

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Attention of:

Multifamily Hub Directors
Multifamily Program Center Directors
Supervisory Housing Project Managers
Rural Housing Services (RHS) Directors
Project Managers
Contract Administrators
Owners and Management Agents Administering
Multifamily Housing Assistance Programs

NOTICE: H 2008-03

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Cross References:

SUBJECT: Enterprise Income Verification (EIV) System

I. PURPOSE

The purpose of this Notice is to provide guidance to owners and management agents (O/As) on using the data in EIV for verifying, at the time of recertification, the employment and income of individuals participating in one of Multifamily Housing's rental assistance programs listed in Section II of this Notice. The Notice also provides guidance for using the various reports by O/As at the time of recertification. The reports may also be used by Performance Based Contract Administrators (PBCAs), Traditional Contract Administrators (TCAs), and HUD staff in monitoring the O/A's compliance with the recertification process. Although using EIV is not mandatory at this time, using the data in EIV will assist in reducing errors in determining a tenant's income, thereby reducing the number of improper payments in Multifamily Housing's rental assistance programs.

II. APPLICABILITY

This notice applies to administrators of the following programs:

- A. Project-based Section 8
 - 1. New Construction
 - 2. State Agency Financed
 - 3. Substantial Rehabilitation
 - 4. Section 202/8
 - 5. Rural Housing Services Section 515/8
 - 6. Loan Management Set-Aside (LMSA)
 - 7. Property Disposition Set-Aside (PDSA)
- B. Rent Supplement
- C. Rental Assistance Payment (RAP)
- D. Section 202/162 Project Assistance Contract (PAC)

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- E. Section 202 Project Rental Assistance Contract (PRAC)
 - F. Section 811 PRAC
 - G. Section 236
 - H. Section 221(d)(3) Below Market Interest Rate (BMIR)

NOTE: This Notice does not apply to the Low Income Housing Tax Credit (LIHTC) or the Rural Housing Services Section 515 without Section 8 programs. See Section IX, Security of EIV Data, for information on why this Notice is not applicable to these programs.

III. BACKGROUND

In 2001, OMB released the President's Management Agenda which established the reduction of erroneous payments as a key government-wide priority, evidenced by the *Eliminating Improper Payments* initiative, which requires agencies to measure improper payments annually, develop improvement targets and corrective actions, and track results. HUD established as a secretarial initiative, the Rental Housing Integrity Improvement Project (RHIP) to address the causes of errors and improper payments in HUD's assisted housing programs and to ensure that the *right benefits go to the right persons*. HUD also established a goal to reduce the estimated dollar amount of improper rent subsidies by 50 percent from fiscal year (FY) 2000, when the baseline was established, to FY 2005. This goal was surpassed with a 67 percent reduction in net subsidy overpayments reported.

In 2004, to assist in meeting the RHIP initiative goals, HUD developed and began implementation of the Upfront Income Verification (UIV) system, now known as the EIV system. The EIV system serves as a central repository and source for income and benefit data, securely accessible over the internet, for use by Public Housing Authorities (PHAs) and O/As to improve the accuracy of rent and income determinations.

The UIV system was originally only available to PHAs and provided them with income information on wages and unemployment benefits provided through matching agreements with individual states. In 2004, HUD received statutory authority to negotiate a matching agreement with the Department of Health and Human Services (HHS) to conduct computer matching with National Directory of New Hires (NDNH) data. While the first matching agreement between HUD and HHS only made the NDNH data available to PHAs, a subsequent agreement was reached in FY 2007 making the information available to Multifamily Housing's O/As. The subsequent agreement allows HUD to disclose the NDNH information to O/As for use in verifying, at the time of recertification, the employment and income of tenants participating in one of Multifamily Housing's rental assistance programs, to contract administrators (CAs) for monitoring the O/A's compliance with the recertification process and to the Office of Inspector General (OIG) for investigative purposes.

In addition to the NDNH data, the data received from the Social Security Administration (SSA), formerly available for use by O/As through the Tenant Assessment Subsystem (TASS), was made available through the EIV system.

IV. EMPLOYMENT AND INCOME DATA AVAILABLE IN EIV

A. Social Security Administration (SSA)

1. Social Security (SS) benefits
2. Supplemental security income (SSI) benefits
3. Dual entitlement benefits
4. Medicare premium information

While the SSA provides information on Medicare premiums, it does not provide as part of the computer matching, information on additional deductions such as Medicare Part D (prescription drugs) premiums or garnishments. Therefore, O/As need to request that tenants disclose any deductions they may have from their SSA benefits and, when applicable, may need to request that the tenant obtain a current Award Letter from SSA. For example, if the tenant is paying his/her Medicare premium and the difference between the gross and net SS benefits exceeds the amount of the Medicare premium, the O/A will need to discuss this with the tenant, determine the reason for the difference and, if applicable, obtain additional third party verification to support any of the deductions that may affect the tenant's income or allowable expenses.

B. National Directory of New Hires (NDNH)

1. W-4 (new hires)
2. Quarterly wages for federal and non-federal employees
3. Quarterly unemployment compensation benefits

V. SCHEDULE FOR UPDATING EIV DATA

A. Tenant Rental Assistance Certification Subsystem (TRACS) tenant data in EIV (HUD-50059 data only)

At the time Multifamily began using EIV, baseline data was provided to EIV from TRACS that consisted of the latest data on all active tenants in Multifamily Housing's rental assistance programs.

Currently, a daily update is provided each morning from TRACS of tenants participating in Multifamily Housing's rental assistance programs. This data is uploaded into the EIV system the following evening. Therefore, there is a time lag of one day between the tenant data in TRACS and when it appears in EIV.

B. A pre-screening of the TRACS file of tenants participating in Multifamily Housing's rental assistance programs is conducted prior to sending the file to SSA for the identity match described in C, below. Tenants who do not pass this pre-screening are not sent to SSA for the identity match. O/As should use the Failed EIV Pre-Screening Report described in Section VI.F.6 to identify those tenants that did not pass the pre-screening test and the reason(s) they did not pass so that the errors can be corrected. See Attachment 1 for a listing of the error codes for the EIV SSA pre-screening test.

C. The personal identifiers for each tenant participating in one of Multifamily Housing's rental assistance programs (Social Security Number (SSN), Last Name and Date of Birth (DOB)) are matched against SSA's records.

1. For those tenants that pass the identity match against SSA's records:

a. SS, SSI and dual entitlement benefit information will be provided that is contained in the SSA database.

b. W-4 (new hires), wage and unemployment compensation benefits will be provided that is contained in the NDNH.

2. Although a tenant passes the identity match against SSA's records, it does not guarantee there will be NDNH or SSA data in the EIV system. If the state or the SSA district offices do not update their records and forward the information to the NDNH or SSA master files, EIV will not have employment or income information for a tenant.

3. For those tenants that fail the identity match against SSA's records:

a. No employment or income information will be provided by SSA or HHS.

b. SSA will provide information on why the verification failed. See Attachment 2, List of Error Messages on the Failed Verification Report. Refer to Section VI.F.7 for guidance on following up with tenants and for correcting invalid information.

