

The **Nelrod** Company®

INCOME REEXAMINATIONS *WITH HOTMA UPDATES*

Presented by Derek Antoine

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76107





WHAT WE'LL COVER TODAY

- 🎯 Annual Reexamination Basics
- 🎯 Annual Processes
- 🎯 HOTMA Annuals
- 🎯 Interim Reexamination Basics
- 🎯 Interim Processes
- 🎯 HOTMA - Interims
- 🎯 Case Studies
- 🎯 Not An Annual Income Class
- 🎯 Answers to Your ?'s
- 🎯 Ready. Set. Vegas.

**PHAs MUST ADOPT POLICIES
CONCERNING THE CONDUCT OF
ANNUAL AND INTERIM
REEXAMINATIONS THAT ARE
CONSISTENT WITH REGULATORY
REQUIREMENTS, AND MUST
CONDUCT REEXAMINATIONS IN
ACCORDANCE WITH SUCH POLICIES**

**PHAs ARE REQUIRED TO OBTAIN
INFORMATION NEEDED TO
CONDUCT REEXAMINATIONS.**

**FAMILIES ARE REQUIRED TO
PROVIDE CURRENT AND ACCURATE
INFORMATION AS PART OF
THE REEXAMINATION PROCESS.**

ANNUAL REEXAMINATIONS INCOME

Income-based

Annually

Flat-rent families

Once every three years

Over-income families

Income reviewed @ 12 and 24 months

NPHOI

No annual or interim reexaminations

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ANNUAL REEXAMINATIONS FAMILY

- The PHA must review family composition on an annual basis for all families, whether they pay income-based or flat rent
- For families that include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months
- Criminal background checks may be conducted for all household members aged 18 and over ***NOT A HUD REQUIREMENT**

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ANNUAL REEXAMINATIONS

- At least annually, the resident is required to provide PHA with:
 - ✓ Family composition and Age of family members
 - ✓ Annual income and sources of income
 - ✓ Eligibility and deductions
 - ✓ Assets and income from assets
 - ✓ Community service activities/exempt status
 - ✓ SS numbers of any new family members
 - ✓ Citizenship or immigration statuses of new family members

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ANNUAL REEXAMINATIONS

- The family must sign:
 - ✓ Personal Declaration or Annual Reexamination Form
 - ✓ Authorization for Release of Information, form HUD-9886-A*
 - ✓ Applicable verification release forms
 - ✓ Community Service forms
 - ✓ Family Choice of Rent form

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ANNUAL REEXAMINATION APPOINTMENT

- Complete no later than 45 days before the effective date of action
- Reasonable Accommodations
- VAWA
- Fair Housing

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ANNUAL REEXAMINATION APPOINTMENT

- Review the Application for Continued Occupancy or Personal Declaration completed by resident
- Ask all questions on the Interview Guide
- Record responses

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ANNUAL REEXAMINATION APPOINTMENT

- Obtain addresses, fax numbers and telephone numbers of sources to which third-party verification forms will be sent
- Compare information on application to current data in tenant file
- Determine if the family qualifies for allowable deductions

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ANNUAL REEXAMINATION APPOINTMENT

- If the family reports a change in composition:
 - ✓ Obtain documentation to verify
 - ✓ Conduct a Criminal History Background check on any addition to the household over aged 18
 - ✓ Determine if the family's current unit is the right size

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ANNUAL REEXAMINATION APPOINTMENT

- If the family reports a change in income:
 - ✓ Obtain documentation to verify
 - ✓ Review original verification documents
 - ✓ EIV/IVT

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FAMILY CHOICE OF RENT

- During the annual reexamination process, the PHA must give each resident the choice between income-based or flat rent.
 - ✓ PHAs must provide residents with enough information to make an informed choice
 - ✓ PHAs must keep records demonstrating that families were given a choice

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INCOME BASED vs FLAT RENT

- For those families who choose to pay income-based rent, the PHA must conduct a reexamination of income at least annually
- For families who choose flat rents, the PHA must conduct a reexamination of family income at least once every 3 years
- The PHA must review family composition on an annual basis for all families, whether they pay income-based or flat rent

