

Enterprise Income Verification (EIV) Use and Security Policy

**Model EIV Use and Security Policy
Table of Contents**

**Chapter 1
INTRODUCTION**

1-A.	OVERVIEW	1-1
1-B.	NOTIFICATION OF APPLICANTS AND RESIDENTS	1-1
	EIV & You Brochure	1-1
	Forms HUD-9887 and HUD-9887-A	1-2
	Family Members Turning 18	1-2
	Penalties for Failing to Consent [24 CFR 5.232].....	1-3
1-C.	CONSENT TO DISCLOSE A RESIDENT’S INFORMATION TO ANOTHER PERSON OR ENTITY	1-3
1-D.	RESIDENT REQUEST FOR EIV PRINTOUT	1-4

**Chapter 2
EIV REPORTS**

2-A.	OVERVIEW	2-1
2-B.	EXISTING TENANT SEARCH REPORT	2-1
2-C.	IDENTITY VERIFICATION REPORTS	2-2
2-D.	DECEASED TENANT REPORT	2-3
2-E.	NEW HIRES REPORT.....	2-3
2-F.	MULTIPLE SUBSIDY REPORT	2-4
2-G.	NO INCOME REPORTED ON FORM HUD-50059 REPORT	2-5
2-H.	NO INCOME REPORTED BY HEALTH AND HUMAN SERVICES (HHS) OR SOCIAL SECURITY ADMINISTRATION (SSA).....	2-5
2-I.	SUMMARY REPORT.....	2-6
2-J.	INCOME REPORT	2-6
	Using EIV to Verify Social Security Income	2-7
2-K.	INCOME DISCREPANCY REPORT.....	2-8
2-L.	INCORRECT EIV INFORMATION	2-9

**Model EIV Use and Security Policy
Table of Contents**

**Chapter 3
RETENTION OF EIV REPORTS**

3-A.	OVERVIEW	3-1
3-B.	EIV MASTER FILE DOCUMENTS	3-1

**Chapter 4
EIV SECURITY POLICY**

4-A.	OVERVIEW	4-1
4-B.	SAFEGUARDING EIV DATA.....	4-1
	Technical Safeguards	4-1
	Administrative Safeguards.....	4-1
	Physical Safeguards	4-2
4-C.	SECURITY AWARENESS TRAINING	4-2
4-D.	PERSONNEL	4-2
	EIV System Coordinators	4-2
	EIV Users.....	4-3
	Non-Users with Access to Physical Files	4-3
4-E.	CONSENT FORMS.....	4-4
4-F.	USER NAMES, PASSWORDS AND PASSWORD CHANGES	4-4
4-G.	SECURITY REQUIREMENTS	4-4
	Computer System Security Requirements	4-4
	Physical Security Requirements	4-5
4-H.	USE AND HANDLING OF EIV DATA	4-5
	EIV Printouts	4-6
	Electronic Information from EIV	4-6
4-I.	REPORTING UNAUTHORIZED DISCLOSURE OR INSPECTION	4-6

Chapter 1

INTRODUCTION

1-A. OVERVIEW

The Owner/Agent (O/A) will use the EIV system in its entirety as a third-party verification source and to reduce administrative and subsidy payment errors. This policy describes the appropriate use of EIV data and the procedures the O/A will employ to safeguard applicant and resident information in accordance with the regulations and EIV system requirements. The data in EIV will only be used for limited official purposes. All individuals with access to EIV data are expected to comply with the requirements listed in this policy.

EIV reports will be used by staff in the following situations:

- As part of the applicant eligibility screening
- As part of the regular recertification process
- To identify and resolve income discrepancies

All discrepancies discovered through EIV will be investigated and discussed with the applicant or resident. The O/A will not suspend, terminate, reduce, make a final denial of rental assistance, or take any other adverse action against an individual based solely on the data in EIV. If it is discovered that the applicant or resident has violated the lease or HUD regulations, appropriate action will be taken up to and including termination of assistance and/or tenancy.

EIV information will never be used or maintained in files for programs to which EIV is not applicable. The resident data contained in EIV will not be used for a Low-Income Housing Tax Credit (LIHTC), HOME, or Rural Development (RD) file, or be provided to auditors or staff from the state housing finance agency, participating jurisdiction (PJ), U.S. Department of Agriculture Rural Housing Service (RHS), or any other unauthorized source. EIV information will be maintained separately for any such blended units.

1-B. NOTIFICATION OF APPLICANTS AND RESIDENTS

O/As must verify all income, assets, expenses, deductions, family characteristics, and circumstances that affect family eligibility or level of assistance. All applicants and adult family members are required to sign Forms HUD-9887 and 9887-A, in addition to any O/A-created consent forms that authorize the O/A to collect required verifications. In any case, if an applicant or resident refuses to sign required consent forms, their application will be rejected, or in the case of a resident, they will face termination of assistance and/or tenancy. The O/A must handle any information obtained in accordance with the Privacy Act.

EIV & You Brochure

All residents and applicants will be provided with a copy of the *EIV & You* Brochure in order to inform them about the EIV system, the data that is available about them in EIV, how the information will be used, and their responsibilities. Applicants will be provided with a copy of the *EIV & You Brochure* at the time they are given the application. Residents will be provided with a copy of the brochure at least annually at the time of their recertification. At move-in and each annual recertification, the resident will sign an acknowledgment of receipt of the brochure.

