlined in the HUD Handbook 4350.3 requirements and the process above "Effective Date Changes in Household Rent/Assistance for Interim Certifications Initiated as a Result of Income Discrepancy Investigation".**





**IPSWICH HOUSING AUTHORITY**

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## **EIV Security Policy**

## INTRODUCTION

The purpose of this policy is to provide instruction and information to staff, auditors, consultants, contractors and applicants and residents for the acceptable use, disposition and storage of data obtained through EIV (Enterprise Income Verification System).

The EIV coordinator for the owner/agent will have the responsibility of ensuring compliance with the security policies and procedures outlined in this document. These responsibilities include:

- Maintaining and enforcing the security procedures
- Keeping records and monitoring security issues
- Communicating security information and requirements to appropriate personnel including coordinating and/or conducting security awareness training sessions
- Conducting review of all User ID's issued to determine if the users still have a valid need to access EIV data and taking necessary steps to ensure that access rights are revoked or modified as appropriate
- Reporting any evidence of unauthorized access or known security breaches to the EIV coordinator for the owner/agent and taking immediate action to address the impact of the breach including but not limited to prompt notification to The EIV coordinator for the owner/agent. The EIV coordinator for the owner/agent will escalate the incident by reporting to appropriate parties including the Contract Administrator and/or HUD.

The EIV Database is part of HUD's Secure Systems Database. Individual Users must use their own user name (MID/WASS ID) and password to access the Secure Systems database. Coordinators, who are not property owners, have obtained a letter of authorization from the property owner for access to EIV. This letter is maintained in the property's EIV file and will be available to Reviewers during the Management and Occupancy Review.

This policy has been developed to ensure that EIV data is secure. This policy has been communicated to all persons with access to EIV or EIV data. This policy has been developed to ensure compliance with HUD's security protocol regarding the three safeguard categories:

1. Technical
2. Administrative
3. Physical

In order to comply with Technical Safeguards:

- Each coordinator/user must have a valid WASS User ID and password
- IDs and passwords must not be shared
- No one may access the system using another users identity
- Each user must provide an application access authorization form (CAAF or UAAF)
- Access to data is restricted based on EIV role (EIV Coordinator or EIV User)
- Access is limited based on need to know
- Users understand that access and activity are monitored and audited

### To comply with Administrative Safeguards:

- The owner/agent has established standard operating procedures for use of data
- Employment and income data is used for certification and compliance purposes only
- Users may not share data with others who do not have a need to know
- Users will check to see if applicant/tenant is receiving assistance under another program at a different location
- The EIV coordinator for the owner/agent will monitor access
  - Obtain and retain owner approval letters
  - Approved/current signed access authorization form
  - Conduct periodic reviews to see if user still has a valid need to access the EIV data
  - Modify or revoke rights as appropriate
  - Assign Access Ensure access rights and responsibilities are appropriate
- Ensure that a signed copy of form HUD-9887 is on file for all adults living in the unit
- Destroy EIV Information when it is no longer needed
- Ensure all EIV users receive security training at time of implementation and at least annually thereafter
- Communicate security information
  - Posters
  - Security bulletins
  - Discussion groups
  - Distribution of EIV manuals
- Detect, deter, and report improper disclosures, unauthorized access, or security breaches to the EIV coordinator for the owner/agent who will report as necessary to:
  - HUD's Multifamily Help Desk
  - HUD's Security Officer
  - TRACS/EIV mailbox: MFTRACSSecurity@hud.gov
  - Mail to: Department of Housing and Urban Development Office of Multifamily Housing
  - Notify the Office of Inspector General (IG)  
E-mail it to Hotline@hudolig.gov.

The owner/agent has also implemented the following processes to ensure compliance with HUD's

### Physical Safeguard requirements:

- Designated secure areas
- Restricted use of printers, copiers, facsimile machines, etc.
- Controlled access to areas containing EIV information
- How to secure computer systems and output
  - If any EIV data is converted to an electronic format, it must be encrypted
  - All emails including EIV data must be encrypted
  - Store downloaded EIV data in a separate, restricted access directory
  - Label CDs containing EIV data "confidential" or "For Official Use Only"
  - Lock in secure place
- Users must retrieve all computer printouts as soon as they are generated so that EIV data is not left unattended
  - Keep printouts locked up
  - Printouts should not be transported from premises
  - Avoid leaving a computer unattended with EIV data displayed on screen
  - Lock computer/Log off/Exit the system when not going to be at desk or when finished for the day (EIV will time-out after 30 minutes of inactivity)
  - Use a password-protected screensaver

- **Secure disposal of EIV information**
  - Destroy as soon as it has served its purpose or as prescribed by HUD's policies and procedures
  - Burn/shred
  - Keep log of destroyed data
    - Date destroyed
    - How destroyed
    - By whom

## **SECURITY AWARENESS TRAINING**

Security awareness training is a crucial aspect of ensuring the security of the EIV System and data. Users and potential users will be made aware of the importance of respecting the privacy of data, following established procedures to maintain privacy and security, and notifying management in the event of a security or privacy violation. Before granting access to the EIV information, each person must be trained in EIV Security policies and procedures.

Additionally, all employees having access to EIV Data will be briefed at least annually on the security policy and procedures that require their awareness and compliance. Information about user access and training will be maintained in the property EIV file. See Sample EIV File Checklist.

EIV Users and Coordinators must complete the appropriate EIV Security Awareness Training Questionnaire [www.hud.gov/offices/hsp/mft/rhlp/eiv/securityawareness.pdf](http://www.hud.gov/offices/hsp/mft/rhlp/eiv/securityawareness.pdf) before requesting access. Do not send the completed questionnaire to HUD. This must be retained and made available to the reviewer at the Management and Occupancy Review.

After initial setup, coordinators must certify annually. This is done electronically, through EIV. Copies of the paper CAAF and the most recent, electronic CAAF must be available for review during the Management & Occupancy Review.

After initial setup, users must certify semi-annually. This is done electronically, through EIV. Copies of the paper UAAF and the most recent, electronic UAAF must be available for review during the Management & Occupancy Review.

## **PHYSICAL SECURITY REQUIREMENTS**

**Restricted Areas:** The Owner/agent, along with site staff authorized to view EIV data will maintain EIV files in a clearly identified designated management office in a locked file cabinet, when not in active use. The management office is separated from non-restricted areas and will be locked when not in immediate use.

Since the EIV data in resident files is maintained in the locked file room, management will establish and maintain a key control log to track the inventory of keys available, the number of keys issued and to whom the keys are issued. All employees and contractors who have been issued keys to the file room will complete a form acknowledging the receipt of the key. See EIV Privacy Policy.

Users will retrieve computer printouts as soon as they are generated so that EIV data is not left unattended in printers or fax machines where unauthorized users may access them. EIV data will be handled in such a manner that it does not become misplaced or available to unauthorized personnel.

## **LIMITING ACCESS TO EIV DATA**

User accounts for the EIV system will be provided on a need-to-know basis, with appropriate approval and authorization.

## **EIV SYSTEM COORDINATORS**

Before accessing EIV, the Secure Systems Coordinators will obtain a letter/memo from each property owner indicating that the owner gives permission for the Secure Systems Coordinator to act as the EIV coordinator. Once that permission is obtained, the Coordinator will

- Review the EIV training material provided by HUD
- Participate in EIV Security Training from HUD or another source
- Read and sign the EIV Security Policy
- Read the EIV Use Policy

Upon completion of these tasks, the EIV Coordinator will submit to HUD, the appropriate Coordinator Access Authorization Forms. Upon receipt of HUD approval, the EIV Coordinator will complete the EIV Coordinator setup process.

## **EIV USERS**

Before requesting EIV User access, appropriate staff will:

- Review the EIV training material provided by HUD
- Participate in EIV Security Training from HUD or another source
- Read and sign the EIV Security Policy
- Read the EIV Use Policy

Upon completion of these tasks, the EIV User will submit, to the EIV Coordinator, the appropriate User Access Authorization Form. Upon receipt, the EIV Coordinator will review the completed Security Awareness Training Questionnaire for accuracy and recommend further training if necessary. If the EIV Coordinator feels that the EIV User candidate does not understand the security requirements, the EIV Coordinator will not continue with the EIV setup for that user. Under no circumstances will the EIV Coordinator process the User Access Authorization Form unless the signed EIV Security Policy is attached.

