



# Proficiency in Income Qualification: Part 1



Presented by  
Aida Andujar &  
Michael Chaney  
Technical Advisors,  
Florida Housing Coalition



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Florida Housing Finance  
Corporation's Catalyst Program

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# Catalyst Training Schedule

A banner for SHIP Catalyst Training. The left side features a photograph of three people (two men and one woman) sitting at a table, smiling and looking towards the camera. Overlaid on this photo is the SHIP logo, which consists of a green house icon with a blue cube inside, and the text 'SHIP' in bold black letters, with 'housing a stronger Florida' in smaller text below it. The right side of the banner has a teal background with white text that reads 'Fine Tune Your SHIP Program', 'REGISTER NOW FOR', and 'CATALYST TRAINING' in large, bold, white capital letters. At the bottom of the banner, there is a dark teal bar with the text 'Register Now for SHIP Catalyst Training!' in white. Below the banner, there are four small, light gray circles arranged horizontally.

SHIP  
housing a stronger Florida

Fine Tune Your SHIP Program  
REGISTER NOW FOR  
**CATALYST  
TRAINING**

Register Now for SHIP Catalyst Training!

The Coalition is Florida's affordable housing training and technical assistance provider.

**[www.flhousing.org](http://www.flhousing.org)**

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# Catalyst Trainings



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## TRAINING CALENDAR

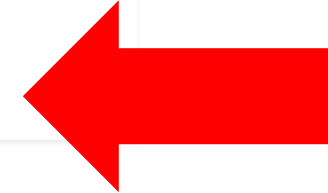
If you would like to search by Workshops or Webinars, please use the search tool below. Click to view categories. For questions, please contact the Florida Housing Coalition at 850-878-4219 or [info@fhc.org](#).

Calendar

Conference

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Past Trainings



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August 2019

## ‘Past Catalyst Trainings’

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# Webinar Logistics

- Participants are muted
- Enter your questions in the box in your webinar panel
- Forgot to ask a question or want to ask privately?

Email me at [andujar@flhousing.org](mailto:andujar@flhousing.org)

- This webinar is being recorded and will be available at [www.flhousing.org](http://www.flhousing.org)
- A survey will immediately follow the webinar; ***please*** complete it! Thanks!

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# Training Announcement




## Managing a Successful Purchase Assistance Program

February 22, 2022 at 2:00pm

Register at  
<https://attendee.gotowebinar.com/register/1034537504018650383>





# Florida Housing Coalition Hurricane Member Update Webinar

<https://www.flhousing.org/disaster-recovery/>



# Today's Agenda

Overview of Resources

Program guidance

Definition of Income

Income Qualification Process

Pre-Application


The application

Income Verification

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# Proficiency in Income Qualification Part 2

## February 24, 2022 - 2:00 pm

### Topics:

Income Verification (continued)

Asset Verification

Calculation

### Registration Link:

<https://attendee.gotowebinar.com/register/8135295750290882573>

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# Proficiency in Income Qualification Part 3

## February 28, 2022 - 2:00 pm

### Topics:

Calculating asset income

Completing the income certification form

The award letter

Details about monitoring and compliance

Registration Link:

<https://attendee.gotowebinar.com/register/2122760449821094672>



# Overview of Resources for Determining Income

- Code of Fed Regulation: 24 CFR Part 5
- Income and asset inclusions and exclusions
- Acceptable forms of verification
- HUD Handbook 4350.3: Chapter 5, Appendices 3 and 6C
- Income and rent limits chart

# SHIP Published 2021 Income and Rent Limits

(subject to change)

