

Texas State Affordable Housing Corporation

Compliance Review Observation Report

3) Is management monitoring the following:			
a) Resident attendance	X		
b) Frequency of service provided	X		
c) Notification to residents of services	X		
d) Number or type of services	X		
e) Survey of residents	X		
4) Did TSAHC provide any assistance regarding Resident Services based on the review conducted during the onsite visit?		X	
5) Is management properly submitting monthly Resident Service reports through the Compliance System?	X		
6) In the last 12 months, has TSAHC provided any assistance regarding the monthly Resident Service reports submitted through the Compliance System? If so, comment below.	X – see comment		

COMMENTS: TSAHC has sent management reminder emails regarding the monthly reports and/or emails requesting corrections to the submitted reports. Please ensure the Unit Status Report (USR) is completed fully and accurately with the most current household information (i.e., rent, housing assistance payment, number of household members, etc.). The USR is a tool used by TSAHC to ensure that the property is meeting set-aside requirements so it is imperative to submit accurate reports. In addition, management is reminded that reports are due no later than the 10th of each month. For example, March reports will be due to TSAHC no later than April 10th.

OFFICE	YES	NO	N/A
1) Is the office neat, the desk uncluttered?	X		
2) Are accurate office hours posted?	X		
3) Are the following displayed in full view:			
a) Occupancy Qualifications?	X		
b) Fair Housing Poster?	X		

COMMENTS:

RESIDENT FILE REVIEW	YES	NO	N/A
1) Does the owner maintain all records relating to initial resident income certifications, together with supporting documentation?	X		
2) Does the Owner/Agent make an effort to determine that the income certification provided by the resident is accurate?	X		
3) Does the file audit establish that residents are being recertified on an annual basis?	X		
4) For mixed (low-income and market units) developments, are there any Next Available Unit Rule Violations?			X
5) Does the file audit indicate that staff needs additional training?	X – see comment		

COMMENTS: Based on a review of the tenant files during the onsite visit and a review of the previous year's report, it appears that file management is slightly improving however additional training should be provided. The following issues were noted during the file review.

Missing documents:

- Unit 40A: Tenant files is missing pages 6 and 7 of the application (these pages list types of household income). See Closed Finding.

USR updates required: Update rent, housing assistance rent, number of household members and/or entire household tenant information:

- Units 2A, 7A, 13A, 47A, 31A, 35A, 40A, and 44A. See comment.

Missing Verifications or Clarifications:

- Unit 2A: The tenant's bonus was not calculated correctly. Management must recalculate income and revise the initial Tenant Income certification (TIC). The miscalculation did not affect the initial eligibility status. Prior to the issuance of this report, management submitted the corrected calculation page and provided TSAHC with a copy of the revised executed TIC on 3/26/2018.
- Unit 31A: The tenant disclosed she does not receive child support and states that her family assists her, yet the file does not contain clarification and/or verification on whether the family's assistance was monetary or not. Prior to the issuance of this report, management

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provided copies of the tenant's written statement disclosing her family did not provide monetary assistance. See Observation.

- Unit 40A: The file did not contain verification for the \$2,400 monetary value listed on the TIC. Prior to the issuance of this report, management submitted documentation to support that the tenant received monetary assistance in the month of \$200 a month at the time of move-in. This support the amount listed on the initial TIC. This Finding is closed.

Observations:

- Unit Status Report (USR):** The USR is not being updated accurately. During the files review there was a lot of inconsistent information listed in the tenant file compared to the USR. The discrepancies are specific to household income, tenant rent and housing assistance rent amounts, and household information. It is imperative for management to collect and submit accurate information because the USR must reflect actual household information to ensure that all applicable set aside requirements are being met.
- Missing documentation and/or need for clarification:** The reviewer is aware that tenant files are sent to a compliance department. Therefore, TSAHC strongly recommends that site management thoroughly review each tenant file after final approval to ensure that all items (i.e., application, TICs, and all supporting documentation) are well documented, verified, signed and placed back in the tenant file. Management is encouraged to ensure all documents are reviewed and screened proper verification and/or clarification is obtained

If a new household moves in to any of the units with Findings (listed below), instead of submitting the required Corrective Action documents, submit with your response: the application for tenancy, all income and asset verifications, the executed Income Certification, and the 1st page of the lease for the new household occupying the unit.

Unit	Finding	Corrective Action Requirement
Unit 40A	The tenant files was missing pages 6 and 7 of the application (these pages indicate tenant income) and the file did not contain income verification for the \$2,400 listed on the initial TIC.	Prior to the issuance of this report, management provided TSAHC with copies of the missing application pages along with written clarification that the tenant received a monetary contribution in the amount of \$200 a month at the time of move-in. This supports the amount listed on the initial TIC. This Finding is Closed as of 3/08/18.

COMMENTS:

SUMMARY OF FINDINGS AND OBSERVATIONS

Observations:

- Unit Status Report (USR):** The USR is not being updated accurately. During the files review there was a lot of inconsistent information listed in the tenant file compared to the USR. The discrepancies are specific to household income, tenant rent and housing assistance rent amounts, and household information. It is imperative for management to collect and submit accurate information because the USR must reflect actual household information to ensure that all applicable set aside requirements are being met.
- Missing documentation and/or need for clarification:** The reviewer is aware that tenant files are sent to a compliance department. Therefore, TSAHC strongly recommends that site management thoroughly review each tenant file after final approval to ensure that all items (i.e., application, TICs, and all supporting documentation) are well documented, verified, signed and placed back in the tenant file. Management is encouraged to ensure all documents are reviewed and screened proper verification and/or clarification is obtained

Finding:

- Unit 40A:** The tenant files was missing pages 6 and 7 of the application (these pages indicate tenant income) and the file did not contain income verification for the \$2,400 listed on the initial TIC. Prior to the issuance of this report, management provided TSAHC with copies of the missing application pages along with written clarification that the tenant received a monetary contribution in the amount of \$200 a month at the time of move-in. This supports the amount listed on the initial TIC. This Finding is Closed as of 3/08/18.