D. Social Security Benefits

1. EIV uses the data from TRACS for tenants who passed the SSA identity match to perform a quarterly SS/SSI/dual entitlement income match with the SSA. Each quarter the entire tenant population is matched with SSA. Each month during a quarter, a group of tenants are matched based on their next recertification month.

The following chart shows when TRACS tenant data is submitted to SSA by recertification month and when the data will be refreshed in EIV.

| Group | Recertification Month | Month Data Is Refreshed in EIV |
|--------------|--------------------------------------|---------------------------------------|
| I | April, May, June, July | January, April, July, October |
| II | August, September, October, November | February, May, August, November |
| III | December, January, February, March | March, June, September, December |

For example:

- If a tenant moves in on April 15, his/her recertification month is April. The SSA data for this tenant will be refreshed in EIV in January.
 - If a tenant moves in on October 1, his/her recertification month is October. The SSA data for this tenant (household) will be refreshed in EIV in August.
2. New tenants are matched in the following month after their admission. These tenants are included in the match with SSA even if they are not in one of the above groups.
 3. 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.
 4. The SSA cost of living adjustments (COLAs) are not available from SSA for uploading into EIV until the end of the calendar year. When processing recertifications effective January 1, February 1, March 1, and April 1, in order to complete the Recertification Steps outlined in Figure 7-3 of Handbook 4350.3 REV-1 and provide the tenant with the required 30-day notice of any increase in rent, the O/A may:
 - a. 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 tenant reports he/she is receiving.
 - b. Request the tenant obtain a current Award Letter when the income in EIV does not agree with the income the tenant reports he/she is receiving, or the tenant disputes the EIV data.
 - c. Use the Award Letter provided by the tenant if the tenant has received his/her Award Letter that includes the COLA adjustment.
 - d. Determine the tenant'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.

5. EIV retains the last eight actions processed by SSA for a tenant.

E. NDNH (W-4 (new hires), wage and unemployment compensation)

1. Tenants that pass the identity match with SSA are matched with the W4 (new hires)/wage/unemployment benefit data contained in the NDNH.
2. All active Multifamily tenants who are at least 18 years of age and who passed the SSA identity match and who are not a live-in aide or a foster child will be matched against the NDNH data. Live-in aides and foster children are not matched with NDNH data since their income is excluded from annual income. (See Chapter 5; Figure 5-2 and Exhibit 5-1 of Handbook 4350.3 REV-1.)
3. There are two types of matches that are conducted against the NDNH data:
 - a. The first is a Monthly match – In this type of match, the entire eligible tenant base is matched with the W-4 database and only the newly admitted tenants are matched with the wage and unemployment benefit data.
 - b. The second is a Quarterly match – In this type of match, the entire eligible tenant base is matched with the W-4, wage and unemployment benefit data.

| Month | Type of Match |
|--------------|----------------------|
| January | Monthly |
| February | Quarterly |
| March | Monthly |
| April | Monthly |
| May | Quarterly |
| June | Monthly |
| July | Monthly |
| August | Quarterly |
| September | Monthly |
| October | Monthly |
| November | Quarterly |
| December | Monthly |

4. The W-4 (new hires), wage and unemployment benefit data is loaded into EIV by the 20th of each month.

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5. EIV retains NDNH employment and income data for a tenant for two years.

VI. USING EIV DATA AND REPORTS

A. Tenant Consent

Before accessing the employment or income data contained in EIV for a tenant, the O/A must make sure there is a current form HUD-9887, *Notice and Consent for the Release of Information*, signed and dated by the tenant, on file. This form must be signed and dated by each adult member of a household regardless of whether he or she has income. The head of household, spouse, co-head and each family member who is at least 18 years of age must sign and date the form at move-in and at each annual recertification. The form is valid for 15 months from the date of signature.

This form authorizes HUD and the O/A to use data obtained through computer matching with another agency for verifying the individual's income used for establishing the eligibility and level of benefits under HUD's assisted housing programs. The form also authorizes HUD and the O/A to seek wage, new hire (W-4) and unemployment claim information from current or former employers in order to verify information obtained through computer matching.

In addition to the HUD-9887 form, the O/A must make sure a signed and dated form HUD-9887-A, *Applicant's/Tenant's Consent to the Release of Information*, is on file. This form authorizes the O/A to request information about the tenant from a third party source.

See Paragraphs 5-15 and 5-21 of HUD Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, for more information on the HUD-9887 and HUD-9887-A forms.

B. Tenant Notification of Recertification

O/As are required to provide reminder notices to tenants informing them of their responsibility to provide the O/A with information about changes in family income or composition that are necessary to properly complete an annual recertification. The notification must be in writing and must include a list of information that tenants are required to bring with them to their recertification interview. This list should include documentation needed to support the income they are receiving as well as documentation to support any deductions they may be eligible to receive. For example, elderly and disabled tenants should bring in information related to medical expenses and tenants who are working should bring in check stubs, unemployment benefit information, etc., to support the income they are currently receiving.

Having the necessary documentation available at the time of the recertification interview will save time in completing the recertification process. In addition, asking the right questions at the time of the interview will ensure that the correct information has been provided and will assist in reducing errors in income and rent determinations.

See Chapter 7, Paragraph 7-7 and Exhibits 7-1, 7-2, 7-3 and 7-4 of Handbook 4350.3 REV-1 for additional information on the recertification notification requirements and the *Guide to Interviewing for Owners of HUD Subsidized Multifamily Housing Programs* posted on the Multifamily RHIIP website for guidance on asking the right questions during the recertification interview.

Depending on whether or not the employment and income information in EIV is the same that the tenant reports he/she is receiving, or whether or not the tenant disputes the information in EIV, the O/A may be able to use the EIV data and the tenant provided documents for third party verification and for income calculation purposes. This new process of accepting tenant provided documentation in conjunction with the EIV data replaces the more time-consuming, costly and less accurate third party verification process currently used by O/As.

C. The employment and income information contained in EIV may be used by O/As at the time of recertification (interim or annual) only for verifying the employment and income of tenants currently being assisted under one of Multifamily Housing's rental assistance programs listed in Section II. See Attachment 5, Using EIV Data Flow Chart.

D. Independent Third Party Verification

O/As must obtain independent third party verification which will be used to complement EIV data when:

1. the tenant disputes the EIV data;
2. the tenant is unable to provide the O/A with acceptable and current income documentation;
3. there is incomplete EIV data for a tenant; or
4. there is no EIV data for a tenant.

See Chapter 5, Paragraph 5-13 of Handbook 4350.3 REV-1 for information on acceptable verification methods.

E. It is always up to the discretion of the O/A whether or not additional third party verification of income or other EIV data may need to be obtained based on circumstances encountered during the recertification process.

F. EIV Reports

At the time of recertification, O/As should use the EIV reports not only to verify the employment and income of current tenants participating in one of Multifamily Housing's rental assistance programs, but should also use the reports for other reported discrepancies. In addition to detailed reports that provide employment and income information for individual tenants, EIV contains summary reports that O/As may access for each particular project or contract.

