

The CA Quarterly Review



Assisted Housing Services Corporation Spring 2018

Welcome to the **Spring 2018** edition of the Assisted Housing Services Corporation quarterly newsletter.

From the Desk of Justin Davis, General Manager of Contract Administration

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"Quality means doing it right when no one is looking."

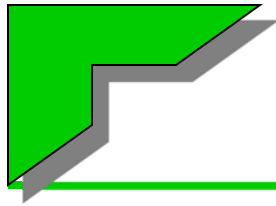
- Henry Ford

Everyone can breathe a sigh of relief; Spring is upon us. The first flowers are starting to bloom. Gardens are being planted. Birds are chirping. The sun is shining longer each day. And everyone's bracket is messed up. Ahhh, Spring!

As some of you may be aware, in late 2017, HUD issued two draft solicitations that sought to identify interested partners for Housing Assistance Payments (HAP) Contract Regional Support Services (HAPRSS) and Housing Assistance Payments (HAP) Contract National Support Services (HAPNSS) (Formerly known as Performance-Based Contract Administrator (PBCA) Program). AHSC, as well as many other interested industry partners submitted responses to HUD. In early March, because of the many comments HUD received regarding the draft solicitations, HUD has cancelled the solicitations in their entirety. HUD is taking time to perform additional due diligence to ensure all comments and recommendations are considered in developing the final approach to obtaining the services to replace the current PBCA services. HUD expects to take several more months to develop the new solicitations.

Since MORs were reinstated in 2016, AHSC has seen and recognizes the hard work the owners, their agents and their staff have put in to ensure that tenants live in a home that is decent, safe, sanitary and in good repair. Thank you for all the effort that you put in everyday!

Justin C. Davis
General Manager of Contract Administration, Ohio and Washington D.C.



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Announcing Our New State Manager, Mark Pascoe

AHSC is proud to announce the promotion of Mark Pascoe to the State Manager position in January of 2018. As State Manager, Mark will be responsible for the contract oversight for AHSC OH. His responsibilities include portfolio management, customer relations, and operations management. In this role, Mark will assume overall management and production reporting responsibility for the core activities performed. Mark provides leadership and oversight to supervisors, senior consultants, inspectors, and contract specialists who all assist with the PBCA contract.



Mark started his career with AHSC in 2007 when he was hired as a Central Contract Specialist and has since enjoyed roles of increasing responsibility. In 2008, he was promoted to the Regional Manager of the Cincinnati portfolio. A year later, Mark transferred to our Training and Compliance department where he worked as the Training and Compliance Manager for both the Ohio and Washington, DC contracts. In this capacity, he oversaw all new hire and continuing training for staff, authored procedural manuals, and updated policies to remain in compliance with HUD regulations. Within this role he also had the opportunity to train at various MAHMA conferences in Ohio, Michigan, Wisconsin, and Indiana.

After his time with the Training and Compliance Department, Mark experienced another promotion in 2014 and served as the Columbus Area Manager. As the Area Manager, Mark provided day-to-day guidance and served as a subject matter expert on affordable housing in addition to monitoring his staff's assigned work product under the Annual Contributions Contract (ACC) with HUD.

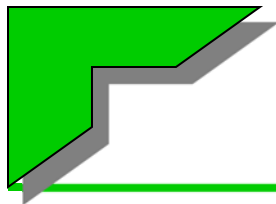
Prior to joining CGI, Mark spent 13 years working in the retail industry. He has a passion for golf that he turned into a very successful career managing various golf retail stores throughout Ohio. It was during this time that Mark honed his management skills and the philosophies that he utilizes to this day.

Mark grew up in Buffalo, New York and attended Grove City College just outside of Pittsburgh where he earned his Bachelor's degree in Business Administration. He played a variety of sports growing up and played collegiate soccer. After graduation, Mark lived in Pittsburgh prior to moving to Columbus, Ohio in 1994.

Mark's wife, Tami, a born and raised Buckeye, has enjoyed a very successful career as a Project Manager at Battelle in their transportation division. Mark has a son, Zachary, who is completing his Engineering degree at Ohio State.

Along with playing golf whenever possible, Mark is an avid sports fan. While not being born in Ohio, he has quickly become an OSU sports fan while still being painfully loyal to his hometown teams. Mark and Tami enjoy traveling, particularly taking cruises, as well as camping, spending time at the beach or simply going to any of our local parks with their dog Dakota.

