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Bookletter #6
FY 2006 - 2AHMLAP

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MEMORANDUM FOR: All Performance-Based Contract Administrators and Traditional Contract Administrators

FROM: Deborah VanAmerongen, Director, New York Multifamily Hub, 2AHMLA

A handwritten signature in black ink, appearing to read "Deborah VanAmerongen", written over the printed name in the "FROM:" field.

SUBJECT: Frequently Asked Questions for the Revised form HUD-9834 – Management Review for Multifamily Housing Projects / Contract Administrator Section of the HUD Website

The HUD website (www.hud.gov) has a very useful section pertaining to Contract Administrators that can be accessed at <http://www.hud.gov/offices/hsg/mfh/rfp/sec8rfp.cfm>.

All Contract Administrators should check this section of the HUD website regularly for updates, transcripts of industry focus group meetings, and PBCA conference call notes.

In particular, related to form HUD-9834, which has been revised and must be implemented by all Performance-Based Contract Administrators (PBCAs) and Traditional Contract Administrators (TCAs) effective February 1, 2006, HUD has posted a set of Frequently Asked Questions (FAQs) for use during implementation of the form HUD-9834. These FAQs are attached with a MEMO from HUD Headquarters and they can be viewed at <http://www.hud.gov/utilities/intercept.cfm?/offices/hsg/mfh/rfp/morfaq.pdf>

If you have any questions about this notice of the form HUD-9834, you may call Benjamin Ashmore at (212) 542-7785 or Pattie Slaton at (212) 542-7758.

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Subject: Revised MOR FAQs and Civil Rights Monitoring Protocol

Attached are the revised MOR FAQs, which include additional questions/responses since issuing and posting the original FAQ document dated 3/10/06.

Additionally, based on field office comments, FHEO and Multifamily Housing (MFH) Headquarters staff have renegotiated Part D, "Documents Reviewer Should Obtain From Owner/Agent" of the civil rights front-end and limited monitoring review protocol.

The modification to Part D will state that MFH staff and CAs will only bring back documents listed in Part D of the checklist if requested by FHEO. As with all requests for documents, FHEO may only send these requests to MFH on an annual basis. MFH will then provide the applicable FHEO information request to the CA. MFH and the CAs will honor the requests for the next on-site review for which they have not yet sent a letter informing the owner/agent of the date of the forthcoming review nor requested any documents. If a property has already been reviewed, the FHEO documentation request for that project will be included in the next MOR.

This new procedure is effective immediately. At this time, FHEO may send a revised annual request to the MFH staff requesting documents to bring back for any and/or all projects. FHEO may also advise MFH staff that there are no requests to bring back any documents for their next review for any projects. If FHEO **does** not send a request to MFH, the original Protocol will remain in effect until July 1; that is, all on-site visits will include collection of the entire list of documents. After July 1, 2006 no documents will be collected unless specifically requested by FHEO.



MOR FREQUENTLY ASKED QUESTIONS

The responses to these questions are organized in order of the form HUD-9834's format. As additional questions/responses are added, they will be added to the bottom of each section and the date above will reflect the date of the revision. **This document has been updated with additional questions and responses highlighted in blue.** For some of the questions and answers below, the term "Reviewer" refers to all Reviewers unless otherwise specified.

A. INSTRUCTIONS:

1Q. What specifically can we require from the Owner as part of our Desk Review? Part A under the instructions states "other documents." Therefore, this new form is unclear.

1A. Completion of the desk review is conducted independent of input from the owner. The Desk Review section is used to assist the Reviewer in preparing for the review by compiling and reviewing relevant project information prior to the on-site review. The term "other documents" refers generically to any pertinent documentation found in the project files, HUD systems and or reports.

2Q. Section C of the instruction page indicates that the HUD office should receive copies of reports with a below average or unsatisfactory rating. We currently also send a copy of the report to the mortgagee if the rating is below average or unsatisfactory. Is this still required?

2A. No.

3Q. In Part C right before the last two bullets is an "*" which states "A copy of the completed Management Review Report, form HUD-9834 and supporting documents must be maintained in the project file". In the case of where the PBCA is the contract administrator does this mean a copy needs to be also in HUD's project file or just in the PBCA's project file?

3A. If the review is conducted by a PBCA, copies of the Management and Occupancy Report (MOR) and supporting documents should be maintained in the PBCA's project file. If however, the property receives a below average or unsatisfactory rating, the PBCA is required to forward a copy of the MOR to the HUD office for their records as noted on the MOR instruction page.

4Q. Section C of the instruction page indicates that findings **should** include the condition, criteria, cause, and effect, and required corrective action. Since the instruction does not say **must** include, may we assume that including the cause and effect is optional?

4A. The finding must include the condition, criteria, cause and effect as well as the required corrective action as stated on the Summary Report direction for findings. Below is a sample write-up for a finding.

Condition: The following are examples of deferred maintenance items observed during a walk through of the property:

- 1st floor hallway – Large hole in the wall.
- 101C – The walls had peeling paint and some of the bi-fold doors were off their hinges.

Criteria: The HAP Contract requires the owner to regularly clean and maintain all common areas, equipment and grounds, and make repairs with reasonable promptness.

Cause: Management did not have effective procedures to properly implement the preventative maintenance plan.

Effect: The lack of follow-through with the existing preventative maintenance of the property may have caused maintenance deficiencies. The preventive maintenance deficiencies may have had an adverse effect on marketing of the property causing vacancies and negatively impacting the financial status of the property.

Corrective Action: Provide a corrective action plan on how management will implement and sustain a preventative maintenance plan, which will assess whether repairs are needed and for correcting the deferred maintenance items above.

The form HUD-9834 instructions will be revised to state “must” instead of “should”.

B. SUMMARY REPORT:

1Q. The type of housing (family, disabled, elderly, etc.) is to be checked. This information no longer shows up in REMS. Where should we get that info?

1A. The client type field was erroneously removed from REMS and will be re-inserted into the REMS data screens.

2Q. The summary report only mentions “findings”. Do we still include observations, comments, and concerns?

2A. Yes.

3Q. Targeted Completion Dates are not defined. Should we still go with 30 days or 1 year?

3A. Targeted Completion Dates (TCDs) cited in the report should not exceed 30-days. However, if additional time is needed to correct deficiencies, the owner’s corrective action plan will be due within 30-days.

4Q. Should the “Section of the Act” be the “Active” or the original act?

4A. The Section of the Act should be the “Active” Act.

5Q. The Summary Report page includes a Note which states: "Note: If this review is conducted by CA or PBCA as indicated above, the overall rating reflects a review as it relates to compliance with the Housing Assistance Payments Contract (HAP) only". Are they only supposed to use the HAP contract violations and not use any reference to the Regulatory Agreement?

