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# Tax Credit / HOME Compliance Training

Presented by the Compliance Department

# AGENDA

IHFA Website

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Procorem

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Audits

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Annual Responsibilities

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Housekeeping

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# **IHFA Website**

## **Why is the IHFA website helpful?**

- **Manuals**
- **Required Forms**
- **Suggested Forms**
- **Other Resources**

<https://www.idahohousing.com/>

# Procorem

## What is Procorem?

Procorem is the secure web-based platform we use to communicate with all of our properties.

<https://app.procorem.com/Login?ReturnUrl=%2fProfile%3ftab%3dinvides&tab=invites>

The screenshot displays the Procorem web application interface. At the top, there is a dark navigation bar with the Procorem logo on the left, a search bar labeled "Search this WorkCenter" in the center, and a user profile icon labeled "Kiley" on the right. Below this is a light blue breadcrumb trail: "Home / IHFA / Mill Creek Commons".

The main content area is divided into three sections:

- Left Sidebar:** Contains the "Idaho Housing and Finance Association" logo and a list of navigation items: Files (selected), Posts, Tasks, Calendar, Activity, WorkCenter Settings, Links, Construction Budget, and Tenant Event Portal. At the bottom of the sidebar are two buttons: "★ Favorite this WorkCenter" and "✉ Email this WorkCenter".
- Files Section:** Features a "Files" header with "Sort" and "Filter" dropdowns. Below this is a list of folders and files:
  - Annual Reports:** 26 files, 7 subfolders. Last updated 3 months ago (Sep 09 2022) by Kiley Benger.
  - Audits:** 52 files, 8 subfolders. Last updated 6 months ago (Jun 16 2022) by Sheryl Whitus.
  - Compliance Invoices:** 3 files, 4 subfolders. Last updated 11 months ago (Dec 30 2021) by Kiley Benger.
  - Financials:** 1 file, 6 subfolders. Last updated 8 months ago (Apr 11 2022) by Honalee Thomas.
  - HUD Tenant Data Collection:** 5 files, 2 subfolders. Last updated 3 years ago (Jan 31 2020) by Amanda Reifers.
  - Ownership and Management Changes:** 8 files, 1 subfolder. Last updated 3 years ago (Mar 09 2020) by Amanda Reifers.
  - Property Documents:** 13 files, 7 subfolders. Last updated 3 months ago (Aug 26 2022) by Mari Todd.
  - Utility Allowance Review Requests:** 3 files, 0 subfolders. Last updated 3 months ago (Sep 07 2022) by Mari Todd.
  - Procorem Quick Reference.doc:** 0 files, 3 subfolders, 32.50 kb, Final. Last updated 3 months ago (Sep 07 2022) by Kiley Benger.At the top right of the Files section are buttons for "Upload Files", "Create Folder", and "Actions". At the bottom right of the Files section is a "Details" button.
- Right Sidebar:** Titled "Add Collaborator", it lists various users with their roles and a dropdown arrow for each:
  - Amanda Reifers (WorkCenter Owner)
  - Amber Steube (Pending workcenter access)
  - Andrew Schank (IHFA Property Manager)
  - Celia Espinoza (Pending workcenter access)
  - Honalee Thomas (Contributor)
  - Jeff Holmes (WorkCenter Owner)
  - Katie Kilgrew (Pending workcenter access)
  - Katie Rosanbalm (Pending workcenter access)
  - Kiley Benger (WorkCenter Owner)
  - Lajeane Wilson (WorkCenter Owner)
  - Mari Todd (WorkCenter Owner)
  - Maudi Hernandez (Contributor)
  - Rene Hughes (Contributor)
  - Sarah Chappel (IHFA Specialist)
  - Sheryl Whitus (WorkCenter Owner)



# Audits

# Audits

15 day notification is here to stay

## **IRS Notice 2022-05 and 52**

*The 15 day reasonable notice requirement is described in section 1.42-5(c)(2)(iii)(C)(3) of the tax regulations. Beginning on January 1, 2023 all notification of audits will be no more than 15 days, with some limited exceptions.*

Compliance Monitoring – Review of tenant files

- 15 day notice beginning January 1, 2023

Compliance Monitoring – Review of physical inspections

- 15 day notice beginning January 1, 2023

# Audits

## Why the 15 day notice?

Section 1.42-5(c)(2)(iii)(C)(2) provides that an Agency must select the low-income units to inspect and low-income certifications to review in a manner that does not provide advance notice that a particular low-income unit (or low-income certifications) will or will not be inspected (or reviewed) for a particular year. The Agency may notify the owner of the low-income units for on-site inspection only on the day of inspection.

- Audits are scheduled in a manner that provide owners/agents with advance notice to ensure arrangements for representative attendance, proper notice to tenants, and owner/agent preparation for inspection.
- **Owners/Agents should take time to address common physical deficiencies prior to the actual inspection.**

# Physical Audits

## Follow-up responses

Step one:

- IHFA provides the O/A with an Audit Summary Report or Audit Close letter within 30 days after an inspection.

Step two:

- **Original Audit Summary Report/Cover Letter** - IHFA requires a due date which is no more than 30 days from the date of the Audit Summary Report which is uploaded to the property's work center. Owner/Agents are given 30 days to correct the noncompliant issue(s) and to respond to IHFA with either the corrective actions taken or a corrective action plan. (Basically, this is cut & dry and this has always been the standard IHFA has set)
  - IHFA will be calendaring the 30 day due date and will not remind you. Remember, it is the management's responsibility to track when responses are due.

Step Three:

- **Partial Response Letter 1** - If a property responds to the original audit summary report but still has outstanding deficiencies, with approval IHFA will allow a set amount of time to be determined based on the complexity of the outstanding violation(s) to remedy.



# Physical Audits

## Follow-up responses continued

At the end of the due date period if there is no response from the property representative, IHFA will upload a 2<sup>nd</sup> and if needed a 3<sup>rd</sup> request for response.

- Property is responsible for tracking due dates and deadlines
- If the property is unresponsive the audit score will be affected

Not complying with IHFA can put your property on the Watch List (WL) or Not in Good Standing (NGS).

# Physical Audits

## Follow-up responses continued

Follow-up responses must have adequate documentation to resolve all corrective action noted within your summary report.

- Completed work order(s) must be signed and dated documenting completed repairs.
- Paid invoices along with contractor bids can also be used to document repairs by third parties.
- Pictures are only allowed as a corrective action if they are accompanied with a completed work order and/or paid invoice clearly showing what was corrected.

# Physical Audits

## Closure of Audits

If the report indicates noncompliance, the owner is expected to respond to IHFA within 30 days to provide clarification or document that issues of noncompliance have been addressed and/or resolved.

Extensions may be approved through IHFA only if the request has been made in writing within the 30 day window.

# Physical Audits

## Closure of Audits continued

The IRS stipulates that findings of noncompliance that are not reportable are a state agency issue and must be resolved at the state level. All documented deficiencies, whether they are IRS or an IHFA preferences, must be corrected by the property owner/agent.

Audits will remain open and not be closed until all corrective action has been addressed and resolved completely.

# File Audits

## Audit Process

- Notice of audit sent with list of requested initial documents
  - Includes electronic file audit guide and file stacking order
  - If your tenant files are not already in a digital format, we encourage you to start scanning them in now
- Owner/agent provides initial requested documents
- Auditor provides list of files needed for review
- Owner/agent uploads files within 48 hours
- Auditor completes the audit and provides a summary report of findings
- Owner/agent responds within the 30-day correction period

# File Audits

## Electronic File Audit Guide

### Electronic File Audit Guide

IHFA has transitioned from reviewing files on-site to a remote review of electronic file submissions to the Procorem Work Center. The process of the electronic file review is outlined below.

1. IHFA will send the owner/agent a notification letter 15 days prior to the audit.
2. The Owner/Agent has 5 days to upload the requested initial documents into the appropriate Procorem Work Center.
3. Once the initial documents are received, the IHFA auditor assigned to the audit will make a random selection of files. The auditor will email the owner/agent the list of files selected for review, providing a 48-hour timeframe to submit the selection.
4. The uploaded files should be in PDF format. They must be legible, complete and in a consistent order. Upside-down pages, too dark/light pages and half-scanned pages will not be accepted. Missing items in the PDF upload will be considered an incomplete file submission and **will** result in a point deduction. **(It is the owner/agent's responsibility to make sure all pages are legible and accounted for. Please double check your submissions!)**
5. Do **NOT** email any requested documentation to the auditor. All documents should be uploaded to the Procorem Work Center, which is a protected platform and ensures the tenant's information remains confidential.
6. The pre-determined electronic file stacking order can be found on our website here:  
<https://www.idahohousing.com/documents/electronic-file-stacking-order.pdf>



**Idaho Housing  
and Finance**  
Association

# File Audits

## Electronic File Stacking Order

### Electronic File Stacking Order

All individual tenant files must be uploaded as a separate PDF file and labeled with the unit #, last name of the Head of Household and type of certification (ex. #123 Smith – move-in). If the file contains a recertification, this should be uploaded as an independent PDF.

