

XII. ANNUAL AND INTERIM RE-CERTIFICATION

Regulation §982.516 Family income and composition: Regular and interim examinations. (a) PHA responsibility for reexamination and verification. (1) The PHA must conduct a reexamination of family income and composition at least annually. (2) The PHA must obtain and document in the tenant file third party verification of the following factors, or must document in the tenant file why third party verification was not available: (i) Reported family annual income; (ii) The value of assets; (iii) Expenses related to deductions from annual income; and (iv) Other factors that affect the determination of adjusted income.

(b) When PHA conducts interim reexamination. (1) At any time, the PHA may conduct an interim reexamination of family income and composition. (2) At any time, the family may request an interim determination of family income or composition because of any changes since the last determination. The PHA must make the interim determination within a reasonable time after the family request. (3) Interim examinations must be conducted in accordance with policies in the PHA administrative plan.

(c) Family reporting of change. The PHA must adopt policies prescribing when and under what conditions the family must report a change in family income or composition.

(d) Effective date of reexamination. (1) The PHA must adopt policies prescribing how to determine the effective date of a change in the housing assistance payment resulting from an interim redetermination. (2) At the effective date of a regular or interim reexamination, the PHA must make appropriate adjustments in the housing assistance payment. (For a voucher tenancy, the housing assistance payment shall be calculated in accordance with §982.505. For a certificate tenancy, the housing assistance payment shall be calculated in accordance with §982.518.)

(e) Family member income. Family income must include income of all family members, including family members not related by blood or marriage. If any new family member is added, family income must include any income of the additional family member. The PHA must conduct a reexamination to determine such additional income, and must make appropriate adjustments in the housing assistance payment.

(f) Accuracy of family income data. The PHA must establish procedures that are appropriate and necessary to assure that income data provided by applicant or participant families is complete and accurate.

(g) Execution of release and consent. (1) As a condition of admission to or continued assistance under the program, the PHA shall require the family head, and such other family members as the PHA designates, to execute a HUD-approved release and consent form (including any release and consent as required under §5.230 of this title) authorizing any depository or private source of income, or any Federal, State or local agency, to furnish or release to the PHA or HUD such information as the PHA or HUD determines to be necessary. (2) The PHA and HUD must limit the use or disclosure of information obtained from a family or from another source pursuant to this release and consent to purposes directly in connection with administration of the program.

CDC'S POLICY:**A. ANNUAL RE-CERTIFICATION**

The PHA must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated.

Families will be obligated to supply any information that the CDC or HUD determines is necessary for use in regularly scheduled reexaminations or interim reexaminations.

Families must submit consent forms for obtaining wage and claim information from Federal, State, or local agencies to furnish or release to the CDC such information determined necessary.

When families move to another dwelling unit, an annual re-certification will be scheduled, unless an annual re-certification became effective thirty days prior to the relocation date. For initial move-ins, relocations, re-examinations and interim re-examinations income/asset verifications are valid for one hundred and twenty days (120) before the effective date of the certification, and must be re-verified if expired.

Income limits will not be used as a test for continued eligibility at re-certification.

If requested by a family, a family representative or social service representative may assist with the re-certification process, provided proper release forms are submitted and on file to release/discuss confidential information with the family member or social worker

B. ANNUAL REEXAMINATION NOTICE TO THE FAMILY

CDC conducts annual re-examinations of income and family composition by mail. CDC may schedule a re-certification appointment with the family if it is determined necessary. A family may also request a re-certification appointment with a CDC representative. The CDC will maintain a reexamination tracking system. Generally, at least 90 – 120 days in advance of the scheduled annual recertification effective date, CDC will send notification of annual reexamination by first-class mail to the head of household.

Families will be asked to complete a re-certification packet which will include a PHA-designated re-examination application, an Authorization for the Release of Information/Privacy Act Notice (HUD 9886), and other required forms. CDC will

require supporting documentation related to the family's income, expenses, and family composition to be submitted with the completed application package.

If requested as an accommodation by a person with a disability, the CDC will provide the notice in an accessible format.

