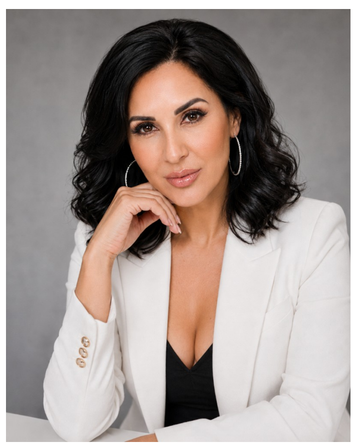
Housing Consultants of America

Section 8 Compliance Checklist for Property Managers

A practical guide to stronger HUD-assisted housing files, certifications, notices, and documentation



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Section 8 compliance is built through hundreds of small, consistent actions: timely certifications, accurate income calculations, complete EIV documentation, proper notices, supported deductions, and files that clearly tell the story of each household. For new property managers, the requirements can feel overwhelming. For experienced teams, the greater risk is allowing routine processes to become inconsistent over time.

The Section 8 Compliance Mindset

A strong compliance file should allow an independent reviewer to understand what happened, why a decision was made, what documentation supported it, and when the action became effective. Property managers should avoid treating compliance as a once-a-year recertification event. Eligibility and assistance requirements must be supported throughout the tenancy.

1. Annual Recertifications

Annual recertifications are one of the most visible indicators of a property's compliance performance. Establish a tracking system that begins the process early enough to obtain information, resolve discrepancies, issue required notices, and complete the certification before the effective date.

- Track upcoming annual recertifications well in advance.
- Document required resident contacts and notices.
- Verify household composition and current circumstances.
- Obtain and review income, asset, deduction, and allowance documentation as applicable.
- Resolve discrepancies before finalizing the certification.
- Confirm signatures, dates, effective dates, rent changes, and supporting forms are consistent.
- Document delays and follow-up efforts when the household does not respond.

2. Interim Certifications

Interim certifications require just as much attention as annual recertifications. Staff should understand when changes must be reported, when an interim action is required under current program rules and property policy, and how the effective date is determined.

The file should clearly document the reported change, the date it was reported, supporting verification, the resulting calculation, any required notice, and the effective date. When no change is processed, document the basis for that decision when appropriate.

3. EIV Documentation

EIV is a major compliance area for HUD-assisted properties. Property managers should have consistent procedures for obtaining required reports, reviewing results, researching discrepancies, documenting resolution, protecting sensitive information, and retaining records appropriately.

- Confirm required EIV reports are obtained when applicable.
- Review income discrepancies and document follow-up.
- Address identity verification or failed-verification issues.
- Maintain appropriate access controls and confidentiality.
- Ensure actual staff practices match the property's written EIV policies and procedures.

A report placed in the file without evidence that staff reviewed and resolved relevant issues may not demonstrate a complete compliance process.

4. Income Verification and Calculation

Income errors can affect tenant rent, assistance, and eligibility. Review each source of income carefully and confirm that the method used to annualize or calculate income is supported by current HUD requirements and the documentation in the file.

Pay particular attention to employment changes, irregular income, self-employment, benefits, recurring contributions, zero-income situations, and conflicting information. When third-party information differs from what the household reported, document how the discrepancy was researched and resolved.

5. Assets

Asset requirements have changed significantly under HOTMA, making it especially important that staff follow current HUD guidance and property procedures rather than relying on older habits or forms. Review whether assets are identified, verified or documented using the appropriate method, and treated correctly in the certification.

Property managers should also make sure staff understand the distinction between an asset itself, income generated by an asset, excluded items, and any applicable asset limitations or imputed-income rules under current requirements.

6. Deductions and Allowances

Every deduction or allowance should be supported by documentation and applied only when the household qualifies. Review dependent, elderly/disabled family, medical, disability assistance, childcare, and other applicable deductions under current program rules.

A common mistake is carrying forward a deduction from a prior year without confirming that the household still qualifies or without obtaining updated supporting information when required.

7. Tenant Notices

Notices are part of the compliance record. Review whether required notices were issued, whether the timing was correct, and whether the notice agrees with the certification, lease, rent calculation, and effective date.

This can include annual recertification notices, rent-change notices, requests for information, noncompliance notices, termination-related notices, and other required communications. Maintain evidence showing when and how notices were provided when required by policy or program rules.

8. Repayment Agreements

When an overpayment, underpayment, unreported income issue, or other circumstance results in a repayment obligation, the file should contain clear documentation of the determination and any repayment agreement. Confirm that agreements are properly executed, payment activity is tracked, and outstanding balances are monitored.

Repayment activity should not exist in isolation. The tenant file, accounting records, and subsidy-related documentation should tell a consistent story.

9. Documentation: If It Is Not Clear, It Is Hard to Defend

One of the most important habits in affordable housing compliance is documenting the reasoning behind decisions. Reviewers should not have to guess why income was excluded, why a certification was delayed, why a discrepancy was accepted, why an interim was or was not processed, or why a household qualified for a deduction.

Good documentation is factual, dated, concise, and supported by the record. Avoid undocumented assumptions and unexplained corrections. When a file is corrected, preserve a transparent record of what changed and why.

Section 8 Compliance Checklist

Use this checklist as a routine quality-control review:

- Annual recertifications are tracked and completed timely.
- Interim changes are reviewed and processed according to current requirements and property policy.
- EIV reports are obtained, reviewed, secured, and resolved as applicable.
- All income sources are identified, verified, calculated, and documented correctly.
- Assets are reviewed under current HUD/HOTMA requirements.
- Deductions and allowances are supported and current.
- Household composition is consistent throughout the file.
- Tenant notices are timely and match the certification and effective date.
- Repayment agreements and related balances are properly documented and tracked.
- Required forms contain appropriate signatures and dates.
- Rent and assistance calculations are supported by the certification.
- File notes clearly explain unusual circumstances and compliance decisions.
- Corrections are transparent and properly documented.
- Staff are using current forms, policies, and procedures.

Warning Signs Your Property May Need a Compliance Review

A property does not need to wait for an MOR or other audit to evaluate its compliance practices. Warning signs can include overdue recertifications, repeated EIV discrepancies, missing signatures, inconsistent file notes, frequent certification corrections, outdated policies, unresolved repayment balances, inconsistent tenant notices, or staff members giving different answers to the same compliance question.

If these issues appear in one file, determine whether they are isolated or part of a larger pattern. A sample-based independent review can help management understand the extent of the risk before a monitoring agency or reviewer identifies it.

How Housing Consultants of America Can Help

Housing Consultants of America (HCA) supports HUD-assisted housing owners, management companies, nonprofits, and property teams with independent compliance reviews and day-to-day operational support.

HCA can assist with Section 8 tenant file reviews, annual and interim recertifications, EIV documentation, income and asset review, move-in files, voucher and subsidy processing support, repayment agreement review, MOR preparation, policy assessments, backlog recovery, staff training, and temporary compliance support.

Concerned about your property's current Section 8 compliance practices?
An independent HCA file review can help identify documentation gaps, recurring errors, and process weaknesses before they become larger audit or monitoring findings.

About the Author

Jenna Ghisolfo is President & Founder of Housing Consultants of America. Her work focuses on affordable housing compliance, operational support, training, file review, and helping housing organizations strengthen day-to-day compliance practices.

Disclaimer: This article is intended for general educational purposes. HUD requirements continue to evolve, including HOTMA implementation requirements. Properties should confirm current HUD guidance, governing documents, owner/agent policies, and property-specific requirements before relying on any checklist item.