5A. For PBCAs and CAs, the guiding document for contractual compliance is the Housing Assistance Payment (HAP) Contract. PBCAs and CAs should not reference the Regulatory Agreement.

6A. Are Traditional CAs required to submit all MORs to HUD? Traditional CAs cannot enter MOR ratings into REMS.

6Q. Yes, Traditional CAs would submit a copy of all MORs to HUD. HUD staff would be responsible for entering the ratings into REMS and information from Part A, Addendum B.

C. DESK REVIEW:

1Q. Have the principles and board members listed received HUD-2530 approval. Where should PBCAs/CAs obtain this information?

1A. PBCAs do not have access to form HUD-2530s and the Active Partners Performance System (APPS). For question 24, PBCA/CAs would have to indicate "N/A", however PBCA/CAs will include the List of all Current Principals and Board Members as one of the documents required from the owner as listed on Addendum C. PBCA/CAs should obtain the document during the on-site review and forward it to MFH staff. MFH staff would be required to confirm HUD-2530 approval for all individuals and follow-up with the owner/agent for additional information as necessary.

2Q. Question 47 states "...does the Neighborhood Networks Center have a Strategic Tracking and Reporting Tool (START) Business Plan? If yes, date HUD approved. If no, when will a START Business Plan be completed? Projected date for START Business Plan." Can you explain what this is and where we find the info?

2A. This information can be obtained from the REMS Residents and Neighborhood screens.

3Q. We were advised to direct questions about the new 9834 form to this email address. Do State Housing Agencies, with uninsured projects regulated under CFR Part 883, also send the completed review to HUD?

3A. State Housing Agencies with uninsured projects regulated under 24 CFR Part 883 will be required to send Addendum B to the local HUD office. MFH staff would be required to enter the information from Part A into REMS and forward a copy of the entire Addendum B to the local FHEO Office.

4Q. Questions 5 and 6: Has a lead-based paint inspection been conducted? What were the results of the Lead-Based Paint Inspection? If yes, is there a HUD approved lead hazard control plan? Where should we get this information?

4A. This information can be obtained from the REMS Physical Inspection screens.

5Q. On page 1 of the new 9834, Questions 4-6 includes a disclaimer states: "Questions 4 through 6 only apply to subsidized family properties or elderly properties housing children under the age of six that were constructed prior to 1978."

In addition to the above criteria, HUD Handbook 4350.1, REV-1, paragraph 19-2 regarding lead-based paint testing and abatement requirements states the requirements are only applicable to the following programs:

1. Substantial rehabilitation (24 CFR Part 881)
2. State Agency Substantial Rehabilitation (24 CFR 883)
3. Loan Management Set Aside (24 CFR Part 886)

This seems to further limit the applicability while the disclaimer on the 9834 seems to cast a much wider net. Which definition should prevail?

5A. HUD's lead-based paint regulations at 24 CFR Part 35, Subpart H list the applicable types of projects that must comply with the lead-safe rule. Subpart H, Project-Based Rental Assistance, applies to housing that is receiving project-based rental assistance on or after September 2000 under the following programs:

- **Section 8 Project-Based Housing Assistance Programs**
- **The Rent Supplement Payment Program**
- **Rental Assistance Payments Program (Section 236 of the National Housing Act)**
- **Indian Housing Block Grant Program**
- **Shelter Care Project- and Sponsor-Based Rental Assistance (Title IV of the McKinney Homeless Assistance Act)**
- **Supportive Housing for the Elderly or Direct Loans for Housing for the Elderly or Handicapped (Section 202 of the National Housing Act)**
- **Supportive Housing for Persons with Disabilities**

Therefore, the programs listed in HUD Handbook 4350.1, REV-1 apply and they must also meet the criteria for the construction period (pre-1978). In 1978, lead-based paint was banned for consumer use.

6Q. Are contract renewals submitted to HUD promptly when needed? Do you mean the renewal request (Attachment 3)? If the owner is late submitting the Attachment 3, the PBCA must perform due diligence until the form is received, making the question a moot point. Please advise how PBCAs/CAs are to answer this question.

6A. Owner/agents must submit contract renewals in accordance with the requirements set forth in the Section 8 Renewal Policy Guide. Any submissions not received within the specified timeframes are considered late. While PBCA/CA follow up activity with an owner may result in receipt of a contract renewal package, this does not negate the fact of a late submission on behalf of the owner/agent.

7Q. Question 37 states "Has the owner/agent performed analysis to determine future Reserve for Replacement needs when submitting a budget based rent increase?" Analysis and approval of Reserve for Replacement funds are not a PBCA responsibility. The owner is required to submit analysis of the account only when requesting an increase to

the monthly Reserve deposit. The request is referred to the appropriate Program Center. Please explain how we are to answer this question.

7A. Analysis is performed by the owner/agent – not the PBCA/CA. The PBCA/CA would review all rent increase documentation including any justification for increasing the monthly reserve for replacement deposit. The PBCA/CA will assess the entire budget based rent increase justification in order to make a final rent determination

8Q. Question 43 states “is the owner/agent submitting tenant certification data to TRACS to support the voucher billings?” Is this a question of whether the tenant certification is an electronic submission or whether it is sent in a hard copy form? Or does this concern the overall quality of the submission, no matter what format that it is submitted in?

8A. This question is asking whether the owner/agent is in compliance with the automation rule which requires the owner to electronically submit accurate tenant data through TRACS.

9Q. Question 45 states “List vacancy activity for the past twelve months and indicate the number for each month. (This information can be obtained from the TRACS Voucher Detail Summary)” Is this for vacancies during the month or at the end of the month? In addition, when we try to get a report as directed on the question, an error message states that the system is not compatible. What program is the report compiled in, i.e. Excel, Word, Lotus, etc?

9A. Vacancy activity should reflect the information provided on the TRACS voucher detail report for each voucher reporting period which will reflect information at the time of voucher submission. Any system problems with TRACS should be directed to the help desk at 1-800-767-7588.

10Q. Question 49 states “Review complaints, congressional inquiries, etc. received within the last 12 months regarding the overall management practices. Provide a general description below or attach applicable documentation.” In reporting on the form, may we group similar type complaints such as late utility checks, poor maintenance response, etc., into a single consolidated item rather than reporting each individual complaint? As an alternative, may we simply attach the hard copies of the complaint/resolution/tracking screens that may be generated from our HDS software?

10A. No to the first question. Yes to the second question, as long as the generated reports provide the issue and the status as indicated in question 49 on the Desk Review. However, Reviewers should review each complaint to assess status but also to identify possible patterns in site operations. Hard copies of the complaint/resolution/tracking screens may be generated from software applications if the Reviewer has access to a tracking log that provides the same information requested on the HUD-9834.