Once the tasks are satisfactorily completed, the EIV Coordinator will complete the appropriate steps to provide EIV access to the user. In accordance with HUD requirements, the user's need for access will be reviewed on a semiannual basis.

At least once a year, staff with EIV access will be required to:

- Participate in training that includes a review of the EIV security requirements and
- Complete the EIV Security Awareness Training Questionnaire

The EIV coordinator for the owner/agent will restrict access to EIV data only to persons whose duties or responsibilities require access. EIV Coordinators will be required to request re-certification on an annual basis. EIV Coordinators are authorized to provide access only to those individuals directly involved in the resident certification process and/or compliance monitoring.

EIV Coordinators will carefully review initial and quarterly requests for access and certify only those users who will need access within the next 6 months.

In some cases, EIV information may be provided to auditors charged with ensuring the owner/agent's compliance with HUD requirements. In these cases, the auditor will be required to review and sign the property's Privacy Policy for Auditors and will be required to sign the HUD Rules of Behavior document. These documents will be maintained in the property's EIV File. In addition, the auditor's access will be noted on the EIV File checklist for review during the Management & Occupancy Review.

The EIV coordinator for the owner/agent will maintain a record of users who have approved access to EIV data. Further, the EIV coordinator for the owner/agent will revoke (Terminate) the access rights of those users who no longer require such access.

### **HUD 9887/9887-A**

The HUD 9887 Fact Sheet will be provided to all adult household members required to sign the form. By signing this HUD Form 9887 and HUD Form 9887-A, the applicant/resident authorizes HUD and/or the owner/agent to obtain and verify income and unemployment compensation information from various sources including, but not limited to, the IRS, the Department of Health and Human Services and the Social Security Administration and state agencies.

The EIV coordinator for the owner/agent will assure that a copy of Form 9887 and Form 9887-A has been signed by each member of the household age 18 years or older. The 9887 will be presented at the final eligibility determination, at move-in and/or initial certification and at each annual certification. If a household member turns 18 in the middle of a certification cycle, that household member will be required to sign Form 9887 and Form 9887-A within 30 days of turning 18. (See HUD 9887 Fact Sheet for exceptions due to extenuating circumstances) All HUD-9887's will be placed in a resident file and will be updated on at least an annual basis for each adult household member.

### **COMPUTER SYSTEM SECURITY REQUIREMENTS**

All computer systems and computers will have password restricted access. Passwords must be no fewer than 8 characters and must include:

- At least one lower case letter
- At least one upper case letter
- At least one number or character such as a dash or exclamation point

The owner/agent will also use Antivirus software to limit data destruction or unintended transmission via virus, worms, Trojan horses or other malicious means. Remote access by other computers other than those specifically authorized is prohibited.

Authorized users of EIV data are directed to avoid leaving EIV data displayed on their computer screens where unauthorized users may view it. A computer will not be left unattended while the user is "logged in" to Secure Systems. If an authorized user is viewing EIV data and an unauthorized user approaches the work area, the authorized user will lessen the chance of inadvertent disclosure of EIV data by logging out of Secure Systems or minimizing or closing out the screen on which the EIV data is being displayed.

## **USER NAMES, PASSWORDS AND PASSWORD CHANGES**

Many systems require frequent changes to passwords. Secure Systems / EIV passwords will be changed in accordance with HUD Secure Systems requirements. Users will not share passwords with any other employee or with anyone outside the organization. EIV access granted to an employee or authorized user will be revoked when access is no longer required or prior to termination of that employee or user to ensure data safety.

Termination of EIV access and un-assigning property access through "Property Assignment Maintenance" is required.

The EIV file will be documented to indicate when user access was terminated by the EIV Coordinator. Documentation of termination will be maintained in the property EIV file.

## **DISCLOSURE OF EIV INFORMATION**

The EIV Social Security (SS), Supplemental Security Income (SSI), new hires (W-4), wage, and unemployment compensation information contained in the EIV system may only be used for limited official purposes.

- By Contract Administrators (CAs) for monitoring and oversight of the resident recertification process
- By the Office of the Inspector General (OIG) for investigative purposes.
- By owners/agents (O/As) for verifying the employment and income at the time of certification for residents participating in one of HUD's rental assistance programs listed:

EIV Data may be disclosed to:

- Private owners
- Management agents
- Service Bureaus
- Contract Administrators
- HUD staff
- HUD Office of Inspector General (OIG) for investigative purposes
- Independent public auditors (IPAs) auditing an owner's compliance with HUD's verifying income and the accuracy of rent/subsidy determinations
- Individual to whom the record pertains

EIV income data may only be used for verification of employment and income at certification. Under no circumstances may users or coordinators provide access to the system by sharing the user name/password combination. Owner/agents must not disclose data in any way that would violate the privacy of the individuals.

EIV data must not be disclosed (or re-disclosed) to any third parties such as the local Welfare office, DFCS, etc. Willful disclosure or inspection of EIV data can result in civil and criminal penalties.

- Unauthorized disclosure – felony conviction and fine up to \$5,000 or imprisonment up to five (5) years, as well as civil damages
- Unauthorized inspection – misdemeanor penalty of up to \$1,000 and/or one (1) year imprisonment, as well as civil damages

Official use does not include using the EIV data for certifying residents under the Low Income Housing Tax Credit (LIHTC) or Rural Housing Services (RHS) Section 515 programs. Neither the Internal Revenue Service (IRS) nor RHS are a party to the computer matching agreements HUD has with the Department of Health and Human Services (HHS) and with the Social Security Administration (SSA).

The fact that there is financing through other federal agencies involved in a particular property under one of the authorized HUD programs does not permit that federal agency to use or view information from the EIV system for certifying residents for their programs or for monitoring purposes. Additional third party income verification will be obtained from the source for use for Tax Credit or Rural Housing Service programs. For Social Security and Medicare information, the resident file will include a current SSA Benefit/Award letter or some other acceptable verification documentation. For employment income and unemployment income, the resident file will contain verification documents as provided in HUD Handbook 4350.3 Revision 1, Appendix 3.

## **USE AND HANDLING OF EIV DATA**

EIV Data serves two purposes:

1. Verification of specific income information provided by the resident
2. Monitoring resident and staff compliance

Use of the data is described in the EIV User Policies. This policy is designed to describe the security protocol used to protect EIV data.

EIV Data will be used only to administer HUD programs. The data in EIV is not to be used to assist with eligibility determination or compliance monitoring for any other programs including those administered by the IRS (Tax Credit) or Rural Development (515).

## ***EIV PRINTOUTS***

In addition to use by the owner/agent, EIV reports may also be used by Contract Administrators (CAs) (Performance Based Contract Administrators (PBCAs), Traditional Contract Administrators (TCAs) and HUD staff) for monitoring compliance with the recertification process; independent public auditors (IPAs) auditing an owner's compliance with HUD's verifying income and the accuracy of rent/subsidy determinations; and, the Office of Inspector General (IG) for auditing purposes.

EIV Income Reports are retained in the resident file for the term of tenancy and for three years after tenancy ends. If this property also participates in other housing assistance programs (LIHC or 515) the owner/agent will take special precautions to ensure the security of the EIV printouts. EIV printouts will be maintained in the resident file but will be kept in a separate section of the file and will be removed if the file is to be audited or reviewed by any authorized party for purposes other than those defined by HUD. An alternative would be to keep the EIV printouts in a separate secure location within the management office. EIV printouts will be provided to approved parties, when required, to facilitate compliance with HUD requirements and the property's EIV Use Policy.

## ***PROVIDING EIV PRINTOUTS TO AUDITORS***

Independent auditors (IPAs) are approved to view EIV information, when hired by an owner to perform the financial audit of the project, for use in determining the owner's compliance with verifying income and determining the accuracy of the rent and subsidy calculations.

### Restrictions on disclosure requirements for IPAs:

- (a) Can only access EIV income information within hard copy files and only within the offices of the owner or management agent;
- (b) Cannot transmit or transport EIV income information in any form;
- (c) Cannot enter EIV income information on any portable media;
- (d) Must sign non-disclosure oaths (Rules of Behavior) that the EIV income information will be used only for the purpose of the audit; and
- (e) Cannot duplicate EIV income information or re-disclose EIV income information to any user not authorized by Section 435(j)(7) of the Social Security Act to have access to the EIV income data.

### **PROVIDING EIV PRINTOUTS TO RESIDENTS**

If a resident requests a copy of their own EIV printout, a copy will be produced. The staff person providing the copy will note that the printout is a copy provided to the resident upon request. This note will include the following:

- This is not an original, this is a copy provided to: Resident Name
- On \_\_\_\_\_, 20\_\_
- By \_\_\_\_\_ (name will be printed)
- Resident initials \_\_\_\_\_

The appropriate staff will make a note in the file any time a copy of the EIV data is obtained by authorized persons. This includes copies provided to the applicant/resident, staff responsible for compliance monitoring, other internal staff, HUD, CA or OIG staff. Under no circumstances will the EIV information be provided to anyone other than those noted in this Security Policy.

### **ELECTRONIC INFORMATION FROM EIV**

In some cases, there may be a need to send or store EIV information electronically. If EIV data is converted to an electronic format, the information will be stored in a special, restricted password protected directory and encrypted using an NIST compliant vendor. All emails that contain EIV data will be encrypted as well. No data will be converted or transported by portable media. EIV data converted to an electronic format will be destroyed in accordance with HUD's recordkeeping requirements and HUD's data share agreement with HHS and SSA.

### **DISPOSAL OF EIV INFORMATION**

EIV data will be destroyed in a timely manner based on the information provided in HUD's published EIV training materials, HUD notices or as prescribed by the owner/agent's policy and procedures. The owner/agent's policy and procedures will not allow data retention that is longer than the time allowed in the published HUD materials. Information about use of EIV information and how printouts were destroyed will be maintained in the EIV file.

### **REPORTING IMPROPER DISCLOSURES**

Recognition, reporting, and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and sharing of passwords.

Upon the discovery of a possible improper disclosure of EIV information or other security violation by an employee or any other person, the individual making the observation or receiving the information will contact the EIV Coordinator, who will document all improper disclosures in writing providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when it occurred. The EIV Coordinator will immediately review the report of improper disclosure and, if appropriate, the EIV Coordinator will remove EIV access.

Improper disclosure of any information could be grounds for immediate termination. All employees must carefully review the EIV Access Authorization Form or the Rules of Behavior to understand the penalties for improper disclosure of EIV data.

## **ACKNOWLEDGEMENT**

By signing this form, I acknowledge that I have read and understand the EIV Security Requirements. I agree to abide by this policy and to report any improper disclosure of information.

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature

\_\_\_\_/\_\_\_\_/\_\_\_\_  
Date

CC: Personnel File  
Property EIV File



**IPSWICH HOUSING AUTHORITY**  
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Ipswich, MA 01938  
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**EIV Master File Policy**

It is the policy of the Ipswich Housing Authority to maintain an EIV Master File for the Agawam Village and Agawam Village Family properties. The EIV Master File will contain the following reports which will be pulled quarterly;

- Multiple Occupancy Report
- New Hires Report
- Deceased Tenant Report
- The Failed Verification Report

The following report will be pulled monthly:

- Identity Verification Report

Further information on the reports are located in Addendum A. All reports will be maintained in the EIV Master File for 3 years.

Approved by the IHA Board:

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## EIV MASTER FILES

### The EIV Master Files

In July 2010, HUD released HUD Notice 10-10 as a guide for owner/agents using HUD's Enterprise Income Verification System.

In addition to assisting with the employment and verification process, EIV can be used to monitor compliance of existing residents. Owner/agents are required to periodically view certain reports. This "Master File" must include the following Reports:



- Identity Verification Reports – Monthly
- Deceased Tenant – At least quarterly and as indicated in the property's EIV policies
- New Hires Report – At least quarterly and as indicated in the property's EIV policies
- Multiple Occupancy Report – At least quarterly and as indicated in the property's EIV policies

Regular review of these reports helps reduce "assistance paid in error". Owner/agents are required to make sure that:

1. Data recorded in TRACS is correct
2. Information provided by residents is correct
3. Residents are complying with reporting requirements

In our opinion, it is good practice to produce these during the first 10 days of the month corresponding with the TRACS file transmission, but owner/agents must establish their own policies. The EIV Master File can be set up as an actual file or in a binder or set of binders. There is a standard process for maintaining the property EIV Master File. First, decide how you will run the reports. When you set up the Master File, have a tab or file for each report.

The Master File must be kept secure in the same manner that resident files are kept secure. The EIV Master File must be maintained for three years. Owner/agents must document the file when EIV records are destroyed

It is important to understand what information is maintained in the Master File and what information is maintained in the resident file. The Master File is not intended to serve as a resource for documenting detailed actions. EIV Master Files should provide a tool to ensure that resident compliance is reviewed periodically. The owner/agent should make notes on the reports in the master file, but copies of notices, verification documents, new certifications, etc. are maintained in the resident files.

## **EIV MASTER FILES**

### **Identify Verification Reports**

The Identify Verification Report includes summary information about residents living in the community. Discrepancies are indicated on one of two reports 1) The Failed Pre-Screening Report and 2) The Failed Verification Report. Both of these reports must be reviewed every month.

### **Failed Pre-Screening Report**

Failed Pre-Screening Reports must be run every month and the report must be maintained in the property's EIV Master File for three years. This report displays residents whose SSA information provided on HUD Form 50059 failed some level of edit.

Usually, these errors are caused by data entry errors or situations that you already know about.

### **Documenting the EIV Master File & the Resident File - Failed Pre-Screening**

The EIV Master File Pre-Screening Report is maintained as follows:

✓	If the error has already been reviewed and a correction certification has been submitted to TRACS, check TRACS to make sure that the correction has been received. This must be noted.
✓	If the error is created because the household member is exempt from providing a Social Security Number, that must be noted
✓	If the error is returned as a result of a "previously known" situation, such as a previously identified error with the Social Security Administration, that must be noted
✓	If there is a discrepancy that cannot be readily explained by reviewing the resident file, that must be noted and the resident must be contacted

If the owner/agent must contact the resident based on information discovered when reviewing the EIV Failed Pre-Screening Report, the resident file contains

✓	A copy of the Failed Pre-Screening Report reflecting the discrepancy (The resident file may only include information about members of that household)
✓	If the error was caused by a data entry error, the signed corrected certification must be in the resident file
✓	All correspondence with the resident
✓	If the data in EIV is incorrect, notify the resident that he/she should contact SSA
✓	If the resident provided incorrect information <ul style="list-style-type: none"><li>• Notice of Material Lease Violation</li><li>• Correction certification</li><li>• New Verification (if appropriate)</li><li>• Repayment agreement (if appropriate)</li><li>• Notice of termination of tenancy (if appropriate)</li></ul>

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## EIV MASTER FILES

### Deceased Tenant Report

This report identifies residents who are currently reflected in TRACS as existing/active residents and who have been identified by SSA as deceased. The Deceased Tenants Report is updated every weekend. Owner/agents are required to review this report at least quarterly. This report must be maintained in the EIV Master File for 3 years.

After the April 2011 release, this report should not display information for a resident who has passed away when the move out or interim certification has been successfully recorded in TRACS.

In most cases, there is a timing issue. If the MO or IR has been sent to TRACS, check TRACS to make sure the transaction has been recorded correctly. If the transaction has been recorded in TRACS, make a note in the EIV Master File. If a family failed to notify you about the death of your resident, you will need to verify the date of death and recalculated the assistance.

