



Federal Emergency Rental Assistance Program (ERAP)

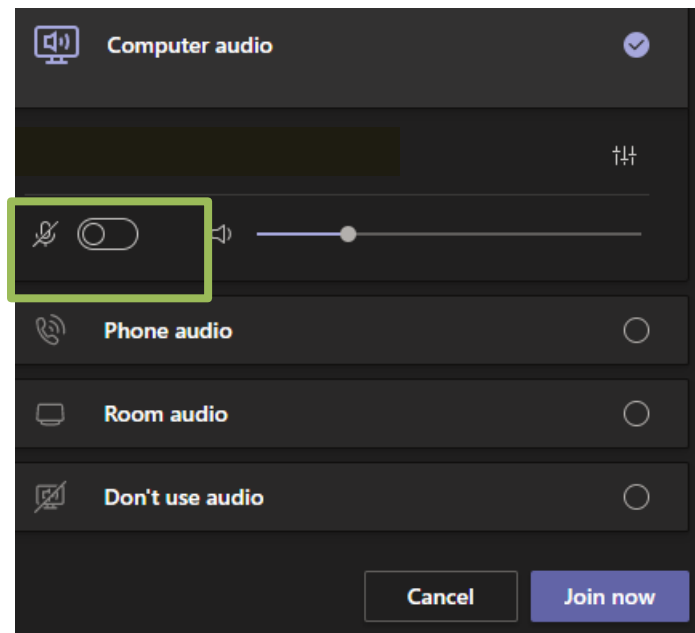
Compliance, Quality Assurance, and Fraud Prevention

April 9, 2021

Last Updated: 4/9/2021

Please Mute

Please join the meeting muted during the session to keep interruptions to a minimum

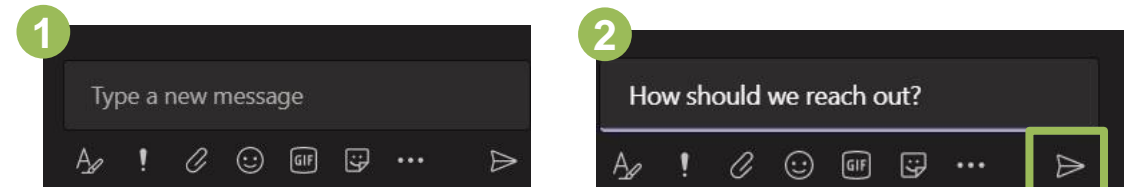


Engage During Meeting

1. Teams Chat

Send a message in the **Teams Chat** panel

1. Type in your **question**
2. Hit Enter



2. Questions

- We will be monitoring the Teams Chat for questions throughout the session
- We will triage questions during designated checkpoints

THIS CALL IS BEING RECORDED





WELCOME

Our Journey Today 1 HOUR



Objective & Introduction



Compliance Overview



ERAP Quality Assurance



Fraud Prevention



ERAP Policy Reminders



Fraud Activity



Training Materials



Questions



Reminders & Next Steps

15 mins

15 mins

30 mins

Purpose



Review guidance related to ERAP quality reviews **to protect against fraud** and additional **policy highlights**

Goal



Provide RAA staff with guidance and **continued support** during the implementation of ERAP and **updates** to ERMA

WHY IS COMPLIANCE IMPORTANT?



Compliance supports Emergency Rental Assistance Programs integrity by mitigating risk and securing adherence to federal regulations.



Prevent Fraud and Abuse

Funds distributed due to fraudulent activities prevent getting assistance to constituents in need by incorrectly diverting limited resources (time, funding)



Prevent Financial Repercussions

Funds issued out of compliance may need to be repaid to the Treasury causing negative impacts on agency budgets. Recipients are responsible for ensuring sub-recipients properly issue funds and maintain records.



Enhance Public Trust & Transparency

Funds must be disbursed in accordance with regulations, and rules must be communicated in a consistent manner to ensure public transparency

Quality Assurance and **Fraud Prevention** are two critical risk mitigation strategies to maintaining program integrity.