11Q. For question 4, where would Reviewers obtain the Date of Construction? The information is not available in REMS.

11A. Reviewers would obtain the date of construction from the REMS-PASS data screen. The instructions on the HUD-9834 to obtain this information have been revised.

12Q. Question 11, Page 2 of 25 instructs the reviewer to "Indicate latest OPIIS rating and check problem areas flagged by OPIIS." Please advise how we would get this

information. Which OPIIS Report would provide the problem areas flagged for a particular property?

12A. HUD Staff would go into Risk Assessment Reports - Choose #1, which will provide the risk assessment for a specific project.

The report will provide Risk Components and a maximum score for this project. This shows on the left of the report. To the right, the reviewer will see the project's score for multiple years.

Risk categories points are as follows:

- 0 to 29 is Low Risk**
- 30 to 39 is Moderate Risk**
- 40+ is High Risk**

Ten areas are risk ranked:

- | | |
|-----------------------------------|---------------------------------|
| 1. PASS Score | 6. Overdue AFS |
| 2. FASS Score | 7. OHAP Watchlist |
| 3. Loan Payment Status | 8. FASS Referrals |
| 4. Management Review Score | 9. EH&S |
| 5. SOA | 10. Management Condition |

To the Right of the Risk Components you will see the project's risk scores and what dates the risk ranking was completed. If you have high scores in one of these areas, these are "flags". These areas should be targeted for review with the MOR.

IRA scores are based on performance data drawn from many different sources: financial statements, physical inspections, management reviews, and program data. They are used to rank properties into one of three risk categories: High, Moderate, and Low. They serve as early warning indicators and are intended to focus asset management efforts on properties most at risk of default and claim.

For further assistance, please refer to the Risk Assessment chapter on the OPIIS home page.

13Q. Question 15 requires the Reviewer (HUD staff/Mortgagees) to indicate the amount of accounts payable more than 60 days old. FASS does not provide that detailed information. How would the Reviewer obtain that information?

13A. The Balance Sheet of the latest financial report will show accounts payable under the liability section. The computation of surplus cash will show accounts payable due in 30 days - if the PM subtracts the difference, this should be what is older than 30 days in payables.

D. ON-SITE REVIEW

1. PART A –GENERAL APPEARANCE AND SECURITY

To date, there have been no questions for this section.

2. PART B – FOLLOW-UP AND MONITORING OF PROJECT INSPECTIONS

1Q. Question 4b: Is the owner in compliance with the HUD approved lead hazard control plan as noted on the desk review? How is compliance defined?

1A. Compliance is defined by reviewing the Lead Hazard Control Plan (LHCP) and observing if the owner is performing actions within the required timeframes as noted in the LHCP. This task also involves discussing the progress of the LHCP with the owner/agent to determine start and end dates of mitigation activities. For example, if the LHCP indicates that the start date is 1/1/06 and end date is 3/1/06 and there are no supporting documents to support that work was completed during those dates, the owner/agent would not be in compliance.

2Q. Question 3b states "Based on a sampling of units and common areas, for all other deficiencies noted in the REAC inspection (other than EH&S), as applicable, verify that corrective actions have been taken. Have the deficiencies been corrected?" What do we do with no answers to these questions if the score is above 60?

2A. If the score is above 60 and both of the responses to the questions in item 3 are "No", the Reviewer should still issue a finding if the deficiencies noted in the REAC inspection have not been corrected.

3Q. Question 3 states "Does the analysis show any repetitive or systemic problems?" How do we determine the "analysis"? Are PBCAs required to analyze REAC reports from previous years to answer this question?

3A. The Reviewer should examine the previous inspections for patterns and determine if the pattern of non-compliance continues. Repeat problems are unacceptable and should be noted, regardless of the last physical inspection score. The term "analysis" refers to an assessment of the owner/agent's process of certification and documentation of corrective action in addressing EH&S items.

4Q. When the PBCA does the REAC follow-up can they also look at units that special claims have been filed, specifically damage claims?

4A. No

5A. Desk Review Question #5 and On-Site Review Question #4.b. deal with Lead-Based Paint and the hazard control plan. Should Reviewers answer based on REMS and the REAC information? Neither the 4350.3 REV-1 nor the HAP Contract address this issue. If the answer is "NO" where should Reviewers note the violation?

5A. For Desk Review Question #5, HUD staff would obtain the information from the Lead-Based Paint REMS data screen or the Lead-Based Paint Monitoring and Tracking Report. To access the LBP Tracking Report, HUD staff must use access codes for the HUB/PCs, which must be obtained from the Hub/PCs Directors and the Hub LBP Coordinators. PBCAs would obtain the information from the Lead-Based Paint REMS data screen. TCAs would be required to obtain the information from the HUD Project Manager. If the information is not available or accessible in REMS, PBCAs and TCAs should contact the HUD Project Manager to obtain the information. If the PBCA/TCA does not receive a response from HUD staff within a reasonable timeframe, PBCAs/TCAs should indicate on the form "Information Not Available" and notate in the comments section.

For question 4 of the on-site review, all Reviewers should respond to the lead-based paint questions because the owner/agent may have information (certification on file

and/or lead hazard control plan) that would enable the Reviewer to make a determination of lead-based paint compliance.

If the owner is not in compliance resulting in lead-based paint findings, Reviewers must document the finding on the Summary Report and cite the lead-based paint regulation (24 CFR Part 25).

6Q. What is the process for PBCAs/TCAs when a finding for lead-based paint compliance is issued?

6A. If PBCAs/TCAs determine that the owner/agent is in noncompliance with HUD's lead-based paint requirements, the PBCA/TCA must document the finding on the Summary Report and cite the lead-based paint regulation (24 CFR Part 25). If an owner/agent is uncooperative in resolving the lead-based paint finding, the PBCA/TCA must notify the HUD office for appropriate follow-up and/or enforcement action.

7Q. What is the process for HUD staff when an owner does not correct the finding?

7A. HUD staff would be responsible for flagging the owner/agent in the Active Partners Performance System (APPS), and if necessary, referring to Office of Healthy Homes and Lead Hazard Control for appropriate enforcement action.

8Q. What if an owner did not participate in HUD's "Big Buy" program and the lead results are not tracked by REAC? How would the Reviewer obtain lead-based paint inspection and result information?

8A. The HUD Project Manager would be able to obtain information for all lead-based paint properties (including those that did not participate in HUD's "Big Buy") by accessing the Lead-Based Paint Monitoring and Tracking Report.

9Q. If a property is a 236 with Section 8 units, does the CA include 236 units in the sample if EH&S items were noted in those units?

9A. No. CAs would only sample the Section 8 units.

3. PART C – MAINTENANCE AND STANDARD OPERATING PROCEDURES

1Q. Question 7 states "Is a HUD-approved Energy Conservation Plan required?" What properties are now required to have an Energy Conservation Plan?