<https://www.floridahousing.org/owners-and-managers/compliance/income-limits>

HUD release: 4/1/2021

Effective: 4/1/2021

## 2021 Income Limits and Rent Limits Florida Housing Finance Corporation SHIP and HHRP Programs

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Alachua County (Gainesville MSA)  Median: 80,800	30%	15,400	17,600	21,960	26,500	31,040	35,580	40,120	44,660	Refer to HUD		385	412	549	719	889	1,059
	50%	25,650	29,300	32,950	36,600	39,550	42,500	45,400	48,350	51,240	54,168	641	686	823	951	1,062	1,171
	80%	41,000	46,850	52,700	58,550	63,250	67,950	72,650	77,300	81,984	86,669	1,025	1,098	1,317	1,522	1,698	1,874
	120%	61,560	70,320	79,080	87,840	94,920	102,000	108,960	116,040	122,976	130,003	1,539	1,648	1,977	2,284	2,550	2,812
	140%	71,820	82,040	92,260	102,480	110,740	119,000	127,120	135,380	143,472	151,670	1,795	1,923	2,306	2,665	2,975	3,281

Always check to make sure you are working with the most current income limits.

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# Survival Tools for SHIP Staff



- [www.floridahousing.org](http://www.floridahousing.org)
- SHIP Procedures Manual
- SHIP RULE: Chapter 67-37
- SHIP Statute: 420.907
- On-line Web Tutorial: [www.flhousing.org](http://www.flhousing.org)
- <http://www.flhousing.org/publications/>



# Survival Tools for SHIP Staff (continued)

- FHC Technical Assistance hotline: 1-800-677-4548
- Local Housing Assistance Plan
- Annual Reports
- Tracking Sheets
- Monitoring Reports



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# Download the Updated SHIP Manual at: [www.floridahousing.org](http://www.floridahousing.org)



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## State Housing Initiatives Partnership (SHIP)

Florida Housing administers the State Housing Initiatives Partnership program (SHIP), which provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The program was designed to serve very low, low and moderate income families.

SHIP funds are distributed on an entitlement basis to all 67 counties and 52 Community Development Block Grant entitlement cities in Florida. The minimum allocation is \$350,000. In order to participate, local governments must establish a local housing assistance program by ordinance; develop a local housing assistance plan and housing incentive strategy; amend land development regulations or establish local policies to implement the incentive strategies; form partnerships and combine resources in order to reduce housing costs; and ensure that rent or mortgage payments within the targeted areas do not exceed 30 percent of the area median income limits, unless authorized by the mortgage lender.


SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling. SHIP funds may be used to assist units that meet the standards of chapter 553.

A minimum of 65 percent of the funds must be spent on eligible homeownership activities; a minimum of 75 percent of funds must be spent on eligible construction activities; at least 30 percent of the funds must be reserved for very-low income households (up to 50 percent of the area median income or AMI); an additional 30 percent must be reserved for low income households (up to 80 percent of AMI); and the remaining funds may be reserved for households up to 140 percent of AMI. No more than 10 percent of SHIP funds may be used for administrative expenses. Funding for this program was established by the passage of the 1992 William E. Sadowski Affordable Housing Act. Funds are allocated to local governments on a population-based formula.

QUICK LINKS

[SHIP Review Committee Meetings](#)[Rent Limits](#)[Income Limits](#)[Catalyst Program and Workshop Schedule](#)[Find Local SHIP Offices](#)[SHIP Procedures Manual Online](#)[Inc Certification Form Rental 12-21 version](#)[Inc Certification Form Homeownership 12-21 version](#)[Disaster Relief Resources and Information](#)[January 2022 Elected Officials AHAC Workshops Report from FHC](#)

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# SHIP Procedures Manual

## Appendix E Applicant Qualification

This appendix offers guidance about eligibility determination and the documentation of income, assets and other household details. The guidance pertains to the Section 8 income definition that is commonly used by SHIP administrators. However, SHIP allows for several methods of defining income, which are listed in Section 420.9071 of the Florida Statutes: “Annual gross income” means annual income as defined under the Section 8 housing assistance payments programs in 24 C.F.R. part 5; annual income as reported under the census long form for the recent available decennial census; or adjusted gross income as defined for purposes of reporting under Internal Revenue Service Form 1040 for individual federal annual income tax purposes or as defined by standard practices used in the lending industry as detailed in the local housing assistance plan and approved by the corporation. Those who administer SHIP using an alternative income definition may need to contact the Florida Housing Coalition for guidance specific to that alternative income definition.