This is the pre-determined file order for electronic submission. Properties that already have a digital conversion of their files may use an alternate order, as long as the order is consistent for each file.

#### Full Move-in Certification:

##### Top to Bottom

IHFA TIC  
Household Questionnaire (Income/Asset form)  
Certification of Student Status form

##### Income information

All third-party verifications and/or source documents  
Clarifications, if applicable  
Calculation tape/work sheet for all income  
Child Support/No Child support verification with Health & Welfare payment history, if applicable  
Public Assistance verification, if applicable  
Divorce decree, if applicable

##### Asset Information

All third party verifications and/or source documents  
Clarifications, if applicable  
Under \$5000 Asset Certification, if applicable

##### Lease Information

Lease with all addendums  
VAWA addendum (Separate form for each adult household member)  
Lead base paint forms, if applicable  
Move-in inspections sheet

##### Application information

Tenant application with date and time received  
Tenant release and consent form  
Household demographics form  
Criminal/Credit background verification  
ID and SS cards  
Any miscellaneous documentation/forms  
Denial, appeal & approval letters

#### Latest re-certifications:

Self-Certification (100% Tax Credit only), if applicable  
Certification of Student Status form

#### Or:

##### Top to Bottom

Re-certification TIC  
Household Questionnaire (Income/Asset form)  
Certification of Student Status form

##### Income information

All third-party verifications and/or source documents  
Clarifications, if applicable  
Calculation tape/work sheet for all income  
Child Support/No Child support verification with Health & Welfare payment history, if applicable  
Public Assistance verification, if applicable  
Divorce decree, if applicable

##### Asset information

All third party verifications and/or source documents  
Clarifications, if applicable  
Under \$5000 Asset Certification, if applicable

##### Additional Information

Tenant release and consent form  
Any miscellaneous documentation/forms

IHFA reserves the right to request additional information during its review and will notify the sender at the time of review.

All income and assets listed on the TIC should have a verification supporting it. If a verification document is incomplete or unclear, the following page should have a clarification. All calculations completed for income and assets will need to be included with the file. Verifications should be accomplished in the order of acceptability under LIHTC and HUD guidelines. All verification attempts should be in the file.

*\*Altering files after the notification of an audit is an issue on non-compliance.*



# File Audits

## HOME File Required Forms

- HOME Certification of Student Status
  - If combined with Tax Credits, both program student forms must be completed
- 3<sup>rd</sup> party income and asset verifications
- HOME Unit Lease Addendum
- Criminal Screening for all household members 18 years and older
- Denial/Appeal/Approval for rejected applications, if applicable
- Lead-based paint brochure acknowledgement, if built prior to 1978
- Signed and dated move-in inspection
  - Include work orders for repairs, if applicable

These forms can be found on our website here:

<https://www.idahohousing.com/housing-compliance/home-program-compliance/>



# File Audit Response Process

- Once the Audit Summary Report is uploaded to the Procorem Work Center, the Owner/Agent has 30 days to respond.
- What if the corrections are not completed within the allotted timeframe?

# How to Respond

- The Audit Response Guidelines were created this year to help standardize responses and eliminate confusion
- The guidelines outline the requirements we will now enforce to reduce improper response submissions

## Audit Response Guidelines

To streamline the audit response process, IHFA has set forth these guidelines on the expectation of acceptable audit responses. Please ensure that all response submissions meet these standards. Failure to meet these guidelines may cause the response to not be accepted and may result in the property being placed in **Not in Good Standing**.

- A **COMPLETE** response must be submitted to the Owner/Agent Response Documents folder in the Procurem Work Center. An incomplete response may be rejected without review.
- The response must be organized to match the order of the findings found on the Audit Summary Report. **We will no longer accept out of order responses.** (A cover page that identifies the order and contents of the provided corrections is recommended.)
- All responses **MUST** be provided within the 30-day correction period.
  - In cases where items cannot be completed within 30 days, a formal request for an extension must be made **prior** to the expiration of the initial response period. Include documentation which provides evidence as to why an extension is necessary. In cases where some of the corrections are complete, please forward those along with the request for an extension.
- Tenant file responses should only include the corrections pertaining to the finding(s). Do **not** submit the entire tenant file, unless requested.
  - All pages of the response should identify which unit # and finding the correction applies to.
  - If the finding is a calculation error, the response must include the calculations used to correct the error.
  - Corrections to the TIC must be initialed by all appropriate parties.
- Physical finding responses must include a completed, signed and dated work order.
  - In addition to the completed work order, pictures and paid invoices may be included.
  - Scheduled work, contractor bids, estimates, incomplete invoices, unsigned/undated work orders are not considered completed and will not close a finding.
- Illegible pages will not be accepted. It is the owner/agent's responsibility to make sure all scanned pages are accounted for and legible.

The Audit Summary Report contains a brief description of the findings found during the physical inspection, file audits and review of general management. If a more detailed explanation is needed on a finding, it is the responsibility of owner/agent to contact the IHFA auditor assigned to the audit. If you are unclear on what is needed to correct an audit, please ask! Guessing often times results in erroneous corrections that require additional time to remedy.

# Physical and File Audits

## Requesting Extensions

- 30 days given for audit response
- May extend correction period for extenuating circumstances
- Owner/agent submits written extension request prior to due date
- Include evidence why an extension is necessary, along with estimated completion date
- Include any completed corrections
- Partial response letter will be uploaded with new due date
- Set task reminder for due date
- No response or extension request equals point deduction

# Physical and File Audits

## Non-Compliance

Not complying with IHFA or IRS regulations can land your property on the Watch List (WL) or Not in Good Standing (NGS)

- Watch List – First year offense, scoring below average or unsatisfactory on any portion of audit \*Fees Apply\*
- Not in Good Standing – Scoring below average or unsatisfactory on any portion of the audit for a second year in a row. \*Fees Apply & Owner can no longer apply for credit/funding.\*

Removal from WL or NGS – Property must have a minimum satisfactory score in every audit category



# Tenant Income and Verifications

# Resources

## Income

- HUD Handbook 4350.3 Rev 1, Chapter 5 - <https://www.hud.gov/sites/documents/43503HSGH.PDF>
- 24 CFR § 5.609
- IHFA Low-Income Housing Tax Credit Compliance Manual, Chapter 7- <https://www.idahohousing.com/documents/low-income-housing-tax-credit-lihtc-manual.pdf>

## Verifications

- Treasury Regulations § 1.42-5(b)
- HUD Handbook 4350.3 REV 1, Chapter 3 and Chapter 5
- IHFA Low-Income Housing Tax Credit Compliance Manual, Chapter 7
- Tax Credit suggested verification forms - <https://www.idahohousing.com/housing-compliance/tax-credit-compliance/>
- Compliance in HOME Rental Projects: A Guide for Property Owners – Chapter 3 - [https://files.hudexchange.info/resources/documents/ComplianceinHOMERentalProjects\\_GuideforPropertyOwners.pdf](https://files.hudexchange.info/resources/documents/ComplianceinHOMERentalProjects_GuideforPropertyOwners.pdf)

# Income

Tax Credit and HOME programs use gross annual income from all sources in the household to determine their eligibility to lease a unit.

- Gross income is all applicable income without any adjustments or deductions.
- Annual income is all applicable income anticipated by the household from the effective date of the certification for the next twelve months.

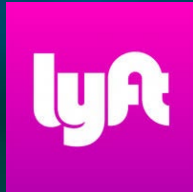
# Earned Income

- Employment
  - Wages, Salaries, Tips, Bonuses
    - Current
    - Anticipated
- Self-employment
  - Net income from business owned by household member.

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
HH Member #	(A) Employment or Wages	(B) Social Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	\$	\$	\$	\$
Add totals from (A) through (D) above			TOTAL INCOME (E): \$	

PART IV. INCOME FROM ASSETS				
HH Member #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset





# Unearned Income

- Payment in Lieu of Earnings
- Social Security Benefits
  - Disability
  - Retirement
  - Dependent
  - Survivor
- Public Assistance
  - AABD
  - TANF
- Pension/Retirement Payments
- Child Support or Alimony
- Cash or non-cash recurring contributions
- Scholarships or Grants

[illegible]

# Income from Assets

Actual income generated from assets effectively owned by a household member.