O/As should refer to the EIV User Manual for Multifamily Housing Program Users for information on accessing the reports and for further descriptions of the reports. The manual is posted at:

<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>

O/As need to have written policies and procedures for using the EIV employment and income data and reports at the time of recertification. In addition, O/As who elect to use any of the reports at times other than at recertification, e.g., the discrepancy and new hires reports, must also include in their policies and procedures information for staff to follow for using the reports and data. Following written policies and procedures will ensure that tenants are treated fairly and not being discriminated against.

1. Income Report

The Income Report provides O/As with employment and income information on tenants currently participating in one of Multifamily Housing's rental assistance programs. The report provides information on tenants who have started new employment within the past months, quarterly wage information for past or current employment, unemployment benefits, and social security benefits and will identify whether or not a tenant(s) failed the identity verification against SSA information. This information may be used by O/As at the time of recertifying their tenants.

For additional information on determining income and calculating rent, see Chapter 5 of Handbook 4350.3 REV-1.

a. Social Security Benefits

- 1) If the social security benefit information in EIV agrees with the amount that the tenant reports he/she receives, the O/A may use the EIV information as third party verification and for calculating the tenant's income. If applicable, the Medicare premium paid by the tenant may be included in the medical expense deduction calculation.

Example One:

EIV shows the tenant is receiving a gross social security benefit of \$980.40 per month, net social security benefit of \$844, and the Medicare premium of \$96.40 is being paid by the tenant and this agrees with the income the tenant reports he/she is receiving. The O/A will use the EIV Income Report as the third party verification that the tenant is receiving SS benefits and for calculating the tenant's income.

The data used for rent calculations would be:

Annual income \$11,764.80 ($\980.40×12)
Medical expense - \$1,156.80 ($\96.40×12)

Example Two:

EIV shows the tenant is receiving a gross social security benefit of \$701 per month, net social security benefit of \$701, and the Medicare premium of \$96.40 is being paid by the state or another entity and this agrees with the income the tenant reports he/she is receiving. The O/A may use the EIV Income Report as the third party verification and for calculating the tenant's income.

The data used for rent calculations would be:

Annual income \$8,412 ($\701×12)
Medical expense – None

Since the Medicare premium is being paid by the state or another entity, the amount of the premium should not be included in annual income or as a medical expense.

When the Medicare premium is being paid by the state or another entity, there will be a "Y" in the buy-in column and the date when the third party started paying the tenant's Medicare premiums will be included in the "Buy-in Start" column of the benefit report.

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

Tenants who need to request a current Award Letter may request a new letter from SSA by calling 1-800-772-1213 (TTY 1-800-325-0778) or by requesting it over the internet at: <https://secure.ssa.gov/apps6z/iss/main.html>. Although the tenant can go to the SSA office to obtain the information, it is best that the tenant either call or request the information via the internet rather than going to the SSA office since, if the tenant tells SSA they need it as documentation for determining their rent at a HUD property, the SSA offices have been instructed not to provide this information since HUD receives the required information electronically.

- 3) If there is no information in EIV reported for the tenant, the O/A must request that the tenant obtain a current Award Letter from SSA. Information from the current Award Letter will be used as third party verification and for determining the tenant's income and medical expense deduction, if applicable.
 - 4) If the O/A finds it necessary to use some other alternative form of verification, e.g., bank statements, it may be necessary to use more than one document as third party verification. Documents such as bank statements only disclose the net amount of social security received and not the gross amount used for determining the tenant's annual income. This information would not support allowing inclusion of the Medicare premium as a medical expense if the tenant claims he/she is paying the Medicare premium. See Appendix 3, Acceptable Forms of Verification, of Handbook 4350.3 REV-1.
- b. NDNH (W-4, Wage and Unemployment compensation)
- 1) The NDNH income information in EIV is **not** to be used to calculate the tenant's income without obtaining documentation from the tenant, e.g., pay stubs, unemployment benefit information, etc., to support the EIV data.
 - 2) If the information in EIV agrees with the employment and income that the tenant reports he/she receives, the O/A will request the tenant to provide documentation, e.g., check stubs, that will support his/her current income being received. The O/A may then use the documentation provided by the tenant for determining the tenant's income. The O/A will annualize the tenant's income using the current income projected forward for the next 12-months.

Example:

EIV shows that the tenant is working at Jack's Restaurant and the tenant has reported he/she works at Jack's Restaurant. The tenant has brought in his/her four most current, consecutive check stubs (see Paragraph 5-13.C.3.b of Handbook 4350.3 REV-1). The O/A will use the Income Report in EIV as third party verification that the tenant is employed at Jack's Restaurant and use the check stubs provided by the tenant for determining the tenant's income.

Check stubs – gross pay 1) \$120; 2) \$145; 3) \$125; 4) \$130
 $\$120 + \$145 + \$125 + \$130 = \$520$
 $\$520 / 4 = \130 average

$\$130 \times 52 = \$6,760$ gross annual income

- 3) If the information in EIV does not agree with the employment and income that the tenant reports he/she receives, or if the tenant disputes the EIV data, the owner must obtain third party verification directly from the employer for use in determining the tenant's income.
- 4) When no employment or income information is available in EIV and the tenant reports he/she is working, the O/A must request third party verification directly from the employer.
- 5) There may also be times when the owner needs to request third party verification directly from the source in order to have all of the information needed to determine the tenant's income. For example, employers are not required to report the "Hire Date" when submitting their data to the state; therefore, the O/A may need to obtain third party verification for new employment reported for a tenant in order to obtain this information. (See Attachment 3 for data elements that are optional for employers to report to the state.)

c. Applicants

Since EIV only contains employment and income data for current tenants participating in Multifamily Housing's rental assistance programs, the O/A must request third party verification directly from the employer or have the tenant request a current Award Letter from SSA for determining the applicant's income for eligibility and rent purposes.

2. New Hires Report

This report provides employment information on tenants who have started new jobs. The information in this report is updated monthly, and since most employers report information on new hires to their state within 30 days of the hire date, an O/A may know within 60 days whether a tenant has started a new job. Because tenants participating in one of Multifamily Housing's rental assistance programs are required to report changes in income when the family's income cumulatively increases by \$200 or more per month, O/As may be, but are not required to be, proactive in outreaching to their tenants to report the income changes so that rent adjustments can be made in a timely manner, thus eliminating /reducing the amount of retroactive rent repayments. See Paragraph 7-10.A and the HUD Model Leases in Appendix 4 of Handbook 4350.3 REV-1 for the change in income reporting requirements.

3. Income Discrepancy Report

At the time of recertification, O/As are required to review and resolve any discrepancies in income reported on the Income Discrepancy Report. This will require the O/A to identify any unreporting or underreporting of income by the tenant on current or historical HUD-50059s. The O/A will follow the guidance in Chapter 8, Paragraph 8-17, Procedures for Addressing Discrepancies and Errors, of Handbook 4350.3 REV-1.