Tentative Challenges in Program Integrity

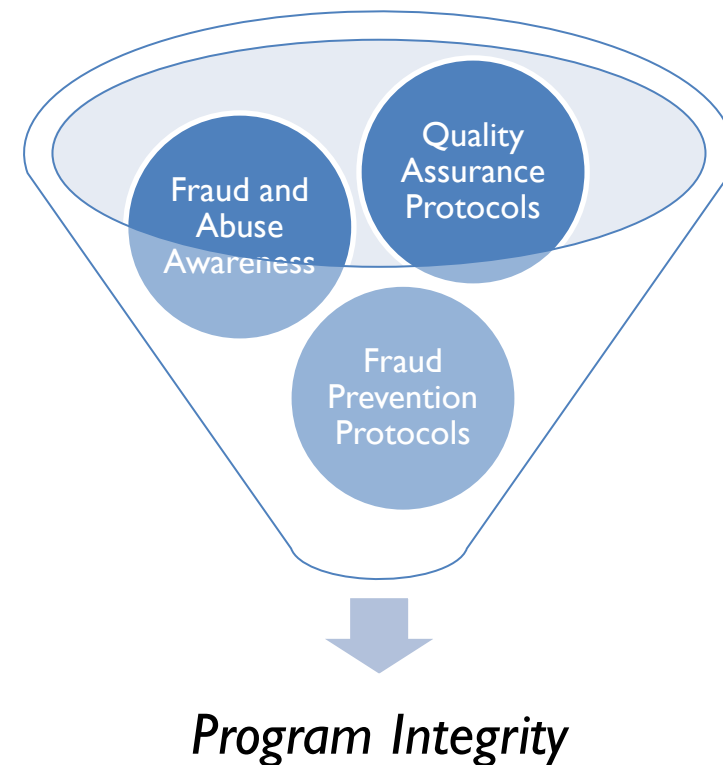
High volume of applications

Desire to ensure those in need get financial relief quickly

Potential threat of program fraud and abuse

Remote working environments

Mitigation Strategies





ERAP QUALITY ASSURANCE

Quality reviews are integral to a successful Compliance program and should encompass the following protocols:

- Each application file should be reviewed by at least **two individuals**. The second reviewer does not necessarily need to be a supervisor, **unless the benefit amount is greater than \$10,000 per household**
- For benefits awards greater than \$10,000, a manager or supervisor must **date** and **annotate** their review using the following language:

“I, First and Last Name, attest that I have reviewed this file (file number) and recommend approval/disapproval. If disapproved, here is why.”

- RAAs should develop a review process that is **compliant with the new Administrative Plan** and any other guidance administered by DHCD or the Treasury
- DHCD will conduct periodic file reviews
- Benefit awards that **exceed \$35,000** per household will need DHCD override in HAPPY (contact Molly or Amy)



FRAUD PREVENTION

WHAT IS FRAUD?



Identifying fraud and abuse is an important component of **securing program integrity** and **ensuring funds are allocated to eligible families**.

KEY DEFINITIONS:

- **What is fraud:**
 - **“Fraud” and “abuse”:** a single act or pattern of actions made with the intent to deceive or mislead, constituting a false statement, omission, or concealment of a substantive fact.
- **What is not fraud:**
 - Fraud and abuse are different from errors. Errors happen unintentionally. For example, if a question is not clear and a tenant responds erroneously.
 - **Consequences of fraud:**
 - If fraud is discovered, program integrity may require taking legal action to pursue a remedy of the situation, such as terminating program assistance or referring the matter to the Inspector General.

Based on examples from: [CHAPTER 21: \(hud.gov\)](#)

EXAMPLES OF FRAUD



Rental assistance fraud may involve various stakeholders (*i.e., tenants, landlords, agencies*) and may incorporate various activities:

Knowingly submitting **false or altered information** to secure eligibility

Attempting to obtain **rent amounts larger than stipulated** in the lease

Concealing assets or **misrepresenting** income

Soliciting or accepting payment for preferential treatment of an application

Using tenant or landlord data to solicit benefits, **without the tenant and landlord authorization**

Submitting applications for **nonexistent tenants or rental units**

Examples: [Common Fraud Schemes](#) | [Office of Inspector General, Department of Housing and Urban Development \(hudoig.gov\)](#)

TIPS FOR REVIEWING TENANT FILES



- ❑ Confirm documents appear in their original state:
 - ✓ Complete documents are submitted
 - ✓ Does not look altered (E.g., font, size is consistent, nothing looks pasted)
 - ✓ No unusual formatting
 - ✓ No inconsistent signatures
 - ✓ No inconsistent dates
- ❑ Supporting documentation submitted should be consistent with information reported on the application
- ❑ If information was previously submitted on another application, information is consistent across applications

If information is found to be inconsistent, additional follow up and documentation is required to confirm eligibility.

WHAT TO DO IN CASES OF SUSPECTED FRAUD



Immediate action to gather additional information is required in cases of suspected fraud.

1 Collect Information

- Obtain additional information to clarify items, this may include:
 - Requesting additional information. May include additional documents or clarifications to the application questions.
- Carrying out additional phone calls or interviews with tenants and/or landlords

2 Document Findings

- If concern persists, retain the full application file and note key information:
 - Name and address of the subject(s)
 - Summary of the alleged fraud or abuse citing specific sources
 - Name and address of any individuals with knowledge of the allegations
 - Known or suspected time period when allegations occurred
 - Known or suspected monetary loss

3 Escalate to Defined Contact

- Case Managers should escalate questions to Supervisors and Managers if a question about fraud exists
- Supervisors and Managers should work with RAA staff to review the file and confirm concern
- RAAs should escalate concerns to DHCD for follow up and investigation by using the DHCD Fraud Hotline: (<https://www.mass.gov/forms/dhcd-fraud-waste-and-abuse-reporting>)

Based on examples from: [CHAPTER 21: \(hud.gov\)](#)

Error/ Omission or Fraud/ Abuse?