- Checking or Savings Accounts
- Investment Accounts
- Real Property
- IRA or other retirement savings accounts

OR

Imputed income calculated from household assets with a total cash value more than \$5,000.

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
HH Member #	(A) Employment or Wages	(B) Social Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS:	\$	\$	\$	\$
Add totals from (A) through (D) above			TOTAL INCOME (E): \$	
PART IV. INCOME FROM ASSETS				
HH Member #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
TOTALS:			\$	\$
Enter column (H) total if more than \$5,000			\$	\$
Passbook Rate 0.06%			=	(J) Imputed Income: \$

# Cash Value

$$\text{Cash Value} = \text{Market Value} - \text{Costs to Convert Asset to Cash}$$

## Market Value

- The amount the asset is worth if it were to be sold today.

## Costs to Convert an Asset to Cash

- Penalties for early withdrawal
- Fees
- Commissions
- Loan payoff

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
HH Member #	(A) Employment or Wages	(B) Social Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS:	\$	\$	\$	\$
Add totals from (A) through (D) above				TOTAL INCOME (E): \$
PART IV. INCOME FROM ASSETS				
HH Member #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
	Checking Account		6 month average balance	
	Savings Account		Current balance	
	Direct Express		Current balance	

# Disposed Assets

*Amount Disposed of for less than market value = Cash Value – Amount Received*

The total of the difference between cash value and amounts received over the last two years has to be greater than \$1,000.

- List the amount that was less than fair market value as the cash value on the TIC.

PART IV. INCOME FROM ASSETS				
Disposed of Asset	Cash Value of Asset	Amount Received	Amount Disposed of...	Amount to Include as Cash Value on the TIC for 2 years
Last year donation to Save Bunnies	\$1,000.00	\$0	\$1,000.00	\$1,000.00
Yearly donation to Save Bunnies	\$250.00 x 2	\$0	\$500.00	\$0
Previous Home	\$100,000.00	\$1.00	\$99,999.00	\$99,999.00

# Whose income in the household counts?

All income is counted from the head of household, spouse, co-head, or any other adult.

Unearned income and asset income is counted for children and foster children under 18, but not earned income.

All unearned income and asset income is counted for a full-time student over 18 as well as \$480 of any earned income, if applicable.

Live-in aide earned, unearned, or asset income never counts when determining income eligibility. Live-in aides are not considered members of the household.

Figure 5-2: Whose Income is Counted?

	Employment Income	Other Income (including income from assets)
<b>Members</b>		
Head	Yes	Yes
Spouse	Yes	Yes
Co-head	Yes	Yes
Other adult (including foster adult)	Yes	Yes
<b>Dependents</b>		
-Child under 18	No	Yes
Full-time student over 18	See Note	Yes
Foster child under 18	No	Yes
<b>Nonmembers</b>		
Live-in aide	No	No

**NOTE:** The earned income of a full-time student 18 years old or older who is a dependent is excluded to the extent that it exceeds \$480.

# Verification

Each source of income is required to be verified.

Verification rules vary depending on the source of income, the funding sources for the property/unit, and whether or not the certification is for the initial move-in or annual recertification.

# General Rules

- For a verification document to be considered valid it must be dated within 120 days from the date of receipt by the owner/agent.
- Methods other than third-party verification should only be used when attempts have been made and documented to obtain third-party verification for a minimum of two weeks.
- If information provided by third party is incomplete, the owner/agent must follow up and include documentation of the clarification.
- Owner/Agent must not write on verifications.
- Use of white-out is never permitted.

# Verification Method

## Order of Priority

### 1. Third-Party Verification

- Upfront-Income Verification (UIV)
  - Print out from The Work Number and other state government databases.
- Written
  - Tenant-provided documentation originating from a third-party.
    - Tax returns
    - W-2
    - Pay stubs
  - Documentation sent directly by third-party via mail, fax, email, or internet. Forms available for use on [idahohousing.com](http://idahohousing.com).
- Oral
  - Certification over the telephone between owner/agent and third-party.

### 2. Family or Self-Certification

- Notarized statement
- Signed affidavit



# Verification of Assets

- If the total cash value of a household's assets is \$5,000 or less, the household may use the Under \$5,000 Asset Certification to self-certify the value of and income from assets.
- If the household has no assets, they are required to submit the Under \$5,000 Asset Certification. The form is required to certify that there are no household assets.
- For a HOME-assisted unit, in a year that a full certification is required, all assets must be third-party verified.

**UNDER \$5,000 ASSET CERTIFICATION**  
For households whose combined net assets do not exceed \$5,000.  
Complete only one form per household; include assets of children.

Head of Household Name: Sally Resident Unit No.: 50  
Development Name and Address: Falcon's Landing 7

Complete all that apply for 1 through 4:

1. My/our assets include (enter n/a in (A) if you do not own the respective asset):

Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income
Savings Account(s)	\$ <u>200</u>	<u>.01</u> %	\$ <u>.02</u>	Checking Account(s)***	\$ <u>632</u>	<u>0</u> %	\$ <u>0</u>
Cash on Hand	\$ <u>N/A</u>	<u>N/AP</u>	<u>N/AP</u>	Govt. Benefits Debit Card	\$ <u>N/A</u>	<u>N/AP</u>	\$
Certificates of Deposit	\$ <u>N/A</u>	<u>%</u>	\$	Money Market Funds	\$ <u>N/A</u>	<u>%</u>	\$
Stocks	\$ <u>N/A</u>	<u>%</u>	\$	Bonds	\$ <u>N/A</u>	<u>%</u>	\$
IRA Account(s)	\$ <u>N/A</u>	<u>%</u>	\$	401(k)/403(b) Account(s)	\$ <u>N/A</u>	<u>%</u>	\$
Keogh Account(s)	\$ <u>N/A</u>	<u>%</u>	\$	Trust Funds	\$ <u>N/A</u>	<u>%</u>	\$
Equity in Real Estate	\$ <u>N/A</u>	<u>%</u>	\$	Land Contracts	\$ <u>N/A</u>	<u>%</u>	\$
Lump Sum Receipts	\$ <u>N/A</u>	<u>%</u>	\$	Capital Investments	\$ <u>N/A</u>	<u>%</u>	\$
Bitcoin/ Cryptocurrency	\$ <u>N/A</u>	<u>%</u>	\$	GoFundMe/Crowdsourcing	\$ <u>N/A</u>	<u>%</u>	\$
Life Insurance (Excluding Term)	\$ <u>N/A</u>	<u>%</u>	\$				
Other Retirement/Pension Funds not named above:	\$ <u>N/A</u>	<u>%</u>	\$	Explanation			
Personal Property Held as an Investment**	\$ <u>N/A</u>	<u>%</u>	\$	Explanation			
Other (list):	\$ <u>N/A</u>	<u>%</u>	\$	Explanation			

PLEASE NOTE: Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are.

\*Cash value is defined as market value minus the cost of converting the asset to cash, such as broker's fees, settlement costs, outstanding loans, early withdrawal penalties, etc.

\*\*Personal property held as an investment may include, but is not limited to, gem or coin collections, art, antique cars, etc. Do not include necessary personal property such as, but not necessarily limited to, household furniture, daily-use autos, clothing, assets of an active business, or special equipment for use by persons with disabilities.

\*\*\*Checking Account cash value should be the average in the checking account over the last six (6) months

(Check either box 2 or box 3 below, not both)

2. ☐ Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) for more than \$1,000 below fair market value (FMV). Those amounts equal a total of: \$\_\_\_\_\_ (enter the difference between FMV and the amount you received).
3. ☒ I/we have not sold or given away assets (including cash, real estate, etc.) for less than fair market value during the past two (2) years.
4. ☐ I/we do not have any assets at this time (do not check this box if you have entered any numbers in section 1, above).

# Verification at Recertification

## 100% LIHTC Project

- If a project is 100% LIHTC, meaning there are no market units, there is no requirement to verify income and assets at recertification. Tenants are instead required to submit an IHFA Low-Income Tax Credit Tenant Income Self-Certification and a certification of student status on the anniversary of the initial certification.

## HOME-assisted units

- HOME units are required to perform a full certification at move-in and every 6<sup>th</sup> year in the project's Period of Affordability, including supporting documentation. At any other recertification, tenants are required to submit a Tenant Income Self-Certification and a HOME certification of student status once per year.

*If the project is blended with HOME or other funding, be sure to follow the other programs' recertification requirements for the units that are blended. In a unit with HOME and LIHTC, both HOME and LIHTC certifications of student status are required at move-in and annually thereafter.*

“Document, document,  
document!”

**AND**

“The file needs to tell the  
whole story.”

