



Frequently Asked SHIP Questions

CHANGES TO RECORD RETENTION REQUIREMENTS FOR THE SHIP PROGRAM

The file/record retention requirements are guided by The General Records Schedule for State and Local Government Agencies. The recent changes are below:

1. Record series consisting of *Housing Applications: Non-participating/inactive* (Item #273 of the General Records Schedule for State and Local Government Agencies-GSI-SL) must be retained as follows:
 - (a) Record copy – 4 fiscal years provided applicable audits have been released and
 - (b) Duplicates – retained until obsolete, superseded or administrative value is lost.
2. Record series consisting of *records documenting housing finance assistance to low-to moderate-income households* (General Records Schedule for State and Local Government agencies-GSI-SL - Item #274 must be retained as follows:
 - (a) Record copy - 5 fiscal years after funds expended and accounted for and/or satisfaction of loans, whichever is later, provided applicable audits have been released.
 - (b) Duplicates - retained until obsolete, superseded, or administrative value is lost.

RECENT CHANGES TO HUD HANDBOOK 4350.3

Several revisions have been made to HUD Handbook 4350.3. Given that the HUD handbook is the SHIP guidance set forth by the Florida Housing Finance Corporation these revisions affect the SHIP program. The changes are outlined in the HUD transmittal memo for Handbook No.:4350.3 REV-1., Change- 2 “Occupancy Requirements of Subsidized Multifamily Housing Programs”. The changes became effective on June 29, 2007. Several are highlighted below:

Q: *What is the proper way to dispose of files that have been retained as required?*

A: HUD Handbook 4350-3 Chapter 4-22(f) states that 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.

Q: *What is the change related to dependents that are away at college?*

A: HUD Handbook 4350.3, Paragraph 3-23 E(c) states that the owner may count children who are away at school and

who live at home during recesses. However, children who are away at school who have established residency at another address or location as evidenced by a lease agreement should not be counted. The new address or location is considered the student’s principle place of residence.

Q: *What is the update for pension funds related to payment of a federal pension fund paid to a former spouse?*

A: HUD Handbook 4350.3, Paragraph 5-6 K (4) states that Federal government pension funds paid directly to an applicant’s/tenant’s former spouse pursuant to the terms of a court decree

of divorce, annulment, or legal separation are not counted as annual income. The state court has, in the settlement of the parties’ marital assets, determined the extent to which each party shares in the ownership of the pension. That portion of the pension that is ordered by the court and authorized by the Office of Personnel Management (OPM), to be paid to the applicant’s/tenant’s former spouse is no longer an “asset” of the applicant/tenant and therefore is not counted as income. However, any pension funds authorized by OPM pursuant to a court order to be paid to the former spouse of a Federal government employee, is counted as “income”. Therefore such amount is only counted as “income” and the term “asset” no longer applies.

Have you got a question about the SHIP program? Free telephone technical assistance is available to help you successfully implement your SHIP funded work. Call the Florida Housing Coalition's SHIP telephone line at (800) 677-4548.



Lydia Beltrán

Q: *What is an acceptable time-frame in verifying information when all attempts to obtain Verification Forms have been exhausted?*

A: HUD Handbook 4350.3 Paragraph 5-13 C (1)(b) states that when third-party verification is delayed and is not received within two weeks of its request, owners may consider original documents submitted by the tenant. However, adherence Paragraph 5-19 E specifies items to be documented when third-party verification is not

available. These items include (1) A written note to the file explaining why third-party verification is not possible; or a copy of the date-stamped original request that was sent to the third party; (2) Written notes or documentation indicating follow-up efforts to reach the third party to obtain verification; and (3) A written note to the file indicating that the request has been outstanding without a response from the third party.

Q: *An applicant has withdrawn \$10,000 from his retirement account and placed the*

money in his checking account. Should we now count the \$10,000 as income, or is it still an asset?

A: You will count the \$10,000 as an asset. All that has happened at this point is that the applicant has moved the money from the retirement account to his checking account. However, the money is still considered an asset--just like all money in a checking account is considered an asset.



The participants in the HO250: Housing Counseling Certification: Principles, Practices and Techniques (pictured above) completed the five day class which was jointly provided through the Florida Housing Coalition and Neighborworks Center for Homeownership Education and Counseling. The certification process will also include completion of a Foreclosure course and an on line exam. The training/presenters were provided by Cora Fulmore and Michael Chaney and included participation from non-profits, jurisdictions, lenders and realtors.



Fulmore



Chaney

The class included lecture and group participation related to credit, mortgage financing and insurance counseling, home purchase process and record keeping to name a few.