Forms HUD-9887 and HUD-9887-A

A current Form HUD-9887, Notice and Consent to the Release of Information to HUD and to an O/A, and HUD-9887-A, Applicant's/Tenant's Consent to the Release of Information – Verification by Owners of Information Supplied by Individuals Who Apply for Housing Assistance, will be on file for all adult family members (and the head, spouse, or cohead regardless of age) before accessing the employment or income data contained in EIV. All applicants must sign the consent forms at admission. All residents must sign consent forms on or after January 1, 2024. A HUD-9987 and 9887-A will only be signed once. Forms will not be submitted to the PHA except under the following circumstances:

- When any person 18 years or older becomes a member of the family;
- When a member of the family turns 18 years of age; and
- As required by HUD or the owner in this EIV Use and Security Policy, and/or the owner's Tenant Selection Plan (TSP).

* O/A Policy *

The owner will not require family members to sign consent forms other than at admission, except under the above listed circumstances.

The purpose of form HUD-9887 and 9887-A is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the O/A may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA).

The O/A may obtain any financial record from any financial institution, as the terms *financial record* and *financial institution* are defined in the Right to Financial Privacy Act (12 U.S.C. 3401), whenever the O/A determines the record is needed to determine an applicant's or participant's eligibility for assistance or level of benefits [24 CFR 5.230(c)(4)].

The executed consent forms will remain effective until the family is denied assistance, assistance is terminated, or the family provides written notification to the O/A to revoke consent. If a family voluntarily leaves a HUD program, the family's assistance is considered to be terminated, and the signed consent forms will no longer be in effect.

Family Members Turning 18

The O/A has the discretion to establish policies around when family members must sign consent forms when they turn 18. O/As must establish these policies stating when family members will be required to sign consent forms at intervals other than at reexamination.

* O/A Policy *

The O/A will set up a reminder system to keep up with all residents who will turn 18 during that year to ensure that the Form HUD-9887 is signed before EIV reports are pulled. Staff will print a birthday report from the software program quarterly to determine who will turn 18 in that quarter. A notice will be sent to each person on the birthday report to sign the Form HUD-9887. The resident must sign the Form HUD-9887 within 10 business days of turning 18 years of age. If the resident fails to sign the Form HUD-

9887, the household is in noncompliance with their lease and their assistance and/or tenancy may be terminated.

Penalties for Failing to Consent [24 CFR 5.232]

Revocation of consent or refusal to sign the consent forms prohibits the owner from requesting and accessing income information and financial records, including pulling EIV reports and using the EIV data to verify income (although the data matches between HUD and other agencies will continue to occur automatically if the family is not terminated from the program).

The owner will not process interim or annual recertifications of income, including when a family's income decreases and the family requests an interim recertification to decrease tenant rent, without the family's executed consent forms. Families have the right to revoke consent by providing written notice to the owner; however, revoking consent may result in termination of assistance or denial of admission.

The owner must notify their local HUD office of a family's revocation of consent.

*** O/A Policy ***

The O/A has established a policy that revocation of consent to access financial records will result in denial of admission or termination of assistance in accordance with O/A policy.

In order for a family to revoke their consent, the family must provide written notice to the O/A.

Within 10 business days of the date the family provides written notice, the O/A will send the family a notice acknowledging receipt of the request and explaining that revocation of consent will result in denial or termination of assistance, as applicable. At the same time, the O/A will notify the local HUD office.

1-C. CONSENT TO DISCLOSE A RESIDENT'S INFORMATION TO ANOTHER PERSON OR ENTITY

The Federal Privacy Act (5 USC 552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. The EIV data of an adult household member may not be shared (or a copy provided or displayed) with another adult household member or a person assisting the resident with the recertification process unless the individual has provided written consent to disclose such information (this includes other family members, guardians, powers of attorney, translators/interpreters, service coordinators, etc.).

If a resident requires that someone assist them during the recertification process, the resident must give written consent by signing a Tenant Consent to Disclose EIV Income Information Form (Exhibit 9-4 in HUD Handbook 4350.3, REV-1, CHG 4). This form will be maintained in the resident file.

Any adult member of the household may be shown how the household's income and rent were determined based on the total household income reported and verified.

1-D. RESIDENT REQUEST FOR EIV PRINTOUT

The EIV Income Report may be used to verify and calculate income if the family self-certifies that the amount is accurate and representative of current income. The family must be provided with the information from EIV.

*** O/A Policy ***

Other than when EIV Income Reports are provided to residents as described above, if a resident requests a copy of their own EIV printout, a copy will be provided. The staff person will note on the printout the following information:

This is not an original, this is a copy provided to: _____

On _____, 20____

By _____ (employee name will be printed)

Initials: _____

The staff person will make a note in the file any time a copy of the EIV data is obtained by authorized persons and taken off-site. This includes copies provided to the applicant/resident, other internal staff, HUD, the contract administrator (CA), or OIG staff. Under no circumstances will the EIV information be provided to anyone other than those noted in the EIV security policy.

Chapter 2

EIV REPORTS

2-A. OVERVIEW

EIV reports provide the O/A with employment, wage, unemployment compensation, and Social Security benefit information for residents participating in HUD's assisted housing programs. The information in EIV is derived from the Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS) for all residents with valid personal identifying information (name, date of birth (DOB), and Social Security numbers) reported on the Form HUD-50059. This information is used by the O/A to verify employment and income at the time of recertification and to reduce errors in subsidy payments. Invalid data in EIV may result from:

- Human error;
- System error (SSA, HHS, EIV); or
- Identity theft

* O/A Policy *

In cases where attempts to verify information in EIV are unsuccessful, the resident will be verbally advised to contact the agency providing the information on the report to have that agency remove the invalid data from their records.