# Due Diligence

What is reasonable?

What would a reasonable person do?

**WWRPD?**

# The Case of Sally Resident

Sally is the second member of a two-person household who moved into a unit at Falcon's Landing on February 20, 2020.

She started working part-time at the diner down the street January 10, 2020 and her manager, Mark provided a third-party verification to the manager of Falcon's Landing on February 4, 2020.

You are reviewing the move-in file during a routine audit. There is no other information about Sally's employment in the file beyond the TIC, third-party verification, and management's income calculation sheet.



# The TIC

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
HH Member #	(A) Employment or Wages	(B) Social Security/Pensions	(C) Public Assistance	(D) Other Income
1	\$ 24,117.08	\$ 0.00	\$ 0.00	\$ 0.00
2	\$ 7,020.00	\$ 0.00	\$ 0.00	\$ 0.00
TOTALS:	\$31,137.08	\$	\$	\$
Add totals from (A) through (D) above			TOTAL INCOME (E): \$31,137.08	



PART V. DETERMINATION OF INCOME ELIGIBILITY									
<p>TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: \$ <b>31,137.08</b></p> <p><i>Item (L) page 1</i></p> <p>Current Income Limit for family: <b>\$ 1,742.92 under the income limit</b></p> <p>Household income at move-in: \$ <b>31,137.08</b></p> <p>Household size at move-in: <b>2</b></p>	<p><b>Designated Income Restriction</b></p> <table> <tr> <td><input type="checkbox"/> 80%</td> <td><input type="checkbox"/> 70%</td> </tr> <tr> <td><input checked="" type="checkbox"/> 60%</td> <td><input type="checkbox"/> 50%</td> </tr> <tr> <td><input type="checkbox"/> 40%</td> <td><input type="checkbox"/> 30%</td> </tr> <tr> <td><input type="checkbox"/> 20%</td> <td><input type="checkbox"/> %</td> </tr> </table>	<input type="checkbox"/> 80%	<input type="checkbox"/> 70%	<input checked="" type="checkbox"/> 60%	<input type="checkbox"/> 50%	<input type="checkbox"/> 40%	<input type="checkbox"/> 30%	<input type="checkbox"/> 20%	<input type="checkbox"/> %
<input type="checkbox"/> 80%	<input type="checkbox"/> 70%								
<input checked="" type="checkbox"/> 60%	<input type="checkbox"/> 50%								
<input type="checkbox"/> 40%	<input type="checkbox"/> 30%								
<input type="checkbox"/> 20%	<input type="checkbox"/> %								

# Verification of Employment

## THIS SECTION TO BE COMPLETED BY EMPLOYER

Employer, please fill in all blanks. Enter N/A if an item is not applicable to the above employee.

Employee Name: Sally Resident Job Title: Crew

Presently Employed: Yes ☒ No ☐ Date First Employed 1/10/20 Last Day of Employment N/A

Current gross wages/salary: \$ 9.00 (circle one) hourly weekly semi-monthly monthly yearly other \_\_\_\_\_

2 two week total Avg. Average # of regular hours per week: 30

Overtime Rate: \$ N/A per hour Average # of overtime hours per week (not included in regular hours): N/A

Shift Differential Rate: \$ N/A per hour Average # of shift differential hours per week (not included in regular hours): N/A

Commissions, bonuses, tips, other: \$ N/A (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other \_\_\_\_\_

Complete only if above wage data is unavailable: Year-to-date earnings \_\_\_\_\_ From \_\_\_\_/\_\_\_\_/\_\_\_\_ through \_\_\_\_/\_\_\_\_/\_\_\_\_

List any anticipated change in the employee's rate of pay within the next 12 months: N/A; Effective date: \_\_\_\_\_

Is the employee's work seasonal or sporadic? Yes ☐ No ☒ If yes, indicate the average number of weeks in the layoff period(s): \_\_\_\_\_

Does this employee have a 401(k), 403(b), or other retirement account? Yes ☐ No ☒ If yes, can the employee withdraw the funds in this account? Yes ☐ No ☐ What is the appropriate agency/contact information to verify retirement account information? \_\_\_\_\_

Additional remarks: Only do verifications every 6 months

Signature: Mark Manager Date: 2/4/20



# The Calculations

Management Agent

Tenant Name	Amount	Period	#hrs/week	# of periods	Annual Income
Sally	\$9.00	Hourly	15	52	\$7,020.00

Auditor

ANTICIPATED ANNUAL INCOME				
Family Member	Income Source	Reported on TIC/HIC	Income Calculations	Income Calculated Auditor
2	wages	\$ 7,020.00	\$9.00/hr*30hrs*52 weeks	\$ 14,040.00

## PART V. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: <b>\$ 38,157.08</b>		<b>Designated Income Restriction</b>	
Item (L) page 1			
<b>\$ 5,277.08 over the income limit</b>		<input type="checkbox"/> 80%	<input type="checkbox"/> 70%
Current Income Limit for family size: <b>\$ 32,880.00</b>		<input checked="" type="checkbox"/> 60%	<input type="checkbox"/> 50%
Household income at move-in: <b>\$ 38,157.08</b>		<input type="checkbox"/> 40%	<input type="checkbox"/> 30%
Household size at move-in: <b>2</b>		<input type="checkbox"/> 20%	<input type="checkbox"/> %

# WWRPD

- ~~A. Do nothing. There is no cause for concern. The verification is completely clear.  
The tax credits are safe.~~
- B. Call Mark Manager to provide clarification for the average number of weekly hours and maintain the clarification memo with the move-in file.
- C. Ask Sally to provide all of her pay stubs to date to support 15 hours per week used to calculate income and permanently keep them in the move-in file.
- ~~D. Require Sally to provide evidence of her work history from her previous employer to determine the amount of hours that she will likely work.~~

# Common File Findings

- Missing VAWA lease addendum for each adult in the household.
- The TIC is missing asset income on page 1.
- Missing clarification memos.
- Missing management income calculation sheet.
- Missing or incomplete demographic profile form.
- Incorrect identification of rental assistance type on page 2 of the TIC.
- Rent amount listed on the TIC does not match rent amount listed on the lease.
- Missing either the HOME or the LIHTC certification of student status for a unit that is LIHTC and HOME-assisted.



# Physical Inspections

# Overview of Physical Inspection

## UPCS (Uniform Physical Condition Standard)

IHFA uses the (UPCS) inspection protocol which was developed by HUD's Real Estate Assessment Center (REAC) to ensure that housing is “decent, safe, sanitary and in good repair”.

In short, UPCS was designed to assess the condition of the housing.

# Overview of Physical Inspection

## Why use UPCS?

The IRS requires housing agencies to use local health, safety, and building codes OR use the UPCS standards to assess the physical condition of Housing Tax Credit Developments. Codes can vary from city to city or some might not have code enforcement at all.

To ensure a uniform inspection standard is used state-wide, IHFA has adopted the UPCS standard for all of the programs we monitor, with exception of COC, ESG and HOPWA which uses HQS protocol.

# Overview of Physical Inspection

## Compliance Monitoring

- IHFA's compliance staff will perform a physical inspection and tenant file review of each development at least once every 3 years.
- IHFA's compliance department has developed its own scoring system based off the REAC's comprehensive list of inspectable items which may result in a property being audited more frequently.

Example audit scores			
Category	Score	Percentage of Overall Rating	Calculated Points
General Physical Condition & Appearance	90	20%	18
Units	82	20%	16
Leasing & Occupancy	91	35%	32
General Management Operations	100	25%	25
Totals		100%	91
Overall Rating			91

Overall Score	Rating	Next monitoring period
100-90	Superior	3-yr
89-80	Above Average	3-yr
79-70	Satisfactory	2-yr
69-60	Below Average	1-yr
59-0	Unsatisfactory	1-yr

**Note:** IHFA reserves the right to monitor a property at any time, regardless of the previous score.

Examples of this may include:

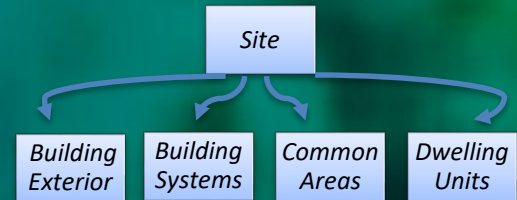
- Follow-up reviews in instances of complaints
- To confirm completion of a corrective action
- Low performing properties
- High percentages of long-term vacant units



# Overview of Physical Inspection

## Physical Inspections

- *IHFA will conduct a complete inspection of the property, which includes the 5 UPCS inspectable areas and any Health & Safety issues.*
- *Once the IHFA inspector arrives, he or she will present a randomly selected unit list to the on-site staff, pull the keys and the inspection begins.*
- *A management or maintenance agent must accompany the inspector inside the units, with the agent entering first while following the inspector throughout the unit.*
- *IHFA is required to report to the IRS all deficiencies identified under UPCS.*
  - *Even deficiencies that are corrected must be reported to the IRS.*
- *Vacant units will be inspected during an on-site visit.*
- *Vacant units must be suitable for occupancy or “Rent Ready”*
  - *IHFA has determined a 30-day turn is reasonable*
- *Failure to “turn” vacant units in a reasonable period will result in a report of noncompliance.*





# Overview of Physical Inspection

## Notification and Preparation

- IHFA will provide a written notice of the upcoming physical inspection to the Owner/Agent through the property's Procorem Work Center.
- At least 24-hour advanced notice to all residents.
- Staff should walk the property to see if there are any deficiencies that require attention.
- Arrive on time for the inspection with a notepad and camera to document any deficiencies that are found.
- Communicate with the inspector about any known issues at the property and any work orders or plans for correction.
- Repairs can be made during the course of the inspection if performed while the inspector is in a unit or inspecting the building where the deficiency is identified. Deficiencies will be noted, but recorded as corrected (repaired during inspection, RDI).