Mark believes that the successes of any organization depend on the strength and development of its members. His philosophy has always been that organizations win by developing their people and empowering their members to take an active role in developing their careers. Mark is looking forward to continuing strengthening his relationships with the Ohio staff as well as all of our industry partners.



Release of Updated Residents Rights and Responsibilities Brochure

On March 8, 2018, The Office of Multifamily Housing Programs has released an updated Resident Rights and Responsibilities brochure. It is available to download and print at:

https://www.hud.gov/sites/dfiles/Housing/documents/resident_rights_brochure_8.pdf.

Printed copies are not currently available from the Multifamily National Clearing House but may be available in limited quantities later this year.

Translation of the updated brochure to other languages is currently pending and will be posted to HUD's Fair Housing and Equal Opportunity website at: https://www.hud.gov/program_offices/fair_housing_equal_opp, once complete.

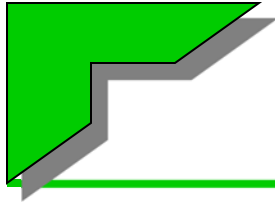
NOTE: This is a new brochure, differing from the 10/1/17 version. Owner/Agents must ensure that they implement the use of this new brochure for all MI and AR certifications signed 3/8/2018 and beyond.

It will be reviewed at your MOR that the new brochure had been available at the time of the recertification or MI process.

Here is an overview of the changes, the lines in **bold** are the major changes:

Page 1:	Provides additional clarification regarding which department of HUD issued the brochure and which programs the brochure applies.
	<ul style="list-style-type: none"> • <i>Issued by the Office of Multifamily Housing Programs</i> • <i>Brochure applies to assisted housing programs administered by the Office of Multifamily Housing Programs</i>
Page 2:	Changed order of bulleted items
	<ul style="list-style-type: none"> • <i>Statement moved from bottom of page to first paragraph "The brochure briefly lists some of the most important rights and responsibilities to help you get the most out of your home" to first paragraph.</i> • <i>Added "Property" before "Management Agent"</i>
Page 3:	Provides clarification of rights involving lead-based paint in the assisted unit and disclosure of lead-based paint disclosure by the landlord.
	<ul style="list-style-type: none"> • Rights: <i>Involving Your Apartment</i> <ul style="list-style-type: none"> • <i>Added "deteriorating paint" to first bullet</i> • <i>Added "The right to receive a lead disclosure form disclosing the landlord's knowledge of any lead-based paint or lead-based paint hazards, available records and reports, and a lead hazard information pamphlet before you are obligated under your lease" as bullet #2</i> • Rights: <i>Involving Resident Organizations</i> <ul style="list-style-type: none"> • <i>Reordered bullets moving "The right to be recognized by property owners/management company as having a voice in residential community affairs" from bullet #5 to bullet #3</i>

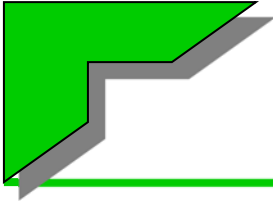
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Release of Updated Residents Rights and Responsibilities Brochure (cont.)

Page 4:	Defines protected classes in greater detail, now references the law, and adds the right to reasonable accommodation.
	<ul style="list-style-type: none"> • Rights: <i>Involving Nondiscrimination</i> <ul style="list-style-type: none"> • <i>Revised statement under this section to add the name of regulation that requires non-discrimination and the right to reasonable accommodation. The new brochure defines protected group in more detail.</i> <ul style="list-style-type: none"> • <i>Old version: The right to equal and fair treatment and use of your building’s services and facilities, without regard to race, color, religion, gender, sexual orientation, gender identity, disability, familiar status (children under 18), national origin (ethnicity or language), or in some circumstances, age.</i> • <i>New version: The right, <u>under the Fair Housing Act of 1968 and other civil rights laws</u>, to equal and fair treatment and use of your building’s services and facilities, without regard to race, color, religion, sex, disability, familial status (having children under 18) or national origin (ethnicity or language). <u>Residents with disabilities are also reserved the right to reasonable accommodations.</u> In some cases, the prohibition against age discrimination under the Age Discrimination Act of 1975 may also apply. In addition, residents have the right, under HUD’s Equal Access Rule, to equal access to HUD programs without regard to a person’s actual or perceived sexual orientation, gender identity, or marital status.</i> • Your Responsibilities <ul style="list-style-type: none"> • <i>Added statement “You should be aware of the following responsibilities” to first paragraph.</i>
Page 5:	Clarifies and expands programs in which residents have the right to be involved in decisions affecting their home.
	<ul style="list-style-type: none"> • Responsibilities: <i>To the Property and Your Fellow Residents</i> <ul style="list-style-type: none"> • <i>Bullet #7—moved beginning paragraph mark</i> • In decisions affecting your home <ul style="list-style-type: none"> • <i>First paragraph: Capitalized “Contract Administrator” and clarifies and expands programs in which residents rights applies (<u>underline text added</u>) If your building was funded <u>or currently receives assistance under HUD’s Rental Assistance Demonstration (RAD), Section 236 (including the Rental Assistance Program (RAP), Section 221(d) (3)/below market interest rate (BMIR), Section 202 Direct Loan, Rent Supplement, Section 202/811 Capital Advance programs, 811 (Project Rental Assistance), or is assisted under any applicable project-based Section 8 program (except for the Section 8 Moderate Rehabilitation program), you have the right to be notified of or, in some instances, to comment on the following</u></i>