In the meantime, the O/A will use resident-provided documentation to verify relevant status. Copies of all documentation and contacts will be maintained in the resident's file.

2-B. EXISTING TENANT SEARCH REPORT

HUD requires that the Existing Tenant Search Report be run at the time of processing an applicant family for admission. Applicants may apply for assistance, but the applicant may not move into the property while still assisted in another HUD program.

Staff will generate the report at the time the initial application is being processed as part of the eligibility determination.

The O/A will not assist an applicant if the applicant or member of the applicant's household is currently being assisted at another location. If it is determined that the applicant or members of the applicant household are currently receiving assistance, the O/A will coordinate move-out and move-in dates with the resident and the property at the other location.

* O/A Policy *

The O/A will generate an Existing Tenant Search Report at the time of processing an applicant family for admission. If an applicant is currently being assisted through another program, the applicant will be verbally advised that they will be unable to move in until the day after assistance stops at the residence where they are currently receiving assistance.

Failure to respond to the O/A's requests for additional information and/or providing false or incomplete information will result in denial and removal from the waiting list in accordance with the property's current tenant selection plan (TSP).

A copy of the Existing Tenant Search Report will be printed and maintained with the application. In addition, a copy of any notices to the applicant, letters sent to a PHA or O/A attempting to verify the resident is assisted at another location, and any certification signed by the applicant disputing the subsidy information reflected in EIV will be maintained with the application.

2-C. IDENTITY VERIFICATION REPORTS

The Summary Report contains information from the current, active certifications contained in TRACS. There are two identity verification reports in this section that will help to determine if the information that is being provided to TRACS is correct. Both reports are required to be run monthly:

- The **Failed EIV Pre-screening Report** identifies individuals who did not pass through EIV pre-screening due to missing or invalid SSN, DOB, or last name.
- The **Failed Verification Report** (Failed SSA Identity Test) identifies individuals whose SSN, DOB, or last name do not match the SSA database, thus failed the SSA Identity Test.

* O/A Policy *

These reports will be generated by the O/A **monthly**. When running these reports, the recertification month "**All**" will be selected. Any necessary corrections will be made to the Form HUD-50059 to ensure that accurate information is being transmitted.

Initially, staff will verify that what was reported on the Form HUD-50059 was accurate. If a data entry error is found, any necessary corrections will be made on the last full certification Form HUD-50059. Data entry errors will be corrected within 30 days from the date of the EIV report. The corrected certification must be signed by all adult household members if the correction results in a change to the family's benefits, rent, or URP. Otherwise, if the documentation is in the file that shows the resident reported correctly, the Form HUD-50059 will be noted and placed in the file, showing it was a data entry error.

If the reason for the discrepancy was not a data entry error and cannot be identified after a simple file review, the affected resident will be contacted and notified that the Social Security number, date of birth, and/or last name on the current Form HUD-50059 is producing discrepancies. A copy of the notice to the resident will be placed in the resident file. The resident will have 10 business days to respond to the notice. Failure to respond will result in termination of assistance and/or tenancy in accordance with the lease and HUD guidelines.

The Summary Report will be maintained in the Master File, along with notations on the report about actions taken to resolve any discrepancies noted on the report.

The Failed EIV Prescreening Report and Failed Verification Report (Failed SSA Identity Test) are parts of the Summary Report. **These specific reports and all related documentation and notes to support discrepancy resolution will also be maintained in the resident file.** All documentation related to specific residents such as corrected Form HUD-50059s, notices to the resident, etc. will be maintained in the resident file.

2-D. DECEASED TENANT REPORT

The Deceased Tenant Report identifies residents that have been reported by the SSA as deceased. The O/A is required to run the report at least quarterly.

* O/A Policy *

This report will be generated by the O/A **quarterly**. When running these reports, the recertification month “**All**” will be selected.

Staff will obtain verification that anyone identified on the report is deceased by contacting that household, the next of kin, or persons listed on the Form HUD-92006, if applicable, or by obtaining a copy of the obituary.

If the resident is verified as deceased, an interim Form HUD-50059 will be processed and signed by all remaining adult household members to remove the deceased individual. If the deceased individual was the sole household member, a move out Form HUD 50059-A will be processed within 14 calendar days from the date of death or at the time designated parties turn in the keys, whichever is sooner.

If the information on the report regarding any resident is incorrect, the resident will be asked to initial the report and will be notified in writing that it is their responsibility to contact the SSA to correct the discrepant information in their database.

The Detail Report, noted with all actions taken, and any related documentation will be maintained in the resident file. The Deceased Tenants Summary Report, also noted with actions taken, will be printed and retained in the Master File, even if the report returns no results.

2-E. NEW HIRES REPORT

The New Hires Report provides employment information for residents who may have started a new job and is updated monthly. O/As must review the New Hires Report at annual recertification except:

- When the O/A uses Safe Harbor verification to determine the family’s income
- When the O/A does not require families to undergo interim recertifications (IRs) for income increases after an IR decrease. If the O/A’s policy is to require an IR for increases in income after an IR decrease, then the O/A must review the report quarterly after the family’s IR decrease.

* O/A Policy *

The O/A does not require families to undergo interim recertifications for increases in earned income, therefore, the O/A will not review the New Hires Report quarterly. The report will be generated by the O/A at each family’s **annual recertification**.