Reexaminations by mail

CDC conducts reexaminations by mail for all assisted families.

The re-certification notification will contain the deadline for submission of the re-certification packet along with the required supporting documentation related to the family's income, expenses, and family composition.

The housing specialist will provide his/her contact information in the recertification packet for ease of contact should the family have any questions or concerns regarding the information and documentation that must be provided to CDC for the annual reexamination.

The completed re-certification packet along with all required documentation must be returned to CDC on or before the specified return date. CDC will allow participants 20 calendar days to supply a completed re-certification packet, including all supporting documentation. If the 20th day falls on a Friday, weekend or Holiday, CDC will allow the documentation to be supplied on the following business day.

If requested by the family, CDC may grant an extension of time for submission of required recertification documents. The family must contact CDC in advance of the specified deadline date to request an extension.

Reexaminations by appointment

CDC may schedule a re-certification appointment with the family if it is determined necessary.

The family may request an in-person interview if they determine they need assistance with information or documentation requested by CDC.

The in-person interview must be attended by the head of household. A reasonable accommodation may be requested if participation in an in-person interview poses a hardship because of a family member's disability.

Notification of reexamination interviews will be sent by first-class mail and will contain the date, time, and location of the interview. In addition, then notification will

inform the family of the information and documentation that must be brought to the interview.

C. FAILURE TO RESPOND TO ANNUAL RE-CERTIFICATION NOTICE

If the family fails to respond to the first mailed re-certification notice, CDC will send a second recertification notice along with a procedural non-compliance letter. The procedural non-compliance and second recertification notice will be mailed immediately following the first missed scheduled appointment or deadline date. This notice will include a new deadline date/appointment date to supply the re-certification documents to CDC within ten (10) calendar days from the date on the notice.

If the family fails respond to the second mailed re-certification notice, and CDC has not granted an extension, or if the notice is returned by the post office with no forwarding address, a notice of termination will be sent to the family's address of record and to any alternate address provided in the family's file in accordance with the policies in Chapter XIV of this plan.

Exceptions to these policies may be made for emergencies or on a case by case basis. The family must be able to document the circumstances that prevented them from contacting CDC.

D. CONDUCTING ANNUAL REEXAMINATIONS

The annual re-certification effective date shall be the first of the month in which the initial HAP Contract was executed.

All family members eighteen (18) years of age or older must sign the reexamination application and if requested attend the annual reexamination appointment

Once the family has provided the completed re-certification packet CDC will complete a review of the information supplied. After review CDC may determine information is missing, or CDC may require additional documentation. The family will be notified in writing, and the notification will specify any additional information required, and the deadline date for submission. If the family fails to provide the requested information within the time frame specified, including any extensions, they may be sent a notice of termination letter for failure to supply necessary information.

E. VERIFICATION OF INFORMATION PROVIDED AT ANNUAL RECERTIFICATION

The information provided by the family must be verified in accordance with the policies in Chapter V. Verifications. Verifications for re-examinations are valid for one hundred twenty (120) days from the effective date of the certification.

The CDC will obtain and document in the family's file, an up-front income verification, and/or a third-party verification or document why these verifications were not available.

F. INTERIM REEXAMINATIONS

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

Family circumstances may change throughout the period between annual reexaminations. HUD regulations permit the PHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if CDC determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, CDC will determine the documentation the family will be required to submit. The family must submit any requested documentation to CDC within the specified time frame. CDC may extend the time frame for good cause. CDC will accept documentation by mail, e-mail, fax, or in person.

Reporting a Change

All changes in income and/or family composition must be reported to the CDC in writing within ten (10) calendar days of the family being notified of the change. This means when the family knew or should have known of the change, such as receipt of direct deposit of benefits in advance of the approval letter, or a hire date for new employment. Notice and/or types of changes may include, but are not limited to the following:

- a. Notice from a benefits agency verifying an increase/decrease in benefits via U.S. Postal Service,
- b. other paid notification services,
- c. any income directly deposited in a family member's account
- d. any decreases/increases in income
- e. Any changes in household composition.
- f. A personnel action notice awarding employment or ending employment.