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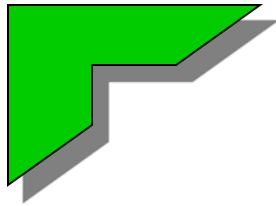


Release of Updated Residents Rights and Responsibilities Brochure (cont.)

Page 6:	<p>6th bullet point now references the law. The statement the owners are required to accept Enhanced Vouchers has been removed.</p>
	<ul style="list-style-type: none"> • <i>Eligibility for Enhanced Vouchers: Removed “which owners are required to accept”</i> • <i>Bullet #10: Added regulatory document “identified by the Uniform Relocation Act”</i>
Page 7:	<p>Expands directions to obtain contact information.</p> <ul style="list-style-type: none"> • Provides residents the right to contact property owners. • Provides method to obtain contact information of HUD’s Account Executive. • Adds the HUD EPA National Lead Information Center as an agency that can provide additional assistance. • Includes TTY number for persons who are deaf or hard of hearing or have speech disabilities. • Provides residents with selection path when searching for their local field office online.
	<ul style="list-style-type: none"> • <i>For additional help or information, you may contact:</i> <ul style="list-style-type: none"> • <i>First bullet point changed “property manager” to “property owner”</i> • <i>Bullet #2 added method to contact HUD’s Account Executive “Refer to on-line resources for contact information”</i> • <i>Added the HUD-EPA National Lead Information Center 1-800-424-LEAD</i> • <i>Added persons who are deaf or hard of hearing or have speech disabilities may reach the numbers above through the Federal Relay (FedRelay) teletype (TTY) number, 800-877-8339, or by other methods shown at www.gsa.gov/fedrelay.</i> • <i>Added to locate your field office, select: Contact My Local Office (under the I Want To section)</i>

Reminder on Upcoming Baseline Submissions

Your property may be coming due for a Baseline Utility Allowance submission based on the triennial cycle. You are reminded to reference the **Winter 2017 Edition of the AHSC Quarterly Newsletter** for an in-depth article on how to prepare and submit a Baseline. You may also reference **HUD Notice 15-04** and the Updated **HUD UA FAQs** for additional guidance regarding Baseline submission requirements.



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Live-In Aides

Have you had a tenant request a live-in aide? Then you know, verifying the need for a live-in aide may be the easy part. Determining who can be a live-in aide and the resulting leasing/occupancy issues typically generate the most questions from owner/agents.

A live-in aide is defined as a person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities, and who:

1. Is determined to be essential to the care and well-being of the person(s);
2. Is not obligated for the support of the person(s); and
3. Would not be living in the unit except to provide the necessary supportive services.

Both HUD and the Fair Housing Act prohibit owners from following policies or practices that discriminate overtly on the basis of disability such as a policy which prohibits tenants from having live-in aides.

Who Qualifies for a Live-in Aide?

A tenant qualifies for a live-in aide when they meet the definition of “person with disabilities” or “disability (Handicap)” as defined for Civil Rights Protections and need assistance of a live-in aide to provide the necessary supportive services essential to their care and well-being.

Owners must obtain verification from the tenant’s physician, psychiatrist, or other medical practitioner of health care provided certifying that the live-in aide is needed to provide the necessary supportive services essential to the care and well-being of the person.

The owner must approve a live-in aide if needed as a reasonable accommodation to make the program accessible to or usable by the family member with a disability.