Staff will not deny, suspend, or reduce any benefits of a resident until the O/A has taken appropriate steps to notify the resident in writing of the reported employment, and of the requirement to meet with staff within 10 business days of receipt of the notice to discuss the report. A copy of the notice sent to the resident will be placed in the resident file. Resident

failure to respond will result in termination of assistance and/or tenancy in accordance with the lease and HUD guidelines.

If the resident does not dispute the report, and did not report the new income timely, staff will request documentation from the resident (e.g., the most current pay stub) to calculate wages, or obtain independent third-party verification of information relating to:

- The amount of the wages, other earnings or income, or unemployment compensation involved;
- Whether the resident actually has (or had) access to such wages, other earnings or income, or benefits for his or her own use; and
- The period (or periods) when, or with respect to which, the resident actually received such wages, other earnings or income, or benefits.

The information reported will be reviewed in conjunction with the resident file to determine if there was any unreported income. If necessary, staff will process an interim recertification in accordance with requirements in HUD Handbook 4350.3, REV-1, CHG 4 and the O/A's policies as described in the O/A's TSP.

If the resident disputes the information in EIV, the resident will be required to sign appropriate verification consent forms, and staff will obtain independent third-party verification from the employer named in the report. The resident will be notified of the results of the verification, and based on the information obtained, staff will proceed accordingly.

The New Hires Detail Report and all related or supporting documentation will be maintained in the resident file. The New Hires Summary Report along with notations as to the outcome of contact with the family will be maintained in the Master File.

2-F. MULTIPLE SUBSIDY REPORT

The Multiple Subsidy Report identifies residents receiving assistance at more than 1 subsidized location. The O/A is required to run the report at least quarterly.

*** O/A Policy ***

This report will be generated by the O/A **quarterly**.

Any resident identified on the report will be notified in writing of the dual subsidy issue. The resident will have 10 business days to meet with staff to discuss the report. As part of the meeting, the resident will be required to sign appropriate verification release forms. Failure to respond will result in termination of assistance and/or tenancy in accordance with the lease and HUD guidelines.

If the resident disputes the information, they will be required to sign appropriate verification release forms so the PHA or O/A named in the report may be contacted.

In the case of a minor child who resides in 2 HUD-assisted units because of a "split family" where parents share 50-50 custody, the Form HUD-50059 will be corrected to reflect the appropriate code.

* O/A Policy *

Staff will contact the O/A or PHA at the other property as well as both custodial parents to establish which household will receive the dependent allowance. If there is a dispute, the O/A will obtain available documents such as copies of court orders or an IRS return showing which family has claimed the child for income tax purposes.

Staff will also obtain documentation of the custody agreement from the resident and/or from the state agency or court that made the custody determination to determine custody is 50/50, and documentation from the childcare provider that demonstrates the total expense claimed by the 2 households does not exceed the cost of the childcare.

If it is determined a household member received or attempted to receive dual subsidy, the household member will be required to reimburse HUD for any assistance paid in error. This is considered a material violation of the lease and may result in penalties that include eviction and pursuit of fraud charges. Staff will contact the O/A or Executive Director before taking any such action.

Staff will maintain the Multiple Subsidy Summary Report in the EIV Master File with any actions taken noted on the report, and the Multiple Subsidy Detail Report and related or supporting documentation in the resident file.

2-G. NO INCOME REPORTED ON FORM HUD-50059 REPORT

The No Income Reported on Form HUD-50059 Report identifies all household members for the recertification month that reported no income as of the last recertification. The report is required to be run in accordance with the O/A's written EIV policies and procedures.

* O/A Policy *

The O/A will generate this report **annually at recertification** and will retain the report in the resident file.

The O/A will re-verify the status of tenants identified on the No Income Report annually at recertification. Based on the information provided by the family and in EIV, staff may require that family members provide verifications or sign release forms in order to obtain additional verification. If unreported income is discovered, staff will correct certifications and follow procedures for repayment agreements as outlined in the HUD Handbook 4350.3, REV-1, CHG 4.

2-H. NO INCOME REPORTED BY HEALTH AND HUMAN SERVICES (HHS) OR SOCIAL SECURITY ADMINISTRATION (SSA)

The No Income Reported by HHS or SSA report identifies tenants who passed the SSA identity test, but no income was reported by HHS or SSA. The report is required to be run in accordance with the O/A's written EIV policies and procedures.

* O/A Policy *

The O/A will generate this report **annually at recertification** and will retain the report in the resident file.

The O/A will re-verify the status of tenants identified on the No Income Report annually at recertification. Based on the information provided by the family and in EIV, staff may require that family members provide verifications or sign release forms in order to obtain additional verification. If unreported income is discovered, staff will correct certifications and follow procedures for repayment agreements as outlined in the HUD Handbook 4350.3, REV-1, CHG 4.

2-I. SUMMARY REPORT

The Summary Report gives a brief income summary for all family members in the household. The report must be used at annual recertification; it is not required at interim reexaminations. O/As may use the report at other intervals, if desired, as described in the O/A's written EIV policies and procedures.

* O/A Policy *

This report will be generated by the O/A **within 90 days (but no earlier than 75) of the transmission of a move-in to TRACS and at each annual recertification (AR)**. Once the Summary Report shows an identity verification status of "Verified" for all household members that are required to disclose and document an SSN, it will not be generated again unless there is a change in household composition or there is a change in a household member's identity verification status.

