

Exhibit 3-5 Verification Hierarchy

HUD Regulation 24 CFR 5.233(a)(2)

Processing entities must use HUD's EIV system in its entirety:

- (i) As a third party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income, in accordance with § 5.236, and administrative guidance issued by HUD; and
- (ii) To reduce administrative and subsidy payment errors in accordance with HUD administrative guidance.

HUD Regulation 24 CFR 960.259(c)

PHA responsibility for reexamination and verification.

(1) Except as provided in paragraph (c)(2) of this section, the PHA must obtain and document in the family file third-party verification of the following factors, or must document in the file why third-party verification was not available:

- (i) Reported family annual income;
- (ii) The value of assets;
- (iii) Expenses related to deductions from annual income; and
- (iv) Other factors that affect the determination of adjusted income or income-based rent.

Staff will start at Level Six, the most preferred verification method, and proceed through each step until a satisfactory verification is obtained. See Enterprise Income Verification (EIV) System exhibit for guidelines on how to resolve discrepancies.

1. Level Six - Enterprise Income Verification (EIV, HUD)
2. Level Five - Upfront Income Verification (UIV)
3. Level Four - Original Documents
4. Level Three - Written Third-Party Verification
5. Level Two - Oral Third-Party Verification
6. Level One - Self Certification or Declaration

Numbered Memo

20-16 Updates to Verification Requirements