The owner may not require applicants or tenants to provide access to confidential medical records or to submit a physical examination.

If a person’s disability is obvious, or otherwise known to the provider, and if the need for the requested accommodation is also readily apparent or known, then the provider may not request any additional information. The tenant file should be documented to support why verification was not obtained.

Who can be a Live-in Aide?

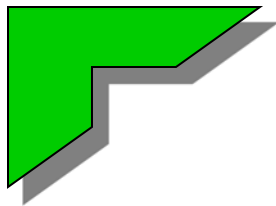
A live-in aide is chosen by the tenant and is a person who is determined to be essential to the care and well-being of the tenant. However, this person can’t be obligated for the support of the tenant and would not be living in the unit except to provide the necessary supportive services.

The live-in aide must disclose and provide verification of their SSN and must be screened for drug abuse and other criminal activity, including State lifetime registration as a sex offender. Owner established screening criteria may also be applied to live-in aides, except for the criterion regarding the ability to pay rent on time because live-in aides are not responsible for rental payments. Owners must process an EIV Existing Tenant Search for the live-in aide. If the live-in aide does not pass the owner’s screening criteria, the owner must consider an alternate live-in aide selected by the tenant.

The most common question asked by owner/agents is whether or not a relative can be a live-in aide. There is no rule against a relative being a live-in aide, provided that the relative is:

- Essential to the care and wellbeing of the tenant;
- Is not obligated for the support of the tenant; and,
- Would not be living in the unit except to provide the necessary supportive services.

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Live-In Aides (cont.)

An adult child is eligible to move into a Section 202/8 project after initial occupancy only if they are essential to the care or well-being of the elderly parent(s). The adult child may be considered a live-in aide if they:

- Would not be living in the unit except to provide the necessary supportive services;
- Are not obligated for the support of the tenant;
- Are determined to be essential to the care and wellbeing of the tenant; and
- There is a verified need for a live-in aide in accordance with the Handbook.

An adult child is not eligible to move into a Section 202 PRAC or Section 811 PRAC after initial occupancy unless they are performing the functions of a live-in aide and are eligible to be classified as a live-in aide for eligibility purposes.

Only the live-in aide can live in the unit with the tenant. No other member of the live-in aide's family can live in the unit. A live-in aide is "a person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities."

Tenant files should be clearly documented regarding the status of the live-in aide.

Leasing/Occupancy Issues

When determining an appropriate unit size for the household, owners must count the live-in aide however, when determining family size for establishing income eligibility, the live-in aide is not included.

Although a live-in aide occupies the unit, the live-in aide is not considered a tenant. The live-in aide's income is excluded from the household's annual income and they may never be counted as a dependent.

Unreimbursed out-of-pocket expenses for services provided by the live-in aide such as nursing services (dispensing of medications or providing other medical needs) and personal care (such as bathing or dressing), are considered as eligible medical expenses. Homemaker services such as housekeeping and meal preparation are not eligible medical expenses.

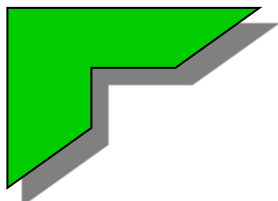
The live-in aide qualifies for occupancy only as long as the individual needing supportive services requires the aide's services and remains a tenant. The live-in aide may not qualify for continued occupancy as a remaining family member.

Owners are encouraged to use a HUD-approved Live-in Aide Addendum. The Live-in Aide Addendum must establish that a live-in aide is not eligible to remain in the unit once the tenant is no longer living in the unit, regardless of the circumstances for the tenant's departure. The Live-in Aide Addendum may give the owner the right to evict a live-in aide who violates any of the house rules. The live-in aide should not be listed on the lease except on the Live-in Aide Addendum.

Owners are obligated to transfer tenants to different units as a reasonable accommodation to a household member's disability when a larger unit is needed to accommodate a live-in aide. Transfers which are needed as a reasonable accommodation should be made on a priority basis.

The information contained in this article was found in the HUD Handbook 4350.3 REV-1, Change 4, Chapter 3, Paragraphs 3-6 and 3-23 and Chapter 4, Paragraph 4-7. Additional live-in aide guidance can be found in Chapters 6 and 7.