The four possible statuses found on the report include:

- **Verified:** A resident's personal identifiers (last name, SSN, DOB) match the SSA database.
- **Failed:** Resident identifiers do not match the SSA database (must be resolved).
- **Not Verified:** Identifiers have been submitted for matching, but have not been sent by HUD to the SSA for validation or have not yet been matched by the SSA for validation. The report is in progress.
- **Deceased:** The SSA's records indicate the resident is deceased (must be resolved).

If the Summary Report does not show a verified status for all household members, it will be generated as part of each annual recertification process.

This report and supporting documentation will be maintained in the resident file with the certification for which it was generated for the term of tenancy plus 3 years.

2-J. INCOME REPORT

O/As must use the Income Report for third-party verification of employment and income, generated within 120 days of the effective date of the annual recertification (AR). While O/As are required to obtain an EIV Income Report for each family any time the PHA conducts an annual recertification, O/As are not required to use the EIV Income Reports:

- At annual recertifications if the O/A used Safe Harbor verification from another means-tested federal assistance program to determine the family's income as described in the O/A's TSP; or
- During any interim recertifications.

The EIV Income Report is not available for program applicants at admission.

The EIV Income Report may be used to verify and calculate income at annual reexamination if the family self-certifies that the amount is accurate and representative of current income in accordance with the O/A's TSP. The family must be provided with the information in EIV.

* O/A Policy *

The O/A will obtain the EIV Income Report for all annual recertifications on a monthly basis within 120 days of the effective date of the annual recertification. The report will be generated for every adult household member with the exception of live-in aides.

Income Reports will only be used for interim recertifications as necessary. For example, EIV may be used to verify that families claiming zero income are not receiving income from any sources listed in EIV.

Since income information is not available for applicants, **for all new move-ins, the Income Report will be generated within 90 days (but no earlier than 75 days) after transmission of the move-in certification to TRACS to confirm and validate the income reported by the household.**

Staff will obtain independent third-party verification from the source to complement EIV data when:

- The resident disputes the EIV income information

- There is an EIV income discrepancy at the time of annual or interim recertification or at other times as specified in this and other policies

- There is no EIV employment or income data for a resident

- There is incomplete EIV employment or income data for a resident and additional information is needed. Examples of additional information include but are not limited to:

 - Effective date of income (i.e., employment, unemployment compensation, or Social Security benefits)

 - New employment (i.e., pay rate, number of hours worked per week, pay frequency, hire date, etc.)

 - Confirmation of change in circumstances (i.e., reduced hours, reduced rate of pay, temporary leave of absence, etc.)

This report, all related or supporting documents, and the applicable Forms HUD-50059 will be maintained in the resident file for the term of tenancy plus 3 years.

After this time, the EIV printout will be destroyed in accordance with the O/A's records destruction policy, as outlined in the EIV Security Policy.

Using EIV to Verify Social Security Income

If the resident self-certifies that the amounts in EIV are correct, this will be used to calculate the family's SS or SSI income.

If the resident disputes the amount(s) in EIV, staff will document the dispute and obtain the award letter or other acceptable verification from the resident to determine the amounts the resident is receiving.

Incorporating Cost of Living Adjustment (COLA) Increase

Annually in October, the Social Security Administration (SSA) announces the cost-of-living adjustment (COLA) by which federal SS and SSI benefits are adjusted to reflect the increase, if any, in the cost of living.

Effective the day after SSA has announced the COLA, O/As are required to factor in the COLA when determining SS and SSI annual income for all annual recertifications and interim recertifications of family income that have not yet been completed and will be effective January 1 or later of the upcoming year.

The Medicare Part B premium will be used as part of the health and medical care expense deduction for families that qualify when there is no buy-in date in EIV.

Staff will not contact the SSA for any SS/SSI verifications. The resident will be instructed to request this information if needed.

2-K. INCOME DISCREPANCY REPORT

The Income Discrepancy Report will be used to monitor and, if necessary, to recalculate tenant rent and assistance. The report will also be used to monitor compliance by providing information about residents who may have failed to report income. **This report must be printed at the same time the Income Report is printed. It will be generated annually as part of the annual recertification (AR) process.**

No adverse action will be taken against a tenant based solely on the EIV data. The O/A will discuss with the tenant the results of the third-party verification and make a determination of whether or not the tenant knowingly provided incomplete or inaccurate information. Where fraud is suspected, the O/A may report the tenant to the HUD OIG Office of Investigation.

Tenants are obligated to reimburse the O/A if they have been charged less rent than required by the rent formula due to underreporting or failure to report income. Repayment may be made in a lump sum, by entering into a repayment agreement, or a combination of both. Tenants who do not reimburse the O/A will be subject to termination of assistance and/or tenancy. Tenants may also be required to repay funds to the O/A due to a Civil action taken by the O/A, or Court action as a result of an IG investigation. HUD does not authorize any amnesty or debt forgiveness programs.

The O/A is required to reimburse HUD for any overpayment of subsidy due to the tenant's underreporting or failure to report income. The O/A may retain a portion of the repayments actually collected from the tenant to help defray the costs of pursuing the discrepancy. The portion to be retained may only be the amount to cover actual costs incurred, which is the lesser of:

- The actual costs; or,
- 20 percent of the amount received from the tenant.

HUD will update discrepancy logic in EIV to conform to the requirements of the HOTMA final rule. O/As are not required to investigate discrepancies generated by the Income Discrepancy Report until HUD updates the logic. HUD will notify O/As when new reports are ready for use and provide further guidance.