1A. **(UPDATED RESPONSE)** The Energy Conservation Plan applies to the following:

- 1) A project assisted under the Section 236 interest reduction program, including State Agency non-insured projects, 221(d)(3) Below-Market Interest Rate (BMIR) program, or the Rent Supplement program.
- 2) A project that was constructed with a direct loan more than 15 years ago under the Section 202 Program for Housing for the Elderly or Handicapped.
- 3) A project assisted under the Section 8 Housing Assistance Payments program after conversion from assistance under the Section 236 Rental Assistance Payments Program or the Rent Supplement program.

- 4) **A program that met the criteria in item 1 or 2 above before acquisition by the Secretary of HUD, that has been sold by the Secretary subject to a mortgage insured or held by the Secretary and subject to an agreement which provides that the low- and moderate-income character of the project will be maintained. Projects in this category are only required to certify and document if their rent increases are granted through the Budgeted Rent Increase Method.**

2Q. Question 6(b) states "Walk through at least two vacant units that are ready for occupancy. Assess and document unit readiness." If there are no vacant units ready for occupancy, do we still go into vacant units?

2A. **Yes, vacant unit assessment determines not only the condition of the units ready for occupancy, but assesses the owner/agents entire process of preparing the unit for occupancy.**

3Q. We are currently inspecting **all** vacant units at the date of the MOR which we understood was HUD policy; does HUD only want us to inspect **at least two** but not necessarily inspect **all** vacant units? If we inspect two vacant units, is it at our discretion as to how many more we may inspect if we feel that is required?

3A. **We are requiring a minimum of two randomly selected units per on-site review. However, additional units may be observed if there is a valid reason to do so, such as a tenant complaint or a request by a tenant.**

4. PART D – FINANCIAL MANAGEMENT/PROCUREMENT

1Q. Section D, Financial Management/Procurement, states "This section applies only to HUD Staff and/or Mortgages as indicated. CAs may proceed to Section E.)" This is confusing as only one question indicates for HUD Staff Only. Is it assumed that the entire Section does not need to be completed by PBCAs/CAs?

1A. **Yes, the entire section (questions 8 through 13) should be completed by HUD Staff, and Mortgagees. PBCAs/CAs are not required to complete this section.**

5. PART E – LEASING AND OCCUPANCY

1Q. This is a general question regarding the department's expectation. If 11 files are reviewed and 1 file was deficient in any of these areas, is it the department's intent that the question be answered Yes (to indicate general compliance) or No (because not all files were in compliance)?

1A. **Refer to HUD's Rental Housing Integrity Improvement Project (RHIP) Rent and Income Determination Quality Control Monitoring Guide, Part II, Section F for additional guidance.**

2Q. Questions 14(j), (k), and (l) state "Does the advertising program comply with the existing affirmative fair housing marketing plan? Is the affirmative fair housing sign posted in the rental office? Is the fair housing logo included in published advertising materials? In light of the FHEO instructions that we should not issue any findings related to Fair Housing or 504, what do we do with a no answer to these 3 questions from our site review checklist?"

2A. These questions do not require the Reviewer to make a determination of fair housing compliance. However, a “No” response to these questions would be in non-compliance with the HUD Handbook 4350.3, REV-1, Chapters 2 and 4.

3Q. Do we still check all interims for last year for every file we review?

3A. Existing guidance related to tenant file reviews do not specifically address the number of years of documentation the reviewer should assess. Therefore, in the interim, the Reviewer will be responsible for reviewing the original documents in the tenant file for the initial move-in year and all information relevant for the current year. In the event an error is found in a specific tenant file, a full audit of that file should be conducted as far back as the documentation and problem exist.

4Q. Question 14(i) states “What steps has the owner/agent taken to market to extremely low-income families?” Under what circumstances would marketing to extremely low-income families not be applicable?

4A. Guidance for income targeting requirements for Section 8 properties can be found in HUD Handbook 4350.3, REV-1, Chapters 3 and 4.

5Q. Question 17(b) states “Is the owner/agent following up and correcting TRACS deficiencies?” How would this be determined by the PBCA? Is there a report in REMS with all the errors and certification that the owner corrected TRACS errors?

5A. PBCAs can determine whether the owner is transmitting tenant certifications, verify current certifications and correction of certification discrepancies through TRACS tenant queries.

6Q. Question 18(a) states “Are the files locked and secured in a confidential manner?” If the tenant files are in a non-lockable file cabinet but within a separate manager’s office that has a lockable door, does this meet the definition of “secured”? If not, may we assume that HUD wants all tenant files to be kept in a lockable file cabinet?

6A. No. Files should be maintained in a lockable area. Tenant files should be secure and not accessible to individuals not authorized to have access.

7Q. Question 19(d)(iv) states “Were income and deductions calculated correctly prior to data entry?” What should the Reviewer look for?

7A. After reviewing the results of the Tenant File Review Worksheets, the Reviewer would be able to determine if the owner/agent properly calculated these amounts prior to entry into TRACS.

8Q. Question 19(d)(x) states “Were utility reimbursement checks distributed within 5 business days of receipt of the housing assistance payments?” We are not sure of how well this is to be documented. If the tenants come into the manager’s office and pick up the checks, should we **require** that a log be kept which the tenant **must date and sign** when picking up the check? If the checks are mailed to the tenants from a district management office, what documentation should we require to show that this was done within five days of the receipt of the HAP payment?

8A. The owner could either document the files indicating when the HAP was received and the utility reimbursements distributed to the tenants or have available for the reviewer the check register showing receipt of HAP and distribution of checks to tenants showing that the processing was completed by the owner within the required 5 days. Either way would be acceptable.

9Q. Question #15c refers to "other charges". Can the CA approve or just HUD?
 9A. Generally, "other charges" are approved by HUD.

10Q. Question #18d tenant file document retention requirements needs some discussion. If "no" what do we use as the violation? HAP Contract? CFR? Etc. Please clarify the HUD tenant file retention requirements.

10A. As required and in accordance with the Privacy Act of 1974 5 U.S.C. 552a and any applicable state privacy law; HUD, the PHA and Owner are required to protect the information provided by the tenant. Additionally, HUD, PHA and the owner may be subject to penalties for unauthorized disclosure or improper uses of the information. This information is reiterated on Form HUD-9887, "Applicant's/Tenant's Consent to the Release of Information."

11Q. Question #19. h-iv - If the 5 days are not met, what HAP Contract or CFR Section would we note as the violation?

11A. Refer to HUD Handbook 4350.3, REV-1, Paragraph 4-9(D)(2) and cite requirements on page 4-2.

12Q. Why is an office with a lockable door not considered "lockable area" if the manager is not in the office, the door is locked and the files are not accessible?

