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## Announcements

### Schedule:

- The webinar will run from 9:00 am until approximately 12 pm
- We will take a break mid-morning
- Staff will be present to answer any questions

### Housekeeping:

- Certificates **will not** be emailed but you will receive an email confirming your attendance, usually within 24-hours in an email from the GoTo Platform, please check your “junk” folders as we cannot reissue these emails
  - If you did not use your emailed link for the training from your registration you will not receive a follow-up email or show as having attended the webinar
- We suggest you silence your phones and put an “out of office” email response to help avoid distractions during the training
- Please pose questions and comments to the “Questions Box”



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## Handouts

- This presentation
- HOTMA Final Rule
- Updated HUD Notice 2023-10
- HUD Notice 2025-03



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## Annual Certifications

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## Annual Recertifications

- Must first consider annual income for the previous 12-month period
- Must then consider adjustments to reflect current circumstances
- Must consider any changes of income since the family's last Annual Recertification and Interim Recertifications (including those that did not meet the 10% threshold to trigger an Interim Recertifications)
- Must always include anticipated income from assets (not looking backwards)

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## Annual Recertifications continued

- Changes in annual income include:
  - Loss of income
  - Additional of a new source of income
- Changing to a different employer(s) in the prior year does not necessarily constitute a change if the income earned from either employer is substantially the same
- Must look at entirety of family's unearned and earned income
- May be one constant job or many different jobs that start and stop
- Probably includes COLA for Social Security
- **There is now a 3-step process for Annual Recertifications...**

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## Annual Recertifications – Step 1

- Step 1: Determine annual income for previous 12-month period, looking at:
  - EIV Income Report (must be pulled within 120 days of the effective date of the Annual Recertification to be considered current)
  - The annual income on the HUD-50059 for the last Annual Recertification
  - The paperwork supporting the HUD-50059 for the last Annual Recertification

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## Annual Recertifications – Step 2

- Step 2: Take into consideration any Interim Recertifications completed since last Annual Recertification
  - If an Interim Recertification was performed within the last 12-month period and there are no additional changes, may use the annual income from the Interim Recertification using the verifications from that certification
  - If Owner did not conduct Interim Recertification within the last 12-month period, skip this step
  - If the family reports that there has been changes since the Interim Recertification, skip this step

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## Annual Recertifications – Step 3

- Step 3: Use current income if there were reported permanent changes in annual income not processed by Owner since last recertification
  - If there were no changes to an income source, may use documentation of prior-year income to calculate the annual income used for the current Annual Recertification
  - If there were reported changes to an income sources or Owner notes discrepancies between EIV and what the family reports, verify using Verification Hierarchy

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## Annual Recertifications – Example 1

### Example B1: Calculating Annual Income at Annual Reexamination Using EIV

**Background:** Staff are processing the 3/1/2024 annual reexamination for Ruby Myers and her minor daughter, Georgia. No interim reexaminations have been processed, and Ruby has not reported any changes to annual income to the PHA/MFH Owner since the 3/1/2023 annual reexamination. The SSA published 2024 COLA is 3.2 percent.

#### Last reexamination – 3/1/2023 Annual Reexamination

Ruby:	Georgia:
Wages: \$30,000	SSI: \$10,980 (\$915 monthly)

#### The EIV report pulled on 12/15/2023

Ruby:	Georgia:
Wages Total: \$33,651	SSI Total: \$10,980
Quarter 3 of 2023: \$8,859 (City Public School)	2023 benefit \$915 monthly
Quarter 2 of 2023: \$8,616 (City Public School)	
Quarter 1 of 2023: \$8,823 (County Public School)	
Quarter 4 of 2022: \$7,353 (County Public School)	

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## Annual Recertifications – Example 1 continued

### Income Reported on Reexamination Application

Ruby:	Georgia:
Wages at City Public School: \$32,000 (switched jobs but no permanent change to amount)	SSI benefits: \$10,980 (no changes in income)

#### Calculating Ruby's wages:

Step 1: Determine prior annual income from EIV (i.e., Q4 2022 through Q3 of 2023: \$33,651).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination (in this case, there have been no interim reexaminations processed since the last annual reexamination).

Step 3: Ruby certifies that the \$33,651 of wages in EIV is accurate and reflects her current annual income, so the PHA/MFH Owner will use \$33,651 for annual wages for the 3/1/2024 annual reexamination given there have been no additional changes to annual income.

#### Calculating Georgia's SSI benefit:

Step 1: Determine the prior annual income from EIV (i.e., \$915 x 12 months: \$10,980).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination (in this case, there have been no interim reexaminations processed since the last annual reexamination).

Step 3: Ruby certifies the SSI income in EIV is accurate and reflects Georgia's current annual income. The PHA/MFH Owner must adjust the prior-year income (2023 SSI benefit) by the 3.2-percent COLA and will use this amount to calculate annual SSI income for the 3/1/2024 annual reexamination:

COLA: \$29.28 (\$915 x 0.032)  
New gross SSI benefit: \$11,331.36 (\$944.28 x 12 months)

If Ruby did not agree with the annual wages reported in EIV, the PHA/MFH Owner would be required to verify her current income in accordance with HUD's verification hierarchy in [Attachment J](#) (paragraph J.5) (Verification Hierarchy) of this notice.