2-L. INCORRECT EIV INFORMATION

Only the source or originator of EIV information can correct a data error in the EIV system. Once the data is corrected, HUD will obtain the updated information during the next computer matching process. Below are the procedures to follow regarding incorrect EIV information:

Employment and Wage information

The employer reports information to the local State Workforce Agency (SWA), who reports it to the Health and Human Services' (HHS') Directory of New Hires (HDNH) database.

If the tenant disputes information, the tenant has to contact the employer, in writing, to dispute the information and request that the employer correct the erroneous information. The tenant should also provide a copy of the correspondence to the O/A. If employer resolution is not possible, the tenant has to contact the local SWA for assistance.

Unemployment information

Information originates from the State Workforce Agency (SWA).

If tenant disputes information, the tenant has to contact the SWA, in writing, to dispute the information and request that the SWA correct the erroneous information. The tenant should also provide a copy of the correspondence to the O/A.

SS and SSI information

Information originates from the Social Security Administration (SSA).

If the tenant disputes information, the tenant has to contact the SSA at 800-772-1213, or visit the local office, and request that the SSA correct the erroneous information.

TRACS

Information originates from the O/A.

Verified erroneous information will be corrected in the O/A's software and the corrected information will be transmitted to TRACS.

Identity Theft

Incorrect information in EIV may be a sign of identity theft. If a tenant suspects someone is using his/her social security number, s/he should:

Contact the SSA to ensure that their records are correct;

File a complaint with the local police department and/or Federal Trade Commission (FTC) at 877-382-4338, or visit the website at <http://www.ftc.gov/bcp/edu/microsites/idtheft/>; and,

Monitor their credit reports with 3 national credit reporting agencies as follows:

Equifax
P. O. Box 740241
Atlanta, GA 30374
Website: www.equifax.com
Phone: 888-378-4329

Experian
P. O. Box 2104
Allen, TX 75013
Website: www.experian.com
Phone: 888-397-3742

TransUnion
P. O. Box 6790
Fullerton, CA 92834
Website: www.transunion.com
Phone: 800-916-8800

Tenants may request their credit report and place a fraud alert on their credit report with the agencies listed above at: www.annualcreditreport.com or by contacting the agency directly.

The tenant should also provide the O/A with written documentation of the filed identity theft complaint.

Chapter 3

RETENTION OF EIV REPORTS

3-A. OVERVIEW

EIV reports used for verification will be generated and maintained in the resident file or Master File in accordance with EIV recordkeeping requirements. Reports obtained through EIV will be retained in the resident files for the term of tenancy plus 3 years. Three years after the term of tenancy, EIV reports will be destroyed in accordance with the O/A's record destruction policy via shredding of paper files. Reports in the Master File will be maintained for 3 years from the date the report was generated, and then destroyed in accordance with this policy.

3-B. EIV MASTER FILE DOCUMENTS

O/As must maintain a Master File that contains copies of HUD-specified EIV reports with related or supporting documentation and/or notations on the reports.

The following will be permanent Master File records:

- EIV Use Policies
- EIV Security Policy
 - EIV Security Policy Acknowledgement
- Owner Authorization for Coordinators
- Coordinator Access Authorization Form (CAAF)
 - Completed annually by persons with Coordinator access
 - o Original and most recent copy
- User Access Authorization Form (UAAF)
 - Completed annually by persons with EIV User access
 - o Original and most recent copy
- Cyber Awareness Challenge
 - Completed annually by Users and Coordinators
 - o Print and maintain certificate at end of the challenge
- Signed Rules of Behavior (ROBs)
 - EIV Coordinators and Users
 - Persons without EIV access (i.e., auditor, temp office worker, etc.)
- Proof of annual security training for staff who use EIV reports to perform their jobs
- Documentation of termination of EIV Users (former employees)

The following reports will be retained in the Master File in accordance with Chapter 3-A of this policy:

- Summary Report
 - Failed EIV Prescreening Report with all required notations and documentation
 - Failed Verification Report (Failed SSA Identity Test) with all required notations and documentation
- Deceased Tenant Report with all required notations and documentation
- New Hires Summary Report with all required notations and documentation
- Multiple Subsidy Summary Report with all required notations and documentation
- No Income Summary Report with all required notations and documentation

Chapter 4

EIV SECURITY POLICY

4-A. OVERVIEW

The purpose of this policy is to provide instruction and information to staff, auditors, consultants, contractors and residents on the acceptable use, disposition, and storage of data obtained through the EIV system. This policy has been developed to ensure all EIV data is secure and should be communicated to all persons with access to EIV or EIV data.

The data provided via EIV must be protected to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a variety of federal laws and regulations, government bulletins, and other guiding documents.

4-B. SAFEGUARDING EIV DATA

The information processed by any EIV system can include wage and income data about private individuals, as well as identifying information such as Social Security numbers (SSNs), address, and employment information. This policy has been developed to ensure compliance with HUD's security protocol regarding the three safeguarded categories:

Technical Safeguards

- Reduce the risk of a security violation related to the EIV system's software, network, or applications.
- Identify and authenticate all users seeking to use the EIV system data.
- Limit access based on need to know.
- Deter and detect attempts to access the system without authorization.
- Monitor the user activity on the EIV system.