12A. Lockable area is defined as an area that is not accessible to unauthorized staff. For example, if staff persons have keys to the lockable door (i.e., maintenance staff, etc.), and are not authorized to access tenant files, the files are not considered locked and secured in a confidential manner.

6. PART F – TENANT/MANAGEMENT RELATIONS

1Q. Question 20(b) states "Does the procedure adequately cover appeals?" What about Group Homes where there are no rejections to be appealed since the owner gets all applicants by referrals? Should there be an "N/A" as well?

1A. If the project's application intake process is solely based on referrals and all referrals are accepted for occupancy, this Section would not be completed.

2Q. Questions 21(b), (c), (d), and (e) are questions regarding Service Coordinators. These questions review and rate their activities. If the Service Coordinator is funded through a separate grant, are PBCA/CAs required to review them? The revised form HUD-9834 reads, "If this review is conducted by a CA or PBCA as indicated above, the overall rating reflects a review as it relates to compliance with the HAP only." Should PBCA/CAs be reviewing Service Coordinator Activities under these circumstances?

2A. The Reviewer is not reviewing Service Coordinators. The information requested is data gathering regarding Service Coordinator site operation. HUD considers this function a tenant service of the property and the services and information should be available to tenants and any information should be secure and confidential where applicable.

3Q. Question 21 requires the Reviewer to document what social services are provided either by the project or neighborhood along with the providing and financial source. Should PBCA/CAs be asking financial questions? Where would the Reviewer obtain the source contributing to the service?

3A. Yes. This question is data collection and does not require financial analysis. The owner/agent should be able to provide supporting documentation for the financial source for the service.

4Q. Question 23 on the Questionnaire states "(This section applies only to HUD Staff/Mortgagees. CAs may proceed to 26." As this Questionnaire ends with question 24, was the intent of this statement to indicate that the CA may proceed to Question 24?

4A. Yes. This item has been corrected to state "CAs may proceed to 24".

7. PART G – GENERAL MANAGEMENT PRACTICES

1Q. There are many questions in this form such as Question 22, which states "Are there signs enabling persons to locate the office?" If such questions can't be tied to a HUD regulation, is it expected that this be placed in the report as a finding?

1A. Yes, particularly in situations if the property is difficult to market or in cases when the property has experienced difficulty in renting units.

2Q. Question #24b: Staff charged to the project needs some discussion. If the property is non-insured no need to ask, if it is insured it should be a HUD assigned question. CA's have no access to the "Project Account" information. How are PBCA's supposed to use this Section during MOR?

2A. This information can be obtained directly from the owner. This information should be used by the Reviewer to verify the information on the rent schedule.

3Q. Findings should cite the statutory, regulatory, or administrative requirements that were not met. What citation would the Reviewer quote if there was no directional sign?

3A. Answering no to Question 22(f) "Are there signs enabling person to locate the office" is a violation of the marketing plan section 4b of HUD-935.2 and HUD Handbook 4350.3, REV-1, Section 2 Marketing.

E. ADDENDUM A

1Q. On the Tenant File Checklist: If we review a REJECTED applicant AND a MOVE OUT, do those two files count as part of our required sample?

1A. Yes. The minimum file sample would include one of each of the files as indicated.

2Q. Section B, Questions 3 and 4: Should we assume this is for move-in files only?

2A. No. These questions apply to any new household or household at the time of the application or additional members joining the household after move-in.

3Q. On the Tenant File Checklist: Does this replace the RHIIP checklist or should we use both when performing the MOR?

3A. All reviewers must use the Tenant File Review checklist (form HUD-9834, Addendum A) when performing a management review.

4Q. The ACC under 3.2 Management and occupancy; Requirements (3rd bullet) states "...Use the following resident file random sampling:" and it goes on to describe the minimum number of files to sample based on the unit amounts. Can you provide more

specific guidance on the kinds of files to be reviewed and to address whether any type of random selection of files should be made.

4A. HUD's intent when revising the form and developing this section expanded on existing guidance including language in the ACC, which will provide consistency for tenant file reviews. As a result, the minimum file sample was lifted from the ACC to provide a baseline for all Reviewers. The minimum file sample provides both the minimum number of files to review and the type of file including move-in, move-out, recertification, etc. does not prohibit a reviewer from reviewing additional files as necessary.

5Q. Do tenants have to sign an acknowledgement of receipt of the Resident's Rights and Responsibilities brochure each time they receive one (at move-in and annual recertification)? Does it state in the Handbook that tenants have to sign an acknowledgement?

5A. In order for the owner/agent to be compliant with the residents rights acknowledgement as required in Chapter 5 of HUD Handbook 4350.3, REV-1, the owner/agent must maintain an acknowledgement (signed by the tenant) in the file acknowledging receipt.

F. ADDENDUM B

1Q. For the documents on Part D of Addendum B, what is the Reviewer's responsibility for follow up if owner does not provide or send requested documents?

1A. Multifamily Housing (MFH) staff is responsible for follow up if the owner does not provide Part A of Addendum B. The Office of Fair Housing and Equal Opportunity (FHEO) is responsible for all other sections if the owner does not provide or send the requested documents.

2Q. If the answers to the questions in Part B of Addendum B (On-site Limited Monitoring Review) indicate non-compliance, do we include a finding in the page 2 summary? For example, if the AFHMP has not been updated within the last 5 years, is that now FHEO's responsibility?

2A. No, the Reviewer does not issue a finding based on any of the responses on the FHEO Checklist. The information is gathered and provided to FHEO. It is FHEO's responsibility to determine compliance or non-compliance with information documented on Addendum B and follow up accordingly.

3Q. The note at the end of the instructions says, ""...no determination of compliance with applicable Fair Housing laws and regulations is included in the summary report..." What does that mean?

3A. The note means that FHEO is responsible for making a determination of compliance or non-compliance regarding fair housing and civil rights related issues. Completion of Addendum B does not provide an assessment of compliance. MFH staff and CAs are conducting front-end limited monitoring via data collection activity for FHEO.

4Q. There seems to be a discrepancy between Ms. Miller's memorandum dated December 16, 2005 and the Office of Multifamily Housing Guidance for Civil Rights Front-End Monitoring (MFH-CR Guide). The memorandum states:

"During the first year of implementation, for all multifamily rental housing projects, not just those receiving MORs, and except for those administered by Performance-Based Contract Administrators, HUD staff must forward Part A of Addendum B to the owner/agent for completion. When completed and returned, HUD staff must enter the information provided into the Real Estate Management (REMS). After the initial collection, this information will be obtained from the owner/agent only when an on-site management review is conducted."

