

## EIV Income Discrepancy Investigation and Resolution Workflow

**Conclusion:** All EIV Income Discrepancies require investigation and documentation (regardless of whether or not they are valid). We recommend that documentation to resolve an EIV income discrepancy include the following: detailed notes as to the Owner's findings from the investigation, Handbook and/or Federal Register citations, references to any 3<sup>rd</sup> party verifications (used to make a determination) and income and/or rent calculations, as applicable.

**Trigger:** Owner receives an EIV Income Discrepancy Report for a household.

**Action:** Owner reviews the EIV Income Discrepancy Report and notes the Period of Income (POI) and Actual and Annualized Last Quarter Reported Annual Wages and Benefits.  
Owner determines and reviews the most current form HUD-50059 with action type of MI, AR, IR or IC that falls within the POI and notes the projected income.

**Decision Point:** Is Owner able to determine that the difference between both actual and projected income and annualized last quarter and project income is less than the discrepancy cutoff threshold of \$2,400? **If yes, Owner concludes investigation.** **If no, Owner proceeds with investigation.**

**Trigger:** Owner is not able to determine that the difference between both actual and projected income and annualized last quarter and project income is less than the discrepancy cutoff threshold of \$2,400.

**Action:** Owner reviews and compares the EIV Income Report to the most current form HUD-50059 (that falls within the POI) and 3<sup>rd</sup> party verifications.

**Decision Point:** Is Owner able to determine that there is an **apparent** explanation as to why the EIV income discrepancy is **invalid**? **If yes, Owner concludes investigation.** **If no, Owner proceeds with investigation.**

**Trigger:** Owner is not able to determine that there is an **apparent** explanation as to why the EIV income discrepancy is **invalid**.

**Action:** Owner reviews all form HUD-50059s that fall within the POI, including 3<sup>rd</sup> party verifications, back-up documentation and past EIV Income Reports, as applicable.

**Decision Point:** Is Owner able to determine that there is an **apparent** explanation as to why the EIV income discrepancy is **invalid** based on a thorough review of the 3<sup>rd</sup> party documentation in the tenant file? **If yes, Owner concludes investigation.** **If no, Owner proceeds with investigation.**

**Trigger:** Owner is not able to determine that there is an **apparent** explanation as to why the EIV income discrepancy is **invalid** based on a thorough review of the 3<sup>rd</sup> party documentation in the tenant file.

**Decision Point:** Is Owner able to determine that an Owner miscalculation and/or error is the **sole** cause of the EIV income discrepancy? **If yes, Owner determines when the Owner miscalculation and/or error began (the tenant cannot be charged retroactively for any portion of the discrepancy due to Owner miscalculation and/or error) and skips to Owner processes new and/or correction form HUD-50059s.** **If no, Owner proceeds with investigation.**

<p>Trigger:</p> <p>Action:</p> <p>Decision Point:</p>	<p>Owner is not able to determine that an Owner miscalculation and/or error is the <b>sole</b> cause of the EIV income discrepancy.</p> <p>Owner requests and prepares for a tenant meeting. Owner conducts a tenant meeting to review the possible EIV income discrepancy and obtain signatures on all necessary documentation. Owner sends out retroactive 3<sup>rd</sup> party verifications to obtain detailed wage printouts and/or benefits statements, as applicable.</p> <p>Owner reviews the newly obtained retroactive 3<sup>rd</sup> party verifications (including detailed wage printouts and/or benefits statements, as applicable), creates an EIV income discrepancy case file checklist and calculates the tenant’s actual monthly income earned during the POI as compared to projected monthly income reported by the tenant at certification during the POI.</p> <p>Is Owner able to determine that the <b>sole</b> cause of the EIV income discrepancy is due to over-reported income from tenant failure to request an Interim Recertification for a decrease in income? <b>If yes, Owner concludes investigation.</b> <b>If no, Owner proceeds with investigation.</b></p>
<p>Trigger:</p> <p>Decision Point:</p>	<p>Owner is not able to determine that the <b>sole</b> cause of the EIV income discrepancy is due to over-reported income from tenant failure to request an Interim Recertification for a decrease in income.</p> <p>Is Owner able to determine that there is an <b>apparent</b> explanation as to why the EIV income discrepancy is <b>invalid</b>? <b>If yes, Owner concludes investigation.</b> <b>If no, Owner proceeds with investigation.</b></p>
<p>Trigger:</p> <p>Decision Point:</p>	<p>Owner is not able to determine that there is an <b>apparent</b> explanation as to why the EIV income discrepancy is <b>invalid</b>; therefore, Owner determines that the EIV income discrepancy is <b>valid</b>.</p> <p>Is Owner able to determine that the unreporting and/or under-reporting of income began prior to the POI start date for the discrepant source(s) of income? <b>If yes, Owner obtains additional documentation before proceeding with investigation.</b> <b>If no, Owner proceeds with investigation.</b></p>
<p>Trigger:</p> <p>Action:</p>	<p>Owner determines that the unreporting and/or under-reporting of income began prior to the POI start date for the discrepant source(s) of income.</p> <p>Owner determines the 5-year look back period start date, obtains additional retroactive 3<sup>rd</sup> party verifications (including detailed wage printouts and/or benefits statements, as applicable) for the discrepant source(s) of income (not to exceed the 5-year look back period determined by the signature date on form HUD-9887) and updates the EIV income discrepancy case file checklist.</p>
<p>Trigger:</p> <p>Action:</p>	<p>Owner processes new and/or correction form HUD-50059s to calculate the difference between the amount of rent the tenant should have paid and the amount of rent the tenant was charged.</p> <p>Owner requests and prepares for a tenant meeting.</p> <p>Owner conducts a tenant meeting to: review and discuss the results of the retroactive 3<sup>rd</sup> party verification(s) obtained, inform the tenant of the repayment amount due and his/her obligation to reimburse the Owner (*provided the Owner did not identify an Owner miscalculation and/or error), negotiate, complete, sign and date the EIV repayment agreement with the tenant(s), and review, sign and date all applicable new and/or correction form HUD-50059s with the tenant(s). Owner processes the retroactive form HUD-50059(s) and the EIV repayment agreement in his/her property management software. <b>Owner concludes investigation.</b></p>