- A family fails to report a change in family composition or income in the application, but promptly submits all supporting documentation to report their household income and composition
- An owner collects housing assistance payments for units not occupied by program participants
- An RAA staff member intentionally makes incorrect determinations of family eligibility, i.e., certifies as eligible otherwise ineligible applicants

How to Participate

1. Go to **Menti.com** on your smartphone or computer browser.
2. Enter the code **2929 0022** into the field shown to the right



Please enter the code

12 34 56

Submit

The code is found on the screen in front of you



ERAP POLICY HELPFUL REMINDERS

WHEN TO USE HUD DEFINITIONS



RAFT-specific income definitions will continue to apply for the RAFT program

- *Do not use HUD income definitions for the RAFT program*



RAAs should use ERAP and HUD income definitions for ERAP



Applicable definitions will be posted on the RAA Resource Portal

HEAD OF HOUSEHOLD IDENTIFICATION



Head of household must provide identification with their full name and date of birth. The identification may be from a country other than the US as long as it has the required information.



TRAINING MATERIALS



Administrative Plan

- [ERAP Administrative Plan](#)

Training Materials

- [ERAP Online Training Tool for RAAs](#)
- [HCEC Federal Emergency Rental Assistance Program \(ERAP\) Training](#)
- [Federal Policy Overview Video](#)
- [Federal ERAP Instructor Led Training Presentation Deck](#)
- [Office Hours Session – Review of Federal ERAP, 3/19/21](#)
- [ERAP FAQ \(3/26/21\)](#)

ERAP Reference Guides

- [ERAP Overview Reference Guide](#)
- [ERAP Application Flow and Program Matrix Reference Guide](#)
- [Federal ERAP Program Overview Reference Guide](#)
- [ERAP Utilities Reference Guide](#)
- [ERAP HAPPY Data Entry Reference Guide \(updated\)](#)
- [ERAP Benefit Calculation Guide](#)
- [ERAP Required Documentation Guide](#)
- [Quality Assurance Review Guide](#)
- [COVID Reporting Spreadsheet Definitions](#)

EVICTIION DIVERSION INITIATIVE (EDI) PROGRAMS

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Federal Emergency Rental Assistance Program (ERAP)

[ERAP Overview](#)

- Administrative Plan
 - [ERAP Administrative Plan](#)
- Training Materials
 - [ERAP Online Training Tool for RAAs](#)
 - [Recording: Office Hours Session- ERMA and ERAP Policy Guidance, 4/2/21](#)
 - [HCEC Federal Emergency Rental Assistance Program \(ERAP\) Training](#)
 - [Recording: Federal ERAP Training for HCECs, 3-31-21](#)
 - [Federal Policy Overview Video](#)
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 - [Recording: Office Hours Session- ERAP HAPPY and Policy Guidance, 3/26/21](#)
 - [Recording: Office Hours Session- Review of Federal ERAP, 3/19/21](#)
 - [Office Hours Session – Review of Federal ERAP, 3/19/21](#)
 - [Recording: Federal ERAP Instructor Led Training Session, 3/18/21](#)
 - [Recording: Office Hours Session- Federal ERAP Overview, 3/12/21](#)
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 - [Quality Assurance Review Guide](#)
 - [COVID Reporting Spreadsheet Definitions](#)
- EDI Social Media Documents



Further Questions

Direct questions to your supervisor and then contact the RAA support inbox (dhcdraaraft@mass.gov) as a point of escalations for questions. A member of the RAA Support Team will respond.

- ***Time-sensitive Questions:*** Critical questions that require responses within 24hrs should be submitted with a subject line that includes “**URGENT.**”
- *Example:* Tenant is facing imminent loss of housing (24 hours) and applicant does not necessarily fit guidelines.



Best Practice

Please **specify the program** that you are reaching out about to ensure that the DHCD RAA Support team is best positioned to provide policy guidance.



QUESTIONS

WE WANT TO HEAR FROM YOU! *MENTI LIVE POLLS*



I. **What topics related to ERAP would be helpful to cover in future office hours?**

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Please enter the code

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THANK YOU!





APPENDIX

FEDERAL EMERGENCY RENTAL ASSISTANCE PROGRAM



ERAP Program Highlights:

- ✓ COVID-19 impact required
- ✓ The benefit is capped at 12 months of arrears or combination of arrears/stipend, plus additional 3 months of assistance potentially available if funding allows and need is demonstrated
- ✓ Stipends are initially awarded for three months at a time at 100% of rent (not for renters with income-based subsidies)
- ✓ Will pay utilities up to \$1,500 even though moratorium has been extended
- ✓ Differentiation between Close Outs and Denials
- ✓ Supervisor review required over \$10,000
- ✓ Additional methods to verify income