

Exhibit 13-6 Administrative Errors

Under HUD regulations, AHFC is responsible for determining a family's tenant rent and the amount of subsidy each family will receive while participating in the program. AHFC makes those determinations based on family information provided during an initial, regular, or interim examination process.

1. Administrative Errors

AHFC promptly corrects errors, regardless of the dollar amount, when an incorrect determination of income, application of payment standard, utility allowance, contract or market rents was caused by an administrative calculation error. Administrative errors are not caused by a family's misrepresentation or failure to disclose income.

2. Overpayment of Tenant Rent

AHFC refunds the family when the correction yields a lower tenant rent. Tenant overpayments of rent will be retroactive to the effective date of the error and the adjustment amount will be issued as follows:

- If the tenant is still in the program, then a reimbursement will be provided to the tenant at their current address.
- If the tenant is no longer in the program, then AHFC will attempt to contact the tenant at the tenant's last known address advising them to contact AHFC. Payment will be reserved until the tenant confirms their identity and mailing address.

3. Underpayment of Tenant Rent

AHFC provides a written 30-day notice when the correction yields a higher tenant rent. Families will not be liable for the period of time they underpaid rent due to administrative error in rent determination. The increase will be implemented on the first of the month following the notice period.

4. Utility Reimbursements

In traditional program calculations, a reimbursement is payable when the utility allowance exceeds the tenant rent for families participating in the Section 8 New Multifamily program at Ptarmagin Park, Enhanced Voucher and Homeownership Voucher programs.



4.A Overpayment of Utility Reimbursement

AHFC provides a written 30-day notice when the correction yields a lower utility reimbursement. Families will not be liable for the period of time they were paid the higher utility reimbursement due to administrative error in calculations. The decreased reimbursement will be implemented on the first of the month following the notice period.

4.B Underpayment of Utility Allowance

AHFC refunds the family when the correction yields a higher utility reimbursement. The utility reimbursement will be retroactive to the effective date of the error and the adjustment amount will be issued as follows:

- If the tenant is still in the program, then a reimbursement will be provided to the tenant at their current address.
- If the tenant is no longer in the program, then AHFC will attempt to contact the tenant at the tenant's last known address advising them to contact us. Payment will be reserved until the tenant confirms their identity and mailing address.

Numbered Memo

25-17 Incorporation of Exhibit 13-6 Administrative Errors