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DISCLOSURE OF SSN

- Each resident that:
 - ✓ Has not previously disclosed
 - ✓ Previously disclosed, but HUD/SSA determined to be invalid
 - ✓ Issued new SSN
- Residents age 62 or older as of January 31, 2010, whose initial eligibility determination was begun before January 31, 2010 are exempted

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ANNUAL REEXAMINATION

APPOINTMENT

- Review the reexamination package one more time before the end of the meeting
- If missing information, give family a list of information that must be provided with XXX business days

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STREAMLINED ANNUAL REEXAMINATIONS

DEFINITION OF FIXED SOURCE OF INCOME

- Periodic payments at reasonably predictable levels from one or more of the following sources:
 - ✓ Social Security, Supplemental Security Income, Supplemental Disability Insurance;
 - ✓ Federal, state, local, or private pension plans;
 - ✓ Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
 - ✓ Any other source of income subject to adjustment by a verifiable COLA or current rate of interest

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STREAMLINED ANNUAL REEXAMINATIONS

FIXED INCOME

- For families with less than 90% of income coming from fixed sources
 - ✓ Full reexamination of income must be performed every 3 years
 - ✓ In the interim 2 years, apply cost-of-living adjustment or interest rate adjustment specific to each source of fixed income to a previously determined or verified source of income

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STREAMLINED ANNUAL REEXAMINATIONS

FIXED INCOME

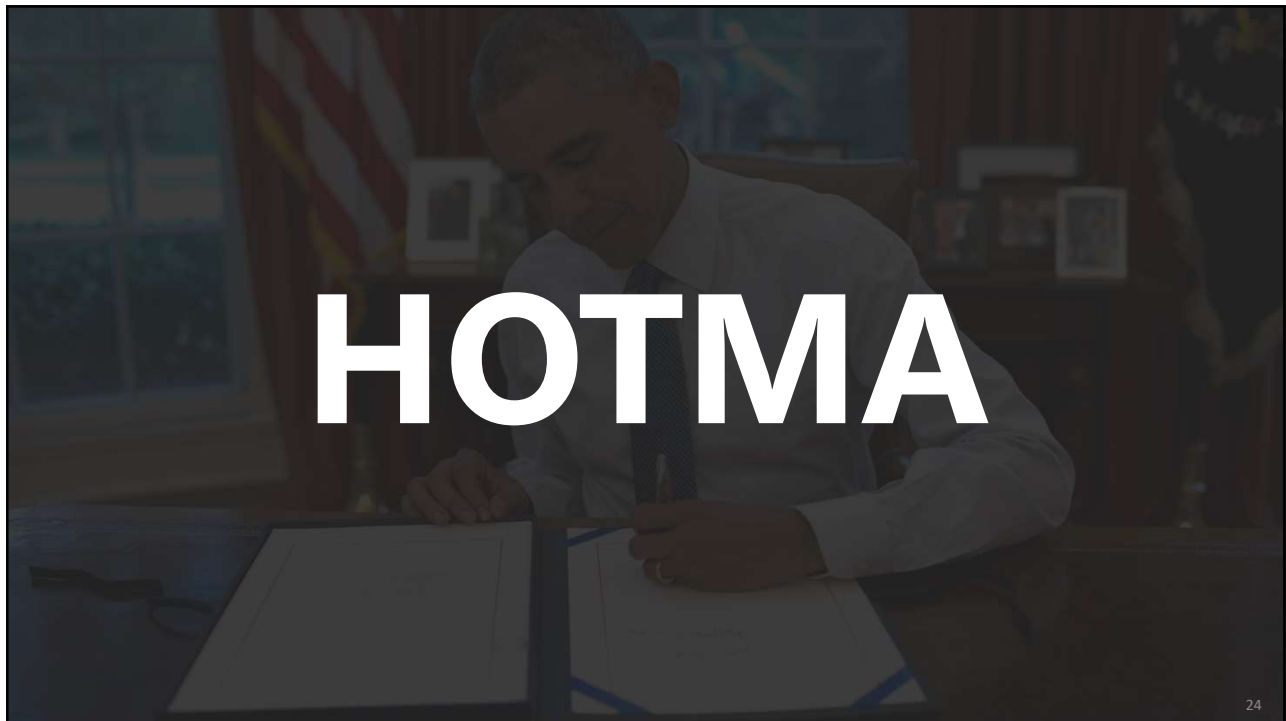
- Families with 90% or More Fixed Income Sources
 - ✓ Full reexamination of income must be performed every 3 years
 - ✓ In the interim 2 years, apply appropriate COLA to fixed sources of income
 - PHAs have discretion regarding whether to reverify and adjust non-fixed income sources