*Note: The inspector cannot delay the inspection for these repairs to be completed.*

*Note: Staff may want to have available common repair items such as smoke detectors, batteries and lightbulbs.*

# Overview of Physical Inspection

## 4 Simple steps to becoming a High Performer

Reaching the coveted Superior score isn't as difficult as you think!

**Step 1** *Always walk your property. If you suspect an inspection, complete a 100% inspection of all areas.*

**Step 2** *(15 days out – the day you are notified of the inspection). Conduct a mock inspection of the site, exterior, systems, common areas and a sampling of units to ensure nothing was left unprepared and all repairs are within industry standards.*

**Step 3** *(day of inspection – escorting). Take notes and be present.*

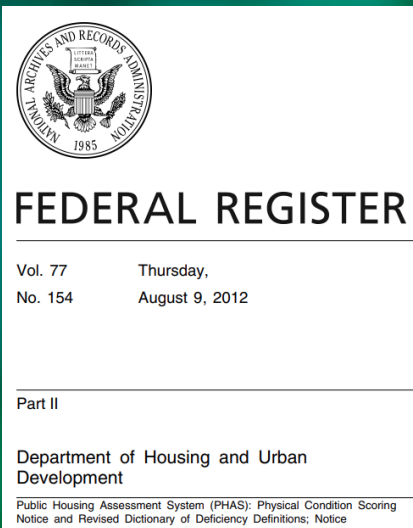
**Step 4** *(within 30 days after Audit Summary Report). Submit response to IHFA for all completed work orders, work in progress, ownership and contractor issues, etc..*

# Overview of Physical Inspection

## Federal Register

- *Inspectable items and deficiencies are listed in the Federal Register under the HUD UPCS Dictionary of Deficiency Definitions.*
- *Two sections of the Federal Register are used to score a finding:*
  1. *Appendix 1 (pages 47724 – 47737) – lists the criticality point value for each observable deficiency of an inspectable item.*
  2. *Appendix 2 (pages 47738 – 47759) – contains the Dictionary of Deficiency Definitions*

*Federal Register Link* <https://www.federalregister.gov/documents/2012/08/09/2012-19335/public-housing-assessment-system-phas-physical-condition-scoring-notice-and-revised-dictionary-of>



# Overview of Physical Inspection

## Most Common Findings

- Blocked egress (furniture blocking windows in bedrooms)
- Deteriorated weather stripping (door)
- Bathroom basin problems (stoppers or associated hardware inoperable or missing)
- Deteriorated fridge seal
- Deteriorated carpet/stains/holes
- Clogged dryer vent
- Expired fire extinguisher
- Missing/deteriorated screens
- Holes/cracks in siding
- Missing light globe
- Trip hazards (walkways/general walking areas)
- Parking lot (faded striping & deteriorated or failing surface area)
- Vegetation (overgrown and/or encroaching)
- Hornet nests
- Missing splash blocks
- Damaged/falling/leaning fencing



# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Hornet Nests



Overgrown Vegetation



Overgrown Vegetation

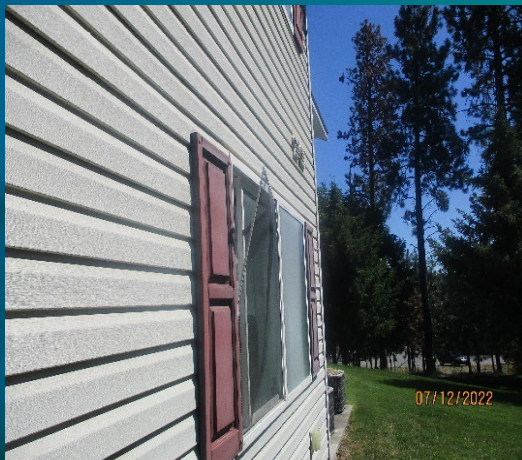
# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Missing Screen



Cracked Window



Bent Screen



# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Detached Gate



Impeding walkway

Impeding walkway



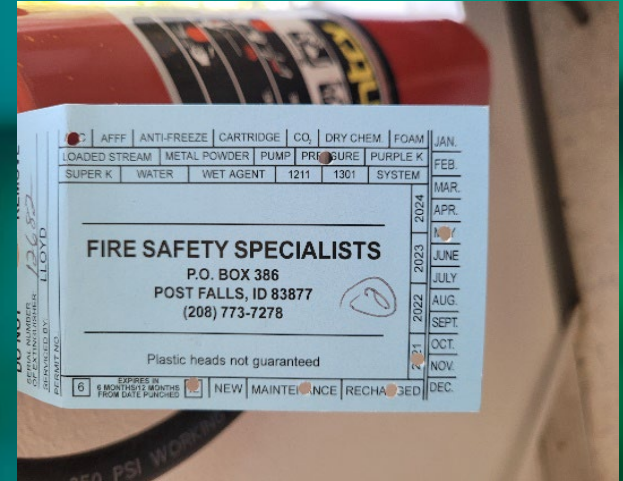
# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Overgrown Grass



Expired Fire Extinguisher



Missing Window Lock



# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Inoperable Emergency Light



Missing Light Globe

Faded Striping/ Handicap



# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Clogged Gutters



Trip Hazard



# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit

Hole/Crack in siding Not Industry Standard (NIS)



Repaired downspout Not Industry Standard (NIS)





# Overview of Physical Inspection

Most Common Findings that could be addressed prior to an audit



# Overview of Physical Inspection

## IHFA Resources

IHFA Physical Inspections Training Webinar <https://www.idahohousing.com/housing-compliance/tax-credit-compliance/>

IHFA Compliance Manual and all required and suggested forms can be found here <https://www.idahohousing.com/housing-compliance/housing-compliance/>

UPCS Comprehensive List of Inspectable Areas [https://www.hud.gov/sites/documents/DOC\\_26481.pdf](https://www.hud.gov/sites/documents/DOC_26481.pdf)

Federal Register link <https://www.federalregister.gov/documents/2012/08/09/2012-19335/public-housing-assessment-system-phas-physical-condition-scoring-notice-and-revised-dictionary-of>

Always

*Consider industry training for all staff members!*



# Annual Responsibilities

Rent Increases



**Idaho Housing  
and Finance**  
Association

# Tax Credit Rent Increase Requests

## Tax Credit Rent Increases

On October 21, 2022, IHFA published a memo lifting the 5% rent increase cap.