See Attachment 4 for detailed information on the Income Discrepancy Report and a sample discrepancy. In addition to the information provided in Attachment 4, O/As should refer to the guidance in the document "Resolving Income Discrepancies Between Enterprise Income Verification (EIV) System Data and Tenant-Provided Income Information" posted on the Multifamily EIV website at:

<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>

O/As are also encouraged to view the EIV training session conducted on June 28, 2007 that will assist them in understanding the report and how to use it for resolving discrepancies. This training is posted at

<http://www.hud.gov/webcasts/archives/multifamily.cfm>

4. Multiple Subsidy Report

This report allows the O/A to search within the TRACS and Public and Indian Housing's (PIH's) Inventory Management System (IMS) (Public and Indian Housing Information Center (PIC)) databases to identify individuals who may be receiving multiple rental subsidies. If the report shows that a tenant is being assisted at another location, the O/A should discuss this with the tenant, giving the tenant the opportunity to explain any circumstances relative to his/her being assisted at another location. The O/A may also need to follow-up with the respective PHA or O/A to

confirm that the tenant is being assisted at the other location. Depending on the results of this investigation, the O/A may need to take action to terminate the tenant's assistance or tenancy. (See Chapter 8, Section 1 and 2 of Handbook 4350.3 REV-1 for procedures for terminating assistance and/or tenancy.)

5. Deceased Tenant Report

This report identifies tenants who are participating in one of Multifamily Housing's rental assistance programs who are reported by SSA as being deceased. O/As should confirm with the head-of-household, next of kin or emergency contact person whether or not the person is deceased and, if so, update the family composition on the HUD-50059, or in the case of a deceased single member of a household, process a HUD-50059 to terminate tenancy. Where the O/A finds that the tenant is not deceased, the O/A should encourage the tenant to contact the SSA to get the discrepancy resolved.

6. Failed EIV Pre-Screening Report

This report provides a listing of tenants who failed the EIV pre-screening test. The tenants on this list were not sent to SSA from EIV for the SSA identity match. O/As must correct any incorrect information that may be in the TRACS system before EIV will send the tenant information to SSA for the identity match and for matching against the SSA databases and NDNH data.

See Attachment 1 for the EIV Error Codes for the EIV SSA Pre-Screening Test.

7. Failed Verification Report

This report identifies household members who failed the SSA identity match due to invalid personal identifiers – incorrect SSN, date of birth or last name, as well as, identifies deceased household members. (See Attachment 2 for a List of Error Messages on the Failed Verification Report).

O/As need to confirm with the affected tenant that his/her SSN, date of birth and/or last name are correct in TRACS. O/As should have third party verification or documentation to support the tenant's personal identifiers and the accuracy of the TRACS data. O/As must correct any incorrect information that may be in the TRACS system.

If the information in TRACS is accurate, the O/A should encourage the tenant to contact the SSA to correct any inaccurate data in their databases.

See 4 above for information regarding deceased tenants.

8. No Income Report

This report is a listing of tenants who passed the identity match against SSA's records but no employment or income information was received from the match against either the SSA or NDNH records. In addition to there not being information in the SSA or NDNH databases, there are various other reasons why this could occur, e.g., no longer a current HUD-50059 in TRACS, and would require further investigation by the O/A.

9. Existing Tenant Search

O/As should use this report to determine if any applicants are currently residing at another Multifamily Housing or Public and Indian Housing (PIH) location at the time of application processing whereby they could be receiving rental assistance. EIV will query both the TRACS and IMS (PIC) databases. If the applicant is residing at another location, the O/A should discuss this with the applicant, giving the applicant the opportunity to explain any circumstances relative to his/her being assisted at another location. This may be a case where the applicant wants to move from their existing location. The O/A should also follow-up with the respective PHA or O/A to confirm the individual's program participation status before admission. The report gives the O/A the ability to coordinate move-out and move-in dates with the O/A of the property at the other location.

VII. INVESTIGATING AND RESOLVING INCOME DISCREPANCIES

- A. O/As may not suspend, terminate, reduce, make a final denial of rental assistance or take any other adverse action against an individual based on the data in EIV.
- B. When the employment and income data in EIV is not the same as reported by the tenant, or when the tenant disputes the EIV data, O/As must independently verify any information by obtaining third party verification directly from the employer or by having the tenant request a current Award Letter from the SSA.
- C. The O/A must notify the tenant of the results of the third party verification and request the tenant come into the office to discuss the results in accordance with the requirements in Chapter 8, Paragraph 8-17 of Handbook 4350.3 REV-1.
- D. If the O/A determines that the tenant had unreported or underreported income, he/she must go back to the point in time the unreporting or underreporting of income started and calculate the amount the tenant owes. A record of this calculation should be provided to the tenant and retained in the tenant's file.

The O/A must have the HUD-50059(s) on file that was in effect during the period(s) that the tenant had unreported or underreported income, along with any supporting documentation, in order to calculate the amount the tenant owes. If the O/A does not have this historical information, he/she cannot go back to the tenant for unreported or underreported income.

E. Repayment agreements

Tenants are obligated to reimburse the owner if they are charged a rent less than required by HUD's rent formula due to not reporting or underreporting income. The tenant is required to reimburse the owner for the difference between the rent he/she should have paid and the rent he/she was charged. (See Paragraph 18 of the HUD Model Lease for Subsidized Programs, Paragraph 14 of the Section 202/8 and 202/162 PAC leases and Paragraph 12 of the Section 202/811 PRAC lease found in Appendix 4 of Handbook 4350.3 REV-1.)

If the tenant is unable to pay the amount due, the owner should enter into a repayment agreement with the tenant to collect the funds over a specific period of time. Tenants are not required to reimburse the owner for undercharges caused solely by the owner's failure to follow HUD's procedures for computing rent or assistance payments. (See Paragraph 8-20 of Handbook 4350.3 REV-1.)

Owners are required to reimburse funds collected from the tenant to HUD in accordance with the requirements in Chapter 8, Paragraph 20 of Handbook 4350.3 REV-1.

- F. If the O/A finds that the tenant is in non-compliance with his/her lease because he/she knowingly provided incomplete or inaccurate information, the O/A must follow the guidance in Chapter 8, Section 3 of Handbook 4350.3 REV-1 for terminating the tenant's tenancy and Chapter 8, Paragraph 8-18 for the requirements on filing a civil action against the tenant to recover improper subsidy payments. Where fraud is suspected, the O/A should report this to the HUD OIG Office of Investigation in the District that has jurisdiction in the state the project is located.

VIII. RETENTION OF EIV DATA

A. Social Security benefit reports

O/As must retain reports obtained from EIV that are used as third party verification of a tenant's social security benefits where the information is provided by SSA for the term of tenancy plus three years after tenancy is terminated.