Administrative Safeguards

- Ensure that access rights, roles, and responsibilities are appropriately and adequately assigned.
- Protect copies of sensitive data and destroy system-related records to prevent reconstruction of the contents.
- Ensure authorized release of tenant information consent forms, including HUD-9887/HUD-9887-A and all owner-created release of information forms, are included in all tenant files before accessing and using data.
- Maintain, communicate, and enforce standard operating procedures related to securing EIV data.
- Train staff on security measures and awareness, preventing the unauthorized access and use of data.

Physical Safeguards

- Establish barriers between unauthorized persons and documents or computer media containing private data.
- Prevent undetected entry into protected areas and documents.
- Notify Coordinators and Security Administrators of system breaches and penetration by unauthorized users and incidents of unauthorized disclosure.

EIV data must not be disclosed (or re-disclosed) to any third parties such as the local welfare office, etc. Willful disclosure or inspection of EIV data can result in civil and criminal penalties.

- Unauthorized disclosure – felony conviction and fine up to \$5,000 or imprisonment up to five years, as well as civil damages
- Unauthorized inspection – misdemeanor penalty of up to \$1,000 and/or one year imprisonment, as well as civil damages

4-C. SECURITY AWARENESS TRAINING

Security awareness training is a crucial aspect of ensuring the security of the EIV system and data. Before being granted access to EIV information, each person must be trained in EIV Use and Security Policy and procedures. Additionally, all employees having access to EIV data will be briefed at least annually on the EIV Use and Security Policy and procedures, which require their awareness and compliance. Information related to user access and training will be maintained in the EIV Master File permanent records.

4-D. PERSONNEL

EIV System Coordinators

Before accessing EIV, the Secure Systems Coordinator will obtain a letter from each property owner indicating that the owner gives permission for the Secure Systems Coordinator to act as the EIV Coordinator. Once that permission is obtained, the Coordinator will:

- Review the EIV training material provided by HUD
- Complete the Cyber Awareness Challenge
- Complete the Security Awareness Training Questionnaire
- Review this EIV Use and Security Policy
- Sign the EIV Rules of Behavior (ROB) Form

Upon completion of these tasks, the EIV Coordinator will submit to HUD the Coordinator Access Authorization forms. Upon receipt of HUD approval, the EIV Coordinator will complete the EIV Coordinator setup process. After initial setup, Coordinators must recertify annually.

EIV Coordinators will be responsible for ensuring compliance with the security policies and procedures outlined in this document. These responsibilities include:

- Maintaining and enforcing the security procedures
- Keeping records and monitoring security issues

- Communicating security information and requirements to appropriate personnel, including coordinating and conducting security awareness training sessions
- Conducting reviews of all user IDs issued to determine if the users still have a valid need to access EIV data, and taking necessary steps to ensure that access rights are revoked or modified as appropriate
- Reporting any evidence of unauthorized access or known security breaches and taking immediate action to address the impact of the breach, including but not limited to prompt notification of the incident by reporting to appropriate parties within the agency as well as the Contract Administrator and/or HUD

User accounts for the EIV system will be provided on a need-to-know basis, with appropriate approval and authorization from a Coordinator.

EIV Users

Before requesting EIV User access, staff will:

- Review the EIV training material provided by HUD
- Participate in training that includes a review of this EIV Use and Security Policy
- Complete the Cyber Awareness Challenge
- Complete the Security Awareness Training Questionnaire
- Sign the EIV Rules of Behavior (ROB) Form

Upon completion of these tasks, the EIV User will submit to the EIV Coordinator the User Access Authorization Form.

Under no circumstances will the EIV Coordinator process the User Access Authorization Form unless the executed Cyber Awareness Challenge certificate, signed Rules of Behavior, signed EIV Security Policies, and signed EIV Use Policies are attached.

Once the EIV User information is satisfactorily completed, the EIV Coordinator will complete the appropriate steps to provide EIV access to the User. After initial set-up, Users are required to recertify biannually, and repeat all required security training annually.

The O/A will restrict access to EIV data only to persons whose duties or responsibilities require access. EIV Coordinators are authorized to provide access only to those individuals directly involved in the resident certification process and/or compliance monitoring. EIV Coordinators will carefully review requests for access and certify only those Users who need access in the upcoming six months.

The O/A will maintain a record of EIV Users who have approved access to EIV data. EIV Coordinators will immediately revoke the access rights of those Users who no longer require such access, or modify the access rights if a change in the User's duties or responsibilities indicates a change in the current level of privilege.

Non-Users with Access to Physical Files

Staff with authorized access to files for the purpose of recertification, filing, or other administrative tasks will be required initially and annually to:

- Sign the EIV Rules of Behavior (ROB) Form
- Participate in training that includes a review of the EIV Use and Security Policy
- Complete the Cyber Awareness Challenge

4-E. CONSENT FORMS

Staff will ensure that a copy of Forms HUD-9887 and HUD-9887-A have been signed by each member of the household age 18 years or older, and the head, spouse, or cohead, regardless of age.

* O/A Policy *

If a household member turns 18 in the middle of a certification cycle, that household member will be required to sign Forms HUD-9887 and HUD-9887-A within 10 business days of turning 18 (See *HUD-9887-A Fact Sheet* for exceptions due to extenuating circumstances).

All Forms HUD-9887 and HUD-9887-A will be maintained in the resident files and updated as part of the annual recertification process as necessary.

The *HUD-9887-A Fact Sheet* will be provided to all adult household members required to sign the form. By signing the Forms HUD-9887 and HUD-9887-A, the applicant/resident authorizes HUD and/or the O/A to obtain and verify income and unemployment compensation information from various sources, including but not limited to the IRS, the Department of Health and Human Services, the Social Security Administration, current and former employers, and state agencies.