### Documenting the EIV Master File & the Resident File - Deceased Tenant Report

The EIV Master File Deceased Tenant Report is maintained as follows:

✓	If the error has already been reviewed and a correction certification has been submitted to TRACS, check TRACS to make sure that the correction has been received. This must be noted.
✓	If the error has already been reviewed the MO or IR has been submitted to TRACS, check TRACS to make sure that the MO/IR has been received. If so, that must be noted
✓	If the error is returned as a result of a "false hit" or a "previously known" situation, such as a previously identified error with the Social Security Administration, that must be noted
✓	If there is a discrepancy that cannot be readily explained by reviewing the resident file, that must be noted and the resident must be contacted

If the owner/agent must contact the resident based on information discovered when reviewing the EIV Deceased Tenant Report, the resident file contains

✓	A copy of the Deceased Tenant Report reflecting the discrepancy (The resident file may only include information about members of that household)
✓	If the error was caused by a data entry error, the signed corrected certification must be in the resident file
✓	All correspondence with the resident
✓	If the data in EIV is incorrect, notify the resident that he/she should contact SSA
✓	If SSA benefits have been suspended, may need to implement hardship exemption to reduce rent. Corresponding verification and certification must be included in the file.
✓	Once situations is resolved, create IR to reinstate the appropriate assistance.
✓	If the resident provided incorrect information <ul style="list-style-type: none"><li>• Notice of Material Lease Violation</li><li>• Correction certification</li><li>• New Verification (if appropriate)</li><li>• Repayment agreement (if appropriate)</li><li>• Notice of termination of tenancy (if appropriate)</li></ul>

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## **EIV MASTER FILES**

### **The Failed Verification Report**

The personal identifiers are matched against SSA's records for each active resident in TRACS. For those residents that fail the identity match against SSA's records:

- No employment or income information will be provided by SSA or HHS
- SSA will provide information on why the verification failed

In many cases, failed pre-screening and failed verification discrepancies are caused by data entry errors.

### **Documenting the EIV Master File & the Resident File - Failed Verification**

The EIV Master File Failed Verification Report is maintained as follows:

✓	If the error has already been reviewed and a correction certification has been submitted to TRACS, check TRACS to make sure that the correction has been received. This must be noted.
✓	If the error is created because the household member is exempt from providing a Social Security Number, that must be noted
✓	If the error is returned as a result of a "previously known" situation, such as a previously identified error with the Social Security Administration, that must be noted
✓	If there is a discrepancy that cannot be readily explained by reviewing the resident file, that must be noted and the resident must be contacted

If the owner/agent must contact the resident based on information discovered when reviewing the EIV Failed Verification Report, the resident file contains:

✓	A copy of the Failed Verification Report reflecting the discrepancy (The resident file may only include information about members of that household)
✓	If the error was caused by a data entry error, the signed corrected certification must be in the resident file
✓	All correspondence with the resident
✓	If the data in EIV is incorrect, notify the resident that he/she should contact SSA
✓	If the resident provided incorrect information <ul style="list-style-type: none"><li>• Notice of Material Lease Violation</li><li>• Correction certification</li><li>• New Verification (if appropriate)</li><li>• Repayment agreement (if appropriate)</li><li>• Notice of termination of tenancy (if appropriate)</li></ul>

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## EIV MASTER FILES

### New Hires Report

This report provides employment information for residents who may have started new jobs within the last 180 days. The information in this report is updated monthly. This report **MUST** be reviewed at least quarterly and maintained in the EIV Master File. Discrepancies must be investigated and resolved if possible.

### Documenting the EIV Master File & the Resident File - New Hires Report

The EIV Master File New Hires Report is maintained as follows:

✓	If the error has already been reviewed and a correction certification has been submitted to TRACS, check TRACS to make sure that the correction has been received. This must be noted.
✓	If the resident reported the new job and no new certification is required, that must be noted
✓	If the error is returned as a result of a "previously known" situation, such as a problem with the employer's records that has already been investigated, that must be noted
✓	If there is a discrepancy that cannot be readily explained by reviewing the resident file, that must be noted and the resident must be contacted by Notice in accordance with HH 4350.3 Revision 1, Change 3, Paragraph 7-12.

If the owner/agent must contact the resident based on information discovered when reviewing the EIV Multiple Occupancy Report, the resident file contains

✓	A copy of the New Hires Report reflecting the undisclosed new job (The resident file may only include information about members of that household)
✓	All correspondence with the resident
✓	<p>If the resident claims the data in EIV is incorrect</p> <ul style="list-style-type: none"><li>• Verify the information with the employer noted in EIV. If the employer will not respond<ul style="list-style-type: none"><li>○ Note the file explaining why third party verification was not obtained</li><li>○ Attempt review of documents</li><li>○ Accept notarized self-certification</li></ul></li><li>• Notify the resident that he/she should contact the employer listed in EIV and obtain a copy of such correspondence if possible</li><li>• Notify the resident to protect him/herself from identity theft</li></ul>
✓	<p>If the resident provided incorrect information or failed to notify the owner/agent of a change</p> <ul style="list-style-type: none"><li>• Notice of Material Lease Violation</li><li>• If the resident agrees with new employment information, obtain documents to determine income (pay stubs)</li><li>• If the resident does not agree with new employment information Verify the information with the employer noted in EIV. If the employer will not respond<ul style="list-style-type: none"><li>○ Note the file explaining why third party verification was not obtained</li><li>○ Attempt review of documents</li><li>○ Accept notarized self-certification</li></ul></li><li>• Correction certification if appropriate or new certification if appropriate</li><li>• Repayment agreement (if appropriate)</li><li>• Notice of termination of tenancy (if appropriate)</li></ul>

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## EIV MASTER FILES

### Multiple Occupancy Report

This report identifies residents who live on your property who appear to be receiving HUD assistance in multiple places. Owner/agents must review the Multiple Subsidy Report at least quarterly and must be retained for 3 years. When reviewing this report, owner/agents must perform both of the search options to determine if possible multiple subsidies exist.



- Multi-Family
- Public & Indian Housing (vouchers)

### Documenting the EIV Master File & the Resident File - Multiple Occupancy Report

The EIV Master File Multiple Occupancy Report is maintained as follows:

✓	If the error has already been reviewed and a correction certification has been submitted to TRACS, check TRACS to make sure that the correction has been received. This must be noted.
✓	If the error is caused by a situation where dual subsidy is acceptable (minor in a joint custody arrangement or a household "split") that must be noted
✓	If the error is returned as a result of a "false hit" or "previously known" situation, such as a problem with the previous owner/agent's MO transaction, that must be noted
✓	If there is a discrepancy that cannot be readily explained by reviewing the resident file, that must be noted and the resident must be contacted

If the owner/agent must contact the resident based on information discovered when reviewing the EIV Multiple Occupancy Report, the resident file contains

✓	A copy of the Multiple Occupancy Report reflecting the discrepancy (The resident file may only include information about members of that household)
✓	If the error was caused by a data entry error, the signed corrected certification must be in the resident file
✓	All correspondence with the resident
✓	If the resident claims the data in EIV is incorrect <ul style="list-style-type: none"><li>• Verify the information with the owner/agent noted in EIV. If the former landlord will not respond<ul style="list-style-type: none"><li>○ Note the file explaining why third party verification was not obtained</li><li>○ Attempt review of documents</li><li>○ Accept notarized self-certification</li></ul></li><li>• Notify the resident that he/she should contact the former landlord, the CA (if applicable) or HUD</li><li>• Notify the resident to protect him/herself from identity theft</li></ul>
✓	If the resident provided incorrect information or is living in another HUD property <ul style="list-style-type: none"><li>• Notice of Material Lease Violation</li><li>• Verification</li><li>• Correction certification if appropriate (Termination/IC)</li><li>• Repayment agreement (if appropriate)</li><li>• Notice of termination of tenancy (if appropriate)</li></ul>

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**IPSWICH HOUSING AUTHORITY**

One Agawam Village

Ipswich, MA 01938

Phone: (978) 356-2860 Fax: (978) 356-7715

**SCREENING CHECKLIST**

Completed By:

CORI:

Credit check:

Landlord References:

SORI:

Citizenship Elig:

EIV Existing Tenant Search:

Verify income:

Signed:



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# **TENANT SELECTION PLAN**

## **Agawam Village and Agawam Village Family**

## **INTRODUCTION**

This Tenant Selection Plan (the "Plan") for Agawam Village & Agawam Village Family (the "Development"), a 94 unit housing development located in Ipswich, has been prepared by the Ipswich Housing Authority (IHA).