- Rent increases 5% and under
  - Do not require approval
  - 30 day notice to residents is required
- Rent increases from 5% and over
  - Do not require approval
  - 60 day notice to residents is required
- All rent increases over 10%
  - Must be submitted for review / approval using the required Tax Credit Rent Increase Form.
  - Submit form to Katie Kilgrow via email or Procorem.
  - 60 day notice to residents is required

Procorem Location:

HOME/IHFA/ \*Property Name\*/ Annual Reports/ \*Upload request and IHFA will make a folder\*

# 1 rent increase per 12 month period!



## REQUEST FOR TAX CREDIT RENT INCREASE

\*Rent increases can only be processed once in a 12 month period, unless the rent increase is caused by a change in the Utility Allowance in which tenants must be notified in writing that the UA is the cause of the increase.\*

Date Request Received:		Request Submitted By:		Effective Date of Requested Increase:			
Property Name:				Person Requesting Increase:			
MSA/County:				Phone:			
Property Type: Family <input type="checkbox"/> Senior <input type="checkbox"/> Elderly <input type="checkbox"/>				Email:			
Unit Mix/ Rent information							
Unit Mix (Check all that apply):	30 <input type="checkbox"/>	35 <input type="checkbox"/>	40 <input type="checkbox"/>	45 <input type="checkbox"/>	50 <input type="checkbox"/>	55 <input type="checkbox"/>	60 <input type="checkbox"/>
30%	35%	40%	45%	50%	55%	60%	
Bedroom Size(s):	Bedroom Size(s):	Bedroom Size(s):	Bedroom Size(s):	Bedroom Size(s):	Bedroom Size(s):	Bedroom Size(s):	Bedroom Size(s):
Current Rents:	Current Rents:	Current Rents:	Current Rents:	Current Rents:	Current Rents:	Current Rents:	Current Rents:
Current UA's:	Current UA's:	Current UA's:	Current UA's:	Current UA's:	Current UA's:	Current UA's:	Current UA's:
Rent Requested:	Rent Requested:	Rent Requested:	Rent Requested:	Rent Requested:	Rent Requested:	Rent Requested:	Rent Requested:
Rent with UA:	Rent with UA:	Rent with UA:	Rent with UA:	Rent with UA:	Rent with UA:	Rent with UA:	Rent with UA:
Requested Rents: Under Maximum Limit <input type="checkbox"/> Over Maximum Limit <input type="checkbox"/>							
Request is over 10% of current rent?: Yes <input type="checkbox"/> No <input type="checkbox"/>				Date of last approved UA:			
				Has the UA been changed in the last 12 months?: Yes <input type="checkbox"/> No <input type="checkbox"/>			
Date of last Rent Increase:				Amount of last increase: \$			
FOR IHFA							
Reviewed By:				Title:			
Signature				Date			

Clear Form

Please provide rent roll effective prior month of rent increase request.  
UPLOAD COMPLETED FORM TO PROPERTY'S PROCORE WORKCENTER  
OR YOU CAN EMAIL TO KATIEK@IHFA.ORG

Print



# HOME Rent Increase Requests

All HOME rent increases must be approved by IHFA prior to implementation. On November 1, 2022, IHFA amended the rent cap from 5% to 10%. The rent cap applies to existing tenants without regard for the published income and rent limits.

- Only one rent increase is permitted per 12-month period.
- The HOME rent increase request form should be submitted with the annual reports, which are due no later than the last business day of February.
  - Upload the request form to the property's Procorem Work Center in the "Annual Reports/Annual HOME Rent Increase Requests/Applicable Year" folder
  - If the rent increase is approved, an approval letter will be uploaded to the same folder
- Notice of rent increase must be given to tenants prior to implementation.
  - At or below 5% - 30-day notice
  - Above 5% - 60-day notice
- Vacant units may be rented at the published income and rent limits

# 1 rent increase per 12 month period!



## REQUEST FOR HOME RENT INCREASE

Request Submitted By:	Effective Date of Requested Rents:	Date Request Submitted:
Submitters Email Address:		
Property Name:		
Address:	City:	County:
Property Type:	Multifamily <input type="checkbox"/>	Single Family <input type="checkbox"/> Duplex/Triplex <input type="checkbox"/>
If you answered "Multifamily" please indicate what property type:	Family <input type="checkbox"/>	Senior <input type="checkbox"/> Elderly <input type="checkbox"/>
Unit Number(s):	Bedroom Size(s):	
Unit Status	Vacant* <input type="checkbox"/>	Occupied <input type="checkbox"/>
*If a unit is vacant the rent may be raised to maximum limit without approval.		
Unit Type:	Low HOME 50% <input type="checkbox"/>	High HOME 80% <input type="checkbox"/>
REQUEST FOR INCREASE EXPLANATION:		
Date of Last Rent Increase:		
Current Rents:	Rent Requested:	
Current UA:	Rent with UA:	
Maximum Rent Limit:		
Requested Rents:	Under Maximum Limit <input type="checkbox"/>	Over Maximum Limit <input type="checkbox"/>

\*Increases below 5% require 30 day notice to tenants\* \*Increases over 5% require 60 day notice to tenants\*  
\*Rent increase can only be implemented once in a 12 month period - i.e. if the last rent increase was effective April you may not raise the rent unit April the following year.\*

FOR IHFA USE	
Reviewed By	Title
Signature	Date

Please provide rent roll effective prior month of rent increase request.  
Upload completed request to property's Procorem Workcenter or email to [Honaleet@ihfa.org](mailto:Honaleet@ihfa.org)

Clear Form

Print



# Annual Responsibilities

Utility Allowances



**Idaho Housing  
and Finance**  
Association

# Utility Allowances

- Utilities paid by the tenant, not by the owner of the property, must be reflected in a utility allowance.
- Utility allowances must be reviewed and updated annually.
- Utility allowance needs to be submitted for approval at approximately the same time each year.

# Utility Allowances

## 100% Tax Credit Properties

Utility Allowance Source Options:

- Public Housing Authority (PHA) Utility Allowance
- Actual Consumption Utility Allowance
- HUD Utility Schedule Model (HUSM)
- Engineering Consumption Model

# Utility Allowances

## HOME Properties

Following methods may be utilized for HOME assisted units with a funding date on or after August 23, 2013.

- Actual Consumption Utility Allowance
- The HUD Utility Schedule Model (HUSM)
- Engineering Consumption Model

# Utility Allowances

## Mixed Subsidy Units

### Tax Credit and HOME

- Apply the HOME utility allowance to your Tax Credit units as well

### Tax Credit and RD

- Apply the RD utility allowance to your Tax Credit units as well



# Utility Allowances

## Mixed Subsidy Units Continued

### Tax Credit and Project-Based Section 8

- Apply the Section 8 utility allowance to your Tax Credit units as well

### Tax Credit and Tenant-Based Section 8 or Housing Choice Voucher

- Apply the utility allowance established for the voucher **to that unit**

# Utility Allowances

## Calculation Methods

- Public Housing Authority (PHA) Utility Allowance
- Engineering Consumption Model
- Actual Consumption Utility Allowance
- HUD Utility Schedule Model (HUSM)

# Utility Allowances

## Actual Consumption

Property Name: \_\_\_\_\_ Date: \_\_\_\_\_  
Contract Number: \_\_\_\_\_  
Project Number: \_\_\_\_\_ Double checked: \_\_\_\_\_

	Contract Units	Units to be Sampled	Units actually Sampled
0 Bedroom Units		0	
1 Bedroom Units	35	20	18
2 Bedroom Units		0	
3 Bedroom Units		0	
4 Bedroom Units		0	

	Average as Calculated from Analysis
<a href="#">0 Bedroom Units</a>	N/A
<a href="#">1 Bedroom Units</a>	\$96.23
<a href="#">2 Bedroom Units</a>	N/A
<a href="#">3 Bedroom Units</a>	N/A
<a href="#">4 Bedroom Units</a>	N/A

	Current Utility Allowance	Proposed Utility Allowance	Percentage Difference	Phased in Utility Allowance
0 Bedroom Units			#DIV/0!	
1 Bedroom Units	\$100	\$99	-1.00%	
2 Bedroom Units			#DIV/0!	
3 Bedroom Units			#DIV/0!	
4 Bedroom Units			#DIV/0!	

# Utility Allowances

## Actual Consumption



Page 1 of 1

Questions? Contact your Customer Care team:  
(208) 388-2323 or 1-800-488-6151 • M-F: 7:30a.m. to 6:30  
p.m.  
P.O. Box 70 • Boise, ID 83707

Hablamos español.

For more information and/or self-help options,  
visit [idahopower.com](http://idahopower.com).

MAY 25, 2022

Account Number: [REDACTED]

### BILLING AND USAGE HISTORY

On 05/25/2022 you requested information from Idaho Power for the following service:

SERVICE AGREEMENT: [REDACTED] METER NUMBER: [REDACTED]

PREMISE ADDRESS: [REDACTED]

Read Date	Days	KWH Usage	KW Demand	\$ Amount	Rate
05/06/2022	030	479	7	\$50.44	101
04/06/2022	029	499	7	\$52.33	101
03/08/2022	029	634	7	\$65.06	101
02/07/2022	032	712	7	\$72.44	101
01/06/2022	030	581	7	\$59.56	101
12/07/2021	029	426	6	\$44.98	101
11/08/2021	032	303	3	\$33.47	101
10/07/2021	029	258	3	\$29.29	101
09/08/2021	033	314	3	\$36.00	101
08/06/2021	029	300	3	\$35.08	101
07/08/2021	031	290	3	\$34.09	101
06/07/2021	031	293	6	\$32.24	101
05/07/2021	030	396	7	\$40.93	101
04/07/2021	030	500	8	\$50.30	101
03/08/2021	031	647	7	\$63.57	101
02/03/2021	030	677	7	\$66.26	101
01/06/2021	030	718	7	\$69.96	101
12/07/2020	032	654	7	\$64.19	101



PO BOX 70  
BOISE, ID 83707  
(208) 388-2323



### Usage History

Data Source: CIS\_EAM  
Data Updated Daily

Feb 3, 2021 9:48:47  
AM

Usage for 01-JAN-20 thru 31-DEC-20

Premise Address: [REDACTED]

Service Type	SA Account ID	Service Agreement	Badge Number	Start Date	End Date	Read Type	Days of Svc	UOM	Usage Amount	Payoff Amount	Current Amount *Includes Tax	Tax Amount
E				12/27/19	1/28/20	Regular Read	32	KWH	3,760	358.97	\$358.97	3.55
				1/28/20	2/26/20	Regular Read	29	KWH	3,760	358.97	\$358.97	3.55
				2/26/20	3/26/20	Regular Read	29	KWH	3,120	302.57	\$302.57	3
				3/26/20	4/27/20	Regular Read	32	KWH	3,120	308.9	\$308.90	3.06
				4/27/20	5/27/20	Regular Read	30	KWH	2,960	294.84	\$294.84	2.92
				5/27/20	6/25/20	Regular Read	29	KWH	3,200	317.69	\$317.69	3.15
				6/25/20	7/27/20	Regular Read	32	KWH	4,480	417.16	\$417.16	4.13
				7/27/20	8/26/20	Regular Read	30	KWH	4,640	428.08	\$428.08	4.24
				8/26/20	9/25/20	Regular Read	30	KWH	0	0	\$0.00	0.24
				9/25/20	10/26/20	Regular Read	31	KWH	3,440	340.52	\$340.52	3.37
				10/26/20	11/24/20	Regular Read	29	KWH	2,960	293.31	\$293.31	2.9
				11/24/20	12/28/20	Regular Read	34	KWH	4,320	403.58	\$403.58	4
				12/28/20	1/27/21	Regular Read	31	KWH	5,440	479.34	\$479.34	4.75
E - Total				12	397				45,280	4,363.93	\$4,363.93	19.44
G				12/27/19	1/28/20	Regular Read	32	THRM	205.673	151.62	\$151.62	1.5
				1/28/20	2/26/20	Regular Read	29	THRM	190.008	140.94	\$140.94	1.4
				2/26/20	3/26/20	Regular Read	29	THRM	92.906	72	\$72.00	0.71
				3/26/20	4/27/20	Regular Read	32	THRM	66.67	53.39	\$53.39	0.53
				4/27/20	5/27/20	Regular Read	30	THRM	27.624	25.24	\$25.24	0.25
				5/27/20	6/25/20	Regular Read	29	THRM	25.852	24.41	\$24.41	0.24
				6/25/20	7/27/20	Regular Read	32	THRM	29.198	26.79	\$26.79	0.27
				7/27/20	8/26/20	Regular Read	30	THRM	0	0	\$0.00	0.24
				8/26/20	9/25/20	Regular Read	30	THRM	26.059	24.55	\$24.55	0.24
				9/25/20	10/26/20	Regular Read	31	THRM	30.483	27.69	\$27.69	0.27
				10/26/20	11/24/20	Regular Read	29	THRM	34.38	30.46	\$30.46	0.3
				11/24/20	12/28/20	Regular Read	31	THRM	49.063	40.37	\$40.37	0.4

## Actual Consumption

[illegible]

# Utility Allowances Actual Consumption

The screenshot displays the Procorem 1 AA Sample Workcenter interface. The browser address bar shows the URL: <https://app.procorem.com/account/1256/workcenters/14938/?tab=files>. The page header includes the Procorem logo, a search bar, and the user name "Lajeen". The left sidebar contains navigation options: Files, Posts, Tasks, Calendar, Activity, WorkCenter Settings, Links, Construction Budget, and Tenant Event Portal. The main content area is titled "Files" and lists various documents. The "Utility Allowance Review Requests" document is highlighted in yellow. The right sidebar shows a list of collaborators.

**Files**

Sort Filter Upload Files Create Folder Actions

- Annual Reports  
1 3  
3 years ago on (Feb 06 2020) by Amanda Reifers
- Audits  
0 1  
3 years ago on (Feb 06 2020) by Amanda Reifers
- Compliance Invoices  
1 3  
3 years ago on (Feb 06 2020) by Amanda Reifers
- Financials  
0 6  
9 months ago on (Apr 11 2022) by Laura Lind
- HUD Tenant Data Collection  
0 0  
3 years ago on (Feb 06 2020) by Amanda Reifers
- Ownership and Management Changes  
0 1  
3 years ago on (Feb 06 2020) by Amanda Reifers
- Property Documents  
0 2  
3 years ago on (Feb 06 2020) by Amanda Reifers
- Utility Allowance Review Requests**  
0 0  
3 years ago on (Feb 05 2020) by Amanda Reifers
- Procorem Quick Reference.doc  
0 1 96.0 KB  
3 years ago on (Feb 06 2020) by Amanda Reifers

**Add Collaborator**

- Amanda Reifers  
WorkCenter Owner
- Jeff Holmes  
WorkCenter Owner
- Lajeen Wilson  
WorkCenter Owner
- Leslie DiMichele  
Contributor
- Mari Todd  
WorkCenter Owner
- Rene Hughes  
WorkCenter Owner
- Sheryl Whitus  
WorkCenter Owner

[Details](#)



# Utility Allowances

## References for Actual Consumption

- Feb. FAQs [https://www.hud.gov/sites/dfiles/OCHCO/documents/UA\\_FAQs\\_February\\_2022.pdf](https://www.hud.gov/sites/dfiles/OCHCO/documents/UA_FAQs_February_2022.pdf)
- HUD notice H-2015-04 UA methodology <https://www.hud.gov/sites/documents/15-04HSGN.PDF>

# Utility Allowances

## HUSM

- <https://tools.huduser.gov/husm/uam.html>
- Upload full worksheet for each bedroom size and copies of rates from power and gas (if applicable) companies

# Utility Allowances

HUSM

Service Charge, per month

Energy Charge, per kWh

First 800 kWh

801-2000 kWh

All additional kWh over 2000

	Size of First Block remainder	Size of First Block 800	
Size of Second Block	Size of Second Block	Size of Second Block 1200	kWh
Size of Third Block	Size of Third Block	Size of Third Block remainder	kWh
Size of Fourth Block	Size of Fourth Block	Size of Fourth Block	kWh
Cost of First Block	Cost of First Block n/a	Cost of First Block .08039	\$/kWh
Cost of Second Block	Cost of Second Block	Cost of Second Block .088627	\$/kWh
Cost of Third Block	Cost of Third Block	Cost of Second Block .098154	\$/kWh
Cost of Fourth Block	Cost of Fourth Block	Cost of Fourth Block n/a	\$/kWh
Extra Charges	Extra Charges	Extra Charges .017512	\$/kWh
Taxes	Extra Charges	Extra Charges 4.6	%

# Utility Allowances

## HUSM

### MONTHLY CHARGE

The Monthly Charge is the sum of the following charges, and may also include charges as set forth in **Schedule 54** (Fixed Cost Adjustment), **Schedule 55** (Power Cost Adjustment), **Schedule 91** (Energy Efficiency Rider), **Schedule 95** (Adjustment for Municipal Franchise Fees), and **Schedule 98** (Residential and Small Farm Energy Credit).

### **SERVICE DETAILS** (Residential Standard Plan Schedule 01)

Service Charge	\$5.00
Non-Summer Energy Charge 540 kWh @ \$0.080390 per kWh	\$43.41
Power Cost Adjustment	\$7.50
Fixed Cost Adjustment	\$3.32
Franchise Fee 1.50% Paid to Your City	\$0.89
Energy Efficiency Services	\$1.50
Federal Columbia River Benefits Supplied by BPA	- \$1.37

<b>Current Charges - Electric Service</b>	<b>\$60.25</b>
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# Utility Allowances

## HUSM Extra Charges

<b>Summer</b>			
Size of First Block	remainder	800	kWh
Size of Second Block		1200	kWh
Size of Third Block		remainder	kWh
Size of Fourth Block			kWh
Cost of First Block	n/a	0.086518	\$/kWh
Cost of Second Block		0.104033	\$/kWh
Cost of Third Block		0.123585	\$/kWh
Cost of Fourth Block		n/a	\$/kWh
<b>Winter</b>			
Size of First Block	remainder	800	kWh
Size of Second Block		1200	kWh
Size of Third Block		remainder	kWh
Size of Fourth Block			kWh
Cost of First Block	n/a	.080390	\$/kWh
Cost of Second Block		.088627	\$/kWh
Cost of Third Block		0.098154	\$/kWh
Cost of Fourth Block		n/a	\$/kWh
<b>Extra Charges</b>		0.017512	\$/kWh
<b>Taxes</b>		6.1	%

# Utility Allowances

## HUSM – Extra Charges

Dollar/kWh:

- **Schedule 54 – Fixed Cost Adjustment**
  - Per the language in the second paragraph on page two, under the heading of Fixed Cost Adjustment, “the monthly Fixed Cost Adjustment for Residential Service (Schedule 1...) is 0.6153.” This is cents/kWh.
- **Schedule 55 – Power Cost Adjustment**
  - Page three of the schedule shows a Schedule 1 property has a total Power Cost Adjustment (Total PCA) of 1.3893. This is also cents/kWh.
- **Schedule 98 – Residential and Small Farm Energy Credit**
  - Page two of the schedule shows the Credit Adjustment is 0.2534 cents per kWh.