B. NDNH data reports

O/As may only retain reports obtained from EIV, either electronic or paper, for a period of two years. At the time of recertification, the O/A must destroy any EIV reports in the tenant's file that contain NDNH new hire, wage or unemployment compensation benefit data that is two years old. However, any tenant provided documentation, or other third party verification of income, received to supplement the NDNH data must continue to be retained in the tenant file for the term of tenancy plus three years after tenancy is terminated.

C. Social Security benefits and NDNH data in a combined report

If a tenant is receiving both SS/SSI benefits and employment or income information from NDNH and the information is contained in one report, the retention requirements for NDNH data reports apply.

The O/A does have the discretion to separate the data contained in the income report, e.g., cutting the NDNH data from the report and destroying the NDNH data at the end of the two-year period. An O/A choosing this option must retain the SS/SSI benefit information for each household member and any tenant provided documentation, or other third party verification of income received to supplement the NDNH data for the term of tenancy plus three years after tenancy is terminated.

- D. O/As should make a notation in the tenant file when NDNH data is destroyed. The notation should state that the NDNH employment and income information obtained from the EIV system was used for verification of the employment source and, if applicable, for determining the tenant's income from wages and/or unemployment compensation as well as the date the information was destroyed.

IX. SECURITY OF EIV DATA

The data in EIV contains personal information on individual tenants that is covered by the Privacy Act, (SSNs, names, DOBs, SS/SSI benefits, wages, unemployment compensation benefits and new hires (W-4)). This information may only be used for limited official purposes - by O/As for verifying the employment and income at the time of recertification, by CAs for monitoring and oversight of the tenant recertification process and by OIG investigators for investigative purposes. Official use does **not** include sharing the information with governmental entities not involved in the recertification process used for HUD's assisted housing programs, e.g., the LIHTC and RHS Section 515 without Section 8 programs.

Disclosing the EIV information to O/As for use under the LIHTC and RHS Section 515 programs is not allowed since neither the Internal Revenue Service (IRS) nor RHS are a party to the computer matching agreements the Department

has with Health and Human Services (HHS) and with the 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 then permit that federal agency to use or view information in the EIV system that is covered by the computer matching agreements. The computer matching agreements are governed by the Privacy Act and the Social Security Act. For example, Sections 453(j)(7)(E)(ii) and (iv) of the Social Security Act limits disclosure of the data matched between HUD and HHS' NDNH to public housing agencies, the IG, the Attorney General, private owners, management agents and contract administrators.

All users of the EIV data must adhere to the EIV Rules of Behavior included in the access authorization form they sign at the time of requesting access to EIV. The access form and Rules of Behavior are posted on the Multifamily EIV website at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>

EIV users should review Section 4 on Security contained in the Multifamily EIV User Manual for Multifamily Housing Program Users posted at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/usermanual.pdf>

EIV users should also view the Security training provided on June 27, 2007, posted at: <http://www.hud.gov/webcasts/archives/multifamily.cfm>

X. TOOLS AND RESOURCES

- Multifamily Housing EIV web site:
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>
- Enterprise Income Verification (EIV 8.0) System User Manual for Multifamily Housing Program Users
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/usermanual.pdf>
- Rental Housing Integrity Improvement Project (RHIIP) website
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>
- Resolving Income Discrepancies Between Enterprise Income Verification (EIV) System Data and Tenant-Provided Income Information”
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>
- Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>
- EIV Multifamily Help Desk
Telephone: 202-708-7588
Email: Mf_Eiv@hud.gov
- EIV Training conducted on June 27 and June 28, 2007
<http://www.hud.gov/webcasts/archives/multifamily.cfm>
- EIV Training provided to HUD RHIIP Help Desk Representatives and Contract Administrators on March 22, 2008 and April 20, 2008
<http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm>

-
- A Guide to Interviewing for Owners of HUD Subsidized Multifamily Housing Programs
http://www.hud.gov/offices/hsg/mfh/rhiip/casestudy/app_4.pdf

XI. EIV CONTACT

If you have questions regarding this Notice or need more information on the EIV system, please contact your local Contract Administrator or local HUD field office.

XII. PAPERWORK REDUCTION

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3520) and assigned OMB Control Number 2502-0204. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

Brian D. Montgomery
Assistant Secretary for Housing -
Federal Housing Commissioner

- Attachment 1 – EIV Error Codes for the EIV SSA Pre-screening Test
- Attachment 2 – Appendix A from the EIV User Manual for Multifamily Housing Program Users (EIV 8.0) – List of Error Messages on the Failed Verification Report
- Attachment 3 – NDNH data elements
- Attachment 4 – Income Discrepancy Report
- Attachment 5 – Using EIV Data Flow Chart

EIV Error Codes for the EIV SSA Pre-Screening Test

| Error Code | Error Short Description | Error Long Description |
|-------------------|---|--|
| 1 | Failed effective date check | The effective date of action is more than 15 months old |
| 2 | Failed DOB check | The date of birth is blank or null |
| 3 | Failed last name check | The last name is blank or null |
| 4 | Failed SSN check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (%0000) |
| 5 | Failed DOB and effective date check | The date of birth is blank or null and the effective date of action is more than 15 months old |
| 6 | Failed last name and effective date check | The last name is blank or null and the effective date of action is more than 15 months old |
| 7 | Failed last name and DOB check | The last name is blank or null and the date of birth is blank or null |
| 8 | Failed SSN and effective date check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (\$0000) and the effective date of action is more than 15 months old |
| 9 | Failed SSN and DOB check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (999%) and the date of birth is blank or null |
| 10 | Failed SSN and last name check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (%0000) and the last name is blank or null |
| 11 | Failed last name and DOB and effective date check | The last name is blank or null and the date of birth is blank and the effective date of action is more than 15 months old |
| 12 | Failed SSN and DOB and effective date check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (%0000) and the date of birth is blank or null and the effective date of action is more than 15 months old |
| 13 | Failed SSN and last name and effective date check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (%0000) and the last name is blank or null and the effective date of action is more than 15 months old |
| 14 | Failed SSN and last name and DOB check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (%0000) and the last name is blank or null and the date of birth is blank or null |
| 15 | Failed SSN and last name and DOB and effective date check | The SSN is not numeric or all 9s or LIKE (000%) or LIKE (_00%) or LIKE (%0000) and the last name is blank or null and the date of birth is blank or null and the effective date of action is more than 15 months old |