### A. Determining Household Size

Even before beginning to count the household’s income, it is important to properly count the number of people in the household. It is essential to accurately determine household size, since program eligibility is “adjusted for family size” (as defined in Section 420.9071 (1) of the Florida Statutes). The median income is based on a four-person household. The income eligibility level is lower for households having fewer than four people, and higher for households with more than four people.

# HUD's Online Income Calculator

<https://www.hudexchange.info/incomecalculator/>

## **CPD Income Eligibility Calculator**

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- Performs calculations based on the program selected
- Print out information
- User manual and webinars are available

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# Three Methods for Determining Income Eligibility

- 24 CFR Part 5 (HOME, SHIP, CDBG)
- IRS FORM 1040 (HOME, SHIP, CDBG)
- Census Long Form (SHIP)

**Regardless of definition used...** "Income shall be calculated by annualizing **verified** sources of income...to be received...during the **12 months following** the effective date of the determination.





# Statutory Intent

“The benefit of assistance provided through the State Housing Initiatives Partnership Program must accrue to *eligible persons* occupying *eligible housing*”

**Section 420.9075 (4)(j) Florida Statutes**

# Annual Income Definition (24 CFR Part 5)

All amounts, monetary or not, which:

1. Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any family member.
2. Are anticipated to be received from a source outside the household during the 12-month period.
3. Annual income also means amounts derived from assets.

# Income Qualification Process

Step 1: Application

Step 2: Income Verification

Step 3: Asset Verification

Step 4: Calculation

Step 5: Certification

Step 6: Award



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# Pre-Application

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# Notice of Funding Availability

- If funding is unavailable due to a waiting list, no NOFA required.
- Advertise in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods
- At least 30 days before beginning application period.



# According to SHIP Rule 67-37.005 Advertisement Must Include:

- Projected Amount of the Distribution
- Beginning and end date of application period  
(or instead of end date state 'stop applications once funds are fully encumbered)
- Local contact person.
- Where to apply

*In addition, consider adding  
Details per Strategy:*

- Estimated amount per strategy
- Income categories assisted
- Selection criteria
- Maximum housing value
- Anything else added should be consistent with the LHAP

# Waiting List/ Priorities

How is the waiting list kept and who has access to wait list?

Should be a list that cannot be compromised.

Track case status on waiting list.

Priorities must be outlined in the LHAP and agreements with sponsors and subrecipients.

If there is a waiting list, no advertising is required. List must be kept for monitors.

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# Income Qualification Process

***Step 1: Application***

*Step 2: Income Verification*

Step 3: Asset Verification

Step 4: Calculation

Step 5: Certification

Step 6: Award



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# Step 1: Application

- Design application to include all information required
- Application – Complete and signed
- Provide a list of documents needed
- Date Stamp/number applications as they arrive

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# Step 1: Application (continued)

- Keep the applicant informed – Preferably in writing. If calls are made, document file.
- Face to face interview with the applicant, zoom or teams meeting.
- The application is signed by all adult household members, including students age 18 and older.



**Electronic signatures are acceptable including DocuSign**

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# Included above Applicant Signature is Information about Florida Statute 817

Florida Statute 817 provides that willful *false statements* or misrepresentation concerning income, asset or liability information relating to financial condition is a *misdemeanor of the first degree*, punishable by fines and imprisonment provided under Statutes 775.082 or 775.083.

“I certify that the application information provided is *true and complete* to the best of my knowledge.”

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# The Application Contains...

- **Public Records Statement:** Household members understand that all documents are subject to Chapter 119 of Florida's public records laws.
- **Release of Information:** Signed statement by all adult household members consenting to verification of income and asset information.
- **Social Security Number:** City/County must give written explanation of purpose and authority for collecting social security numbers.