CDC will consider the date notification was mailed, date of direct deposit, date of hire, etcetera, to be the date the change occurred. A failure by the participant to pick up mail, or review account records does not provide relief from these reporting deadlines.

When an interim re-exam will be conducted

Interim reexaminations may be conducted either because CDC has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. CDC will determine whether or not the change warrants an interim reexamination. CDC will conduct interim re-examinations for increases or decreases in household income, additions to family composition, increases in deductions or allowable expenses, landlord rent increases, and for any reason identified below under PHA Initiated Interim Reexaminations. If the family reports an increase in income, the CDC will conduct an interim re-examination only if the increase in household income is greater than \$2400 in a twelve month period.

If a participant reports a decrease in income which is expected to be on a short term basis, CDC may not conduct an interim re-certification if it is determined the effective date of the interim would be after the date the income is to resume. If a participant reports a short-term income decrease, CDC must appropriately verify the expected date that the income will resume.

If a short-term income decrease is expected to occur on an annual basis, CDC will include this income decrease in the annual income calculation. Appropriate verification by a third party must be obtained confirming the reduction in income is to occur on an annual basis.

PHA-Initiated Interim Reexaminations

PHA-initiated interim reexaminations are those that are conducted based on circumstances or criteria defined by the PHA. They are not conducted because of changes reported by the family.

CDC will conduct interim reexaminations in each of the following instances:

- For families receiving the Earned Income Disallowance (EID), CDC will conduct an interim reexamination at the start and conclusion of the second 12 month exclusion period (50 percent phase-in period).
- If the family has reported zero/minimal income CDC may conduct an interim re-examination every 120 days as long as the family continues to report zero/minimal income. See Zero/Minimal Income, below.
- If at the time of the annual re-examination it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), CDC may schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.

- If at the time of the annual re-examination tenant-provided documents were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available.
- When the landlord requests a rent increase to the contract rent, and that rent increase is considered rent reasonable and approved.
- CDC may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or as the result of an investigation into a tenant fraud complaint.

Family- Initiated Interim Reexaminations

CDC will conduct interim reexaminations in each of the following instances:

- For families who requested a review due to a decrease in income or increase in allowable expenses;
- For families who have added and/or deleted member(s) of their household from the original family composition; (reporting deletions are mandatory; additions must be requested in writing, and be approved by the PHA in writing, prior to moving the person in to the unit);
- CDC will conduct interim re-examinations for all reported decreases in income or increase in allowable expenses.

If a participant reports a decrease in income which is expected to be on a short-term basis, CDC may not conduct an interim re-certification if it is determined that the effective date of the Interim would be after the date the income is to resume.

Zero/Minimal Income Families

CDC will check UIV sources to verify that certain forms of income such as Employment, unemployment benefits and SSI, etc., are not being received by families claiming to have zero or minimal annual income.

Families with zero/minimal income, or insufficient assets and income to support anticipated monthly expenses will be required to provide CDC with verification as to how the monthly household expenses are being met. For each 120 day interval of reporting zero/minimum income.

CDC has defined Minimal Income Families as any family who has reported an annual income of \$1200.00 or less. When CDC calculates this income the annual amount includes all income before any federally mandate exclusions.

CDC will contact families with zero/minimal income via mail and request for them to provide a completed "Minimal Income" expense report as well as copies of three, current, consecutive monthly bills, including, but not limited to;

- Utility Bills
- Cable/Satellite TV
- Internet
- Home Phone and Cell Phone
- Credit Cards
- Car Payments
- Car Insurance

Once the documentation has been provided by the family, CDC will determine how to proceed which may include (but is not limited to) the following:

- Request additional information/documentation from the family.
- Verify new income sources.
- Complete an Interim Re-certification.
- If CDC has determined that the family's income has not changed, no action may be necessary.

CDC may schedule a recertification appointment with the family as it determines necessary. A family may also request an appointment with a CDC representative.

