

## **24.0 Appendices**

### **24.1 Appendix 1: Using the EIV Income Discrepancy Report**

This appendix explains how Pensacola Housing uses the EIV Income Discrepancy Report as part of the recertification process for HCV program clients.

#### **24.1.1 Definition**

The EIV Income Discrepancy Report is a tool for identifying families that might have concealed or underreported their household income. Data in the discrepancy report represents income for past reporting periods and may be between 4 and 30 months old at the time the report is generated. When there appears to be underreporting of \$2,400 or more in household income, annualized, between what a PHA has submitted on a 50058 versus the historic household income that was compiled in EIV from state and federal reporting sources, EIV generates an Income Discrepancy Report for the household.

The EIV Income Discrepancy Report is a trend report. For most clients, it should be possible to review the report, in conjunction with the household's EIV Income details and the income totals from the PHA's submitted 50058s, and quickly determine whether or not there's a true discrepancy. The purpose of the report is not to match up every dollar between the 50058 total and the EIV totals, but to identify unreported income sources, underreported income, or possible instances of identity theft, and review these with the client.

Many, if not most, of the families who appear on the Income Discrepancy Report have not concealed or underreported income. They appear on the report for a variety of reasons, including after the loss of a job or the addition of new family members; when duplicate wage records have been submitted to EIV by federal or state reporting agencies; when a household member is a victim of identity theft; or during the family's initial lease up period.

EIV Income Discrepancy data can be accessed by running the agency-wide Income Discrepancy Report from the Verification Reports menu option, or by reviewing the Income Discrepancy tab of a specific household's EIV Report.

#### **24.1.2 Usage**

Pensacola Housing will review the Income Discrepancy Report for each household during the annual recertification process, and at the time of any other required recertifications, such as for a mid-contract move.

If a household appears on the Income Discrepancy Report at any of these times, the housing specialist will take the following steps.

### **24.1.3 Eliminating Errors**

On occasion the EIV Income Report for a household may contain duplicate wage entries. These entries can skew the household's total income, and produce a false positive on the Income Discrepancy Report. Therefore, Pensacola Housing's first step in reviewing reported discrepancies is to review the household's Income Report in EIV for duplicate entries.

If one or more duplicate wage entries are found, and if they account for all or most of the discrepancy in income between EIV and our submitted 50058s, the housing specialist will document the duplicate entry or entries on the client record, and note the date the review was performed. No further action is needed.

Another type of error that can create false positives in the Income Discrepancy Report is when tenant income submitted by Pensacola Housing on the household's 50058 form was coded incorrectly. For example, if a tenant reports Social Security income, but a Pensacola Housing staff member inadvertently coded the income source as Pension, EIV will report a discrepancy.

Therefore, the second step Pensacola Housing will take in reviewing an Income Discrepancy Report is to review all of the household's income sources in Housing Pro to ensure they are coded correctly. If any errors are found, the housing specialist will make the correction and lock in a corrected 50058 for transmission to PIC. The housing specialist will note the correction on client record, and the date the review was performed. No further action is needed.

### **24.1.4 Looking for Identity Theft**

In addition to duplicate or incorrectly coded wage records, there are other circumstances that can produce an invalid Income Discrepancy Report. One is if a member of the household is a victim of identity theft. If a Pensacola Housing staff member has already verified that an Income Discrepancy Report is the result of identity theft, no further verification is required. Known details of the situation should be noted on the client record, and the date the review was performed. In addition, the client should be counseled to take the steps listed in Appendix 2 of this Administrative Plan.

### **24.1.5 Period of Income (POI)**

If the reported income discrepancy is not a result of invalid data, as described above, then the housing specialist must investigate the discrepancy.

The first step in investigating an income discrepancy is to determine the Period of Income (POI). The Period of Income covered by the discrepancy report appears near the top of the report, under the description "Period of Income for Discrepancy Analysis." Only income received during the POI is counted in calculating any possible income discrepancy, and only income received during the POI should be considered in attempting to resolve or verify the discrepancy.

### **24.1.6 POI and False Positives on the Income Discrepancy Report**

Income earned prior to the client's lease up on the voucher program may be part of the POI and appear on the Income Discrepancy Report. That income is not included on a 50058, so this is a situation where "invalid" discrepancies can occur.

### **24.1.7 Valid Income Discrepancies**

If the client's EIV Income Report does show income sources or amounts that were not reported, and therefore don't appear on any of the submitted 50058s, then there may be a valid income discrepancy. Pensacola Housing will follow up with such clients.

### **24.1.8 Steps to Resolve an Income Discrepancy**

Here are the steps the housing specialist will follow to resolve a valid income discrepancy discovered via the EIV Income Discrepancy Report.

1. Schedule a meeting with the client. Show him or her the EIV Income and Income Discrepancy Reports.
2. Ask if the client agrees with, or disputes the findings.
3. If the client agrees, add the income source to the 50058 (if the income source is still active), calculate the overpayment, and ask the client to sign a repayment agreement.
4. If the client disputes the report, contact the third party source of the EIV wage report and request verification.
5. When third party results are back, contact the client and present the results. Provide the client with a chance to respond.
6. After the client response phase, make a determination, make any needed updates to the 50058, and, if necessary, calculate the overpayment and ask the client to sign a repayment agreement.

