

## **Section 20.0 UTILIZING THE ENTERPRISE INCOME VERIFICATION (EIV) SYSTEM**

Use of the HUD EIV System is mandatory for PHAs. The LA will use the EIV system to identify potential discrepancies in income reporting by participants during the annual and interim reexamination processes. In order to identify any discrepancies, the LA will use EIV wage/benefit data in conjunction with third party income verification documents received during the annual and interim recertification processes. If there are discrepancies in the amount of income, or if the income is outdated, the LA will use the most accurate and reliable source of income verification.

The data contained and provided by the EIV system will be protected by the LA and should only be used for official program purposes. Data will not be disclosed to anyone in any manner that would violate the privacy of the individuals represented.

The LA must adhere to EIV security awareness measures to ensure that only authorized system users may access the EIV system in order to maintain overall privacy and security compliance.

The LA must use the EIV system to verify household income on such sources as Social Security, Social Security Disability, SSI, wages and unemployment compensation for each family member. The LA must use the EIV system to compare the income source and amount recorded in the participant-supplied income data and form, HUD 50058 which is maintained in the HUD Public and Indian Housing Information Center (PIC) System database.

### **20.01 Demonstrating Compliance with Mandatory Use of EIV**

In accordance with 24 CFR §5.233(a)(2)(i), LAs must demonstrate compliance with mandated use of EIV by doing the following:

- A. For each new admission:
  - a) review the EIV Income Report to confirm/validate family-reported income within 120 days of the PIC submission date;
  - b) print and maintain a copy of the EIV Income Report in the tenant file;  
and
  - c) resolve any income discrepancy with the family within 60 days of the EIV Income Report date.
  
- B. For each historical adjustment (action type 14):
  - a) review the EIV Income Report to confirm/validate family-reported income within 120 days of the PIC submission date;

- b) print and maintain a copy of the EIV Income Report in the tenant file; and
  - c) resolve any income discrepancy with the family within 60 days of the EIV Income Report date.
- C. For each interim reexamination (action type 3):
- a) maintain in the tenant file, a copy of the ICN Page when there is no household income discrepancy noted on the household's Income Discrepancy Report tab or Income Discrepancy Report. (LAs have the discretion to print the EIV Income report; however, only the ICN page is required.)
  - b) maintain in the tenant file, a copy of the EIV Income Report when there is an income discrepancy noted on the household's Income Discrepancy Report tab or Income Discrepancy Report.
- D. For each annual reexamination where the *tenant does not dispute EIV information, the LA must:*
- a) maintain the EIV Income Report, current acceptable tenant- provided documentation and, *if necessary* (as determined by the LA), traditional third party verification form(s).
- E. For each annual reexamination where the *tenant disputes EIV information, the LA must:*
- a) maintain the EIV Income report, current acceptable tenant- provided documentation, and/or traditional third party verification form(s)
- F. Where the *Tenant-reported income is not verifiable through EIV system, the LA must:*
- a) maintain current tenant-provided documents and, *if necessary*, traditional third party verification form(s).

**20.01.01 Debts Owed to PHAs & Termination Module**

HUD has established a national data base to serve as a repository for debt and termination information on former program participants. It is now mandatory that each local program designate at least one staff person whose responsibility it is to enter information into this Debt Termination Data Base (DTDB).

The designated staff must obtain prior approval from HUD, before the system will allow them to enter information into the DTDB. Prior approval from HUD can

only be obtained by submitting an EIV Access Authorization form to HCR's EIV Coordinator, requesting user access role *Program Administrator – Voucher Section 8*).

#### **20.01.02 Policy Governing DTDB Entries**

The following practices must be adhered to when entering debt/termination information into DTDB:

- 1) Debt/Termination information must not be entered into DTDB until an End Of Participation (EOP) action has been entered in PIC for the former participant.
- 2) Debt/termination information must be entered within 60 days from the EOP date.
- 3) Debt/termination information will be maintained in DTDB only up to a period of 10 years.
- 4) Families who have never, or no longer, warrant being in the data base must be removed following HUD guidelines under *Debts Owed to PHAs and Termination information*.
- 5) Local programs may modify a tenant record only 3 times.
- 6) Debts should not be modified as payments are being made. The debt is to be removed only after being paid in full.

#### **20.01.03 Screening Families Through EIVs' "Former Tenant Search" Module**

Procedures governing use of the EIV "Former Tenant Search" module must include the following:

- 1) Prior to admission, local programs should query each adult household member's SSN to determine if a PHA has reported a debt or adverse termination;
- 2) Former participants who owe debts to a PHA may not be admitted to the program until the debt is paid in full to the PHA that is owed the outstanding amount;
- 3) Adverse Terminations should be denied assistance in accordance with PHA or HUD policy; and

- 4) Families denied assistance due to information in DTDB must be provided with a copy of the Debts Owed & Termination report, and as with other denials, offered an informal review.

