In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the PHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. **ANNUAL ACTIVITIES** [24 CFR 982.516, 982.405]

There are two activities the PHA must conduct on an annual basis.

- Recertification of income and family composition
- HQS inspection

The PHA maintains a monthly listing of units under contract to ensure that timely reviews of housing quality and factors related to total tenant payment/family share can be made.

Reexamination of the family's income and composition will be conducted at least annually.

Annual inspections will be made at least once in a twelve month period.

Rent adjustments per owner’s request when adjustments are reasonable.

B. **ANNUAL RECERTIFICATION/REEXAMINATION** [24 CFR 982.516]

Families are required to be recertified at least annually.

**Moves Between Reexaminations**

When families move to another dwelling unit:

* A recertification will be processed. (unless a recertification has occurred in the last 90 days)
* The anniversary date for the recertification will be changed.
Income limits are not used as a test for continued eligibility at recertification.

REEXAMINATION PROCEDURES

Johnson County Housing Authority initiates a reexamination process 90 days before the date reexamination results are to take effect. This allows the PHA ample time to obtain all required verifications and provide reasonable advance notice to both the family and the property owner of any change in the family share (TP) and the HAP.

Notification to Participant that the Annual Reexamination is Due

The PHA's procedure for conducting annual recertifications will be:

➢ The PHA will maintain a reexamination tracking system.

➢ The household will be mailed a recertification packet at least 90 days in advance of the anniversary date, indicating a specific return date (15 days from the date of the letter).

➢ An appointment will be scheduled only if there is no response to the mailed re-examination request or the documentation returned to the PHA is incomplete.

➢ Upon the request for a reasonable accommodation for a disabled person, the PHA will also mail the notice to a third party. These accommodations will be granted upon verification that they meet the need presented by the disability.

Completion of Annual Recertification

The PHA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family share.

Persons with Disabilities

Persons with disabilities who are unable to come to the PHA's office will be granted an accommodation for the return of their recertification packet and if needed staff will go to the home of participant to complete necessary paperwork, upon verification that the accommodation requested, meets the need presented by the disability.

Collection of Information [24 CFR 982.516(f)]

The PHA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

The PHA will allow the family to complete the recertification forms.
The PHA will require the family to complete a Personal Declaration Form as part of the recertification process.

**Requirement to Complete Recertification**

All adult household members will be required to complete the recertification process.

**Failure to Respond to Notification to Recertify**

A written notification will state which family members are required to complete the recertification documents.

If the family does not return the packet and has not made prior arrangements with the PHA, the PHA will schedule an appointment to complete the recertification process.

If the family fails to appear for the appointment, and has not rescheduled or made prior arrangements, the PHA will:

- Send family Notice of Termination and offer them an Informal Hearing

**Exceptions to these policies may be made by Case Manager with Housing Program Supervisor approval if the family is able to document an emergency situation that prevented them from canceling or attending the appointment, or if a request is made for a reasonable accommodation for a person with a disability.**

**Documents Required From the Family**

In the notification letter to the family, the PHA will include instructions for the family to provide the following:

- Personal Declaration Form completed and signed by head of household and all other adult household members.
- Documentation of all assets
- Documentation of any deductions/allowance (i.e. child care or medical expenses)
- All income sources and addresses
- Picture Identification (Driver’s license or State issued ID) for all adult household members.
- Authorization of Release of Information signed by all adult household members.
- Authorization for Criminal Background check by all adult household members.
- All other recertification documents included in packet.
Verification of Information

The PHA will follow the verification procedures and guidelines described in Chapter 7- Verification Procedures, more specifically, Section B – Methods of Verification and Time Allowed.

Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increases

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition to the PHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family member. The PHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit

Interim Reexamination Policy

Families will be required to report all increases in income/assets immediately within 30 days of the increase.
Any increase that will result in a fifty dollar ($50.00) increase per month will be cause for an interim reexamination.

This interim reexamination will be done effective the first of the month following the month that the increase was reported.

Families will be given a thirty (30) day notice prior to any increase in the Total Tenant Payment (TTP).

**Decreases in Income**

Participants may report a decrease in income and other changes which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The PHA must calculate the change if a decrease in income is reported. Families must report any decreases in income between the 1st and the 15th of the month in order to receive a reduction in total tenant payment for the following month.