Add the three amounts – cents/kWh:

• Schedule 54 – Fixed Cost Adjustment	0.6153
• Schedule 55 – Power Cost Adjustment	1.3893
• Schedule 98 – Energy Credit	<u>+ (-.2534)</u>
Total	1.7512 cents/kWh

Convert to dollars/kWh 1.7512 divided by 100 = 0.017512 \$/kWh



## HUSM – Extra Charges

- **Schedule 91 – Energy Efficiency Rider** – Schedule 1 properties are a flat rate of 3.1%
- **Schedule 95 – Adjustment for Municipal Franchise Fees**
  - These are dependent on the city of service and range from 1% to 3%. You must check the schedule to determine the percentage for your city.

• Schedule 91 – Energy Efficiency Rider	3.0%
• Schedule 95 – Adjustment for Municipality	<u>+ 3.0%</u>
Total	6.0%

These amounts may differ depending on the location, as well as the service provider. Always confirm the effective date of the rates from the provider before completing the HUSM.



# Annual Responsibilities

Annual Reporting

# Annual Reporting Requirements

Annual Reports Include:

- Violence Against Women Act (VAWA)
- Certification of Continuing Program Compliance (CCC)
- Annual Occupancy Report (AOR)
- Any marketing documents supporting the HOME Affirmative Marketing Plan (AMP) or HUD's Affirmative Fair Housing Marketing Plan (AFHMP)
- Tenant Events/Certifications

Due Last Business Day of February

# Annual Reporting Requirements

## Reporting Locations:

Property Work Center/Annual Reports/ Reporting 20XX, where 20XX is the year of the reporting activity.

- VAWA Emergency Transfers
- Program CCCs
- AORs
- AMP and AFHMP marketing documents, if required

Property Work Center/Tenant Event Portal/20XX Tenant Events

- Tenant Events – whether via NAHMA XML files or manual entry

Due Last Business Day of February

# Tenant Events

driven by the Tenant Certifications of the unit during the course of the calendar year

## AOR versus Tenant Events

- AOR includes information on only the Head of House, and should show all movement of households in the unit during the year.
- Tenant Events should include all certifications in the unit during the course of the year, including all move-ins, move-outs, unit transfers, household updates and re-certifications.
  - Also includes minimal information regarding each member of the household:
    - Name,
    - Date of Birth,
    - Full-time Student (Y/N),
    - Disability (Y/N),
    - Last four digits of SSN,
    - Race,
    - Ethnicity.



# Tenant Events

driven by the Tenant Certifications of the unit during the course of the calendar year

Tenant Event Portal Location:

- Property Work Center/Tenant Event Portal/20XX – Tenant Events where 20XX is the year's activity you are reporting.

Once you have all the year's certifications added to the Tenant Event portal, or you have uploaded a NAHMA xml, you must:

- **VALIDATE** the data - The system will generate error messages specific to information that is in conflict, or inaccurate, etc. You must clear any errors, and validate until there are no error messages, and
- **SUBMIT** the data – once there are no error messages, you must click the SUBMIT button to move the data from the work center to IHFA's ProLink system.

Completing the Tenant Events has taken the place of participation in HUD's Tenant Data Collection. The ProLink system aggregates all Tenant Events from all properties to create one file IHFA uploads to HUD, annually.



# VAWA Management Requirements

## HUD Notice H 2017-05

- Detailed guidance for implementing requirement in the Final Rule for VAWA 2013
- Examples and scenarios
- Changes to notification and emergency transfer plan requirements
- Clarifies documentation requirements
- The final rule replaced the term “immediate family member with “affiliated individual”
  - Spouse, parent, brother, sister, or child of the victim, or an individual to whom the individual is in loco parentis, or any individual, tenant, or lawful occupant living in the unit

# VAWA Requirements

## How to comply with VAWA regulations

### Emergency transfers

- The deadline to establish an Emergency Transfer Plan (ETP) for each property was June 14, 2017.
- Requirements of the ETP
  - Defining who is eligible
  - What is required to request the transfer
  - What if a safe unit is not immediately available
  - How and when the plan will be available
- Use and customize HUD's model ETP (form 5383) for each of your properties.

# VAWA Requirements

## How to comply with VAWA regulations

### Required forms from IHFA website

- VAWA lease addendum
  - <https://www.idahohousing.com/documents/vawa-lease-addened.pdf>
- VAWA Notice of Occupancy Rights HUD-5380
  - <https://www.idahohousing.com/documents/vawa-notice-rights-5380.pdf>
    - Notice must be made available in multiple languages per LEP requirements.

### Additional VAWA forms can be found at HUD.gov

- [H 2017-05 VAWA Reauthorization Act](#)
- [HUD-5380 Notice of Occupancy Rights](#)
- [HUD-5381 Model Emergency Transfer Plan](#)
- [HUD-5382 Victim Certification](#)
- [HUD-5383 Emergency Transfer Request](#)

# VAWA Requirements

## How to comply with VAWA regulations

### Documentation

- Track the number of VAWA emergency transfers requests for each property
- Do not include any identifying information
- Submit to IHFA with annual documents
- Have this information available during audit exit interview

# VAWA Requirements

How to comply with VAWA regulations

## Security

- Confidentiality is key!
- Separate and secure
- No shared database
- No disclosing or sharing of details





# Housekeeping



# Electronic Signatures

- March 20, 2020 IHFA sent a memo titled COVID 19 Guidance. It outlines the acceptance of electronic signatures for Tax Credit/HOME tenant recertifications.
- During the pandemic in May 2020, HUD released Notice H 20-4, permitting the use of electronic signatures for HUD Multifamily Housing Programs. November 19, 2020 HUD released H 2020-10, a revision of H 20-4.

# Owner / Management Changes

All Ownership and Management Changes must be reported using the required forms on the IHFA website.

- These forms are located under the *Owner/Agent Changes* tab.
- The request must be emailed to Katie Kilgrow or uploaded to Procorem for review.

Procorem Location:

HOME/IHFA/ \*Property Name\*/ Ownership and Management Changes

# Owner / Agent Contact Information

To stay compliant all contacts at a property need to be current.

- This should be completed for any changes including on-site manager, regional manager, compliance personnel, etc..
- Use the required form on the IHFA website to submit any changes.
- Complete the form and email to Kiley Nelson.
- This form can also be used to update Procorem contacts.

*Procorem Contact Note: Procorem contains personal identifiable information in the tenant files, rent rolls, and tenant event portal. It is critical that all personnel that leave your company be removed IMMEDIATELY from the Work Center to keep tenant information safe. Email [Kileyn@ihfa.org](mailto:Kileyn@ihfa.org) to remove or add contacts.*

# IHFA Housekeeping

## Compliance Staff:

Compliance Housing Manager: Katie Kilgrow, [Katiek@ihfa.org](mailto:Katiek@ihfa.org)

## Auditors:

Amanda Reifers - [Amandar@ihfa.org](mailto:Amandar@ihfa.org)

Jeff Holmes - [Jeffh@ihfa.org](mailto:Jeffh@ihfa.org)

LaJean Wilson - [Lajeaw@ihfa.org](mailto:Lajeaw@ihfa.org)

Mari Todd - [Marit@ihfa.org](mailto:Marit@ihfa.org)

Sheryl Whitus - [Sherylw@ihfa.org](mailto:Sherylw@ihfa.org)

## NEW PO Box:

PO Box 9405

Boise, ID 83707

Compliance Administrator: Kiley Nelson - [Kileyn@ihfa.org](mailto:Kileyn@ihfa.org)

# Q & A

# Thank you!