However, the MFH-CR Guide states:

"MFH staff must forward this section alongHowever, in cases where an annual on-site management review will not be conducted, HUD staff must forward Part A of Addendum B to the owner/agent for completion on an annual basis...."

Do we forward Part A of Addendum B on an annual basis or only when performing on-site reviews after the initial collection?

4A. MFH staff are to follow the instructions in the memorandum dated December 16, 2005 which requires MFH to send Part A of Addendum B to all owners/agents (including those with Traditional Contract Administrators and excluding PBCA properties) for completion. MFH staff would be required to enter the information into REMS and would only obtain this information during subsequent years when an on-site review is conducted. The MFH-CR Guide has been corrected to reflect this change.

5Q. During the first year of implementation, is the PBCA to forward Part A of Addendum B to the owner/agents and enter the information in REMS?

5A. PBCAs are to forward Part A of Addendum B to the owner/agent when scheduling an on-site review every year and will enter the information in REMS upon completion of the MOR. The memorandum dated December 16, 2005 applies only to MFH staff.

6Q. Can the Field Office, for initial collection only, forward Part A of Addendum B for all properties, including those administered by PBCAs, to make sure REMS is updated?

6A. No. Refer to the matrix - Guidance for Processing FHEO Checklist attached to this document.

7Q. Name and Address Where Owners Send Documentation from Part D of Addendum B?

7A. Owners should forward documentation to the local HUD FHEO Office. All Reviewers should provide the address of the local Office of FHEO to the owner/agent. This information can be obtained from FHEO's website prior to the on-site review.

8Q. What should PBCAs/CAs do if owner does not sign and/or complete Sections I, II, and III of Addendum B?

8A. If an owner/agent does not sign (and the information has been completed), PBCAs/CAs should request a signature while on-site. If the owner/agent refuses to sign, PBCAs/CAs should require the owner/agent to make a copy for the PBCA/CA and the owner/agent should retain the original. PBCAs will enter the information into REMS. PBCAs/CAs will notate on first page of the copy "Owner/Agent did not

sign Part A", and include this copy with the other parts of the checklist. MFH staff would then follow-up with the owner/agent to obtain a signed document for the project file.

If the document is not completed, PBCA/CAs should indicate Column D on the form and notify MFH staff. MFH staff will be required to follow up with the owner agent, obtain the document, enter the information in REMS (even if a PBCA conducted the review), and forward a copy to FHEO.

9Q. Addendum B, Part D states "The Owner/Agent agrees to forward the checked document to FHEO within ten (10) business days." 10 business days from when?

9A. The ten (10) business days starting from the date of the on-site review.

10Q. Should the form have a place for a signature to show agreement?

10A. No. The checkmark by the Reviewer indicating that the owner/agent agreed to forward the documents to FHEO is sufficient.

11Q. Concerning the entry for the signature, the screens allow Reviewers to input the date but will not allow for the entry of the signature name. The screen just shows a line with no box for entry. Based on the webcast training, the signature is important. Is this just not activated yet, or is there something special that should be done in order to enter the signature?

11A. For the purposes of REMS data entry relative to the signature, entering the date the owner signed and certified Part A considers the Survey "completed" and the data can no longer be updated. Obtaining a signature from the owner/agent is important for the purposes of data certification on Part A. MFH will be maintaining the signature in the project file as supporting documentation of the owner/agent's information.

12Q. If the Reviewer is aware that the information provided by the owner/agent for Part A is incorrect, can the Reviewer discuss the issues with the owner/agent in an effort to enter accurate information into REMS?

12A. If the Reviewer questions the validity of the information provided by the owner/agent, Reviewers must contact the owner/agent to discuss the issues. If the owner/agent is adamant that the information provided is true and accurate, the Reviewer should enter the information into REMS and document the project file.

13Q. What if the PBCA/TCA obtains information from the owner/agent, determines that the information is sufficient and complete, enters the information into REMS, forwards to HUD staff, and HUD staff determines that the information provided is not accurate based on their review of Title VI-D?

13A. If the information entered into REMS and provided to HUD staff from the PBCA/TCA is not sufficient, HUD staff must contact the owner/agent to obtain a revised (signed and dated) Part A. Upon receipt of the revised Part A, HUD staff would be responsible for entering the information into REMS, which would generate a second Housing for Disabled Survey in REMS. However, the previous information entered by the PBCA/TCA would still be maintained in REMS and cannot be deleted.

14Q. What if the inaccuracies are determined after the information for Part A has been entered into REMS?

14A. If the Reviewer questions the validity of the information provided by the owner/agent, Reviewers must contact the owner/agent to discuss the issues. In such cases, the Reviewer should obtain a revised Part A (signed by the owner) and enter a new Survey into REMS. The Reviewer does not have the capability to delete the original Survey in REMS. Although REMS maintains a history of all Surveys, only the most recent version will be used and displayed on HUD's website (Multifamily Inventory of Units for the Elderly and Persons with Disabilities).

15Q. Regarding Addendum B Section II - Accessible Units, if an owner indicates "Data not tracked due to confidentiality" or an answer other than a number as required, is it acceptable?

15A. No. The owner is required to indicate a number for each column. Although REMS will allow these sections to be blank, the Reviewer must contact the owner to obtain a corrected Part A, Section II with the required information.

16Q. In an effort to save space, can Reviewers scan Part A of Addendum B and toss the originals?

16A. No. Although Reviewers are not discouraged from scanning the documents, the original, signed copies of Part A (Sections I, II, and III) must be maintained in the project file.

17Q. Section III, Question 1 states, "Does the recipient employ at least 15 employees?" If the answer to question 1 is "No", then REMS does not allow an answer to question number 2. In our experience, many owners/agents do not view 24 CFR 8.3 to define recipient, answer the question wrong, but in actuality do employ more than 15 people and then answer yes to question 2 "Is at least one person designated to coordinate its Section 504 responsibilities?" The information we input in REMS then, is incorrect, because it doesn't match what the owner/agent certified as true and accurate.

17A. The form states "If No, skip to Question 3." The data entry screens in REMS are identical to the form, therefore if the project does not employ more than 15 people and the Reviewer enters "No" for the first question in REMS, then the response to the second question is automatically "No". In such cases, REMS will not allow data entry because the first response dictates the answer to the second response. However, if the Reviewer questions the validity of the information provided by the owner/agent, Reviewers must contact the owner/agent to discuss the issues.

18Q. Does Addendum B apply to owners of Nursing Homes, Assisted Living Facilities, and Board and Care Facilities

18A. Part A of Addendum B applies to subsidized and unsubsidized rental multifamily housing projects (excluding Nursing Homes, Assisted Living Facilities, and Board and Care Facilities). Part B of Addendum B to subsidized and unsubsidized multifamily housing projects. Part C of Addendum B applies only to subsidized multifamily housing projects. Part D of Addendum B should be completed for both subsidized and unsubsidized based on the information requested by FHEO.