# Social Security Cards

- Not required in SHIP File
- Use another identifier for household members
- FL Statutes Section 119.071(5)(a)2.a., (I) and (II): “an agency may not collect an individual’s social security number (SSN) unless the agency has stated in writing the purpose for its collection and unless it is imperative for the performance of that agency’s duties ... as prescribed by law.



# Determining Household Size

- Count as household members:
- Children in joint custody, present 50% or more of the time
- Children away at school who live in household during school recesses
- Children in the process of being adopted
- Temporarily absent family members

# Household Members *Permanently* in a Hospital, Nursing Home

- The family decides if such persons are included when determining family size for income limits
- Note: If you count the Household member, You count the income.



# Count Foster Children

HUD Handbook 4350.3 Chapter 3:

“The owner must also count all anticipated children. Anticipated children include the following:

- Foster children who will reside in the unit;”
- ALSO: “g. The owner must count foster adults living in the unit.”

HUD Handbook 4350.3 Chapter 5:

- “Payments received by the family for the care of foster children or foster adults are not counted.”

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# Income Question

Annual income includes:

- a. Alimony and child support payments
- b. Foster care payments
- c. Medical expenses reimbursed to the family
- d. Regular contributions from organizations
- e. Both a and d



# Separated but Not Divorced

Count **unless** you can document that separation is permanent.

Examples:

Lease

Driver's license

Vehicle registration

Homestead

Tax returns



# Household Member in Prison

## Best Practice:

- Count as household member if released within 12 months
- Do not count if release date is more than 12 months

[www.dc.state.fl.us](http://www.dc.state.fl.us):

- Home page: “Inmate Population Info Search”
- Enter name, SS # or birth date & inmate #
- Print scheduled release date for the file

# Boyfriend, Girlfriend or Fiancé

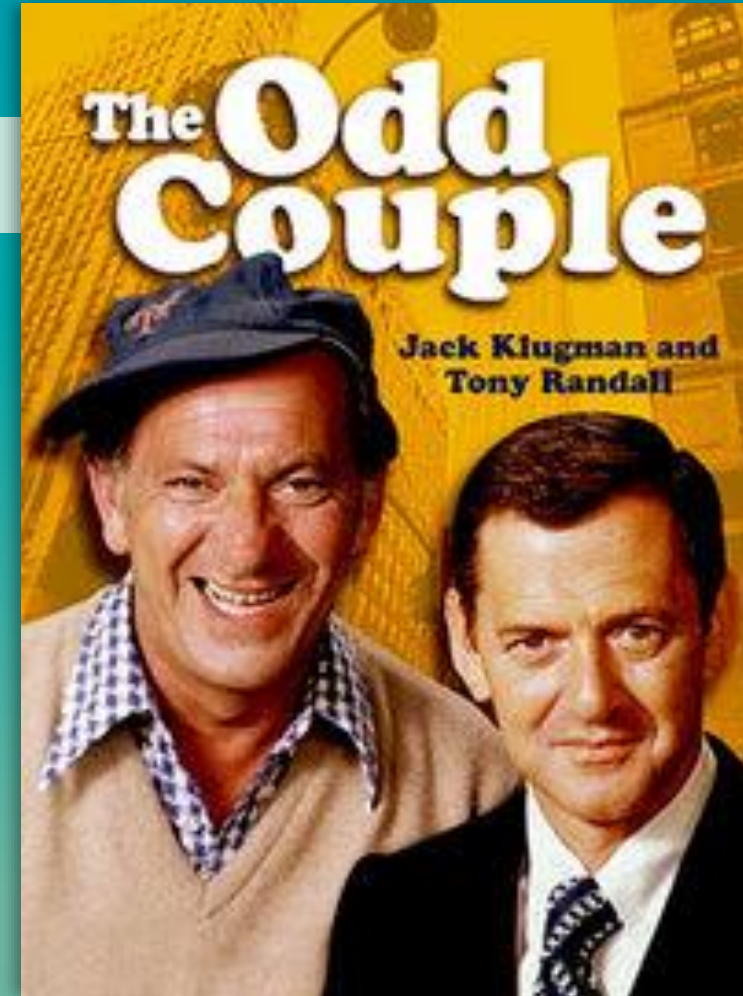
**Count if currently part of household or  
will be residing in home when purchased**