4-F. USER NAMES, PASSWORDS AND PASSWORD CHANGES

Secure Systems/ EIV passwords will be changed in accordance with HUD Secure Systems requirements. Users will not share user names or passwords with any other employee or with anyone outside the organization. EIV access granted to an employee or authorized User will be immediately revoked when access is no longer required or at termination of that employee to ensure data safety.

Documentation of termination, including time, date, and reason for termination, will be maintained in the EIV Master File permanent records.

4-G. SECURITY REQUIREMENTS

Computer System Security Requirements

* O/A Policy *

All computer systems and computers will have password-restricted access. The O/A will also use antivirus software to limit data destruction or unintended transmission via viruses, worms, Trojan horses, or other malicious means. Remote access by computers other than those specifically authorized is prohibited.

Authorized Users of EIV data are directed to avoid leaving EIV data displayed on their computer screens where unauthorized users may view it. A computer will not be left unattended while the User is logged in to Secure Systems. If an authorized User is viewing EIV data and an unauthorized user approaches the work area, the authorized

User will lessen the chance of inadvertent disclosure of EIV data by minimizing or closing out the screen on which the EIV data is being displayed.

Physical Security Requirements

The O/A will use a combination of methods to provide physical security for resident file records. The EIV data will be maintained in a locked metal file cabinet within a locked room or office. Resident files will not be left unattended while in use, or left open when unauthorized personnel, residents, or visitors are present.

Users will retrieve computer printouts as soon as they are generated so that EIV data is not left unattended in printers or fax machines where unauthorized users may access them. EIV data will be handled in such a manner that it does not become misplaced or available to unauthorized personnel.

4-H. USE AND HANDLING OF EIV DATA

EIV data may be used for:

- Verification of employment and income at certification
- Discrepancy monitoring as described in the EIV Use Policy
- Monitoring of staff compliance with EIV policies

EIV data may be disclosed to:

- The adult resident to whom the data pertains
- Anyone authorized by the resident (in writing) who is assisting with the certification process:
 - Service Coordinators (only if present at and assisting with the recertification process);
 - Translators/Interpreters;
 - Individuals assisting an elderly individual or a person with a disability;
 - Guardians;
 - Powers of Attorney;
 - Other family members.
- Independent Public Auditors (with signed ROB)
 - Can only access EIV income information within hard copy files and only within the offices of the O/A;
 - Cannot transmit or transport EIV income information in any form;
 - Cannot enter EIV income information on any portable media;
 - Must sign non-disclosure oaths that EIV income information will be used only for the purpose of the audit; and,
 - Cannot duplicate or re-disclose EIV income information to any unauthorized user.
- Service Bureaus (with signed ROB)
- Contract Administrators (monitoring)
- HUD staff (monitoring)

- OIG (investigative purposes)

Use of EIV data is described in Parts 1 through 3 of this EIV Use and Security Policy. The sections in Part 4 of this policy, including those below, are designed to describe the security protocol used to protect EIV data.

EIV Printouts

* O/A Policy *

Reports available through EIV will not be printed to a shared printer. All EIV printouts will be sent to the User's personal printer.

Staff will make a note in the file any time a copy of the EIV data is obtained by authorized persons and taken off-site. This includes copies provided to the applicant/resident, internal staff, HUD, CA staff, or OIG staff. Under no circumstances will the EIV information be provided to anyone other than those noted in this paragraph.

Electronic Information from EIV

Any time EIV data is stored electronically, it will be properly encrypted and maintained in a restricted access, password-protected folder. Information in the folder will be purged periodically to comply with HUD's EIV file retention policies.

If EIV information is copied to portable media (CD, thumb drive, etc.) that portable media will be destroyed appropriately upon completion of the intended use.

* O/A Policy *

The O/A will not store EIV data electronically.

4-I. REPORTING UNAUTHORIZED DISCLOSURE OR INSPECTION

Recognition, reporting, and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and sharing of user IDs and passwords.

* O/A Policy *

Upon the discovery of a possible unauthorized disclosure of EIV information or other security violation by an employee or any other person, the individual making the observation or receiving the information will contact the EIV Coordinator, who will document all unauthorized disclosures in writing, providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when the unauthorized disclosure occurred. The EIV Coordinator will immediately review the report of unauthorized disclosure, and if appropriate, the EIV Coordinator will remove EIV access.

Unauthorized disclosure of any information may be grounds for immediate termination of employment. All employees should carefully review the EIV Access Authorization Form to understand the penalties for unauthorized disclosure of EIV data.

EIV data will be destroyed in a timely manner based on the requirements in the HUD Handbook 4350.3 REV-1, CHG 4; HUD's published EIV training materials; HUD notices; or as prescribed

by the O/A's policy and procedures. O/A policies and procedures will not allow data retention that is in conflict with published HUD materials. The only methods for destruction will be burning, shredding, or pulverizing original EIV documents.

EIV documentation will be retained per the requirements of the HUD Handbook 4350.3, REV-1, CHG 4. Master File reports will be retained for 3 years from date printed and then destroyed as described above. EIV reports in the resident files will be retained for the term of tenancy plus 3 years, and then destroyed as described above.

I have read and understand the EIV Security Requirements. I agree to abide by this policy and to report any unauthorized disclosure of information.

Name (please print)

Signature

_____/_____/_____
Date

CC: Property EIV File