If you are not already receiving this publication via e-mail, or if you have ideas, suggestions or questions for future publications, we'd like to hear from you. Please visit: <http://www.ahscoho.org/> OR send an email to heather.blankenship@cgifederal.com



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Spotlight on the Section 8 Renewal Policy Guide

The HUD Section 8 Renewal Policy Guide provides comprehensive guidance for renewing expiring Section 8 HAP contracts and incorporates all procedures contained in previous Section 8 expiring contract Housing Notices. The Policy Guide is a living document that is expected to over time contain nearly all of the information related to the renewal of expiring Section 8 HAP contracts.

Owners and Agents of Section 8 properties are encouraged to become familiar with the guidance found in the Renewal Policy Guide. HUD occasionally updates the guidance and posts the new Renewal Policy Guide along with a Transmittal of Changes to the [Section 8 Renewal Policy Guide website](#).

This article touches on various owner/agent responsibilities but is not meant to be an all-encompassing resource that outlines each of the owner/agent duties. You are reminded to bookmark and frequently visit the Section 8 Renewal Policy Guide in its entirety when seeking guidance related to the Section 8 HAP contract.

Owners are reminded that if the project's HAP contract is expiring they must give a one-year written notice to the tenants of the contract's termination or expiration. The one-year notification letter must state the owner's intentions to renew or not renew at the time of the contract's expiration (Section 11-4). However, a one year notification is not required when an owner is terminating a contract early to renew the contract for 20 years or the remaining life of the use agreement. Appendix 11-2 of the Section 8 Renewal Policy Guide is a sample One-Year Notification Letter to be used when the Owner intends to renew.

Owners who are submitting a budget-based rent increase or a Mark Up To Market (MUTM) increase must follow the tenant notification procedures outlined in 24 CFR Part 245 Subpart D. A copy of the 30 day notice provided to the tenants as well as the Owner's Certification of Compliance with the tenant comment period must be included to the Contract Administrator as part of your submission (Section 2-17 A. 1.).

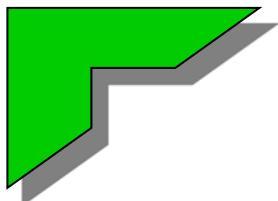
For projects that have paid tenant utilities, the owner must submit an analysis of the project's Utility Allowance (See HUD Notice 2015-04) so that processing may be completed and any resulting change may be implemented on the effective date of the contract anniversary. Owners are encouraged to submit their Utility analysis prior to 150 days from contract anniversary, but should not submit more than 180 days from the contract anniversary. In the event that the owner's utility analysis results in a possible decrease in the utility allowance(s) to the tenants, owners must follow the tenant notification procedures in 24 CFR Part 245. A copy of the 30 day notice provided to the tenants as well as the Owner's Certification of Compliance with the tenant comment period must be included in your submission to the Contract Administrator (Section 2-17 B. 1.)

For contracts that are expiring, at least 120 days prior to but no earlier than 180 calendar days before expiration of the Section 8 Contract the owner must submit (Section 2-17 A. 2.):

- Contract Renewal Request Form, HUD 9624
- An analysis of the project's Utility Allowances (See HUD Notice 2015-04)
- If applicable:
 - The OCAF Rent Adjustment Worksheet, HUD 9625;
 - A RCS; and/or
 - A budget-based rent increase prepared in accordance with Section 2-15 of the Section 8 Renewal Policy Guide

Projects that are eligible for the auto OCAF rent adjustment in years of Amend Rents should expect to receive an auto OCAF letter from your Contract Administrator at approximately 150 calendar days before the anniversary date of the contract. Upon receipt of the auto OCAF letter and Exhibit A, the owner will review the OCAF adjusted rents and will (Section 2-17 B. 3.):

Continued on page 9



Spotlight on the Section 8 Renewal Policy Guide (cont.)

- a. Elect to receive the auto OCAF adjustment, or
- b. Request a budget-based rent adjustment (if permitted under the terms of the renewal contract). An owner/agent may request a zero budget-based rent adjustment to maintain rents at current levels. The owner/agent does not need to submit a budget if they check the appropriate box on the auto OCAF letter and return it to the Contract Administrator.

If the owner/agent wishes to move forward with the application of the auto OCAF, they must return the auto OCAF letter to the Contract Administrator with the appropriate box checked.

If the owner/agent wishes to move forward with a budget-based rent adjustment, they must return to the Contract Administrator the signed auto OCAF letter indicating the request for a budget based rent adjustment as well as all documentation required for a budget-based rent adjustment as defined in HUD Handbook 4350.1 Chapter 7.