Appendix A – List of Error Messages on the Failed Verification Report

| Error Description | Explanation |
|---|---|
| Member SSN not sent to SSA – Invalid SSN | The tenant's record was not sent to the SSA because the SSN failed the preliminary validation checks conducted by EIV. |
| Member SSN not sent to SSA – Live-in aide or foster child | The tenant's record was not sent to the SSA because the relationship code indicated that the individual was a live-in aide or foster child. The income of these two categories of family members may not be included in eligibility and rent calculations. |
| Verification failed – SSN not found in SSA records | The tenant's SSN is not a valid number issued by the SSA. Note: The message also includes the SSN reported in SSA. |
| Verification failed – SSN was not verified by SSA | The tenant's SSN is not a valid number issued by the SSA |
| Verification failed – Surname matched, but date of birth did not match with SSA records | The tenant's identity was not verified because while the Surname matched with SSA records, the Date of Birth did not match. However, based on the SSN/Last Name combination, SSA has indicated that the tenant <u>does not receive</u> SS/SSI benefits. |
| Verification failed – Date of birth matched, but surname did not match with SSA records | The tenant's identity was not verified because while the Date of Birth matched with SSA records, the Surname did not match. However, based on the SSN/Date of Birth combination, SSA has indicated that the tenant <u>does not receive</u> SS/SSI benefits. |
| Verification failed – SS benefits cannot be disclosed due to discrepancy in date of birth | The tenant's identity was verified by SSA based on the SSN/Last Name combination and the tenant <u>is receiving SS benefits</u> . However, due to the discrepancy in the Date of Birth, the benefit information cannot be disclosed. |
| Verification failed – SS benefits cannot be disclosed due to discrepancy in name | The tenant's identity was verified by SSA based on the SSN/Date of Birth combination and the tenant <u>is receiving SS benefits</u> . However, due to the discrepancy in the Last Name, the benefit information cannot be disclosed. |

| Error Description | Explanation |
|---|---|
| Verification failed – SSI benefits cannot be disclosed due to discrepancy in date of birth | The tenant’s identity was verified by SSA based on the SSN/Last Name combination and the tenant <u>is receiving SSI benefits</u> . However, due to the discrepancy in the Date of Birth, the benefit information cannot be disclosed. |
| Verification failed – SSI benefits cannot be disclosed due to discrepancy in name | The tenant’s identity was verified by SSA based on the SSN/Date of Birth combination and the tenant <u>is receiving SSI benefits</u> . However, due to the discrepancy in the Last Name, the benefit information cannot be disclosed. |
| Verification failed – SS and SSI benefits cannot be disclosed due to discrepancy in date of birth | The tenant’s identity was verified by SSA based on the SSN/Last Name combination and the tenant <u>is receiving both SS and SSI benefits</u> . However, due to the discrepancy in the Date of Birth, the benefit information cannot be disclosed. |
| Verification failed – SS and SSI benefits cannot be disclosed due to discrepancy in name | The tenant’s identity was verified by SSA based on the SSN/Date of Birth combination and the tenant <u>is receiving both SS and SSI benefits</u> . However, due to the discrepancy in the Last Name, the benefit information cannot be disclosed. |

National Directory of New Hires (NDNH) Data Elements

The following data elements are requested by HUD from the NDNH databases. The following provides information on those data elements that are optional for employers to provide to the various states. All of these data elements may not be elements normally displayed in EIV. For those data elements that are displayed in EIV, information may not be made available because the employer is not required to report the data to the state, therefore, no information is available in the NDNH databases..

Quarterly Wage File

- Employee SSN
- Employee Name
- Employer Name
- Employer address
- Quarterly employee wage amount
- Date quarterly wage record processed by NDNH
- Federal Employee Identification Number (EIN) (optional for an employer to report)
- State EIN (optional for an employer to report)
- Department of Defense indicator, if any

New Hire File

- Employee SSN
- Employee Last Name
- Employee First Name
- Employee Address (optional for an employer to report)
- Employer Name
- Employer Address
- Employee Date of Hire (optional for an employer to report)
- Employee State of Hire (optional for an employer to report)
- Employer Federal EIN (optional for an employer to report)
- Employer State EIN (optional for an employer to report)
- Employer's Second Address, if any (optional for an employer to report)
- Department of Defense indicator, if any
- Date New Hire Record processed by NDNH

Unemployment Insurance File

- Claimant SSN
- Claimant Last Name
- Claimant First Name
- Claimant's Address (optional for an employer to report)
- Benefit Amount
- Unemployment reporting period

Income Discrepancy Report

The income discrepancy report compares the tenant's projected **next year's** income as reported on the form HUD-50059 to the actual income data compiled by EIV.

1. Identifying the Period of Income for Discrepancy Analysis

The period of income provides the timeline reference governing the collection of the data used to determine whether or not a discrepancy exists between projected household income (as reported on the HUD-50059) and actual income (EIV income data that was available at the time the projection was made). This period of income is determined in order to gather the actual income data needed to make a comparison to the projected income and determine whether a discrepancy exists.

The period of income uses the following timeline of events to assist in determining the specific time span that will be taken into consideration when collecting and calculating income data.

- **Effective Date of Action** – This value represents the effective date appearing on the form HUD-50059 for the identified tenant. It is used to calculate the Period of Income Start and End Date values selected for the Period of Income for Discrepancy Analysis.
- **Period of Income Start Date** – This date represents the starting point for the income period. It is calculated by EIV based on the effective date associated with the form HUD-50059 for the tenant. It is assumed that the Period of Income Start date is 15 months prior to the effective date on the form HUD-50059.
- **Period of Income End Date** – This date represents the end of the period of income and is assumed to be 3 months prior to the effective date on the form HUD-50059. (This is the approximate time frame for the tenant interview.) The Period of Income End Date is 12 months from the Period of Income Start Date.

2. Identifying Projected Income

Projected income information is used as the baseline for discrepancy calculations. It is derived from the form HUD-50059 records stored in the TRACS database. The income projected information is used to determine whether or not a given household should have an Income Discrepancy Report. The determination is made using the following evaluation criteria.

- Selected form HUD-50059 records will come directly from the current TRACS database. There is no need to access the TRACS database to obtain projected household income information.
- EIV will review the current TRACS database to locate the most current form HUD-50059 record for a household that falls in the timeline of 3 to 15 months prior to the Effective Date of Action. The most recent record falling within that timeline will be used as the source for projected income information.

- Form HUD-50059 records with an effective date that falls within the specified 3 to 15 months timeline, and includes an action type of MI, AR, IR or IC will be included in the Income Discrepancy Report calculations.

| Action Types – Included in the Income Discrepancy Report Calculations | Definition |
|--|-------------------------|
| MI | Move In |
| AR | Annual Recertification |
| IR | Interim Recertification |
| IC | Initial Certification |

- Data from households that lack SSA verification or that fails the SSA verification will not be included in the calculations.
- If a form HUD-50059 record does not meet the qualification criteria, the household will be excluded from the Income Discrepancy Report.

3. Identifying the Actual Income reported during the Period of Income

Actual income information is used to evaluate the accuracy of an income projection. It is compared to the projected income value stored on the form HUD-50059 associated with the household. These values are:

| Income Code | Type of Income |
|--------------------|------------------------------|
| B | Business |
| F | Federal Wage |
| M | Military Wage |
| W | Nonfederal Wage |
| U | Unemployment |
| SS | Social Security |
| SI | Supplemental Security Income |

EIV information is not considered to be conclusive proof if a tenant challenges that it is not current or complete. One factor is time lag in the collection of SSA and NDNH data. In such cases, the employment information, including the “new hires” information will help the O/A research the tenant’s income.