# Roommates and Tenants

Roommates are household members, Tenants are *not*

- Count roommate's income
- Count rent paid by tenant





# Live-In Aide

- Is essential to the care, well-being of the person(s)
- Is not obligated to support the person(s)
- Would not be living in the unit except to provide the necessary supportive services
- Note: Do not include the live-in aide as a household member and do not count their income





# Household Size Exercise

David's disability requires that he have assistance with daily activities.

- He will be buying the new home on his own.
- Will have around the clock aides during the week. His mother will stay with him on weekends when the aides are off.

# Income Qualification Process

Step 1: Application

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# Step 2: Income Verification Methods

**Methods:**

**Written or Oral Third-Party Verification**

**Acceptable method:**

**Upfront-income verification (UIV)**



# Acceptable Method: Upfront-Income Verification (UIV)

- UIV is “the verification of income through an independent source that... maintains income information in computerized form...”
- Example: The Work Number

# Verification of Employment Form

Please provide information about anticipated employment income during the next 12 months:

Position: \_\_\_\_\_ Length of Time Employed: \_\_\_\_\_ Pay Rate:

\_\_\_\_\_ Pay Frequency (Hr, Wk, Mo): \_\_\_\_\_ Hours worked per week \_\_\_\_\_

Overtime Pay Rate: \_\_\_\_\_ Average Overtime Hours/Wk: \_\_\_\_\_ Total Annual

Base Pay Earnings: \$ \_\_\_\_\_ Total Overtime Base Pay Earnings: \$ \_\_\_\_\_ Amount and Frequency of

Other Compensation (bonus, raise, commission, tips): \$ \_\_\_\_\_ Vacation Pay (Y or N):

\_\_\_\_\_ If yes, number of days: \_\_\_\_\_ Retirement Account (Y or N):

\_\_\_\_\_ Amount Accessible to Employee: \$ \_\_\_\_\_ Total Gross Annual Income, including other

compensation, for next 12 months: \$ \_\_\_\_\_

Signature of authorized representative: \_\_\_\_\_ Printed Name:

\_\_\_\_\_ Title: \_\_\_\_\_

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# "I Can't Get a Third-Party Verification"

1. **Include copy of the date-stamped original request sent**
2. **Written notes of follow-up efforts**
3. **Indicate how long the request has been outstanding without response**





# Document Verification Change: Applicant Provided Document

- Applicant-provided document considered 3rd party verification
- Dated within last 120 days
- Defined in Section 5-13 of HUD Handbook 4350.3, Chapter 5



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# MORE on Applicant Provided Document

- Examples: Pay stubs, SSA retirement benefit letter, Unemployment benefit notices.
- Most recent 4 to 6 consecutive pay stubs
- Best Practice “specific time frame”

# The Work Number



You can pay to access applicant information through the work number.



Applicants who are employed by companies that use The Work Number can obtain paystubs online for free.