19Q. During the initial year, HUD staff is required to send Part A of Addendum B to all projects (excluding PBCA projects). What is the authority to require unassisted projects to complete the form?

19A. Paragraph 9(f) of the form HUD-92466 (Regulatory Agreement for Multifamily Housing Projects) authorizes HUD to collect information when necessary in order to ensure owner compliance with federal, regulatory, and administrative policies. Specifically, the paragraph 9(f) Regulatory Agreement states:

"At the request of the Secretary, his agents, employees, or attorneys, the Owners shall furnish monthly occupancy reports and shall give specific answers to questions upon which information is desired from time to time relative to income, assets, liabilities, contracts, operation, and condition of the property and the status of the insured mortgage."

In other words, for unassisted projects, the authority for us to collect this information is in the Regulatory Agreement. The authorities listed on Part A of Addendum B have been revised to add the Regulatory Reference.

20Q. Our PBCA has directed a property to complete an AFHMP as they did not have one on-site at the MOR. Handbook 4350.3, REV-1, Chapter 2, Paragraph 2-5(d)(1)(a), Obligation to Affirmatively Further Fair Housing, states that HUD does not require subsidized Multifamily projects built prior to February 1972 to have an AFHMP, unless the property has been substantially rehabilitated subsequent to 1972. However the owners are required to affirmatively market their units to those least likely to apply. This being the case, please clarify if Reviewers should return the AFHMP without approval and advise the owner that they are not required to have an approved AFHMP, however they are to affirmatively market their units to those least likely to apply. In such cases, should HUD staff notify the PBCA not to require the AFHMP from properties constructed/financed with HUD prior to February 1972, unless the project has been substantially rehabilitated since that date?

20A. Refer to paragraph 4-12 B.4 of Handbook 4350.3 which states "HUD does not require subsidized multifamily projects built prior to February 1972 to have an Affirmative Fair Housing Marketing Plan, unless the property has been substantially rehabilitated subsequent to February 1972 or the plan is required by a housing assistance contract." PBCAs would also refer to that guidance when determining whether or not an AFHMP is required.

21Q. What signature is acceptable for the certification on Part A, Addendum B?

21A. The owner or a principal in the ownership entity should sign the certification. If someone is signing on behalf of the owner, they must have power of attorney. We are revising the form to state "Signature of Owner" as opposed to "Signature of Owner/Agent".

G. ADDENDUM C

1Q. Are PBCA's allowed to request the items on Addendum C be sent to their office prior to the review and can it be sent via email?

1A. No, the information should be gathered on-site unless the owner/agent does not have an issue with sending the information. The Reviewer cannot “require” an owner/agent to send information to HUD prior to the review.

2Q. With regards to the term “Other”, what flexibility does the PBCA have to request additional information, such as, rent receivables ledger, security deposit statements, list of tenants associated with security deposits, bank deposit slips associated with tenant rent payments.

2A. “Other” does allow Reviewers flexibility to the extent that additional information is necessary.

H. GENERAL CONCERNS

1Q. The mailbox for questions referenced in the Implementation memo is an internal format. Is there an address external users/reviewees can use to submit questions? Would it be Hq_Mf_Mor/HSNG@HUD.gov

1A. Yes. External users would need to add “@HUD.gov” to the mailbox address.

2Q. Should the revised form HUD-9834 be used for all MORs with closeout dates (exit meeting) of February 1 or later?

2A. The revised form HUD-9834 should be used for all MORs scheduled and performed by HUD staff and Mortgagees after January 1, 2006. The revised form HUD-9834 should be used for all MORs scheduled and performed by PBCAs and CAs after February 1, 2006. All MORs performed prior to those dates should be finalized on the version used during the on-site review.

3Q. The December 16, 2005 memorandum from Beverly Miller states that the information from Part A of Addendum B must be entered in REMS by HUD staff. Where and on what part of what screen is the information entered?

3A. The information from Part A of Addendum B would be entered into the REMS screen by clicking on the side bar link entitled “Housing for Disabled Survey”. For reviews conducted by PBCAs, PBCAs must enter the information into the applicable REMS data screens. For reviews conducted by HUD Staff, Mortgagees, or Traditional Contract Administrators, HUD staff will be required to enter the information into the applicable REMS data screens. Refer to the attached matrix.

4Q. On the Multifamily Asset Management call on Tuesday, January 10, 2005, Ken Hannon stated if a property has a recent REAC score of below 60, then the MOR rating MUST be Unsatisfactory. I did not hear that same requirement provided to the CAOM's on the January 11, 2005 CAOM conference call. Will they also be subject to the same requirements for issuing MOR's with current below 60 scores?

4A. The information relayed during the Asset Management Conference call was an advanced notice of a preliminary policy regarding the under 60 scores and MOR ratings. This policy guidance is in its preliminary stages and has not been finalized. Until formal guidance is issued on this matter, all reviewers are to rate MORs under the existing rating procedures.

5Q. Will training be provided for using the revised form HUD-9834?

5A. Reviewers should not have a difficult transition from the former version to the revised version. The skill set for performing the management review has not changed, only the scope of the review. However, an MOR mailbox was implemented to provide technical assistance as necessary.

6Q. Are the Performance-Based Contract Administrators REQUIRED to use this form?

6A. Yes, the PBCAs are required to use the revised HUD-9834 and all applicable addendums.

7Q. Are Traditional Contract Administrators required to use the new 9834?

7A. Yes. Traditional Contract Administrators are now required to use the revised form HUD-9834.

8Q. Will this form be used in conjunction with HUD staff? In other words, will PBCA/CAs only complete designated sections and then forward to HUD for final completion?

8A. No, PBCAs will conduct the MOR and complete the applicable sections.

9Q. Are PBCAs/CAs/Mortgagees required to use the form exactly as created by HUD or can the form be modified to include only those questions that are applicable to the Reviewer? For example, Summary Report – Findings Section.

9A. The form HUD-9834 is an approved OMB form and cannot be altered.

10Q. Can the Reviewer add questions to the forms (Desk Review, On-Site Review Form, and Tenant File Checklist)?

10A. No, the form HUD-9834 is an approved OMB form and cannot be altered.

11Q. Can the Reviewer shade the questions on the on-site review form that are HUD only?

11A. No, the form HUD-9834 is an approved OMB form and cannot be altered.

12Q. Some questions concerning Service Coordinators have been added to the on-site review form. Does HUD want Reviewers to ask the questions previously provided for Service Coordinators?

12A. For the purpose of conducting the MOR, only the questions contained in the form HUD-9834 are required. If a separate, in-depth review of the service coordinator is being conducted by HUD, then the appropriate questionnaire would be used.