Any changes reported after the 15th of the month will not receive a reduction in payment until the month following the next month (i.e., change reported on March 16th, reduction not effected until May)

**Exception**

Only at the discretion of the Housing Program Manager, will an exception be made for extenuating circumstances. Each circumstance will be reviewed individually for approval.

**PHA Errors**

If the PHA 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 if calculated correctly.

**D. OTHER INTERIM REPORTING ISSUES**

An interim reexamination does not affect the date of the annual recertification.

If there is a change from Department of Family Services Cash Assistance income to employment income, the PHA will defer the family's rent increase for six months or until the family's next annual recertification, whichever comes first, in order to encourage families to move to self-sufficiency.

- This incentive will only be provided once to any family member.

In the following circumstances, the PHA may conduct the interim recertification by mail:
As a reasonable accommodation when requested.

Any changes reported by participants (OTHER) than those listed in this section will be noted in the file by the staff person but will not be processed between regularly-scheduled annual recertifications.

E. **TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)**
[24 CFR 982.516(c)]

**Standard for Timely Reporting of Changes**

The PHA requires that families report interim changes to the PHA between the 1st and the 15th day of each month of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided.

An exception will be made for DCF cash assistance recipients who obtain employment. In such cases, families will have to report within 60 days of receipt of the Notice of Action from DCF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

**Procedures when the Change is Reported in a Timely Manner**

The PHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

- **Increases in the Tenant Rent** are effective on the first of the month following at least thirty days' notice.

- **Decreases in the Tenant Rent** are effective the first of the month following that in which the change is reported. * However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.

* The change may be implemented based on documentation provided by the family, pending third-party written verification.

**Procedures when the Change is Not Reported by the Family in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- **Increase in Tenant Rent** will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement.
Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported.

**Procedures when the Change is Not Processed by the PHA in a Timely Manner**

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

**F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS** [HUD Notice PIH 98-6]

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are required by the PHA. If the family disagrees with the rent adjustment, they may request an informal hearing.

An EIV statement will be generated and filed for all program participants at recertification.

**G. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS** [24 CFR 5.615]

The PHA will not reduce the family share of rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in benefits by the welfare agency specifically because of:

- Fraud in connection with the welfare program, or
- Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits, or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or
- A situation where a family member has not complied with other welfare agency requirements.
Definition of Covered Family

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

Definition of "Imputed Welfare Income"

The Johnson County Housing Authority does not have any participants who receive Imputed Welfare Income.

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family’s income for purposes of determining rent.

The amount of imputed welfare income is determined by the PHA, based on written information supplied to the PHA by the welfare agency, including:

- The amount of the benefit reduction
- The term of the benefit reduction
- The reason for the reduction
- Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family was not an assisted resident when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the Program Coordinator will review the calculation for accuracy. If the imputed welfare income amount is correct, the PHA will provide a written notice to the family that includes:

- A brief explanation of how the amount of imputed welfare income was determined;
- A statement that the family may request an informal hearing if they do not agree with the PHA determination.
Verification Before Denying a Request to Reduce Rent

The PHA will obtain written verification from the welfare agency stating that the family’s benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements before denying the family’s request for rent reduction.

The PHA will rely on the welfare agency’s written notice to the PHA regarding welfare sanctions.

Cooperative Working Relationship

*The PHA will work with the local welfare agency to:

* To target public assistance benefits and services to participants in the PHA's Self-Sufficiency program;

* To provide written verification to the PHA concerning welfare benefits for applicant and participant families, and specified reduction in welfare benefits for a family member, listing: amount of reduction; reason for reduction; term of reduction, and subsequent redetermination.

*The PHA will rely on the welfare agency's written notice regarding the amount of specified benefit reduction.

* The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 tenant-based assistance families.

* The PHA and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and the PHA denies the family’s request to modify the amount, the PHA will provide the tenant with a notice of denial, which will include:

An explanation for the PHA’s determination of the amount of imputed welfare income

A statement that the tenant may request an informal hearing.

* A statement that the grievance information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will be the PHA’s determination of the amount of imputed welfare income, not the welfare agency’s
determination to sanction the welfare benefits.

**H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516(c)]**

Addressed in Subsidy Standard chapter.

**I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.518]**

Under the Noncitizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

* The Noncitizens Rule was implemented on or after November 29, 1996, and mixed families may receive prorated assistance only.

*The Noncitizens Rule was implemented prior to November 29, 1996, and "mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

  The head of household or spouse is a U.S. citizen or has eligible immigrant status; AND

  All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

**J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES**

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition.