

JANUARY 2021



**RBD FASTFACTS HUD
FILE RECORDKEEPING
REQUIREMENTS**

MARY ROSS
ROSS BUSINESS DEVELOPMENT, INC
WWW.RBDNOW.COM

RBD FASTFacts HUD FILE RECORDKEEPING REQUIREMENTS

*Copyright 2021 Ross Business Development, Inc.
All rights reserved. Not for duplication.*

All other brands and product names are trademarks or registered trademarks of their respective owners.



Ross Business Development, Inc.
3134 Shumard Way
Marietta, GA 30064
770-424-1806
www.rbdnow.com
info@rbdnow.com

Disclaimer

The material contained in this document is not comprehensive of the continually emerging issues surrounding policies in The Multifamily Housing industry. In addition, the handbook guidance is derived from The HUD Handbook 4350.3 Rev 1 Change 4 released in August 2013 and in December 2013 and subsequent notices and memos from HUD.

These materials were updated 1/2021.

The reader should understand that these materials are not designed for, nor should be relied upon, as a source of legal guidance or as a final authority with respect to any particular circumstance.

Ross Business Development makes no warranty of merchantability or fitness for a particular purpose or any other warranty of any type with regard to these materials.

Owners and management should seek competent legal advice in developing and carrying out housing policies and procedures.

We have been diligent in our efforts to provide comprehensive and accurate regulatory instruction; Ross Business Development shall not be responsible for errors or inaccuracies.

HUD RECORDKEEPING REQUIREMENTS

Owner/agents must maintain records in accordance with defined requirements.



Many owner/agents have moved or are moving to electronic file storage. HUD provided formal guidance in May 2020, but replaced that guidance with HUD HSG Notice 2020-10 [Electronic Signature, Transmission and Storage - Guidance for Multifamily Assisted Housing Industry Partners](#).

This document provides information about how long files are retained. Owner/agents should read HUD's Notice to obtain additional information about electronic storage requirements. Alternatively, RBD offers an RBD Online Training Workshop which includes an explanation of HUD's requirements.

APPLICANT FILES

Applicant files must be maintained from the time an application is accepted and for the entire time an applicant is on the waiting list and for three years after the applicant is removed from the waiting list.

See HH 4350.3 R1, C4, Paragraph 4-22

- A. *The owner must retain current applications as long as their status on the waiting list is active.*
- B. *Once the applicant is taken off the waiting list, the owner must retain the application, form HUD-92006 completed by the applicant, initial rejection notice, applicant reply, copy of the owner's final response, and all documentation supporting the reason for removal from the list for three years.*
- C. *When an applicant moves in and begins to receive assistance, the application and form HUD-92006 completed by the applicant must be maintained in the tenant file for the duration of the tenancy and for three years after the tenant leaves the property.*
- D. *All files must be kept secure so that personal information remains confidential.*
- E. *The applicant's or tenant's file should be available for review by the applicant or tenant upon request or by a third party who provides signed authorization for access from the applicant or tenant. EIV income data found in the tenant's file has additional disclosure requirements (see [paragraph 9-18](#)).*
- F. *The owner must dispose of applicant and tenant files and records in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.*
- G. *Owners must keep records and submit reports and information as required by HUD to enable HUD and the owner to ascertain whether the owner has complied, or is complying with, nondiscrimination requirements. (See Chapter 2.)*

RESIDENT FILES

Resident files (all documents) must be maintained for the term of tenancy and for three years after tenancy ends for any reason.

5-23 Record-Keeping Procedures

- A. *Owners must keep the following documents in the tenant's file at the project site:*
 - 1. *All original, signed forms HUD-9887 and HUD-9887-A;*
 - 2. *A copy of signed individual consent forms;*
 - 3. *A copy of the EIV Income Report, regardless of whether or not any income is reported for the household, along with the HUD-50059 and any other documentation obtained supporting income and rent determinations; and*
 - 4. *Third-party verifications received from third-party sources.*
- B. *Owners must maintain documentation of all verification efforts throughout the term of each tenancy and for at least three years after the tenant moves out*
- C. *The tenant's file should be available for review by the tenant upon request or by a third party who provides signed authorization for access from the tenant.*

NOTE: The Federal Privacy Act (5 USC 552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the EIV data of an adult household member may not be shared (or a copy provided or displayed) with another adult household member, unless the individual has provided written consent to disclose such information. See Chapter 9, paragraph 9-18 for more information on disclosing EIV data to another individual or entity.

- D. *Owners must maintain applicant and tenant information in a way to ensure confidentiality. Any applicant or tenant affected by negligent disclosure or improper use of information may bring civil action for damages and seek other relief, as appropriate, against the employee. Forms HUD-9887 and HUD-9887-A describe the penalties for the improper use of consent forms.*
- E. *Owners must dispose of tenant files and records in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.*

And HUD's MAT Guide Paragraph 7-7.

E. Record-Keeping Requirements for HUD-50059, HUD-50059-A and Vouchers

1. *Owners must keep the signed HUD-50059(s) and copies of the HUD-50059-A(s) for tenants from the time of move-in to move-out and for a minimum of three years thereafter. Owners may move older records off-site when files get large, however, upon request, the files must be made available for review by HUD or the Contract Administrator.*
2. *Owners must keep a signed paper copy of the subsidy vouchers for at least five years after HUD or the Contract Administrator action.*
3. *Owners must dispose of all files and records in a manner that will prevent any unauthorized access to personal information, e.g., pulverize, shred, etc.*

VOUCHER

You must keep copies of the signed voucher (electronic or paper) for five years. (See MAT Guide reference above)

LEAD HAZARD CONTROL DOCUMENTS

Lead Hazard Control Documents must be maintained in the file for three years from the commencement of the lease. We recommend maintaining these documents for the term of tenancy with other tenant files.