The Development is currently the recipient of rental housing subsidy under the following subsidy program:

### **Section 8 Housing Assistance Payments (HAP) Contracts.**

New Construction and Substantial Rehabilitation Contracts. Under this program, repealed by Congress in 1983, HUD provided (upon application) Section 8 project-based assistance to public housing authorities (PHAs) or private owners for up to 20 or 40 years after completion of the construction or substantial rehabilitation of rental housing. The Section 8 financial assistance provided a subsidy that helped bridge the gap between the rents needed to make a project feasible and the rents affordable to the tenants. Financing was provided by commercial lending institutions and often insured by HUD through the Federal Housing Administration (FHA) or a State Housing Finance Agency. HUD has not approved any new projects since 1983, but projects approved prior to that time may still receive subsidy

The Plan is designed to promote fairness and uniformity in the selection of tenants for subsidized units, and to promote efficiency in the application process for subsidized units. One of the principal elements of the Plan is that it allows the IHA to make a preliminary determination of eligibility based on the applicant's self-certification of income and priority status. Initial acceptance of the applicant's self-certification allows the IHA to focus on other administrative duties, rather than investing significant staff time in verifying such information at initial application and once again when the applicant is accepted from the waiting list. The election for preliminary determination of eligibility by the IHA should only be exercised if the anticipated waiting period for a unit offer exceeds ninety days. In most cases, the waiting period exceeds ninety days, warranting the effort to save staff time by making a preliminary determination of eligibility.

## **ELEMENTS OF THE TENANT SELECTION PLAN**

### **A. Right to Apply**

No person may be refused the right to apply for housing unless the IHA has been notified that the Development's waiting list is closed for a particular unit size or type, and notice of the closed waiting list, has been posted in a prominent, accessible location.

### **B. Statement of Non-discrimination**

It is the policy of the IHA to promote equal opportunity and nondiscrimination in compliance with, but not limited to, the federal and state constitutions and legislative enactments addressing discrimination in housing. These enactments include: The Fair Housing Amendments Act of 1988, 42 U.S.C.A. §§3601-3620, as modified by the Housing for Older Americans Act of 1995, 42 U.S.C.A §3607(b)(2)(C), Section 504 of the Rehabilitation Act of 1973, 29 U.S.C.A §794 et seq., The Americans with Disabilities Act of 1990, 42 U.S.C.A. §§12101-12213, Title VI of the Civil Rights Act of 1964, 42 U.S.C.A §2000d, the Age Discrimination Act of 1975, 42 U.S.C.A. §§6101-6107, Executive Order 11,063, Chapter 151B of the Massachusetts General Laws, and the Massachusetts Equal Rights Law, M.G.L. c 93, §103. In furtherance of this policy:

In carrying out the Plan, the IHA shall not discriminate on the basis of race, color, creed, religion, national or ethnic origin, citizenship, ancestry, class, sex, sexual orientation, familial status, disability, military/veteran status, source of income, age or other basis prohibited by local, state or federal law in any aspect of tenant selection or matters related to continued occupancy. The IHA shall affirmatively market to minorities and persons with disabilities.

**Applicants with Disabilities and Reasonable Accommodations:** The IHA shall make reasonable accommodations in policies or reasonable modifications of common areas or unit premises for all applicants with disabilities (as defined in the above listed Acts or any subsequent legislation) who require such changes to have equal access to any aspect of the application process or to the Development and its programs and services. The IHA shall, for example, arrange for sign language interpreters or other communication aides for interviews during the application process.

Appointments for an application or for reasonable accommodations, including materials in alternate formats, may be made by contacting the site office:

**One Agawam Village**

**Ipswich, MA 01938**

**P. 978 356 2860**

**F. 978 356 7715**

## **Eligibility and Selection Criteria**

### **1. Eligibility for Tenancy.**

To be considered for selection, applicants must submit a completed application and relevant consent forms. To determine threshold eligibility, the application may be accepted by a self-certifying statement. Third party verification shall not be required until final screening for occupancy. The IHA must verify the information needed to determine an applicant's eligibility within 90 days prior to the IHA's approval of the tenancy.

**Note:** Eligibility does not constitute acceptance and further screening is required to determine an applicant's ability to maintain a successful tenancy.

Eligibility shall be determined on the following basis:

### **2. Subsidy Program Requirements.**

Units within the Development receiving federal or state housing subsidies may only be occupied by those households meeting the criteria of the subsidizing program as set forth in Attachment 1 (Eligibility Requirements and Occupancy Standards). Requirements may include:

- (i) **Citizenship/Immigration Status Requirements.** Household must submit evidence and meet requirements established by the subsidy program for occupancy by non-citizens.
  
- (ii) **Maximum Income.** Household annual income must not exceed current income limits for the program to which application is made. Annual income may be below program limits but not so low as to make payment of basic rent obligations impractical. However, a household does not need to have income to be eligible for assisted housing programs that provide assistance to meet basic rent obligations through an assistance contract.
  
- (iii) **Household Characteristics.** Household characteristics, such as the number, age, relationship and gender of family members, must be appropriate to the size of the unit and adaptations made therein, pursuant to the subsidy program guidelines.
  
- (iv) **Student Status.** Section 8 Developments are restricted from providing assistance to students enrolled in institutions of higher education (either full or part time) who meet the criteria set forth in 24 CFR 5.612.

### **3. Screening for Suitability.**

In selecting tenants under the Plan, the IHA shall consider the essential requirements of tenancy and determine whether an applicant should be rejected for failing to meet such requirements.

Rejection of an applicant is appropriate where the IHA has a reasonable basis to believe that the applicant cannot meet the essential requirements of tenancy, which may be summarized as:

- (i) to pay rent and other charges under the lease in a timely manner;
- (ii) to care for and avoid damaging the unit and common areas, to use facilities and equipment in a reasonable way, and to not create health or safety hazards;
- (iii) not to interfere with the rights and enjoyment of others and not to damage the property of others;
- (iv) not to engage in any activity that threatens the health, safety or right to peaceful enjoyment of other residents or staff, not to engage in activity on or near the premises that involves illegal use of controlled substances or weapons, and not to engage in any criminal activity on or off the premises that would be detrimental to the housing should it occur on the premises; and
- (v) to comply with necessary and reasonable rules and program requirements of the housing provider.

The IHA shall apply the Screening Criteria uniformly to all applicants to prevent discrimination and avoid fair housing violations. The costs of screening shall not be charged to the applicant, but shall be borne by the IHA as an operating expense.

#### 4. Mitigating Factors.

In carrying out the selection of tenants under the Plan, the IHA must consider mitigating factors that rebut the presumption that an applicant shall be unable to meet the requirements of tenancy. Mitigating factors may include a showing of rehabilitation or rehabilitating efforts and must be balanced against the potentially disqualifying behavior or circumstances. In considering both the disqualifying behavior and mitigating factors, the IHA shall determine if there is a reasonable risk that the applicant shall be unable to meet the essential requirements of tenancy. Among the factors that should be considered are:

- the severity of the potentially disqualifying conduct;
- the amount of time that has elapsed since the occurrence of such conduct;
- the degree of danger, if any, to the health, safety and security of others or to the security of the property of others or to the physical conditions of the Development and its common areas if the conduct recurred;
- the disruption, inconvenience, or financial impact that recurrence would cause the housing

- provider; and
- the likelihood that the applicant's behavior will be substantially improved in the future.

In general, the greater degree of danger to the health, safety and security of others or to the security of property of others or the physical condition of the housing, the greater must be the strength of showing that a recurrence of the behavior which led to an initial determination that the applicant would not be able to meet the essential requirements of tenancy will not occur in the future.

Pursuant to the Violence Against Women Act (42 U.S.C. 1437f and 42 U.S.C. 1437d) and regulations promulgated in accordance therewith at 24 CFR Part 5, Subpart L, admission to the development shall not be denied on the basis that the applicant or household member is or has been a victim of domestic violence, dating violence or stalking, as defined in the aforementioned regulations, if the applicant or household member otherwise qualifies for admission.

In cases of alcohol or substance abuse, where an applicant claims that prior unacceptable tenancy-related behavior resulted from alcohol abuse or use of illegal drugs, acceptable verification of mitigating circumstances would have to establish that:

- (As applicable) There is no current illegal use, which includes activity within the last year, of controlled substances. If such use is documented, applicant must present evidence that such use has stopped and is unlikely to recur.
- (As applicable) There is no current abuse of alcohol, which includes abuse within the last year, and abuse is unlikely to recur.
- During the period for which the applicant has claimed no current use, the applicant's behavior as a tenant must have been acceptable.

In any case of confirmed, continued, unacceptable tenancy-related behavior, despite the cessation of drugs or alcohol use, an applicant may be rejected.