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COMPLETION OF ANNUAL REEXAMINATION

- When all required verifications are received, finalize the reexamination
- Carefully proof your data entry on the computer screen prior
- Review form HUD-50058 for accuracy
- Generate Notice of Rent Adjustment

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HOTMA

CALCULATION OF INCOME

Annual Reexamination

- Must use the income from the previous 12-month period
 - ✓ Must make adjustments to reflect current income if a change occurred that was not accounted for in an interim reexam

Exceptions:

- ✓ Streamlined income determination for fixed income
- ✓ Must take into consideration any interim reexams performed during the previous 12-month period

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CALCULATION OF INCOME:

ANNUAL REEXAMINATIONS – (3) STEP PROCESS

Step 1: Determine Annual Income for the previous 12-month period.

- ✓ Review the following info to make determination
 - EIV Income Report
 - Income reported on most recent HUD-50058
 - Family certification of prior-year income on AR paperwork
- ✓ If there have been no changes – **STOP** – this is amount used to determine Total Tenant Payment (TTP)

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CALCULATION OF INCOME:

ANNUAL REEXAMINATIONS – (3) STEP PROCESS

Step 2: Consider any Interim of family income since last Annual Reexam

- ✓ If Interim was conducted within reexam cycle and no additional changes, use the Annual Income from the Interim to determine TTP
- ✓ If no Interim was conducted, or if family reports changes since last reexam, continue to Step 3

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CALCULATION OF INCOME:

ANNUAL REEXAMINATIONS – (3) STEP PROCESS

Step 3: Changes in Annual Income not processed since last reexam, use Current Income

- ✓ No reported changes to an income source, use documentation of prior-year income to calculate TTP
- ✓ No reported changes by family, or if discrepancies between EIV and family reported income, follow Verification Hierarchy to document and verify

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CALCULATION OF INCOME

ANNUAL REEXAMINATIONS

MUST determine income of family for the previous 12-month period and use this amount as family income

Exception: PHA has adopted streamlined income determination

MUST consider any interim reexamination conducted during this time frame

MUST make adjustments to reflect current income if a change in income occurred during this time frame that was not accounted for

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CALCULATION OF INCOME

ANNUAL REEXAMINATIONS (SAFE HARBOR)

MAY use annual income-based income determinations made within the previous 12-month period by the following federal assistance programs:

- | | |
|----------------------------|----------------|
| → TANF | → Low-income |
| → Medicaid | Housing Credit |
| → SNAP | → WIC |
| → Earned Income Tax Credit | → SSI |

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CASE STUDIES

CALCULATION OF ACTION TYPE 2

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CASE STUDY 1

NO DISPUTE

Derek and Amy Antoine are in for their annual recertification, which has an effective date of 03/01/2024. They listed \$32,000 on their reexam application, along with \$10,980 from Amy's SSI. EIV reports were ran on 12/15/2023, and there is no disputed information.

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CASE STUDY 1

NO DISPUTE

Annual Reexam Effective Date: 03/01/2024			
No Interim or Reported Changes since the 03/01/2023 AR			
SSA Published 2024 COLA: 3.2%			
Income Reported at Last Reexam		\$30,000 Wages	\$10,980 SSI
EIV Report pulled 12/15/2023:			
Wages Total:	\$33,651	SSI Total:	\$10,980
Qtr. 3 of 2023	\$8,859	2023 benefit \$915 monthly	
Qtr. 2 of 2023	\$8,616		
Qtr. 1 of 2023	\$8,823		
Qtr. 4 of 2022	\$7,353		
Income Reported on Reexam Application:			
Wages:	\$32,000	SSI:	\$10,980