G. CHANGES IN FAMILY SHARE OF RENT

Regulation §982.516 (d) Effective date of reexamination. (1) The PHA must adopt policies prescribing how to determine the effective date of a change in the housing assistance payment resulting from an interim redetermination. (2) At the effective date of a regular or interim reexamination, the PHA must make appropriate adjustments in the housing assistance payment. (For a voucher tenancy, the housing assistance payment shall be calculated in accordance with §982.505. For a certificate tenancy, the housing assistance payment shall be calculated in accordance with §982.518.)

When the family income information is analyzed, and all other certification requirements have been met, the Tenant Rent, and Utility Allowance will be recalculated.

Generally, the CDC will notify both the owner/landlord and resident in writing at least 30 calendar days from the effective date of certification of the new rent shares, unless there has been a misrepresentation or a material omission by the family, or if the family causes a delay in examination processing.

Failure to Report

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the examination processing, an increase to the participants portion of rent will be effective the first day of the month following receipt of the documentation required in order to calculate the annual income. If CDC determines an overpayment of HAP has occurred, a repayment agreement may be initiated in accordance with the policies set forth in Chapter XXIV of this plan. The amount of overpaid HAP will be calculated retroactively to the first day of the month following the month in which the increase in income occurred .

A decrease in family share will become effective the first day of the month following receipt of verification needed to process the interim adjustment.

Changes in family share-Annual Re-certification

Increases or decreases in family share are effective on the anniversary date. If the family causes a delay in the examination process please refer to Failure to Report clarified above.

Changes in family share-Interim Re-certification

The PHA must establish the time frames in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)]. The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames [HCV GB, p. 12-10].

An increase in the participants portion of rent will be effective on the first of the month following 30 days' notice to the family, except in the scenarios listed above under failure to report.

A decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation/verification was received in order to calculate the annual income.

Prorated Assistance

Rent will be prorated when a mixed family is not eligible for continued assistance or deferral of termination; chooses not to defer termination; or is at the end of the deferral period. The total housing subsidy is calculated in the usual manner for either assistance programs, using income for all family members. Prorated assistance is calculated by multiplying the total subsidy by a fraction that shows the number of eligible family members as the top number and is divided by the number of total family members as the bottom number.

CDC Errors

If CDC makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been

effective without the error. For increases to the household portion, CDC will provide 30 days' notice when correcting a CDC error.

H. REQUIREMENTS TO ADD TO FAMILY COMPOSITION

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

When any new family member is added, the PHA must conduct a reexamination to determine any new income or deductions associated with the additional family member and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516(e)].

Families must request CDC's approval to add a new family member, live-in aid, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit. Requests must be made in writing and approved by CDC prior to the individual moving into the unit.

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require CDC approval. However, the family is required to promptly notify CDC of the addition [24 CFR 982.551(h)(2)].

With the exception of children who join the family as result of birth, adoption, or court-awarded custody the CDC will not approve the addition of a new family or household member unless the individual meets CDC's eligibility criteria in accordance with Chapter III. of this Administrative Plan. The landlord must also approve the additional household member(s), and supply CDC with an updated lease agreement or amendment to the lease.

If CDC determines an individual meets CDC's eligibility criteria and documentation requirements, CDC will provide written approval to the family.

If CDC determines that an individual does not meet CDC's eligibility criteria or documentation requirements, CDC will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

CDC is required to amend the contract when there are additions or deletions to the family composition. CDC will not increase the voucher size when there is an approved increase in household size unless the increase in household size is due to one of the following exceptions; birth, adoption, marriage, domestic partnership, court-awarded custody, legal guardianship or some verifiable source that an adult participant has or will have at least 51% custody/guardianship of a minor (see below), or the approval of a live-in aid.