See HH 4350.3, R1, C4, Paragraph 6-8-D Record-Keeping Requirements

There are specific records that owners must keep to verify their compliance with the Disclosure Rule requirements.

1. *Disclosure form. Owners must keep records of the Disclosure Form provided to each tenant for three years from the commencement of the leasing period.*
2. *Lead Hazard Information Pamphlet. A record of the distribution of the Lead Hazard Information Pamphlet is required under the HUD-EPA Disclosure Rule and the EPA Lead Pre-Renovation Education Rule. A record is not required under the new HUD regulation, but it is recommended.*

HUD FORM 9887

Owner/agents must maintain signed versions (electronic or paper) of HUD Forms 9887 and 9887A.

See HH 4350.3, R1, C4, Paragraph 5-15-B

Applicants and tenants must sign two HUD-required consent forms.

1. *Form HUD-9887, Notice and Consent to the Release of Information to HUD and to a PHA. Each adult member must sign the form regardless of whether he or she has income. Each family member who is at least 18 years of age and the head, spouse or co-head, regardless of age, must sign this form at move-in, initial and at*

each annual recertification. The form must also be signed when a new adult member joins the household. The form is valid for 15 months from the date of signature. The consent allows HUD or a public housing agency to verify information with the Internal Revenue Service (IRS), the Social Security Administration (SSA), the Department of Health and Human Services (HHS') National Directory of New Hires (NDNH), and with state agencies that maintain wage and unemployment claim information (SWICAs). Owners must keep the original signed form in the tenant's file and provide a copy to the family. Exhibit 5-5 contains a copy of form HUD-9887.

2. Form HUD-9887-A, Applicant's/Tenant's Consent to the Release of Information – Verification by Owners of Information Supplied by Individuals Who Apply for Housing Assistance. Owners and the head of household, spouse, co-head, regardless of age, and each family member who is at least 18 years of age must sign a HUD-9887-A form at move-in and at each annual recertification. Each adult member must sign a form regardless of whether he or she has income. The consent allows owners to request and receive information from third-party sources about the applicant or tenant. Owners keep the original form in the tenant's file and provide a copy to the family.

EIV MASTER FILES

EIV Master Files are maintained for three years.



Many owner/agents maintain the Master File by month, but we prefer to store the information by report type. HUD does not define how Master Files are set up so it is up to the owner/agent. We like to separate the Master Files by year. So, many of our customers currently have an EIV Master File for:

- ❖ 2018
- ❖ 2019
- ❖ 2020

They are currently “working” the 2021 reports.

This makes it easy to purge old Master Files. The Master Files will be purged after three years in accordance with HUD's current data purge/destruction policies.

Owner/agent must also maintain detailed information about discrepancy investigation and resolution in the resident file. This includes notices, notes, verification documents and corrected certifications.

See HUD HSG Notice 13-06 and HH 4350.3 R1, C4, Paragraph 9-14

RETENTION OF EIV REPORTS

A. O/As **must** retain:

1. The Income Report, the Summary Report(s) showing Identity Verification Status as “Verified” and the Income Discrepancy Report(s) and supporting documentation must be retained in the tenant file for the term of tenancy plus three years.
2. Any tenant provided documentation, or other third party verification of income, received to supplement the SSA or NDNH data must be retained in the tenant file for the term of tenancy plus three years.

B. Results of the Existing Tenant Search must be retained with the application:

1. If applicant is **not** admitted, the application and search results must be retained for three years.
2. If applicant is admitted, the application and search results must be retained in the tenant file for the term of tenancy plus three years.

C. The master files for the New Hires Report, Identity Verification Reports, Multiple Subsidy Report and Deceased Tenants Report must be retained for three years.

D. Once the retention period has expired, O/As must dispose of the data in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.

VAWA ACCOMMODATION REQUESTS

The owner/agent must:

- Keep a record of all emergency transfers requested under its VET Plan, and the outcomes of such requests, and
- Retain these records for a period of three years, or for a period of time as specified in program regulations
- Report requests and outcomes of such requests to HUD annually

The requirement to report this information to the Office of Multifamily Housing is not in effect until TRACS has been updated and Multifamily Housing completes the Paperwork Reduction Act requirements for adding these data.

APPENDIX A: DATA DESTRUCTION LOG

All applicant records are retained from the point the application is accepted and for at least 3 years after the applicant is removed or rejected. Electronic records are maintained in a separate, password protected encrypted directory.

All resident records are retained from application throughout tenancy and for at least 3 years after tenancy ends for any reason. Electronic records are maintained in a separate, password protected encrypted directory.

When records are destroyed, the owner/agent engages an organization specializing in shredding confidential documents. The owner/agent will track which files are shredded, the date they were shredded and by whom.

Data backups, thumb drives and other moveable storage devices are destroyed by an organization that specialized in the destruction of electronic media. The owner/agent will track which files are shredded, the date they were shredded and by whom.

The following documents files that were destroyed, in accordance with HUD Requirements. Since these files contain EIV data, documentation of destruction is maintained in the property's EIV file.

RBD FASTFacts HUD FILE RECORDKEEPING REQUIREMENTS

EIV Master Files

Master files are to be retained for 3 years. Under no circumstances will information from the master file be destroyed before the 3 year period expires.

Master File Report	From Date to Date	Date File Destroyed	By	Method (shred, erase, etc.)
Failed Pre-Screening	to			
Failed Verification	to			
Pending Verification	to			
Deceased Tenant	to			
Multiple Subsidy	to			
New Hire	to			
No Income on 50059	to			
No Income from HHS or SSA	to			