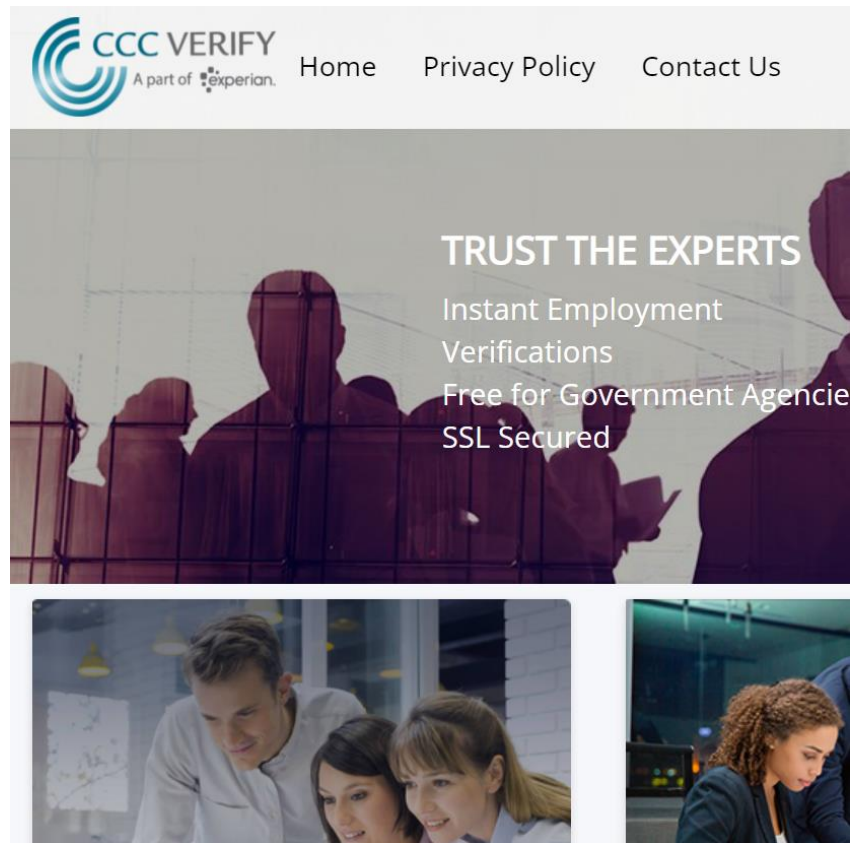


They need to set up a log-in and password to obtain the needed documents at [www.Theworknumber.com](http://www.Theworknumber.com).

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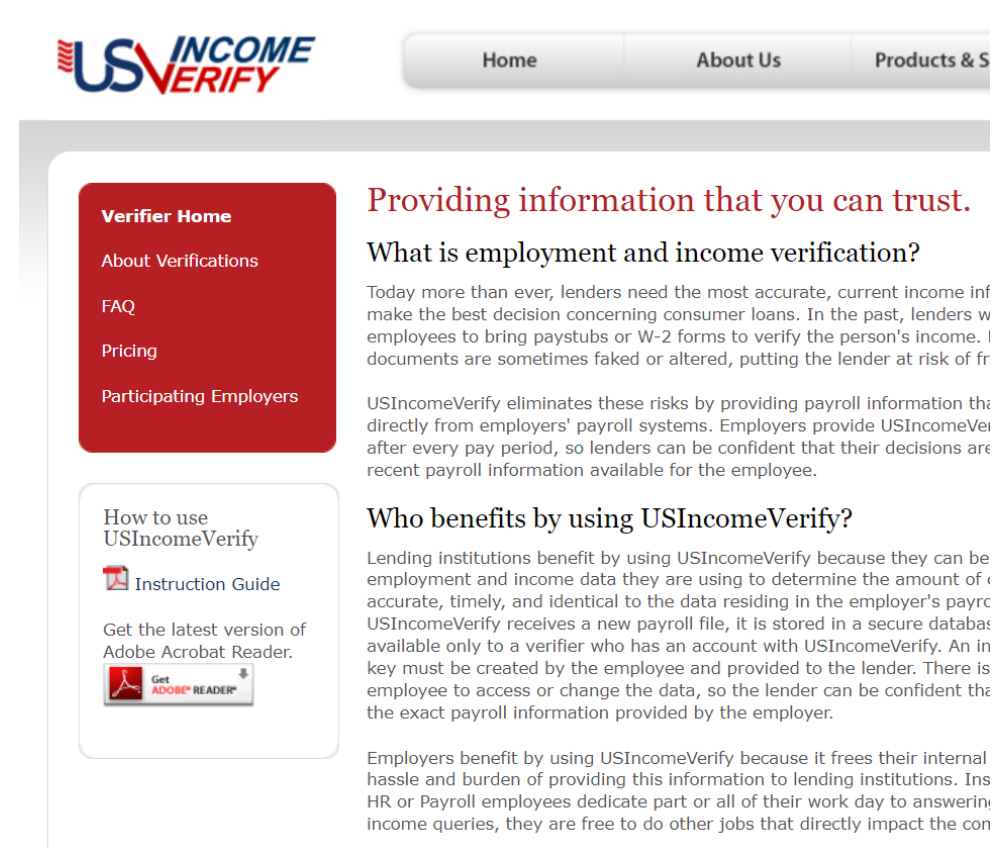
# US Income Verify and CCC Verify