#### Summary of Annual Income (as reported on the HUD-50058/ HUD-50059)

Ruby (Head of Household):	Georgia (Other Youth Under 18):
Other Wage: \$33,651	SSI: \$11,748
Myers Family Total Annual Income: \$45,399	

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## Annual Recertifications – Example 2

### Example B2: Calculating Annual Income at Annual Reexamination Using EIV: Family Disagrees with EIV

**Background:** 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.

#### 5/1/2023 Annual Reexamination

Wages: \$28,000

#### Last Reexamination: 7/1/2023 Interim Reexamination

Wages: \$7,500

#### The EIV report pulled on 1/16/2024

Wages Total: \$18,271  
 Quarter 3 of 2023: \$2,500 (Viking Bakery)  
 Quarter 3 of 2023: \$796 (Sweet Tooth Candy Bar)  
 Quarter 2 of 2023: \$1,300 (Sasha's Sweets)  
 Quarter 2 of 2023: \$594 (Larry's Concessions)  
 Quarter 2 of 2023: \$2,401 (Viking Bakery)  
 Quarter 1 of 2023: \$6,500 (Sasha's Sweets)  
 Quarter 4 of 2022: \$600 (Sasha's Sweets)  
 SS/SSI: No history of benefits.

#### Summary of Annual Income (as reported on the HUD-50058/HUD-50059)

Paul (Head of Household): \$14,400 (SS)  
 Hewson Family Total Annual Income: \$14,400

#### Income Reported on Reexamination Application

Wages: \$0 (permanent change; no longer receiving)  
 Social Security: \$14,400 (\$1,200 monthly)

Paul certified on the PHA's annual reexamination paperwork that he does **not** agree with the annual wages of \$18,271 reported in EIV and it is not reflective of his current anticipated annual income. He reported he is currently unemployed, and provided a copy of an award letter from the Social Security Administration to document that he will begin receiving a monthly disability benefit of \$1,200 effective 3/1/2024.

#### Calculating Wages and SS Benefit

Step 1: Determine prior annual income taking into consideration the 8/1/2023 interim reexamination (i.e., EIV wages reflected Q4 2022 through Q3 2023: \$18,271)  
 Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there was a 7/1/2023 interim that reduced wages to \$7,500.  
 Step 3: Obtain documentation to verify current income and confirm Paul is no longer employed at Viking Bakery or The Sweet Tooth Candy Bar (the employers reported in the most recent quarter of EIV). This step is necessary, because Paul did not agree with the EIV income report or income reported on the last interim reexamination. Paul reported that he is no longer working at all.  
 Process the annual reexamination effective 5/1/2024 using annual SS income of \$14,400 and \$0 wages.

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## Annual Recertifications – Example 3

### Example B3: Calculating Annual Income at Annual Reexamination

**Background:** Staff are processing the 11/1/2024 annual reexamination for Samantha and Fergus Poole, head of household and spouse. 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 (see [Attachment I](#), paragraph I.1). Samantha did not report any additional changes to the PHA/MFH Owner.

#### Last reexamination – 11/1/2023 Annual Reexamination

Samantha:	Fergus:
Business income: \$28,000	Wages: \$8,250
VA disability pension: \$12,000	Other non-wage income: \$3,000 (Go Fund Me online fundraiser)
Child support: \$2,400	

#### The EIV report pulled on 9/16/2024

Samantha:	Fergus:
Wages Total: \$0 (no wage data reported since Q1 2023)	Wages Total: \$8,600
	Quarter 1 of 2024: \$2,100 (Ian's Fish 'n' Chips)
	Quarter 1 of 2024: \$500 (Claire's Healthcare Supplies)
	Quarter 4 of 2023: \$1,000 (Claire's Healthcare Supplies)
	Quarter 3 of 2023: \$1,800 (The Onion Garden Shop)
	Quarter 2 of 2023: \$3,200 (Ivar's Fish Haus)

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## Annual Recertifications – Example 3 continued

### Current Family Circumstances: Income Reported on Reexamination Application

Samantha and Fergus reported how much income was earned/received in the previous 12-month period and noted permanent changes, where applicable, for each source of their income on PHA/MFH Owner's annual reexamination form. However, no information was reported by the family concerning other non-wage income. Fergus reported **only** wages and his current employment at Ian's Fish 'n' Chips for the annual reexamination. The family supplied the supporting documentation noted below to the PHA/MFH Owner for the 11/1/2024 annual reexamination.