An applicant's ability and willingness to pay rent must be demonstrated through an identifiable source of sufficient income to pay rent and prior rental history. The lack of credit history, as opposed to poor credit history, is not sufficient justification to reject an applicant. An IHA must also take into account rent burden if an applicant can demonstrate a history of satisfying a higher rent burden than the IHA normally employs.

The IHA shall have the right to request information reasonably needed to verify the mitigating circumstances, even if such information is of a confidential nature (e.g. verifications from medical professionals that provide confidential information.). If the applicant refuses to provide

or give access to such further information the IHA may choose not to give further consideration to the mitigating circumstance.

If an applicant claims past tenancy-related problems were the result of a disability and some condition has changed making such behavior unlikely to recur, the IHA shall consider evidence supporting such claims. All applicants are responsible for providing verification for such claims. In instances where the applicant claims some services or treatment shall be available to enable the applicant to correct the problem behavior, the IHA shall require verification that such services are available and that the applicant is likely to continue to use such services or treatment.

#### 5. Screening Procedures.

To obtain information about an applicant's ability to meet the essential requirements of tenancy under the Screening Criteria, the IHA shall secure background information as follows:

(i) **Record of Prior Criminal History.** In gathering such record of prior criminal history, the IHA or its IHA(s) may obtain Criminal Offender Record Information (CORI) reports as part of the tenant selection process, but access and use of the CORI reports are subject to the provisions of 803 CMR 2.00 et seq. The IHA or its IHA(s) should ensure that none of the information obtained is collected or disseminated in violation of state or federal law.

(ii) **Sex Offender Registration Status (Required only for Federally Assisted Housing Developments, but may be gathered by non-federally assisted developments).** The IHA shall obtain information necessary to determine if the applicant or any household member is subject to registration with the Massachusetts Sex Offender Registry Board, pursuant to M.G.L. c. 6 Section 178C et seq., or a lifetime registration requirement under any state sex offender registration program. (See Attachment 2A) The IHA may verify the information provided by the applicant by searching the Dru Sjodin National Sex Offender Database (located at <http://www.nsopw.gov>) as recommended and in the manner set forth in HUD Notice H 2009-11.

(iii) **Verification of Citizenship/Immigration status (Required only for Federally Assisted Housing Developments or as otherwise necessary to comply with subsidy program requirements.).**

(iv) **Enterprise Income Verification (EIV) Existing Tenant Search (Required only for Federally Assisted Housing Developments)**

(v) **As required by HUD Notices H 09-20 and H 10-08, issued pursuant to 24 CFR 5.233, the IHA shall conduct an Existing Tenant Search in EIV, and use the information**

contained in the Existing Tenant Search Report, to determine if the applicant or any applicant household members are currently receiving HUD housing assistance (i.e. residing at another HUD Multifamily Housing or Public and Indian Housing (PIH) location).

(vi) References from landlords in the last five years or from the last two successive tenancies, whichever is more inclusive. In absence of landlord references the IHA may elect to visit the applicant's current residence to assess housekeeping habits, except that the IHA may elect not to visit an applicant's current residence if such residence is more than thirty (30) miles from the Development. For the purposes of this subsection, an applicant's current residence shall not include a medical treatment facility or rehabilitation facility.

(vii) Credit references furnished by a credit bureau. Information to be considered should not be more than five years old.

(viii) Verification of income either from a present employer, appropriate agency, financial institution or other appropriate party.

(ix) Verification of a disability to determine whether a family or person meets the definition of disability used to determine eligibility for occupancy at the Development or for preferences, or to identify applicant needs for features of accessible units or reasonable accommodations. The IHA may not specifically ask for or verify the nature and extent of the disability. There are ways to verify disability status without obtaining detailed information or information that must not be collected.

Verification of disability may be obtained through a third-party verification form sent by the IHA to an appropriate source of information, including but not limited to the individual's physician, care worker of the elderly, social worker, psychiatrist, or the Veterans Administration. If a third-party form is used, it must be signed by the Applicant authorizing the release of such information to the IHA. The form should provide the definitions of disability used to determine eligibility and rent, and should request that the source completing the form identify whether the Applicant meets the definition. In this way the IHA is not required to make any judgments about whether a condition is considered a disability, and shall not have prohibited information. For examples and further guidance, see Appendix 15 to HUD Handbook 4350.3 REV-1. Receipt of social security disability payments may be adequate verification of an individual's disability status for housing subsidy programs using the Social Security's definition for a person with disabilities.

## **Application to Housing**

Application forms shall be distributed and accepted in the manner(s) indicated below:

By mail or in person at:

Ipswich Housing Authority  
One Agawam Village  
Ipswich, MA 01938

The application form shall at a minimum:

- solicit all the necessary information to determine program and project eligibility;
- provide the opportunity to state the need or desire for an accessible unit;
- provide notice of the right to a reasonable accommodation of a disability;
- include the Equal Opportunity logo and slogan, as well as the Accessibility logo, if required;
- include the non-discrimination statement;
- provide the opportunity to indicate eligibility for a preference; and
- include a notice that the IHA shall communicate with the applicant in the manner or format requested by the applicant if necessary because of a disability.

All members of the household must be listed on the application form. In addition to the application form, the IHA shall also obtain the Applicant's consent to obtain third-party verifications or references. Household members 18 years or older, including any personal care attendant (PCA) (or, for Federally Assisted Housing Developments, any Live-in Aide), must sign a release to conduct criminal and landlord history references. In the case of applications for Federally Assisted Housing units, all adult household members (18 years of age and older) must sign (i) Notice and Consent for the Release of Information (Form HUD 9887), and (ii) Applicant's/Tenant's Consent for the Release of Information (Form HUD 9887A). In the case of applications for units participating in state subsidy programs, all adult household members must sign the Consent for Release of Information as presented in Attachment 4.

**Note:** Credit information for PCAs (or Live-in Aide) is not required since their income is not included in the household income calculation. A PCA is defined as a person who resides with a household member with a disability and who (a) provides necessary assistance in activities of

daily living to such household member insofar as he or she requires such assistance on account of his or her disability; (b) is not obligated for support of the disabled household member; (c) would not be residing in the unit except to provide such necessary assistance to the household member; and (d) would otherwise move out of the unit upon termination of his or her employment as a personal care attendant or termination of the lease by the disabled client, whichever comes first. (The definition and requirements for a Live-in Aide are found in 24 CFR 5.403 and HUD Handbook 4350.3 REV-1, Section 3-6 (E)(3)(a).)

In accepting applications for occupancy of Federally Assisted Housing units, the following additional requirements shall apply:

(i) **Verification of Citizenship/Immigration Status.** The IHA shall require the Applicant to submit evidence of citizenship or eligible immigration status as may be required by HUD to establish eligibility for occupancy. The policies and procedures for implementing this requirement are found in Attachment 1A (Citizenship/Immigration Status Requirements).

(ii) **Proof of Social Security Numbers for Household Members.** The IHA shall require that the Applicant provide social security numbers (SSN) for all non-exempt household members.

**Note:** Applicants do not need to disclose or provide verification of a SSN for all non-exempt household members at the time of application and for placement on the waiting list. However, applicants must disclose and provide verification of a SSN for all non-exempt household members before they can be housed.

Failure to respond within 14 days to the IHA's requests for documentation or information to process the application shall result in rejection of the application. The IHA may make exceptions to the procedures described herein to take into account circumstances beyond the applicant's control, including medical problems or extreme weather conditions.

The IHA shall offer assistance to the applicant in completing the application, explain the tenant selection process, define preferences, and explain the verification process with respect to preferences.

It is the policy of the IHA to guard the privacy of individuals in accordance with the Federal Privacy Act of 1974 and the Massachusetts Privacy Act, and to ensure the protection of records maintained by the property concerning the applicants or tenants.

The IHA shall not disclose any personal information contained in its records to any persons or agencies other than MassHousing or other authorized government agencies unless the

individual about whom information is requested has given written consent to such disclosure, or unless disclosure is otherwise in accordance with provisions of the state or federal privacy acts.

This privacy policy in no way limits the IHA's ability to collect such information as it may need to determine eligibility, compute rent, determine an applicant's suitability for tenancy, or to gather information to process reasonable accommodations requests under Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Fair Housing Act, and state law.