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**Providing information that you can trust.**

**What is employment and income verification?**

Today more than ever, lenders need the most accurate, current income information to make the best decision concerning consumer loans. In the past, lenders would require employees to bring paystubs or W-2 forms to verify the person's income. These documents are sometimes faked or altered, putting the lender at risk of fraud.


USIncomeVerify eliminates these risks by providing payroll information directly from employers' payroll systems. Employers provide USIncomeVerify data after every pay period, so lenders can be confident that their decisions are based on recent payroll information available for the employee.

**Who benefits by using USIncomeVerify?**

Lending institutions benefit by using USIncomeVerify because they can be confident in the employment and income data they are using to determine the amount of a loan. Accurate, timely, and identical to the data residing in the employer's payroll system, USIncomeVerify receives a new payroll file, it is stored in a secure database available only to a verifier who has an account with USIncomeVerify. An individual key must be created by the employee and provided to the lender. There is no need for the employee to access or change the data, so the lender can be confident that the exact payroll information provided by the employer.

**Employers benefit by using USIncomeVerify** because it frees their internal HR or Payroll employees from the hassle and burden of providing this information to lending institutions. Instead, HR or Payroll employees dedicate part or all of their work day to answering income queries, they are free to do other jobs that directly impact the company.

**How to use USIncomeVerify**  
[Instruction Guide](#)  
Get the latest version of Adobe Acrobat Reader.  
[Get Adobe Reader](#)



# Proficiency in Income Qualification Part 2

## February 24, 2022 - 2:00 pm

### Topics:

Income Verification (continued)

Asset Verification

Calculation

### Registration Link:

<https://attendee.gotowebinar.com/register/8135295750290882573>

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# FLORIDA HOUSING COALITION PUBLICATIONS

Access these valuable resources and more under the Publications tab at [Flhousing.org](http://Flhousing.org)

**Housing News Network Journal**

**Florida Home Matters Report**

**Accessory Dwelling Unit (ADU) Guidebook**

**Affordable Housing in Florida**

**Affordable Housing Resource Guide**

**Affordable Housing Incentive Strategies**

**Case Management Guidebook**

**CLT Primer**

**CLT Homebuyer Education – Buyer’s Guide**

**CLT Homebuyer Education – Teacher’s Guide**

**Community-Based Planning Guide**

**Creating Inclusive Communities in Florida**

**Creating a Local Housing Disaster  
Recovery Strategy**

**Credit Underwriting Guide for Multi-Family  
Affordable Housing in Florida**

**Disaster Management Guide for Housing**

**Effectively Engaging Individuals with Disabilities in  
Consolidated Planning**

**Eyesore to Asset – Adaptive Reuse Guide**

**Florida Community Land Trust Best Practices**

**Guide to Developing and Operating Small Scale  
Rental Properties**

**Guide to Using SHIP for Rental Housing**

**Guidebook for SHIP Administrators**

**PSH Property Management Guidebook**

**Residential Rehabilitation Guide**

**Surplus Lands Guidebook**

**The Community Allies Guide to Opportunity Zones**





# Please complete the evaluation!



## Questions?

Contact Aida at:

[andujar@flhousing.org](mailto:andujar@flhousing.org)

954-593-8988



Contact Michael at:

[chaney@flhousing.org](mailto:chaney@flhousing.org)

850-980-1307

Technical Assistance Hotline: 1-800-677-4548