4. Prorating Actual Income

When the period of income includes a Period of Income Start Date that coincides with income reporting quarters, the income is simply added for those quarters. In those cases where an income record overlaps the start or end of the period of consideration, the income will be prorated, based on the following calculation.

- First Quarter income = (quarter income value / period of time) * length of time in period. For example, if the income is within the period of consideration for 2 or 3 months, the calculation would be (quarter income value / 3 months) * 2 months.
- Sum the quarter income that occurs within the period of consideration. This should be 3 quarters of data.
- Add the final quarter of income data. Quarter income = (quarter income value / period of time) * (length of time considered).

5. Calculating Income Discrepancies

Once projected and actual income data has been captured, the discrepancy evaluation process begins. EIV conducts two separate evaluations during the Income Discrepancy Report generation process. The outcome determines whether or not the results should be included in the Income Discrepancy Report.

Income discrepancies are calculated in the following manner:

Discrepancy 1 – Entire period of consideration versus income projected is calculated as follows:

(Projected Annual Wages and Benefits from form HUD-50059) – (Reported Annual Wages and Benefits as derived from EIV data.)

Discrepancy 2 – Last quarter of period of consideration annualized against projection is calculated as follows:

- ❖ Actual EIV Income = final quarter income data (prorated as first and final quarter income in calculating total income for period of income against projection) * 4 quarters.
- ❖ Projected Annual Wages and Benefits from form HUD-50059 – Actual EIV Income

6. Discrepancy Analysis

Once the income discrepancy calculations are completed, EIV analyzes the results to determine whether an Income Discrepancy Report should be generated. The analysis compares the results to a pre-defined EIV system value – Discrepancy Cutoff.

The Discrepancy Cutoff variable establishes the monetary value that the calculated discrepancy must exceed in order for the household to be included in the Income Discrepancy Report. By default, this value is set to -\$2,400. This means that the discrepancy between the actual annual income value and the projected income must be at least \$2,400 or greater in order for a discrepancy report to be generated. (The \$2,400 is based on the requirement that tenants must report to the O/A when the family's income cumulatively increases by \$200 or more per month – see Paragraph 7-10.A and the HUD Model Leases in Appendix 4 of Handbook 4350.3 REV-1.)

For example, if the projected income for a household was \$10,000 but the actual income was \$14,000, the difference of \$4,000 is greater than the established cutoff value of \$2,400, qualifying it to appear on the report. Conversely, if the projected income for a household was \$10,000 but the actual income was \$12,000, the difference of \$2,000 is less than that of the established cutoff value of \$2,400, disqualifying it from appearing on the report.

The Discrepancy Analysis section of the discrepancy report provides results of the income analysis process. It provides actual and annualized last quarter data. There is a column for each type of date – Actual and Annualized Last Quarter Data.

- **Reported Annual Wages and Benefits from EIV Data** – This field identifies the actual income reported to EIV for the designated period of Income for Discrepancy Analysis.
- **Amount of Annual Income Discrepancy** – This field identifies the value of the discrepancy in the annual income that caused the household to be included in the report data. Negative currency values are represented in parenthesis. For example, -\$800 is represented as (\$800). When this value caused the household to be included on the report, it appears in a bold typeface.
- **Amount of Monthly Income Discrepancy** – This field identifies the value of the discrepancy in the monthly income that cause the household to be included in the report data. Negative currency values are represented in parenthesis. For example, -\$800 is represented as (\$800). When this value causes the household to be included on the report, it appears in a bold typeface.
- **Percentage of Income Discrepancy** – This field identifies the percentage by which the threshold cutoff value has been exceeded for this household. Negative percentage values are represented in parenthesis. For example, -75% is represented as (75%).

7. Report Generation

The Income Discrepancy Report data gathering and calculations are computed automatically on a weekly basis. The data is collected, analyzed, and stored in the EIV database according to the previously specified criteria. The obsolete data set is overwritten with the current data. Users relying on data from a particular Income Discrepancy Report are advised to print that report before it is overwritten.

. Discrepancy Report
Multifamily Housing

*Saunders Example

Household Information:

Head of Household – Sandra L Saunders
Child – John Saunders

TRACS/HUD-50059 Information:

Move-in certification effective 9/8/05

Income:
\$7,098 non-Federal wage
Total Tenant Payment/Tenant Rent \$166

Interim recertification effective 7/1/06

Income:
\$3,690 child support
Total Tenant Payment/Tenant Rent \$80

Interim recertification effective 9/1/06

Income:
\$3,690 child support
Total Tenant Payment/Tenant Rent \$80

Annual Recertification effective 9/1/07

Income:
\$3,105 child support
\$299 other non-wage source
Total Tenant Payment/Tenant Rent \$73

1. A Discrepancy Report was generated by EIV informing the owner/management agent (O/A) that this household possibly has unreported or underreported income that exceeds \$2,400 per year.

\$2,400 is used as the threshold for determining whether or not EIV will generate a discrepancy report. This is based on the reporting requirement whereby a tenant is to report changes in income when the family's income cumulatively increases by \$200 or more per month ($\$200 \times 12 = \$2,400$).

2. The O/A will obtain the HUD-50059(s) in effect during the Period of Income for Discrepancy Analysis to determine the source of income, amount and type (wage, unemployment, SS, SSI) of income reported by the family.

In this example, the HUD-50059(s) in effect would be for the period 6/1/06 through 5/31/07. During the first month of this period, the HUD-50059 shows this tenant had wages, however, for the remainder of the period no wages were reported by the tenant.

3. The O/A will then obtain the income information reported form NDNH or SS and compare it with what was reported and used as income for the period 6/1/06 through 5/31/07.

In this example, the NDNH data shows wage income from two sources that were not reported by the tenant.

4. The O/A needs to discuss this with the tenant, following the guidance in Chapter 8, Paragraph 8-18 of Handbook 4350.3 REV-1.

NOTE: The O/A should also refer to the guidance in the document “Resolving Income Discrepancies Between Enterprise Income Verification (EIV) System Data and Tenant-Provided Income Information” posted on the Multifamily EIV website at:
<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm>

* All information used in this example is fictional. This includes tenant names, company names, social security numbers, federal employer identification numbers (FEIN), project name, contract number, etc.

Summary Report**Head of Household Identifiers**

Name: SANDRA L SAUNDERS
Social Security Number: ***-**-0000
Date of Birth (mm/dd/yyyy): XX/XX/1984
Contract Number: LA060004001
Project Number:
Project: JACKS APTS
Unit Address: 630 N 10TH AVE APT 201 SHREVEPORT LA 53601
Next Re-certification Date: 09/01/2008
Tenant Data from Form 50059 as of: 09/11/2007
Most Recent Type of Action: AR-Annual Recertification
Effective Date: 09/01/2007

Family Members

| Member SSN | Member First Name | Member Last Name | Date of Birth | Age | Relationship | Identity Verification Status |
|-------------|-------------------|------------------|---------------|-----|-------------------|------------------------------|
| ***-**-0000 | SANDRA | SAUNDERS | XX/XX/1984 | 24 | Head of Household | Verified |
| ***-**-0001 | JOHN | SAUNDERS | XX/XX/2005 | 2 | Child | Verified |

The month and day values in the Date of Birth field have been masked for security reasons.