### **24.1.9 Bibliography**

1. Department of Housing and Urban Development (HUD), Office of Housing Assistance and Grant Administration (HAGA), "Enterprise Income Verification (EIV) 8.1.1 Instructional Course," December 17, 2008. Online at [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_14936.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_14936.pdf). See especially pp. 79-100.
2. Department of Housing and Urban Development (HUD), Notice H 2011-21, "Enterprise Income Verification (EIV) System," August 17, 2011. Online at <http://portal.hud.gov/hudportal/documents/huddoc?id=11-21hsgn.pdf>. See especially pp. 25-29 and 65.
3. Department of Housing and Urban Development (HUD), Notice H 2013-06, "Enterprise Income Verification (EIV) System," March 8, 2013. Online at <http://portal.hud.gov/hudportal/documents/huddoc?id=13-06hsgn.pdf>. See especially pp. 39-43.

## 24.2 Appendix 2: HCV Program Participants and Identity Theft

In the process of reviewing a program participant's income as part of an annual or interim reexamination, Pensacola Housing may discover that the participant may be a possible victim of identity theft. This information will generally come to light as part of the housing specialist's review of the EIV Income Report or the EIV Income Discrepancy Report with the participant.

If the housing specialist suspects that identity theft has occurred, Pensacola Housing will assist the participant in contacting the reporting agency that was the source of the income discrepancy. In addition, the program participant will be counseled to take the following steps.

1. Check their Social Security records to ensure they are correct. (Call the SSA at 1-800-772-1213.)
2. File an identity theft complaint with the Federal Trade Commission. (Call the FTC at 1-877-438-4338, or visit their website at [www.ftc.gov/bcp/edu/microsites/idtheft](http://www.ftc.gov/bcp/edu/microsites/idtheft).)
3. Monitor their credit reports through the 3 national credit reporting agencies: Equifax, Experian, and TransUnion.
4. Request a copy of their credit report and place a fraud alert on it with the 3 national reporting agencies by contacting the agencies directly, or by visiting the website [www.annualcreditreport.com](http://www.annualcreditreport.com).

Contact information for the 3 national credit reporting agencies is:

Equifax Credit Information Services, Inc.  
P.O. Box 740241  
Atlanta, GA 30374  
[www.equifax.com](http://www.equifax.com)  
800-685-1111

Experian  
P.O. Box 2104  
Allen, TX 75013  
[www.experian.com](http://www.experian.com)  
888-397-3742

TransUnion  
P.O. Box 6790  
Fullerton, CA 92834  
[www.transunion.com](http://www.transunion.com)  
800-680-7289 or 800-888-4213

### 24.3 Appendix 3: Acronyms

|       |   |
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| ACC   | Annual Contributions Contract                       |
| CACC  | Consolidated Annual Contributions Contract          |
| CFR   | Code of Federal Regulations                         |
| EIV   | Enterprise Income Verification                      |
| EVF   | Employment Verification Form                        |
| FMR   | Fair Market Rent                                    |
| FSS   | Family Self-Sufficiency Program                     |
| HA    | Housing Agency                                      |
| HAP   | Housing Assistance Payment                          |
| HCDA  | Housing and Community Development Act               |
| HCV   | Housing Choice Voucher                              |
| HQS   | Housing Quality Standards                           |
| HUD   | Department of Housing and Urban Development         |
| IMS   | Inventory Management System                         |
| INS   | (U.S.) Immigration and Naturalization Service       |
| LIA   | Live-In Aide  |
| MTCS  | Multifamily Tenant Characteristics System           |
| NAHA  | (Cranston-Gonzalez) National Affordable Housing Act |
| NED   | Non-Elderly Disabled                                |
| NOFA  | Notice of Funding Availability                      |
| OIG   | (U.S.) Office of the Inspector General              |
| OMB   | (U.S.) Office of Management and Budget              |
| QHWRA | Quality Housing and Work Responsibility Act of 1998 |
| PHA   | Public Housing Agency                               |
| PIC   | Public and Indian Housing Information Center        |
| PIH   | Office of Public and Indian Housing                 |
| PUC   | Per Unit Cost                                       |
| RR    | Rent Reasonableness                                 |
| RTA   | Request for Tenancy Approval                        |
| RTC   | Request for Tenancy Continuation                    |
| SEMAP | Section 8 Management Assessment Program             |
| TTP   | Total Tenant Payment                                |
| VASH  | Veterans Affairs Supportive Housing                 |
| VAWA  | Violence Against Women Act                          |

VMS          Voucher Management System

## 24.4 Appendix 4: Glossary of Terms

**1937 Housing Act:** The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.].

**50058 Form:** The HUD form that housing authorities are required to complete for each assisted household to record information used in the certification and re-certification process and for interim reexaminations.

**Absorption:** In portability, the point at which a receiving Public Housing Agency stops billing the initial Public Housing Agency for assistance on behalf of a portable family [24 CFR 982.4].

**Adjusted Annual Income:** The amount of household income, after deductions for program allowances, on which tenant rent is based.

**Administrative Fee:** Fee paid by HUD to the PHA for the administration of the program.

**Administrative Plan:** The plan that describes a specific PHA's policies for the administration of tenant-based programs, including voucher programs.

**Admission:** The point when the family becomes a participant in the program. In a tenant-based program, this date is the effective date of the first HAP Contract for a family (first day of initial lease term).

**Adult:** A household member who is 18 years or older, or who is an emancipated minor, or who is the spouse of the head of household. An adult must have the legal capacity to enter a lease under state and local law.

**Allowances:** Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly and disabled families, disability expenses, and child care expenses for children under 13 years of age.

**Americans with Disabilities Act (ADA):** Federal law prohibiting discrimination on the basis of disability in employment, state and local government, public accommodations, commercial facilities, transportation, telecommunications, and housing.

**Annual Contributions Contract (ACC):** The written contract between HUD and a Public Housing Agency, under which HUD agrees to provide funding for a program under the 1937 Act, and the Public Housing Agency agrees to comply with HUD requirements for the program.

**Annual Income:** The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with program regulations.