7. Income

7a. Family Member Name	No.	7b. Income Code	7c. Calculation (PHA use)	7d. Dollars per year	7e. Income exclusions	7f. Income after exclusions (7d minus 7e)
			7353 + 8823 + 8616 + 8859	\$ 33651	\$	\$ 33651
				\$	\$	\$
			COLA: 29.28 (915 X .032)	\$ 11331	\$	\$ 11331
			915 + 29.28 = 944.28	\$	\$	\$
			944.28 x 12	\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
7g. Column total						\$ 44985 7g.
7h. Reserved						
7i. Total annual income: 6k + 7g						7i.
Over-Income Status (Public Housing Only)						
7j. What is the applicable over-income limit for families of this size?						\$ 7j.
7k. Is the family's annual income greater than the over-income limit? <input type="checkbox"/> Y <input type="checkbox"/> N						7k.
7l. If the family is over-income, note the start date of the 24 consecutive month grace period						7l.

CASE STUDY 1

NO DISPUTE

→ File documentation

- ✓ Copies of the reports
- ✓ Tenant Self-Certification OR Tenant-Provided Verification
- ✓ HUD-50058

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CASE STUDY 2

DISPUTE OF EIV

Staff are processing Paul Hewson's 5/1/2024 annual reexamination. Since the last annual reexamination, Paul reported a decrease in annual income that exceeded 10 percent. Last year, Paul reported a decrease in earned income because he transferred from a full-time job at Sasha's Sweets to a part-time job at Viking Bakery. Following HUD's EIV verification hierarchy, staff confirmed Paul was no longer employed at Sasha's Sweets and decreased his anticipated annual income from \$28,000 to \$7,500 resulting from his new part-time employment at Viking Bakery; an interim reexamination was processed effective 7/1/2023. After the 7/1/2023 interim, Paul worked briefly at two different jobs, but he says he is no longer working and is not planning to work.

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CASE STUDY 2

DISPUTE OF EIV

Annual Reexam Effective Date: 05/01/2024			
Interim Reduction processed Effective 07/01/2023			
After IR, Resident worked briefly. States no longer employed.			
Income Reported at Last Reexam		\$7,500 Wages	
EIV Report pulled 01/15/2024			
Wages Total:		SS/SSI:	No Benefit History
Qtr. 3 of 2023	\$2500 (Viking Bakery)	Qtr. 2 of 2023	\$2401 (Viking Bakery)
Qtr. 3 of 2023	\$796 (Sweet Tooth)	Qtr. 1 of 2023	\$6500 (Sasha's)
Qtr. 2 of 2023	\$1300 (Sasha's)	Qtr. 4 of 2022	\$600 (Sasha's)
Qtr. 2 of 2023	\$584 (Larry's)		
Income Reported on Reexam Application:			
Wages:	\$0 (permanent change)	SS:	\$14,400 (\$1200 monthly)

7. Income

7a. Family Member Name	No.	7b. Income Code	7c. Calculation (PHA use)	7d. Dollars per year	7e. Income exclusions	7f. Income after exclusions (7d minus 7e)
			1200 x 12	\$ → 14400	\$	\$ 14400
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
7g. Column total						\$ 14400 7g.
7h. Reserved						
7i. Total annual income: 6k + 7g						7i.
Over-Income Status (Public Housing Only)						
7j. What is the applicable over-income limit for families of this size?						\$ 7j.
7k. Is the family's annual income greater than the over-income limit? [] Y [] N						7k.
7l. If the family is over-income, note the start date of the 24 consecutive month grace period						7l.

CASE STUDY 2

DISPUTE OF EIV

→ File documentation

- ✓ Copies of the reports
- ✓ Tenant-Provided Verification
- ✓ Written or Oral Third-Party Verification Form, if Tenant-Provided Documentation is not available or rejected by PHA
- ✓ HUD-50058

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CASE STUDY 3

INCOME NOT VERIFIABLE THROUGH EIV

Staff are processing the 11/1/2024 annual reexamination for Samantha and Fergus Poole, head of household and spouse. Samantha has previously reported income of \$12,000 from her VA pension, as verified through previous award letter (\$1,000 a month). The Poole's had also reported \$3,000 from a GoFundMe account for the previous reexamination period (per the 50058) but have indicated no such activity for their upcoming recertification.