Bottom of Form

Confidential Privacy Act Data. Civil and Criminal penalties apply to misuse of this data.

Income Discrepancy Report

| Head of Household Information | | |
|--|-------------------------|--------------------------------|
| Name: | SANDRA L SAUNDERS | |
| Social Security Number: | 000-00-0000 | |
| Contract Number: | LA060004001 | |
| Project Number: | | |
| Project: | JACKS APTS | |
| Effective Date of Action: | 09/01/2007 | |
| Next Re-certification Date: | 09/01/2008 | |
| Projected Annual Wages and Benefits from Form HUD-50059: | \$3,404.00 | |
| Period Of Income for Discrepancy Analysis | 06/01/2006 - 05/31/2007 | |
| Discrepancy Analysis | Actuals | Annualized Last Quarter |
| Reported Annual Wages and Benefits from EIV Data: | \$14,042.79 | \$17,055.64 |
| Amount of Annual Income Discrepancy: | (\$10,638.79) | (\$13,651.64) |
| Amount of Monthly Income Discrepancy: | (\$886.57) | (\$1,137.64) |
| Percentage of Income Discrepancy: | (75.76%) | (80.04%) |
| <p>Note: Negative numbers represent potential under reporting of income. Please discuss this income discrepancy with the tenant. Positive numbers represent potential decrease in tenant income.</p> | | |
| <p>Confidential. Privacy Act Data. Civil and criminal penalties apply to misuse of this data.</p> | | |

Income Report**Wage and Benefit Report for Household of SANDRA L SAUNDERS**

| | | | |
|------------------------------------|--|--------------------------|------------|
| Contract Number: | LA060004001 | Subsidy Type | Section 8 |
| Project: | JACKS APTS | Project Number: | |
| Next Re-certification Date: | 09/01/2008 | Form 50059 as of: | 09/11/2007 |
| Address: | 630 N 10TH AVE APT 201 01 0201 SHREVEPORT LA 53601 | | |
| Most Recent Type of Action: | AR-Annual Recertification | Effective Date: | 09/01/2007 |

Head of Household: SANDRA L SAUNDERS

| | | | |
|--------------------------------|-------------|-----------------------|------------|
| Social Security Number: | ***-**-0000 | Date of Birth: | XX/XX/1984 |
|--------------------------------|-------------|-----------------------|------------|

* The difference between the gross and net benefit may include the Medicare premium and/or additional deductions, such as garnishments, which are not listed on this report.

Confidential Privacy Act Data. Civil and Criminal penalties apply to misuse of this data.

| | | | |
|-----------------------|-------------------|----------------------|-------------------|
| Family Member: | SANDRA L SAUNDERS | SSN: | ***-**-0000 |
| Date of Birth: | XX/XX/1984 | Relationship: | Head of Household |

Employment Information

| Hire Date | Hire State | FEIN | Employer Name and Address | Date Received by EIV |
|------------|------------|------------|---|----------------------|
| 01/16/2007 | IA | 42-0000000 | KAN LC 6400 WESTOWN PKWY, W SHREVEPORT LA 52266-7709 | 01/18/2008 |
| 06/08/2006 | IA | 42-0000001 | ADAMS CO AUDITOR 10 BENTON AVE E, PO BOX 8, SHREVEPORT LA 52231-0000 | 01/18/2008 |

Wages

| Pay Period | Amount | FEIN | Employer Name and Address | Date Received by EIV |
|------------|------------|------------|--|----------------------|
| Q3 of 2007 | \$629.00 | 42-0000002 | "KAN LC PO BOX 283, SAINT LOUIS MO 63166-0283 | 02/16/2008 |
| Q3 of 2007 | \$3,508.00 | 42-0000001 | ADAMS CO AUDITOR PO BOX 8, SHREVEPORT LA 52231-0008 | 02/16/2008 |

| | | | | |
|------------|------------|------------|---|------------|
| Q2 of 2007 | \$525.00 | 42-0000002 | "KUM & GO LC PO BOX 283, SAINT LOUIS MO 63166-0283 | 01/18/2008 |
| Q2 of 2007 | \$4,076.00 | 42-0000000 | ADAMS CO AUDITOR PO BOX 8, SHREVEPORT LA 52231-0008 | 01/18/2008 |
| Q1 of 2007 | \$801.00 | 42-0000002 | "KUM & GO LC PO BOX 283, SAINT LOUIS MO 63166-0283 | 01/18/2008 |
| Q1 of 2007 | \$2,624.00 | 42-0000000 | ADAMS CO AUDITOR PO BOX 8, SHREVEPORT LA 52231-0008 | 01/18/2008 |
| Q4 of 2006 | \$3,664.00 | 42-0000000 | ADAMS CO AUDITOR PO BOX 8, SHREVEPORT LA 52231-0008 | 01/18/2008 |
| Q3 of 2006 | \$3,324.00 | 42-0000000 | ADAMS CO AUDITOR PO BOX 8, SHREVEPORT LA 52231-0008 | 01/18/2008 |
| Q2 of 2006 | \$1,207.00 | 42-0000003 | "JACK SHARE INC 2723 PLEASANT ST, PLEASANT LA 52201-2137 | 01/18/2008 |
| Q2 of 2006 | \$448.00 | 42-0000000 | ADAMS CO AUDITOR PO BOX 8, SHREVEPORT LA 52231-0008 | 01/18/2008 |
| Q1 of 2006 | \$2,999.00 | 42-0000003 | "JACK SHARE INC 2723 PLEASANT ST, PLEASANT LA 52201-2137 | 01/18/2008 |
| Q4 of 2005 | \$2,148.00 | 42-0000003 | "JACK SHARE INC 2723 PLEASANT ST, PLEASANT LA 52201-2137 | 01/18/2008 |

Unemployment Benefits

EIV received no benefit data.

Social Security Benefits

EIV received no benefit data.

Dual Entitlement

EIV received no benefit data.

Medicare Data

EIV received no benefit data.

Supplemental Security Benefits

EIV received no benefit data.

Disability

Disability: No On-set Date:

Report Date: 03/13/2008

* The difference between the gross and net benefit may include the Medicare premium and/or additional deductions, such as garnishments, which are not listed on this report.

Confidential Privacy Act Data. Civil and Criminal penalties apply to misuse of this data.

| | | | |
|----------------|---------------|---------------|-------------|
| Family Member: | JOHN SAUNDERS | SSN: | ***-**-0001 |
| Date of Birth: | XX/XX/2005 | Relationship: | Child |

EIV received no income or benefits data.

Report Date: 03/13/2008

* The difference between the gross and net benefit may include the Medicare premium and/or additional deductions, such as garnishments, which are not listed on this report.

Confidential Privacy Act Data. Civil and Criminal penalties apply to misuse of this data.

**USING EIV DATA
FLOW CHART**