13Q. Should overall rating be based on ratings in A, B, C, and E? Previously, the overall rating was never higher than the rating in maintenance and security and leasing and occupancy.

13A. The overall rating should be based on all areas rated during the on-site review.

14Q. If a property is financed through a State Agency and it has FHA Risk Sharing, does the form HUD 9834 need to be used when we conduct our reviews? There isn't any other FHA mortgage insurance in the deal.

14A. No. Presuming that there is only Risk Sharing and no Section 8 contract, there is no requirement for reviews conducted by and financed through State Agencies to use the form HUD-9834.

15Q. For Projects subject to 24 CFR Part 883, we need clarification as to whether we can keep our financial review separately, since HUD does not monitor these issues for our projects.

15A. Yes, Reviewers of projects subject to 24 CFR Part 883 can maintain the financial review separately.

16Q. There are some questions that we previously asked during the site review that are not included on the revised form. For example, is the owner refunding the interest on security deposits, if applicable; is the initial term of the lease correct; is the owner charging application fees, etc. Since these questions are not on the checklist, should Reviewers continue to ask them?

16A. No. However, please note that questions regarding "other charges" are covered in the revised form HUD-9834 (see question 15b.)

17Q. At the NCSHA conference on January 12, 2006, it was stated that if the agency is the mortgagee, the Reviewer should also answer the mortgagee questions. PBCA/CAs are not authorized to collect the information on financials, etc. What should the PBCA/CA do with the information collected? Are we to include these items on the owner's report? To what extent is this required if the agency is the second or third mortgagee?

17A. PBCAs/CAs are only to complete the applicable sections of the form as noted when conducting reviews in a PBCA/CA role.

18Q. Will the owners be required to document "how" they determined the income and allowance prior to "data entry"? What about those owners who use a computerized system? What documentation should the Reviewer look for?

18A. This information should be contained in the supporting documents in the tenant file to support the data entry into TRACS.

19Q. Just to clarify how HUD defines Mortgagee, if a State Agency has financed a Section 8 NC/SR property w/no FHA mortgage insurance, do we ignore the parts in the 9834 that state HUD/Mortgagee?

19A. Yes, the Reviewer should complete only the applicable sections. For the purposes of the form HUD-9834, HUD defines "Mortgagee" as any Mortgagee of a Co-insured Project required to conduct on-site management reviews in accordance with HUD Handbook 4566.2, Chapter 6.

20Q. Traditional CAs can go into REMS and see the score, EH & S findings, and EH & S status; however, we cannot see or print the reports to do any follow-up. Are CAs supposed to obtain the reports from our local HUD office or will CAs be given access to REMS similar to PBCAs?

20A. Traditional CAs should contact the local HUD office to obtain the information.

21Q. Is the new HUD 9834 required for Moderate Rehabilitation?

21A. No, the Moderate Rehabilitation Program is administered by HUD's Office of Public and Indian Housing pursuant to 24 CFR Part 882, Subparts D and E.

22Q. The revised form HUD-9834 includes questions regarding the status of the Neighborhood Networks Center, Service Coordinators, form HUD-2530 approval status and the lead-based paint plan. As these areas of concern have not been delegated to PBCAs, will there be a means of the PBCA communicating issues in these areas to the appropriate HUD staff?

22A. For form HUD-2530 status, refer to Section C of this document. For Lead-Based Paint, refer to Section D.2 of this document. The information gathered during the on-site review for Neighborhood Networks and Service Coordinators is for information only. If there are issues or concerns in these areas, the Reviewer will note it on the management review and bring it to HUD's attention.

23Q. If the Reviewer obtains responses from the owner/agent that are not in compliance with the 4350.3, REV-1, do we issue a finding?

23A. Yes, if while conducting the review a violation of the 4350.3 is discovered, this should be written up as a finding on the MOR.

24Q. Does the revised form HUD-9834 replace the form HUD-9463 used for Nursing Homes and Assisted Living Facilities?

24A. The form HUD-9463 should not be used for MORs. The form HUD-9834 is the only approved form and should be used for all MORs (including Nursing Homes and Assisted Living Facilities) when applicable.

25Q. Is there still an option for performing a limited vs. a comprehensive review?

25A. No. HUD has eliminated the ability to conduct limited management reviews by revision of the HUD-9834.

Guidance for Processing FHEO Checklist: On-Site Limited Monitoring and Section 504 Reviews (Addendum B)

Performance Based Contract Administrator (PBCA)	HUD Staff	Traditional Contract Administrator (TCA)
<p>1. PBCA conducts the MOR including completion of the FHEO Checklist: On-Site Limited Monitoring and Section 504 Reviews (Addendum B) of the HUD-9834.</p> <p>2. Obtain completed Part A of Addendum B from the owner/agent</p> <p>3. Upon completion of the MOR, PBCA will input information included on Part A of Addendum B into the applicable REMS screens.</p>	<p>1. HUD staff conducts the MOR including completion of the FHEO Checklist: On-Site Limited Monitoring and Section 504 Reviews (Addendum B) of the HUD-9834.</p> <p>2. Obtain completed Part A of Addendum B from the owner/agent.</p> <p>3. Upon completion of the MOR, Housing staff will input applicable REMS screen. During the first year of implementation, for all multifamily rental housing projects, not just those receiving MORs, and except for those administered by Performance-Based Contract Administrators, HUD staff must forward Part A of Addendum B to the owner/agent for completion. When completed and returned, HUD staff must enter the information provided into REMS. After the initial collection, this information will be obtained from the owner/agent only when an on-site management review is conducted. In addition, upon receipt of Part A of Addendum B from the TCA, HUD staff must enter the information into the applicable REMS screen. (TCAs do not have access to REMS).</p> <p>4. Multifamily Housing staff will maintain the original of the Addendum B (all parts) in the project file and forward a copy of the entire FHEO Checklist to FHEO.</p>	<p>1. TCA conducts the MOR including completion of the FHEO Checklist: On-Site Limited Monitoring and Section 504 Reviews (Addendum B) of the HUD-9834.</p> <p>2. Obtain completed Part A of Addendum B from the owner/agent.</p> <p>3. Upon completion of the MOR, the TCA will forward the completed Addendum B (original) to Multifamily Housing. Multifamily Housing staff will input information included on Part A of Addendum B into the applicable REMS screen, (TCAs do not have access to REMS.)</p> <p>4. Multifamily Housing staff will maintain the original of the Addendum B (all parts) in the project file and forward a copy of the entire FHEO Checklist to FHEO.</p>
<p>4. PBCA will forward the completed Addendum B (original) to Multifamily Housing.</p>		
<p>5. Multifamily Housing staff will maintain the original of the Addendum B (all parts) in the project file and forward a copy of the entire FHEO Checklist to FHEO.</p>		