



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING
REAL ESTATE ASSESSMENT CENTER

April 2, 2012

Dear Executive Director:

The Department's Real Estate Assessment Center (REAC) monitors Public Housing Agencies' (PHAs) reporting of information to the Public and Indian Housing Information Center (PIC) of assisted families and compares various PIC-reported information to data obtained from other Federal databases to validate the accuracy of tenant-reported Social Security Numbers (SSNs) and income information. The intended outcome of this monitoring is to confirm PHA compliance with PIC reporting and use of the Enterprise Income Verification (EIV) system to reduce improper payments within HUD rental housing assistance programs.

REAC's review of *EIV's Deceased Tenants Report* for the period ending March 31, 2012, for the Public Housing and Section 8 programs indicates that your agency may not have successfully submitted a timely updated form HUD-50058 to PIC and/or your agency may have made improper payments to landlords on behalf of deceased Section 8 households identified on your agency's Deceased Tenants Report. In an effort to mitigate risk associated with improper payments or incorrect family data reported in PIC, REAC requires your agency to take the following actions no later than **May 31, 2012**, which demonstrates that your agency has successfully transmitted an updated form HUD-50058 to PIC for all identified households, not made an improper payment, improper payments made have been recovered from the landlord, and/or your agency has repaid its Housing Choice Voucher (HCV) program, the amount of improper payments which have not been recovered from the landlord.

Required PHA Actions to be Completed by May 31, 2012:

1. Log onto EIV at https://hudapps.hud.gov/HUD_Systems and download your agency's *Deceased Tenants Report* by no later than Friday, April 6, 2012.
2. Confirm that the tenant is deceased.
3. If the tenant is deceased, prepare and successfully submit an updated form HUD-50058 to PIC:
 - a. Single member households: an end of participation action (action type 6)
 - b. Multiple member households: an interim reexamination, annual reexamination or end of participation action (action type 2, 3 or 6, respectively) to remove deceased tenant from family composition or end participation.
4. Submit documentation¹ outlined in the attached *Deceased Tenant Case Review Documentation Checklist* to PIH.ImproperPayments@hud.gov or secure fax (202) 485-0288, with a copy to your local HUD office by no later than **May 31, 2012**. Please include your PHA code, PHA name, and reference Q2 of 2012 on all submissions to HUD.

¹ Emailed documentation which contains personally identifiable information (PII) must be redacted or submitted in password protected files.

Items 5-8 are applicable to only deceased single member households & households in which the only surviving household member(s) is a live-in aide(s) or an ineligible household member:

5. **Section 8 Program Only:** Notify the landlord of deceased tenant (head of household).
6. **Section 8 Program Only:** Discontinue Housing Assistance Payment (HAP) to landlord, effective the last day of the month in which the death occurred.
7. **Section 8 Program Only:** If landlord has received HAP for any month following the month in which the death occurred, recover the overpaid HAP through offsetting of subsequent landlord HAP checks or require the landlord to repay your agency within 30 days.
8. **Section 8 Program Only:** If your agency is unsuccessful in recovering overpaid HAP to the landlord, by no later than 60 days from the date that EIV received the death information, your agency **must** reimburse it's HCV net restricted assets (NRA) account from either, unrestricted net assets (UNA), central office cost center (COCC), or other non-Federal funds.
9. **Public Housing:** If applicable, regain possession of the public housing unit.

If your staff has not already done so, they should review PIH Notices 2012-04 and 2011-65, which are available online at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/publications/notices, which outline reporting and monitoring requirements and provide guidance to assist your agency with minimizing improper payments on behalf of deceased tenants through the use of HUD's EIV system. Technical assistance for effective EIV access and utilization is available through the EIV Coordinators in the local HUD field offices. Assistance with PIC is available through the PIC Coaches in the local HUD field offices or online at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/systems/pic/gethelp.

For inquiries related to this notice of deficiency, please contact Nicole Faison at (202) 475-7963, or via email at PIH.RHIIP.TA@hud.gov. Please ensure the applicable requested documentation is submitted to PIH.ImproperPayments@hud.gov **or** secure fax to (202) 485-0288 by no later than **May 31, 2012**. Failure to correct noted deficiencies and/or provide requested documentation may result in sanctions.

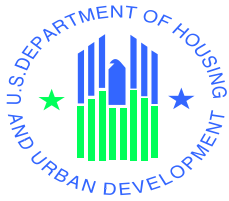
Thank you for your continued commitment to effective and efficient administration of HUD rental housing assistance programs.

Sincerely,



David A. Vargas, CPA
Deputy Assistant Secretary

Attachment



**U.S. Department of Housing & Urban Development
Office of Public and Indian Housing (PIH)
Real Estate Assessment Center (REAC)
Deceased Tenant Case Review
Documentation Checklist**

Public Housing Agencies (PHAs) may use this checklist to ensure complete and accurate documentation is submitted to PIH-REAC to close out identified deceased tenant cases. Submit **only** the below requested documentation. No additional explanation or response is required with your submission.

PHAs may submit this completed checklist with the below requested documentation to: PIH.ImproperPayments@hud.gov **or** secure fax number (202) 485-0288. All submissions which do not include this checklist **must include** PHA Code, PHA Name, Telephone Number, and reference Q2 of 2012.

In accordance with 42 U.S.C. 1435, and the Annual Contributions Contract (ACC), PHAs are **required** to provide HUD with the below requested documentation.

DO NOT SUBMIT SCANNED OR PHOTOCOPIES OF FORMS HUD-50058 OR EIV REPORTS TO HUD!

- **Public Housing & Section 8 Programs:** If tenant is **not deceased**, submit the following documentation:
 - Current documentation from SSA which confirms that the tenant is alive (**Required only if EIV shows a current identity verification status of Deceased for the identified tenant**)
- **Section 8 Program Only:** Submit the following documentation for Section 8 Single Member Households **and** Multiple Member Households with Deceased Head of Household **and** Remaining Household Member(s) is a Live-in Aide or Ineligible Household Member:
 - Landlord/tenant payment history (tenant-specific) from the PHA's accounting software for the following time period: **the month and year in which the death occurred** through the current date (**Required**)
 - Landlord/tenant payment history (tenant-specific) from the PHA's accounting software which shows that the improper payment was recovered by offsetting subsequent HAP checks to the landlord or the landlord repaid the PHA (**Required if your agency paid HAP in any month following the month in which the death occurred**)
 - Copies of checks submitted by the landlord to the PHA to repay improper payments, **including** proof of deposit into HCV account (**Required if your agency paid HAP in any month following the month in which the death occurred and the landlord repaid the overpaid HAP which is not reflected on the landlord/tenant payment history**)
 - Documentation from the PHA's accounting software showing that the amount of improper payment was repaid to the HCV program, as evidenced by showing the transfer of funds from either unrestricted net assets, also known as UNA (administrative fee reserves), central office cost center (COCC), or a non-federal account to the net restricted assets (NRA) of the Housing Choice Voucher (HCV) program (**Required if your agency paid HAP in any month following the month in which the death occurred and your agency did not recover the total amount of overpaid HAP from the landlord within 60 days from the date EIV received the death information**)

PHA Code

Submitter's Name

Telephone Number