



## SHIP Compliance COVID-19 Update

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| <p>General update regarding compliance monitoring</p> | <p>Florida Housing’s SHIP Compliance Monitoring Section and our compliance monitors thank you for your patience and understanding as we work towards continuing to meet our regulatory obligations, while maintaining respect for the safety and health of staff, the staffs of all local governments (LG) participating in the SHIP program, and the residents applying for SHIP assistance or who reside in SHIP-assisted units. As Florida Housing’s staff and compliance monitors transition to working remotely, we are implementing processes to limit the amount of disruption to the flow of business. We remain committed to finding ways to be creative and flexible while mitigating risk to both people and programs.</p> <p>Florida Housing will continue to closely monitor and evaluate information and guidance provided by state and federal agencies and provide notice when typical Compliance monitoring activity resumes. As additional information becomes available, Florida Housing reserves the right to update or modify the guidance below. Our objective is to ensure the highest degree of transparency in a rapidly changing environment. This guidance does not constitute legal or tax advice and does not offer any assurance as to what position HUD or the Internal Revenue Service would take.</p> <p style="text-align: right;"><i>(3/25/20)</i></p> |
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| Monitoring Process                      | <p>The examination of records and client/applicant files will be conducted as a desk review. LGs to be monitored will receive instruction regarding submission of scanned resident files and other material from the monitor(s) with responsibility for conducting the monitoring.</p> <p>The Compliance monitor(s) will issue a written report upon completion of the desk review; discrepancy and noncompliance findings found during the desk review, if any, will be addressed as usual. A close-out letter will be issued upon receipt of the LG's response and discrepancy and noncompliance findings, if any, resolved.</p> <p style="text-align: right;"><i>(3/25/20)</i></p> |
| LG submission of Requested Documents    | <p>The SHIP Compliance Monitoring section understands that LGs are dealing with business process limitations forced upon them due to the current health crisis, particularly with regard to staffing levels and access to files and other work related documents that are the result of shelter in place orders that may be in effect. Flexibility with the submission of files and other documents will be reviewed on a case by case basis upon request.</p> <p style="text-align: right;"><i>(3/25/20)</i></p>   |
| LG's response to SHIP Monitoring Report | <p>Response schedule remains unchanged. LGs are expected to respond within 30 calendar days from receipt of the report. Contact the compliance monitor(s) responsible for preparing and issuing the monitoring report if unable to respond as directed.</p> <p style="text-align: right;"><i>(3/25/20)</i></p>  |

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| <p>Resident files</p>           | <p>The HUD 4350.3 Occupancy Handbook contains guidance regarding extenuating circumstances that cause delay in the execution of its consent forms and HUD 50059 tenant certification and until the IRS issues guidance to the contrary, Florida Housing’s SHIP Compliance Monitoring section will emulate HUD and apply the extenuating circumstances principals and postpone execution of all verification and certification documents. The owner must document the reasons for the delay in the resident file (“Applicant/resident did not sign due to COVID-19 risk.”) and indicate how and when the applicant/resident will provide the proper signature.</p> <p>The review of documents provided by an applicant/resident is acceptable third-party verification according to the HUD 4350.3 guidance. However, again per the 4350.3, it’s acceptable to resort to the Family Certification method (self-certification) if the information cannot be verified by another acceptable verification method. In these instances, the owner must include in the resident file a description of the attempts first made to obtain the actual third-party verification documents. Paragraph 5-18 E in the 4350.3 includes guidance for documentation requirements when third-party verification Isn’t available. Currently, the existence of extenuating circumstances that might delay actual execution of a document is not reason enough to skip directly to Family Certification. Please note that HUD requires a Family Certification to be notarized and include a statement to the veracity of the information provided; HUD allows an owner to witness the family signature(s) in lieu of notarization. This same allowance will apply to LG staff administering SHIP.</p> <p>When there is a delay in obtaining and/or witnessing the actual family signature(s) due to extenuating circumstances this fact should be noted initially and then when the signatures are subsequently obtained a reference to the original statement can be made to explain what would otherwise appear to be tardy execution of the “Family Certification” (similar to a “true and correct as of <i>[date]</i>” statement). The date the signature was actually obtained must be entered on the document.</p> <p style="text-align: right;"><i>(3/25/20)</i></p> |
| <p>Contacting SHIP Monitors</p> | <p>SHIP compliance monitors continue to be available via email. LGs may continue to contact monitors using their Florida Housing email addresses.</p> <p style="text-align: right;"><i>(3/25/20)</i></p>   |