Samantha:	Fergus:
Business income: \$28,750 (last year); has decreased to \$18,000 (permanent change)	Wages: \$6,000
VA disability benefit: \$12,000 (last year); has increased to \$12,300 (permanent change)	
Child support: \$2,400 (last year); has decreased to \$1,200 (permanent change)	

### Calculating Samantha's Net Business Income

Step 1: Determine prior annual **net business income** (i.e., \$28,000 on last HUD-50058/HUD-50059).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: Adjust to reflect current **net business income**. Samantha reported on the annual reexamination application that business income permanently decreased to \$18,000. The PHA/MFH Owner must obtain supporting documentation from Samantha that demonstrates current net business income. Samantha provided documentation that supported the current annual net business income is \$18,000. Process the annual reexamination effective 11/1/2024 using annual **net business income** determined in Step 3.

### Calculating Samantha's VA Pension Income

Step 1: Determine prior annual **VA pension income** (i.e., \$12,000 supported by a VA award letter Samantha supplied that documents the prior year monthly VA pension was \$1,000).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: The PHA/MFH Owner needs to adjust to reflect current **VA pension income**. Samantha supplies a VA award letter showing the COLA adjusted monthly pension of \$1,025, or \$12,300 annually. Process the annual reexamination effective 11/1/2024 using annual **VA pension income** determined in Step 3 (\$12,300 in this example).

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## Annual Recertifications – Example 3 continued

### Calculating Samantha's Child Support Income

Step 1: Determine prior annual **child support income** (i.e., \$2,400 on the last HUD-50058/HUD-50059).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. The family reported a decrease from \$200 to \$100 monthly, but the change was not processed because it did not meet the threshold.

Step 3: The family reported changes, so the PHA/MFH Owner must adjust to reflect current **child support income**. In this example, the family submitted a child support history report from the local child support office that documents regular \$100 monthly child support payments beginning 3/1/2024 through the current month. Process the annual reexamination effective 11/1/2024 using current annual **child support income** determined in Step 3 (\$1,200 in this example).

### Calculating Fergus's Wages

Step 1: Determine prior annual income from **wages** in EIV (i.e., Q2 2023 through Q1 of 2024: \$8,600).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: There is a discrepancy between what the family reported and EIV, so the PHA/MFH Owner must verify and adjust to reflect current annual income from **wages**. Fergus reported \$6,000 in annual income from wages on the annual reexamination from a single employer: Ian's Fish 'n' Chips. The PHA/MFH Owner projected annual income of \$7,800 based on the two paystubs for this employer, and EIV shows \$8,600 earned in the most recent four quarters in EIV. To complete Step 3, the PHA/MFH Owner must do the following: resolve the discrepancy between EIV wages, the \$6,000 annual income Fergus reported, and the \$7,800 projected based on the paystubs he provided, and verify he is no longer employed at Claire's Healthcare Supplies in accordance with HUD's verification hierarchy and local policies. The PHA/MFH Owner determined that Fergus reported his net vs. gross annual income from **wages**, which he corrected on the annual reexamination form to reflect his current gross annual income of \$9,000. The PHA/MFH Owner verified Fergus was no longer employed at Claire's Healthcare Supplies and obtained two additional paystubs. Based on two current and consecutive paystubs, Fergus is now projected to earn \$9,360 annually. Process the annual reexamination effective 11/1/2024 using income from **wages** determined in Step 3 (\$9,360 in this example).

### Calculating Fergus's Other Non-Wage Income

Step 1: Determine prior annual income from other **non-wage income** (i.e., \$3,000 on the last HUD-50058/HUD-50059).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: The family did not report any non-wage income on the annual reexamination form, but it was included on the last HUD-50058/HUD-50059. The PHA/MFH Owner must verify and adjust to reflect current **non-wage income**. The PHA/MFH Owner must verify no income was received through a "Go Fund Me" online fundraiser so that it may be excluded. Fergus provided a self-certification that he hasn't solicited funds online and doesn't plan to in the following year; he also provided records from the account that documented no fundraising activity in the prior 12-month period. Process the annual reexamination effective 11/1/2024 using annual **non-wage income** of \$0 determined in Step 3.

### Summary of Annual Income (as reported on the HUD-50058/HUD-50059)

Samantha (Head of Household):	Fergus (Co-head):
Own business: \$18,000	Wages: \$9,360
Pension: \$12,300	
Child support: \$1,200	
Pooles Family Total Annual Income: \$40,860	

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### Learning Point 1

When determining annual income for an Annual Recertification which of the following do you consider?

- a) Income over the last 12-month period
- b) Income reported on an Interim Recertification since the last Annual Recertification
- c) Income permanent changes for the upcoming 12-month period
- d) All of the above

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### Learning Point 2

If the EIV Income Report ran at Annual Recertification reports several jobs started and stopped over the last 12-month, do you take that into consideration and include in annual income?

- a) Yes, if there is a pattern of jobs
- b) No, if the tenant does not currently have a job

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### Learning Point 3

Is this the link to the presentations webpage for Compliance Monitoring: <https://www.tdhca.texas.gov/compliance-program-training-presentations?>

- a) Yes, I will bookmark it if I have not already
- b) No, I do not realize this is a trick question

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### Learning Point 4

Are you allowed to contact Justin to ask questions about 811 under HOTMA?

- a) Yes, he seems approachable and I like to know things
- b) No, who is Justin?

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# Thank you!

## Section 811 – Training 3

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