Projects that are not participating in the auto OCAF rent adjustment in years of Amend Rents must again follow the tenant notification procedures in 24 CFR Part 245 Subpart D if the rent increase is not an OCAF adjustment. Whenever an owner's utility analysis results in a possible decrease in the utility allowance(s) to the project tenant notification procedures in 24 CFR Part 245 must also be followed even if the rent adjustment type is an OCAF adjustment. Should a notice need to be issued for both a rent increase and a utility allowance decrease, a single notice is sufficient so long as the owner clearly identifies both items within the notice. A copy of the 30 day notice provided to the tenants as well as the Owner's Certification of Compliance with the tenant comment period must be included in your submission to the Contract Administrator (Section 2-17 C. 1.).

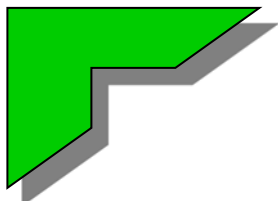
Owners must submit the package to the contract administrator at least 120 days prior to but no earlier than 180 days before the anniversary date of the contract:

- OCAF Rent Adjustment Worksheet, HUD 9625;
- An analysis of the project's Utility Allowances (See HUD Notice 2015-04)
- If applicable:
 - a. An RCS; and/or
 - b. A budget based rent adjustment, prepared in accordance with Section 2-15 of the Section 8 Renewal Policy Guide or a RHS approved budget that does not exceed comparable market rents.

If your project is subject to a Rent Comparability Study and is in a multiyear long term contract under Option One, Mark-Up-To-Market, Option Two, Contract Renewals for Other Projects with Current Rents at or Below Comparable Market Rents, or Option Five, Portfolio Re-engineering Demonstration Program (Demo) Contracts, the owner must (Section 2-17 C. 4.):

- Submit a new RCS at the end of each five-year life cycle. The new RCS must be submitted and reviewed in accordance with the instructions found in Chapter 9 of the Section 8 Renewal Policy Guide.
- Under Option One and Two the owner is required to submit a new RCS every five-years. However, in cases where the five-year life cycle of the RCS does not currently align with a multiyear contract's five-year life cycle an owner does not need to obtain another RCS until the time when the multiyear contract reaches the end of the five-year life cycle. In such cases, any rent adjustment during the years when a project has an aged RCS will be limited to the OCAF. The owner must obtain a new RCS at the end of the contract's five-year life cycle (Section 2-5 E. 2).

Again, the information included in this article is a brief summary of owner/agent requirements and is not meant to be an all-encompassing document. This does not replace the requirement for the owner/agent to be familiar with and follow the regulations outlined in the Section 8 Renewal Policy Guide.



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Special Claims Timeframes

One of the top reasons that Special Claims are denied continues to be related to the timing of a claim submission. For all types of Special Claims, an Owner/Agent is allowed one original submission, one re-submission, and one appeal. This article will briefly detail the required timeframes for each submission and suggest some best practices for tracking these time frames in order to reduce the number of unnecessarily denied claims.

Initial Submissions

All Special Claims' original submission must be submitted to the Contract Administrator (CA) within 180 days of when unit was available for occupancy. For example: a unit was vacated 1/1/18, cleaning took place 1/2/18, painting took place 1/3/18, making the unit ready for occupancy 1/4/18. The owner/agent has 180 days from 1/4/18 to submit a claim to the CA. If the claim is not submitted by 180 days from the unit ready date, the claim will automatically be denied.

Best practice:

1. Create a log or spreadsheet to track vacant units. Upon completion of cleaning and reconditioning the unit, enter the unit ready date into the log and calculate the 180th day from this ready date.
2. Set up automated reminders for 30, 60, and 90 days from this unit ready date on the log/spreadsheet.
3. For every MI certification submitted, check if there is a claim that should be submitted for that unit, and if so, submit it right away.

Re-Submissions

Once the claim has been submitted timely (within 180 days), the CA will review and process this claim within 30 days of receipt. If the Claim is considered incomplete you will receive a notification letter. Additional information and response must be submitted within 30 days of the date on the letter from the CA. If the complete package is not returned within 30 days of the date of the notification, the claim will automatically be denied.

Best Practice:

1. Upon receipt of an incomplete notification letter, begin working on the re-submission immediately. Gather necessary documentation and email it to the CA.
2. Communicate with your CA if you are having difficulties locating necessary documentation. Your CA may be able to assist or offer other options.