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CASE STUDY 3

INCOME NOT VERIFIABLE THROUGH EIV

On 2/14/2024 Samantha reported her monthly child support payment was reduced from \$200 to \$100 per month, but an interim reexamination was not processed, because the reduction in child support income for Samantha's daughter, Hailey, did not result in a decrease of 10 percent or more in annual adjusted income, and the PHA/MFH Owner did not establish a lower threshold. Samantha did not report any additional changes to the PHA/MFH Owner.

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CASE STUDY 3

INCOME NOT VERIFIABLE THROUGH EIV

Annual Reexam Effective Date: 11/01/2024			
Income reduction reported on 02/14/2024 that did not result in IR			
Income Reported at Last Reexam:			
\$12,000 VA Pension	\$2,400 Child Support	\$3,000 Non-Wage (Go Fund Me)	
EIV Report pulled on 09/16/2024			
Wages Total:	\$0	SS/SSI Total:	\$0
Income Reported on Reexam Application:			
VA Disability:	\$12,300	Child Support:	\$1,200
No information was reported concerning other non-wage income			

7. Income							
7a. Family Member Name	No.	7b. Income Code	7c. Calculation (PHA use)	7d. Dollars per year	7e. Income exclusions	7f. Income after exclusions (7d minus 7e)	
			1025 x 12	\$ → 12300	\$	\$ 12300	
				\$	\$	\$	
			100 x 12	\$ → 1200	\$	\$ 1200	
				\$	\$	\$	
				\$	\$	\$	
				\$	\$	\$	
				\$	\$	\$	
				\$	\$	\$	
				\$	\$	\$	
				\$	\$	\$	
				\$	\$	\$	
7g. Column total						\$ 13500	7g.
7h. Reserved							
7i. Total annual income: 6k + 7g							7i.
Over-Income Status (Public Housing Only)							
7j. What is the applicable over-income limit for families of this size?						\$	7j.
7k. Is the family's annual income greater than the over-income limit? <input type="checkbox"/> Y <input type="checkbox"/> N							7k.
7l. If the family is over-income, note the start date of the 24 consecutive month grace period							7l.

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CASE STUDY 3

INCOME NOT VERIFIABLE THROUGH EIV

→ File documentation

- ✓ Copies of reports
- ✓ Tenant-Provided Verification
- ✓ Written or Oral Third-Party Verification Form, if necessary
- ✓ HUD-50058

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DE MINIMIS ERRORS

- PHA will not be considered out of compliance solely due to de minimis errors in calculating family income
 - ✓ De Minimis Error: PHA determination of family income deviates from correct income determination by no more than \$30 per month in Monthly Adjusted Income
- PHA must still take any corrective action necessary to credit or repay the family if family has been overcharged

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AR NOTICE OF RENT CHANGE

- Public housing lease requires the PHA to provide written notice stating any change in the amount of tenant rent, and when the change is effective
 - ✓ PHAs should give families at least 30 days' notice of any rent increase
 - ✓ Rent decreases are effective the first of the month following the decrease

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HOW DO YOU FEEL ABOUT HOTMA ANNUAL REEXAMS AFTER ALL THAT?

**THINGS
CHANGE...**



New Additions to the Family



New Job



Death in the Family



Change in Benefit Eligibility

**FAMILY CIRCUMSTANCES
MAY CHANGE DURING
THE PERIOD
BETWEEN ANNUAL
REEXAMINATIONS.**

**HUD REQUIREMENTS
AND PHA POLICIES DICTATE
WHAT KINDS OF
INFORMATION MUST BE
REPORTED, AND WHEN THE
PHA MUST PROCESS INTERIM
REEXAMINATIONS**

INTERIM REEXAMINATIONS

- PHAs must adopt policies prescribing when and under what conditions the family must report changes in family income or composition
- PHA must then conduct reexaminations and the family must report changes in accordance with such policies
- The PHA must conduct any interim reexamination within a *reasonable time* after the family request or when the PHA becomes aware of a change

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INTERIM REEXAMINATIONS FAMILY

- Changes to family composition
 - ✓ New child
 - ✓ New adult
 - ✓ Someone moves out
 - ✓ New head of household