The above policies in no way limit the right or duty of the IHA to make abuse, neglect or other protective service or emergency reports. Additionally, such policies do not forbid management from sharing information in the public domain with relevant service or government agencies.

### 1. Processing of Applications.

In general, applications shall be processed in accordance with the following steps:

- A. **Receiving and Recording** – Upon receipt of an application to housing, the IHA shall indicate on the application the date and time received, either by using a date and time stamp, or by writing and initialing the date and time received.
- B. **Review for completeness** - Applications shall first be reviewed for completeness. Incomplete applications shall be rejected and returned to the applicant. Applications shall not be evaluated until all of the required information has been provided.
- C. **Preliminary determination of program ineligibility** - Completed applications shall be reviewed for income eligibility and compliance with any categorical eligibility requirements for the program, such as age or disability. Applications determined ineligible shall be rejected in accordance with procedures outlined herein.
- D. **Preliminary determination of program eligibility** - When there are more applicants on the waiting list than units currently available, and the anticipated duration of the waiting list exceeds ninety days, the IHA shall make a preliminary determination of eligibility, based on the applicant's self-certified statement as to his or her income, assets, age, disability status, and preference or priority status. Applicant shall be notified of the status of his/her application in accordance with procedures outlined herein.
- E. **Waiting list placement** - Once a fully completed application is determined to meet income eligibility requirements and the household composition is determined appropriate for a unit at the Development, the applicant shall be placed on the

appropriate waiting list(s). Assignment to a position on the waiting list shall be based on the preliminary determination, and shall be formally verified as the applicant's name advances on the waiting list. However, if the anticipated duration on the waiting list is less than 90 days, formal verification shall be required immediately. The applicant shall be placed on the waiting list, by date of receipt of the completed application within the correct income category and then within the correct preference category as applicable. Applicants eligible for handicapped accessible units must be placed on lists for both accessible and standard units.

F. Formal verification – If, subsequent to the preliminary determination of eligibility, the IHA determines that the formal verification of income, assets, or claimed priority status differs from the applicant's self certification, the applicant may be:

- (i) reassigned to another waiting list (i.e. smaller or larger bedroom size);
- (ii) reassigned to a different preference status; or
- (iii) determined ineligible.

## 2. Notification of Decision on Application.

The IHA shall send a written response to the applicant advising such applicant of the status of the application. The response shall be mailed not more than sixty days from the date of receipt of the application. Alternate formats for responding to an applicant with a disability shall be provided upon applicant's request.

## 3. Provisions Relating to Rejection of an Application.

If the applicant is not accepted, or is not placed on the waiting list for admission, the IHA shall follow the procedures outlined in section 3 above, and shall include the following in its written response to the applicant:

- the reason(s) for the rejection;
- notice that the applicant or his or her representative, prior to or at the conference with the IHA, has the right to inspect the documentation on the basis of which the rejection was made and any other documentation pertinent to the applicant's eligibility, suitability, qualification or entitlement to priority or preference status. The IHA shall make reasonable arrangements for photocopying any such documentation as the applicant may specify with sufficient advance notice, except that in the case of a credit report, the applicant shall obtain the report from the credit reporting agency;
- notice that the applicant has fourteen days to respond in writing or request a meeting with the IHA to dispute the rejection; and
- notice that the applicant has the right to request a reasonable accommodation if the

applicant believes that, with such an accommodation, the applicant would be suitable for admission and that the applicant was rejected for a reason arising from the applicant's disability.

#### 4. Preferences, Priorities and Targeting

This Section describes the preferences, priorities, and targeting that shall be applied in the selection of residents under the Plan for Agawam Village and Agawam Village Family residents. Applicants with preferences are selected from the waiting list and receive an opportunity for an available unit earlier than those who do not have a preference. Preferences affect only the order of applicants on the waiting list. They do not make anyone eligible who was not otherwise eligible, and they do not change the IHA's right to apply or modify the tenant selection criteria found elsewhere in this plan.

The IHA shall inform each applicant about available preferences, and provide an opportunity for each applicant to show that they qualify for available preferences.

**1st Priority - Homelessness due to Displacement by Natural Forces:** An applicant, otherwise eligible and qualified, who has been displaced by:

- (i) fire not due to the negligence or intentional act of applicant or a household member;
- (ii) earthquake, flood or other natural cause; or
- (iii) a disaster declared or otherwise formally recognized under disaster relief laws.

**2nd Priority - Homelessness due to Displacement by Public Action (Urban Renewal):** An applicant, otherwise eligible and qualified, who will be displaced within 90 days, or has been displaced within the three years prior to application, by:

- (i) any low rent housing project as defined in M.G. L. c. 121B, § 1, or
- (ii) a public slum clearance or urban renewal project initiated after January 1, 1947, or
- (iii) other public improvement.

**3rd Priority - Homelessness due to Displacement by Public Action (Sanitary Code Violations):** An applicant, otherwise eligible and qualified, who is being displaced, or has been displaced within 90 days prior to application, by enforcement of minimum standards of fitness for human habitation established by the State Sanitary Code or local ordinances, provided that:

- (i) neither the applicant nor a household member has caused or substantially contributed to the cause of enforcement proceedings; and
- (ii) the applicant has pursued available ways to remedy the situation by seeking

assistance through the courts or appropriate administrative or enforcement agencies.

Note: For purposes of this subsection, "enforcement" is interpreted as a formal condemnation of the apartment. Citation for code violations does not, without more, constitute a condemnation.

**4th Priority – Involuntary Displacement by Domestic Violence:** "Domestic Violence" as defined in M.G.L. c. 209A means actual or threatened physical violence directed against one or more members of the applicant's family by a spouse or other member of the applicant's household. An applicant is involuntarily displaced by domestic violence if:

- (i) The applicant has vacated a housing unit because of domestic violence; or
- (ii) The applicant lives in a housing unit with a person who engages in domestic violence.

If the applicant is still living in the housing unit with a person who engages in domestic violence at the time of selection, the violence must have occurred within six months or be of a continuing nature.

Priority for Involuntary Displacement by Domestic Violence applies only to households with one or more children under the age of 18.

**5th Priority - Transfer for good cause**

3. Additional Optional IHA Preferences (as allowed under applicable program rules). If specified below, the IHA shall apply Additional Optional IHA Preferences in determining the order of an applicant's placement on the waiting list as may be allowed under applicable program rules. Unless otherwise indicated below, such preferences are subordinate to the required preferences set forth elsewhere in this section (Section E) and shall be applied in descending order as set forth below:

(i) the need to satisfy a reasonable accommodation request.

(ii) Local (Resident) Preference

Defined as a household in which one or more members is living in the city or town in which the Development is located at the time of application. Documentation of residency should be provided, such as rent receipts, utility bills, street listing or voter

registration listing.

Or one or more applicants are employees of Local Businesses.

**NOTE:** All preferences must comply with non-discrimination, equal opportunity, and Fair Housing requirements, and the Development's Affirmative Fair Marketing Plan must demonstrate what efforts will be taken to prevent a disparate impact or discriminatory effect on non-local residents of protected classes. Specifically, to prevent such disparate impact or discriminatory effect, if the Development adopts a Local (Resident) Preference, applicants may not be admitted or added to a waiting list for the duration of the Preference EXCEPT through the use of a lottery process described in Section F below or as otherwise permitted in writing by MassHousing.

## Mandatory Income Targeting

The IHA may only lease assisted units to families whose income does not exceed fifty percent (50%) of the area median income ("very low income") at the time of admission, unless:

(i) the assisted units were available for occupancy under a Section 8 Housing Assistance Payments Contract effective before October 1, 1981, and are being leased on or after that date, in which case not more than twenty five percent (25%) of the assisted units may be leased to families whose income exceeds very low income but does not exceed eighty percent (80%) of the area median income ("low income") at the time of admission, unless otherwise limited by HUD (see 24 CFR 5.653(d)(1)); or

(ii) written permission is obtained from HUD pursuant to 24 CFR 5.653(d)(3) as noted below to lease a portion of the assisted units to families whose income exceeds very low income but does not exceed low income at the time of admission.

In addition to the 50% area median threshold, HUD mandates that if the Development is receiving project-based Section 8 housing assistance payments as noted below, the IHA shall make at least forty percent (40%) of the assisted units (i.e. those units in the Development for which the IHA receives project-based Section 8 housing assistance payments) that become available in each of the Development's fiscal year available for leasing to families whose income does not exceed thirty percent (30%) of the area median income ("extremely low income") at the time of admission.