Appeals

Once your claim has been processed, and it was either denied or adjusted, you have the right to appeal. This appeal along with supporting documentation must be submitted within 30 days of the date on the denial/adjusted notification letter. If your appeal is not received within 30 days, the claim may no longer be appealed.

Best Practice:

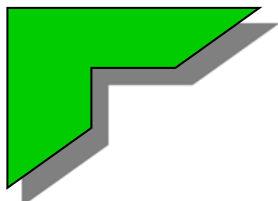
1. Upon receipt of a denied/adjusted claim, begin working on the appeal immediately. Gather necessary documentation as well as an explanation as to why the appeal should be considered.

Post Approval

Once your claim is approved and you have received the approval letter from the CA, be sure to voucher for that claim within 90 days of the date of the approval letter. If the claim is not vouchered for within 90 days, the voucher will deny the claim amount and there is no option for appeal.

Best Practice:

1. Upon receipt of the approval letter, be sure the claim is entered into your software system so that it generates on the next voucher. If your software requires you to check a box to include it on the voucher be sure to complete this step.
2. Verify that the claim was paid on that voucher. If you do not see it on the paid voucher, follow up with your CA and/or your software vendor.



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FAST Act Interim Final Rule Effective March 12, 2018

“Streamlining Rule” 82 FR 58335

On December 12, 2017, HUD published an interim final rule in the Federal Register that amends the regulatory language for PIH and Multifamily Housing rental assistance programs. This interim rule went into effect on March 12, 2018. The rule aligns the current regulatory flexibilities with those provided in the Fixing America’s Surface Transportation (FAST) Act. In addition, it extends two of the administrative streamlining changes that were adopted in 2016 for the Housing Choice Voucher and Public Housing programs to Multifamily programs.

The interim final rule implements FAST Act provisions that allow public housing agencies (PHAs) and multifamily housing owners to conduct full income recertification for families with 90 percent or more of their income from fixed-income sources every three years instead of annually. This interim final rule also aligns the current regulatory flexibilities with those provided in the FAST Act by modifying the earlier streamlining regulations. This makes the procedures for families meeting the fixed-income threshold as similar as possible to families who do not have 90 percent or more of their income from fixed sources, but still have *some* fixed income.

In addition to streamlining fixed income stipulations, the interim final rule also indicates that an owner may:

- Make utility reimbursements of \$45 or less per quarter (\$15 a month) on a quarterly basis.
- Accept family declaration of assets under \$5,000. Third-party verification of all family assets will be required every three years.

Use of streamlined procedures authorized by the rule are all at the option of the owner and are not required.

Are Owner/Agents still required to re-certify tenants?

It is important to understand that the interim final rule does not override the requirement for the annual certification requirement process as set forth in chapter seven of the 4350.3. Owner/Agents are still required to conduct the Annual Recertification process in the second and third years between the ‘full income verification.

The interim final rule only permits owner/agents to utilize streamlined requirements for verifying and adjusting fixed income sources for some families. Specifically, for families with an unadjusted income consisting of 90 percent or more from fixed income sources, owner/agents may:

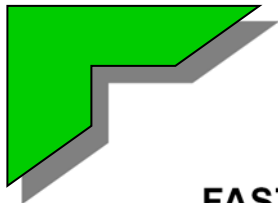
- In the initial year of a three-year cycle, complete an annual income determination consistent with all applicable HUD regulations and guidance.
- In the second and third year of the three-year cycle, obtain from the family a certification that their fixed income sources have not changed, and that the family’s income is still made of at least 90 percent from fixed income sources;
- If the family provides that certification in years two and three, adjust the family’s fixed income sources by the Cost of Living Adjustment (COLA) that is applicable to that fixed income source;
- Establish policies regarding whether and how to adjust any non-fixed sources of income in the second and third years;
- Begin the three-year cycle again beginning in year four.

What is fixed income?

For the purpose of streamlined reexaminations, HUD defines fixed income to mean periodic payments at reasonably predictable levels from one or more of the following sources:

- Social Security, Supplemental Security Income, Supplemental Disability Insurance;
- Federal, state, local, or private pension plans;
- Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- Any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

Continued on page 12



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FAST Act Interim Final Rule Effective March 12, 2018 (cont.)

This definition is currently found in Housing Notice 2016-09 and PIH Notice 2016-05.

How Will an Owner/Agent determine and apply the adjustment factor to adjust income?