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THE BEFORE- HOTMA TIMES

INTERIM RENT DECREASES

- PHAs must process the family's request for an interim reexamination that would result in a decrease of the family's rent
 - ✓ Loss of employment
 - ✓ Familial changes affecting adjusted income (additional dependents)
 - ✓ Increase in costs – child care, medical, DAE

INTERIM RENT INCREASES

- PHAs discretion to process the family's request for an interim reexamination that would result in an increase of the family's rent
 - ✓ New employment
 - ✓ Additional of a family member & new income
 - ✓ Increase in benefits received (SS, SSI)

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INTERIM RENT INCREASES

- Not required to increase rent between annual reexaminations except when it is determined that the resident misrepresented income or expenses at the annual reexamination
- Three approaches to Interim Rent Adjustments are:
 - ✓ Fixed Rent System
 - ✓ Variable Rent System
 - ✓ Hybrid Rent System

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INTERIM REEXAMINATIONS & EID

→ **MUST** conduct an Interim Reexamination when related to the Earned Income Disallowance regardless of Interim Policy in ACOP

- ✓ Date EID becomes effective
- ✓ End of 100% disallowance period
- ✓ End of 50% disallowance period



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INCOME REEXAMINATIONS OVER INCOME FAMILIES

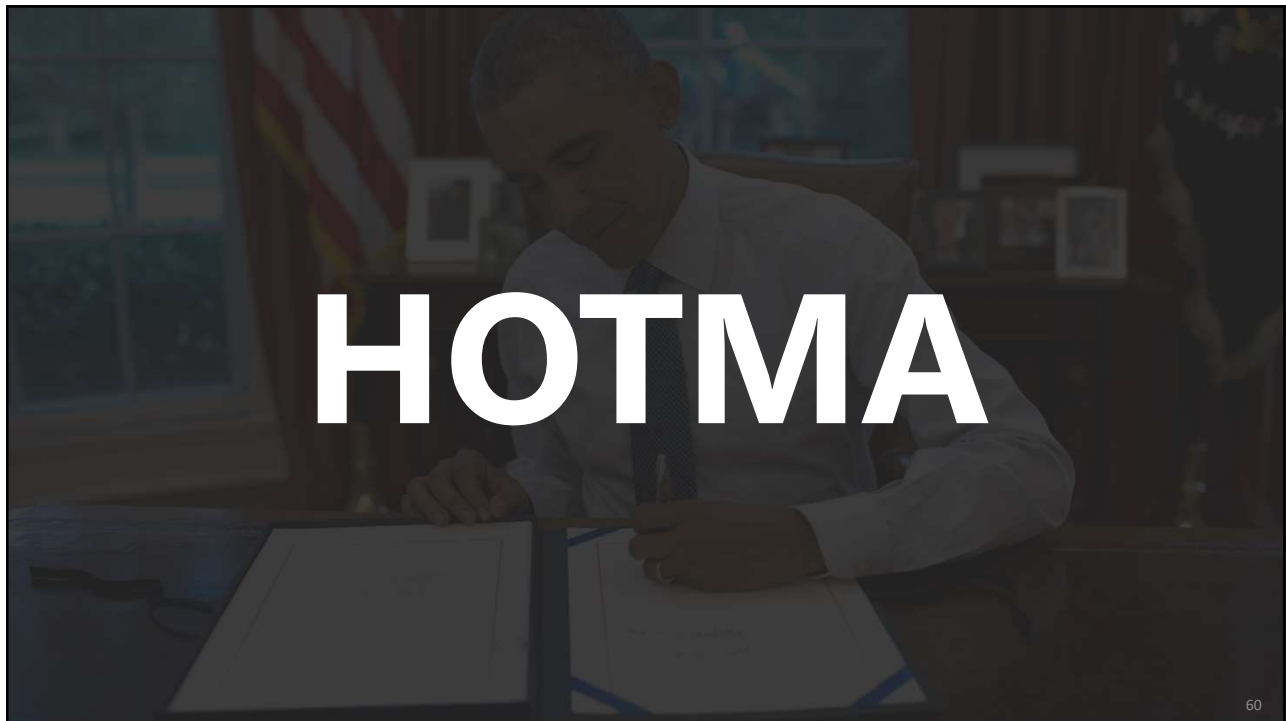
- **MUST** conduct an Income Reexamination 12 months after the initial over income determination unless the PHA has determined the family's income fell below the over-income limit since the initial determination
- **MUST** conduct an Income Reexamination 24 months after the initial over income determination unless the PHA has determined the family's income fell before the over income limit since the second determination