The following requirements pertain to family additions:

1. Minors

- a. The CDC will require birth certificate, social security cards, or equivalent verification, and/or proof of guardianship/custody (if applicable) for minors. The provision of social security numbers for persons over six (6) years of age is required by HUD. Failure to provide social security numbers will result in termination of assistance for failure to comply with program requirements.
- b. When requesting to add a minor to the household Guardianship or Court Awarded custody documentation may be requested when a participant claims to have at least 51% custody of a minor child, including their own child
- c. Documentation of Guardianship or Court Awarded Custody may include;
 - Verification from the Department of Public Health and Social Services, or equivalent that the participant is the guardian of said minor child.
 - Court Awarded custody documents verifying the participant has been awarded at least 51% custody of said minor child
 - Written permission, notarized from the minor's legal custodian or guardian which;
 - Authorizes the minor to reside in the household with the assisted family.
 - Verifies the minor will live in the assisted unit at least 51% of the time.
 - Documents if the guardianship is considered to be temporary or permanent.
 - If none of the documentation listed above can be supplied, the applicant or participant may document the circumstances in writing and supply the written documentation to CDC. CDC may then determine on a case by case basis how to proceed.
- d. Written permission from the landlord approving the addition to the household

CDC will not add a minor as a dependent to the household if the minor is only residing in the unit on a short-term basis. With CDC's approval, and appropriate verification, the minor will be allowed to remain in the unit on a short-term basis as a household member, but not a family member. See Chapter III, of this Administrative Plan for further definition.

2. **Persons eighteen (18) years of age or older:**

When the participant requests an adult person (defined as someone 18 years of age or older) be added to the family composition, the following will be required:

- a. Photo identification, social security number, verification of income and other eligibility related requirements. The individual will be required to complete and sign an admission application, all required attachments including HUD form 9886 (Release of Information);
 - b. Background screening will be conducted for criminal activity **prior to authorizing approval** to add an adult person to family composition. CDC will determine, after receipt of the report, the acceptability of this adult member in the same manner other applicants are screened for appropriate behavior;
 - c. If the individual is found to have acceptable criminal history in accordance with Chapter III. of this Administrative Plan, and all other applicable admission criteria have been met the CDC will add the adult member to the family composition;
 - d. If the individual is found to have an unsatisfactory criminal record in accordance with Chapter III. of this Administrative Plan, the CDC may deny the admission and addition to the household.
 - e. CDC will consider all criminal activity in accordance with Chapter III. Of this plan Administrative Plan.
 - f. Because the adult member who wished to be added has no formal relationship with the CDC, she/he will not be afforded a review of the reasons for denial.
 - g. Written permission from the landlord approving the addition to the household.
3. The CDC will notify the family in writing when there is a determination to deny or approve the addition of any household member(s). The participant may appeal by requesting an Informal Hearing as outlined in this Plan.

I. **REMOVING HOUSEHOLD MEMBERS**

Families must promptly notify the PHA if any family member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], the PHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

If a household member ceases to reside in the unit, the family must notify CDC in writing within 10 calendar days. This requirement also applies at the point that the family concludes a family member who has been temporarily absent is now permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must notify CDC in writing within 10 calendar days.

The Head of Household may request in writing to remove any member of the household.

To remove an **adult member** (18 years of age or older) the following requirements pertain:

1. If available the head of household should provide documentation verifying the household member being removed is residing at a different location (ex: executed lease agreement, or utility bill documenting an alternate address).
2. The head of household shall provide a written statement from the adult member being removed, authorizing his or her removal from the household. If the adult member is not able to provide such a statement for any reason, the head of household must provide a certification, under penalty of perjury, that the adult member is no longer a member of the household, and will no longer reside in the assisted unit.
3. When there is a spouse or co-tenant(s), each party must agree in writing to the removal. If the party to be removed does not consent to the removal, refer to Chapter XVII. Family Breakups.
4. Written notification from the landlord verifying they are aware that the household member is no longer residing in the assisted unit.

When one party is removed from the household CDC shall have no obligation to provide a Housing Choice Voucher for the member removed.

The adult household member being removed may not be added back to the household more than once in a three year period. If the family is requesting to add a previously approved family member the CDC must re-verify all eligibility criteria listed above.

To remove a minor from the household the following requirements pertain;

1. Written certification from the head of household/spouse or co-head, under penalty of perjury, that the minor is no longer a member of the household, and will no longer reside in the assisted unit.
2. Written notification from the landlord verifying they are aware that the household member is no longer residing in the assisted unit.