To apply an adjustment factor (verified COLA or the current rate of interest to the previously verified or adjusted-income amount) to a fixed source of income, the O/A must first verify all adjustment factors from either a public source or from tenant-provided, third party generated documentation.

In the absence of such verification for any source of fixed income, third-party verification of income amounts must be obtained.

Once an adjustment factor is obtained, verified, and documented in the tenant file, the O/A will then apply the applicable factor to the previously verified or adjusted income amount. This amount is then recorded as income on the household's form HUD-50059.

What is the effect on the use of the Enterprise Income Verification (EIV) system?

In the years when an O/A elects to utilize streamlined income determination, the fixed source of income does not have to be verified using the EIV system. The O/A may, however, use the EIV system at his/her discretion and as indicated in the property's policies and procedures. All non-fixed sources of income remain subject to full income-verification requirements.

What happens if the Household signs a declaration of assets under \$5,000?

Households are required to report all assets annually. The amount of interest earned on those assets is included as income used to calculate the tenant's rent obligation. This rule amends the regulations so that, for a family that has net assets equal to or less than \$5,000, an owner, at recertification, may accept a family's declaration that it has net assets equal to or less than \$5,000, without annually taking additional steps to verify the accuracy of the declaration. Third-party verification of all family assets will be required every 3 years.

Is further guidance expected to clarify the impact of this interim rule?

At the time of this writing, the above guidance is based on notice HUD 16-09, the published interim rule, and HUD's published FAQ on the interim rule. HUD has stated that an additional notice will be published shortly.

Where can I find more information?

Click this [link](#) to view 81 FR 12354 published March 8, 2016:

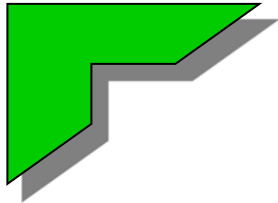
Click this [link](#) to view 82 FR 58335 published December 12, 2017:

Click this [link](#) for the FAQ file for the interim rule published on 12/12/17:

Click this [link](#) for Housing notice 2016-09: Streamlining Administrative Regulations for Multifamily Housing Programs

What's New on HUDClips

<i>Posted Date</i>		
12/12/2017	FR- 5743-I-04	Streamlining Administrative Regulations for Multifamily Housing Programs and Implementing Family Income Reviews Under the Fixing America's Surface Transportation (FAST) Act

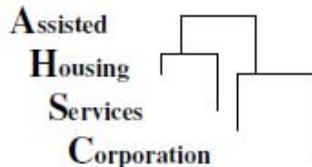


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AHSC Call Center Poster

AHSC has created a call center poster that our owners and agents can post in their rental office providing their residents with useful information, such as our business hours, contact information, and general issues that we can assist with. A [downloadable version](#) of the AHSC Call Center Poster can be found under the Owner/Agent Knowledge Center on the AHSC website, under the Management and Occupancy tab.



ALL RESIDENTS OF H.U.D. SUBSIDIZED PROPERTIES

Assisted Housing Services Corporation (AHSC) is the HUD Contract Administrator and is responsible for responding to resident concerns. AHSC Call Center has a team of Customer Relation Specialist (CRS) that will receive, investigate and document concerns such as, but not limited to the following:

- Questions or concerns regarding work order follow-up.
- Questions regarding the calculation of your rent.
- Address health & safety and HUD Handbook 4350.3 concerns.

Call Center Purpose:

- Call Center aids in ensuring HUDs mission of providing Decent, Safe and Sanitary Housing.
- Serve as a neutral third party to residents, owners and the public.
- Assist with clarifying HUD Occupancy Handbook 4350.3 requirements.

Call Center Contact Information and Business Hours:

- Hours of Operation: Monday-Friday, 8:30am to 5:30pm
- Contact Numbers: 877-506-3552 (leave message after hours)
- Fax: 614-985-1502
- TTY: 1-800-750-0750
- Written Summaries: 2000 Polaris Parkway, Suite 110, Columbus, Ohio 43240
- Email: PBCAContactCenter@cgifederal.com
- Website: <http://www.ahscoho.org/>

Concerns can be submitted by the following:

- Phone
- Fax
- Mail
- Email
- Voicemail
- FOIA- Freedom of Information Act request must be submitted directly to HUD

Required Information to open an inquiry:

- Property name
- Caller's name (anonymous calls accepted)
- Caller's telephone number with area code
- Caller's address including apartment number
- A brief, detailed description of the caller's concern(s)

EQUAL HOUSING OPPORTUNITY