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INCOME REEXAMINATIONS OVER-INCOME FAMILIES

- If PHA Policy requires termination of Over-Income Families at end of 24-month grace period
 - ✓ OI family may request Interim Reexam for a decrease in income during the period before termination
 - ✓ The PHA will decrease rent if warranted; however, this will NOT reset the grace period nor enable the family to avoid termination

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CALCULATION OF INCOME

Initial Occupancy/Assistance

- ✓ Anticipate income based on current income
- ✓ Consistent with pre-HOTMA process

Interim Reexamination

- ✓ Anticipate income based on current income
- ✓ Will only be conducted based on specific circumstances

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**PHAs MUST ADOPT POLICIES
CONSISTENT WITH HOMTA
DETAILING WHEN AND UNDER
WHAT CONDITIONS THE
FAMILY MUST REPORT A
CHANGE IN FAMILY INCOME
OR COMPOSITION.**

CALCULATION OF INCOME

INTERIM REEXAMINATIONS

- Family may request Interim Reexam of family income or composition because of any change since last determination
- PHA must conduct Interim Reexam within "reasonable period of time"
 - ✓ Generally, no longer than 30 days after PHA become aware of changes
- If determined Interim is necessary, family must report all aspects of adjusted income

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CALCULATION OF INCOME

INTERIM REEXAMINATIONS (DECREASES)

MAY decline to conduct interim if estimated adjusted annual income will decrease less than 10%

MUST conduct interim when PHA becomes aware that annual adjusted income has decreased by 10% or more

MUST apply a 0% threshold and conduct interim due to decrease in family size attributed to death or permanent move-out of a family member resulting in decrease of annual adjusted income

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CALCULATION OF INCOME

INTERIM REEXAMINATIONS (DECREASES)

MAY establish a lower threshold for interim reexaminations that is more generous to the family (e.g., estimated 5% decrease)

- ✓ Taking on the additional administrative burden of processing more requests is at the PHA's discretion
- ✓ The PHA may not establish an alternative threshold that is less generous to the family than the standard

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CALCULATION OF INCOME

INTERIM REEXAMINATIONS (DECREASES)

STEP 1: Family request

STEP 2: Estimate if family's adjusted income has decreased by 10% or more in annual adjusted income due to a change in income or family composition

STEP 3: Conduct the reexamination per policy

- ✓ As required for 10% or more; 0% if based on family reduction
- ✓ Per policy if established a lower threshold

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TIMELY NOTICE

INTERIM REEXAMINATIONS (DECREASES)

If family reports change in income or composition:

- ✓ Must provide 30-day notice of increase in rent
 - Increase effective the 1st day of the month beginning after the end of the 30-day notice
- ✓ Decrease in rent effective the 1st day of the 1st month after date of the actual change in income

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TIMELY NOTICE

INTERIM REEXAMINATIONS (DECREASES)

If family fails to report change in income or composition in a timely manner:

- ✓ Increase implemented retroactively to the 1st of the month following the date of the change
- ✓ Decrease implemented no later than 1st rent period following completion of the reexamination
 - May apply decrease retroactively at based on PHA policy

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CALCULATION OF INCOME

INTERIM REEXAMINATIONS (INCREASES)

MUST conduct interim when PHA becomes aware that adjusted annual income increases by 10% or more (including cumulative)

Exceptions

- **MAY NOT** consider any increase in **earned income** *unless* an interim for a decrease has been conducted within the same reexam cycle and stated in the PHA Policies
- May choose not to conduct interim in last 3 months of reexamination period

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CALCULATION OF INCOME

INTERIM REEXAMINATIONS (INCREASES)

STEP 1: Family request

STEP 2: Estimate if family's adjusted income has increased by 10% or more in annual adjusted income due to a change in income or family composition