#### ***20.01.4 Mandatory Monitoring of EIV Reports***

LAs are required to monitor the following EIV reports on a *monthly* basis:

1. Deceased Tenants Report
2. Identity Verification Report
3. Immigration Report

LAs are required to monitor the following EIV reports on a *quarterly* basis:

1. Income Discrepancy Report
2. Multiple Subsidy Report
3. New Hires Report

#### **20.02 Income Discrepancy Resolutions**

When the EIV income data differs from the participant-provided income data by at least \$200.00 per month, this constitutes a “substantial difference.”

In cases where the EIV income data is **NOT** substantially different than tenant-reported income, the LA will:

- use participant documents or third party income verification to calculate anticipated annual income if the EIV income is less than current participant-provided documentation; or
- use EIV income data unless the participant provides documentation of a change in circumstances when the EIV data is more than the current participant-provided documentation. If acceptable participant documentation is provided to justify a change in circumstances, the participant documents will be used to calculate income.

In cases where EIV income is substantially different than the participant-reported income, the LA must:

- Request written third-party verification from the income source in accordance with 24 CFR 5.236(3) (i).
- Review historical income data for patterns of employment, paid benefits, and/or receipt of other income when the LA cannot readily anticipate income such as in the cases of seasonal employment, unstable working hours and suspected fraud.

- Analyze all data and attempt to resolve the income discrepancy.
- Use the most current verified income data (and historical income data if appropriate) to calculate anticipated annual income.

### **Section 20.03 EIV Security Measures**

#### ***20.03.01 Handling of Discrepancy Reports***

The LA must handle EIV discrepancy reports in the following manner:

- If a participant disagrees with the discrepancy report issued by the EIV system, a meeting will be scheduled by the LA with the participant to resolve the dispute. All details of the discrepancy report must be documented and the participant will have 15 business days from the date of the meeting to obtain third-party verification of the discrepancy and submit supporting documentation to the LA. All participant-provided information and submitted documentation should be dated not more than 60 days prior to the initial resolution meeting. Once the information is received from the participant, the LA will review and make a final decision within ten business days from the date that the information was received from the participant.
- If a situation arises where facts indicate that a participant has not reported or has under-reported income, a repayment agreement will be executed between the participant and the LA. A revision to the current and future participant's share must also be made. If a participant refuses to enter into a repayment agreement and/or refuses to pay the newly calculated rent, termination of assistance will occur using the established policies and procedures in accordance with HCR's Section 8 Administrative Plan.

#### ***20.03.02 Records Retention***

During the term of the assisted tenancy and for three years thereafter, the LA must retain the documents in the participant's file. EIV information must be destroyed three years from the End of Participation (EOP) unless there is pending litigation.

#### ***20.03.03 Disposal of Applicant and Participant Records***

All EIV documents must be destroyed at the end of the three-year retention period. They should be destroyed in a manner that would not compromise the confidentiality of the applicants and/or participants. The preferred method for destroying documents is by shredding.

#### ***20.03.04 EIV Security Monitor***

Each local program must designate someone as the agency's "EIV Security Monitor." The agency's EIV Security Monitor will be responsible for ensuring that the minimal EIV security procedures outlined in this document are adhered to.

The local EIV security monitor or other designated personnel must give written notification to the HCR-designated EIV Security Officer when:

- a staff member associated with EIV information is no longer employed with the agency, or
- a staff member who previously had access rights to the EIV system no longer has such rights.

#### ***20.03.05 Storage of EIV Documents***

As an added security measure, on an annual basis the HCR EIV security officer will mail to each local program a listing of local program staff members who have HCR approved access to EIV wage/benefit data. The local security monitor or other designated staff must review this list and immediately notify the HCR EIV security officer in writing of any names that should be deleted from the list.

Each LA must maintain a lockable container, file cabinet, or room to store EIV documents that are:

- outdated and are destined to be destroyed; or
- printed but not yet placed in the participants' files.

Caution should be taken to prevent the combining of each of the above types of documents. HCR recommends that the LA keep each type in separate folders within the lockable receptacle.

#### ***20.03.06 Key Control Form***

Each local program must utilize the **Key Control Form** provided by HCR to document:

- the number of keys issued for the lockable container, file cabinet or room;
- the names of program staff who are in possession of these keys; and

- a change in the number of keys available or a change in the identity of the staff in possession of the key.

#### ***20.03.07 EIV Security Awareness Training***

Applicants requesting EIV access must satisfy the required annual EIV Security Awareness Training before they can be approved for EIV access. In order to satisfy this requirement, an applicant must meet the following two conditions:

- a) Applicants must watch the most recent HUD, EIV Security Awareness Training Webcast.
- b) Applicants must confirm that they have watched the above mentioned webcast by signing the applicable HCR issued EIV Webcast Training Certification form, and submitting it to the HCR EIV Coordinator.

Note: A signed, HCR issued EIV Webcast Training Certification form is the only document needed for confirmation that applicants have completed their training. It is not necessary to obtain a HUD issued “Certificate of Completion.”

#### ***20.03.08 Breach of EIV Security Policy***

Any breach of the EIV security policy should be immediately reported to the designated HCR Security Officer.