In carrying out this requirement, the IHA shall obtain the Income Limits for Section 8 Programs published by HUD periodically.

(a) Applicability of Mandatory Income Targeting Requirements (check one):

The assisted units in the Development were available for occupancy under a Section 8 Housing Assistance Payments Contract effective before October 1, 1981, and are being leased on or after that date, in which case not more than twenty five percent (25%) of the assisted units may be leased to families whose income exceeds very low income but does not exceed low income.

Note: this allowance remains subject to HUD limitation pursuant to 24 CFR 5.653(d)(1).

© Method to Comply with Income Targeting Requirements (check one):

NOTE: To be applied only after a determination by the IHA that the composition of the waiting list shall not allow the Development to achieve the income targeting requirement by simply following the standard waiting list order.

The IHA should periodically review the composition of admissions to confirm that the 40% target shall be met for that fiscal year. If this periodic review reveals that admissions of extremely low-income applicants are below the 25% requirement, the IHA shall use one of the methods specified below to ensure that the requirement is met by the end of the fiscal year.

Method – Admit only extremely low-income families until the 40% target is met. In chronological order, the IHA shall select eligible applicants from the waiting list whose incomes are at or below the extremely low-income limit to fill the first 40% of expected vacancies in the property. Once this target has been reached, admit applicants in waiting list order.

## Waiting Lists

The IHA shall establish and administer its Waiting Lists in accordance with the following policies.

1. Waiting lists shall be maintained on a computer report.
2. Waiting lists must include the following data taken from the application:
  - (a) Date and time the applicant submitted the application;
  - (b) Name of the head of household;
  - (c) Annual income level (used to estimate levels for income-targeting i.e. extremely low-income, very low-income, low-income and moderate income);
  - (d) Identification of the need for an accessible unit, including the need for accessible feature i.e. visually or hearing impaired;
  - (e) Preference status; and
  - (f) Unit size.

### 1. Organization of Waiting Lists.

Wait lists shall be organized by type of unit (subsidy, physically adapted unit, etc). A separate list is required for every type of unit. "Type of unit" is defined in several ways, including:

- (i) the number of bedrooms, as well as the number of bathrooms, or ancillary rooms, such as a den or dining room.
- (ii) the physical characteristics of the unit, such as accessible features.

Each applicant must be placed on the appropriate waiting list(s) chronologically according to

the date and time of the completed application within the applicable preference categories. Non-preference applicants shall be placed on the waiting list per the date and time of the completed application.

If an applicant is eligible for tenancy, but no appropriately sized unit is available, the IHA shall place the family on a waiting list. Households that are eligible for more than one size of unit (by bedroom size) may choose to be placed on multiple waiting lists, as appropriate, and the IHA shall respect the bedroom size option chosen by the applicant unless such choice violates the state sanitary code, other applicable laws, or the Development's Occupancy Policy. Persons using a wheelchair or requiring similar accommodations may apply for a standard unit, as well as an accessible unit, in their discretion.

The IHA's records shall indicate the date the applicant is placed on the waiting list. Whenever a change is made in the waiting list, an action is taken, or an activity specific to an applicant occurs, a notation must be made on the waiting list. In instances where the applicant asks to be passed over until the next vacancy (for non-medical reasons), the IHA may allow applicant to retain his position on the waiting list. However, an applicant's failure to accept the next available vacancy shall result in the applicant being placed on the waiting list as if the application had been received on the date of the second refusal.

The IHA should contact applicants in writing annually or semi-annually to verify continued interest in remaining on the Development's waiting list. The IHA may require interested applicants to contact the Development in order to remain on the waiting list, and may remove from the waiting list those applicants who do not respond within thirty (30) days. A model letter to verify continued interest in remaining on the waiting list is attached to the Plan as Attachment 8 (Annual Waiting List Update).

The waiting list may be closed for a specific unit size or type if the projected turnover rate indicates that an applicant would be unable to obtain a unit within one year. Before closing a waiting list, the IHA must receive written approval from DHCD. Thereafter, the IHA shall post a notice at the Development that indicates: (a) the date the list will be closing and (b) IHA telephone number, fax number and TDD number for verification. Notice must be in 14 point (or larger) print and in an accessible location(s). The IHA shall further publish a notice in a publication likely to be read by potential applicants stating that the Development will no longer accept applications and the reasons therefore.

When an applicant pool is not large enough to warrant the closure of the waiting list, the list shall be reopened. DHCD must receive written notification of the list's reopening, and public notice shall be placed in area publications and as otherwise required by the Development's Affirmative Fair Marketing Plan. The public notice should include rules for applying and the

order in which applications will be processed.

**NOTE:** Prior to removing an applicant's name from the waiting list, the IHA shall send written notice of the action, or notice in requested alternate format, to the applicant, at the applicant's address of record, or to any person designated by the applicant to receive a copy of such notices as a form of reasonable accommodation.

The status of waiting lists (i.e. whether open or closed) shall be reported, upon change but not less frequently than once every twelve months, to (i) the Massachusetts Accessible Housing Registry (MassAccess).

## **Vacancies**

In filling vacant units, the IHA shall first offer current residents the option to relocate to another unit in the Development, provided such residents meet one of the following transfer conditions:

- Residents are housed in over-crowded conditions and have requested a larger unit appropriate for their household size;
- Residents are housed in units providing a greater number of bedrooms than warranted for their household size (such transfers are not volitional, and refusal to relocate by the household shall result in termination from the subsidy program upon thirty days notice);
- Residents who require the features of an accessible unit, or require the features of another unit as necessary to provide a reasonable accommodation, provided that verification of the need has been made by the IHA; and
- Residents who occupy, but do not need the features, of an accessible unit if another resident or applicant needs an accessible unit (such transfers are not volitional, and refusal to relocate by the household shall result in termination from the subsidy program upon thirty days notice).

The IHA shall maintain a formal waiting list for current residents seeking to relocate to other units pursuant to these conditions. When a vacancy occurs, the IHA shall determine if a transfer is warranted from the internal waiting list before proceeding to the external waiting list to select an applicant for the vacant unit.

### **1. Filling of Vacancies**

In the event that there are no current residents of the Development to fill the vacant unit, the

IHA shall offer the vacant unit to the next qualified applicant for that unit type found on the waiting list.

1. The IHA must retain current applications as long as their status on the waiting list is active.
2. Once the applicant is taken off the waiting list, the IHA must retain the application, initial rejection notice, applicant reply, copy of the IHA's final response, and all documentation supporting the reason for removal from the list for three years.
3. When an Applicant moves in, the IHA must retain the application, supporting documentation (including the IHA's verification efforts) for the duration of the tenancy and for three years after the tenant leaves the property.
4. The IHA must maintain the applicant and tenant information in a way to ensure confidentiality. The confidentiality of records containing criminal background checks and other personal information are regulated by state and federal law and carry penalties for negligent disclosure and improper use. The IHA should consult with counsel to ensure compliance with state and federal record retention laws.

#### Limited English Proficiency (LEP) Services

The IHA shall determine, as part of its obligation to take reasonable steps to ensure meaningful access to the Development and its programs by persons with Limited English Proficiency (LEP), those Oral Language Services (i.e. Interpretation) and Written Language Services (i.e. Translation) that may be required in connection with the implementation of this Plan.

#### Modification of Tenant Selection Regulations

The IHA acknowledges that HUD or DHCD may, from time to time, modify the requirements of their respective tenant selection regulations or policies. The IHA agrees that, upon reasonable notice, the IHA shall amend the Plan to satisfy such changes.

#### Review and Modification of Tenant Selection Plan

The IHA shall review periodically, but not less than once per calendar year, the Plan for compliance HUD & DHCD Regulations and Subsidy Program Requirements. The IHA may modify the Plan and the policies related to the selection of tenants at any time, subject to prior approval by DHCD. The IHA shall send notice of the modification and a description of the changes made to the Plan to applicants on the waiting list within thirty (30) calendar days of the effective date of the modification.

#### Plan Available to Public Upon Request

The IHA shall make copies of the Plan available to the public, including Applicants and residents of the Development, upon request.