STEP 3: Conduct the reexamination per policy

- ✓ As required for 10% or more
- ✓ Not counting earned if, based on PHA policy, there was an interim decrease within the same certification period

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TIMELY NOTICE

INTERIM REEXAMINATIONS (INCREASES)

If family reports change in income or composition:

- ✓ Must provide 30-day notice of increase in rent
 - Increase effective the 1st day of the month beginning after the end of the 30-day notice
- ✓ Decrease in rent effective the 1st day of the 1st month after date of the actual change in income

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TIMELY NOTICE

INTERIM REEXAMINATIONS (INCREASES)

If family fails to report change in income or composition in a timely manner:

- ✓ Increase implemented retroactively to the 1st of the month following the date of the change

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CASE STUDY

INTERIM REEXAM

A family with an annual adjusted income of \$9,600 experiences a change in household composition and becomes eligible for two dependent deductions totaling \$960.

Would the PHA conduct an Interim Reexam? **YES**

Why or Why Not? **The addition of the 2 dependent deductions would cause the family's Annual Adjusted Income to decrease by 10%**

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CASE STUDY

INTERIM REEXAM

A family member moved out of the assisted unit. Because of this, the family's Annual Adjusted Income decreased to \$18,000 from \$20,000.

Would the PHA conduct an Interim Reexam? **YES**

Why or Why Not? **PHA is required to process decreases in Adjusted Annual Income greater than 0% due to decreases in family size.**

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CASE STUDY

INTERIM REEXAM

Family Annual Adjusted Income is \$35,000 on 05/01/24 at Annual Reexam. On 9/01/2024, the family adds a new member who receives \$20,000 in pension income. At the same time the HoH begins a new job which increases the household income by \$15,000 annually.

Would the PHA conduct an Interim Reexam? **YES**

If yes, what income would be included? **\$20,000 pension**

Increases in Earned Income are not included unless family has previously received an interim reduction during the same reexam cycle

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CASE STUDY

INTERIM REEXAM

Family reports an increase in earned income on 06/01/2024, from \$14,500 to \$33,000 annually. PHA verifies reported income, determines the new rate actually started 5 ½ months ago on 12/19/2023, and had not been previously reported. PHA processes interim increase per policy.

When is the interim change effective? **02/01/2024**

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CASE STUDY

INTERIM REEXAM

Family reports an increase in earned income on 06/07/2024, from \$14,500 to \$33,000 annually. PHA verifies reported income, and the PHA processes interim increase per policy.

When is the interim change effective? **08/01/2024**

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CASE STUDY

INTERIM REEXAM

Family member loses their job 10/12/2024 and reports the income loss immediately.

When is the interim change effective? **11/01/2024**

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CASE STUDY

INTERIM REEXAM

Family member loses their job on 05/01/2024 and delays reporting until 10/12/2024.

When is the interim change effective? **11/01/2024***

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CASE STUDY

INTERIM REEXAM

A family member reports that they received a raise at work. The PHA estimates that their income has increased by over 10%. The PHA learns that there have not been any changes to family composition or possible deductions. The resident has not had any interim reexaminations that year. The PHA should:

Explain to the resident that an interim reexamination is not required.

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CALCULATION OF INCOME

PUBLIC HOUSING - INTERIM REEXAMINATIONS

- If PHA policy requires termination of over-income families after expiration of 24-month grace period, the PHA **MUST** conduct interim for decrease in income during the time period prior to termination
- Resulting income determination **will not** make the family eligible to remain beyond the period before termination

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DE MINIMIS ERRORS

- PHA will not be considered out of compliance solely due to de minimis errors in calculating family income
 - ✓ De Minimis Error: PHA determination of family income deviates from correct income determination by no more than \$30 per month in Monthly Adjusted Income
- PHA must still take any corrective action necessary to credit or repay the family if family has been overcharged

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HUD RESOURCES

Income
Reexamination
Resource
Sheet

<https://files.hudexchange.info/resources/documents/Interim-Income-Reexaminations-Resource-Sheet.pdf>

Income
Estimation
Tool

<https://files.hudexchange.info/resources/documents/Income-Estimation-Tool.pdf>



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