

# Best Practices for Submitting Annual Reports

## The Certificate of Continuing Project Compliance Owners Certification

1. The number of units occupied as of 12/31 of the reporting year in questions 1 – 6 should match those indicated on the **Project Summary Report** in WBARS. Note: if the requirements listed for a funder in WBARS do not match those on the Owners Certification, please check directly with that funder.
2. Set-asides units (numeric section 2) + Common Area Units (question #3) + market-rate units (question #4) + vacancies (question #5) must equal total units (#1 in the shaded column). If the **Project Summary Report** is not reflecting the correct numbers then check the information on **Table 1** for accuracy.
3. Ensure that the Common Area Units are identified by the unit number and the **Building Identification Number** in question #3.
4. Owner's signature must be an original. We recommend that Owners sign in blue ink. If the signing authority has changed, provide Corporate Resolutions or a copy of the Minutes authorizing new person to sign.

## Table 1 in WBARS

1. Both **Table 1** as it appears in WBARS and the **Excel Export** of the table generated with "Unit Information Year-To-Date" selected should be reviewed for accuracy prior to submitting the report.
2. The report should include activity for each unit for the *entire* year.
3. All Yellow validations should be explained with a **Comment** on the **Table 1 Detail** page (resident record). Yellow validations indicate possible non-compliance.
4. Pay special attention to highlighted information and information in bold as these indicate areas of possible non-compliance and may or may not generate a validation message. Information will be highlighted or bolded as follows:
  - a. Certification dates – will be highlighted if the certification date is in the wrong calendar year or there is more than 12 months between certification dates.
  - b. Gross Income – will be bolded if it exceeds the Max Income and highlighted if it exceeds 140% of the Max Income.
  - c. Total Rent with Utility Allowance – will be highlighted if it exceeds the Maximum Allowed Rent.
  - d. Vacant – will be highlighted if the unit was vacant for more than **three** months and remained vacant at the end of the reporting year.
5. If a unit was vacant for more than **three** months during the calendar year, provide the date the unit was rent ready and a written explanation as to why the unit was vacant for an extended period.
6. Common Area Units (CAUs) being utilized as such must be designated as a CAU in the **Unit Designation** field on the **Table 1 Detail** page. If a CAU is occupied by a qualified household, then it should be designated as a "Restricted" unit.

## Resident Packages

1. Submit packages in the order they were requested.
2. Assemble files in the order listed on the *Compliance Checklist*. The *Compliance Checklist* does not need to be sent; it is a tool to assist you when submitting the resident files.
3. Do not include a form if it does not pertain to the specific file and do not send copies of leases or Lease Riders unless requested (e.g. the year an on-site inspection is scheduled).
4. **Show your calculations!** Remember to use the *greater* of the actual salary (as you calculate it) or the salary derived from year-to-date figure. The *Eligibility Certification* contains a section to assist in calculating income.
5. When a Household's income exceeds 140% at the first recertification, include the initial move-in package and recertification package, even if the Unit was not requested.
6. Include the move-in package for any household that moved in during the reporting year with income within \$500 of the applicable income limit, even if the Unit was not requested.

## Miscellaneous

Include **current** utility allowances covering the **entire** reporting period. If no changes have been made since the previous year, indicate to whom you spoke, date, phone number, and state "no changes." Remember to circle with a pen (not a hi-lighter) the amounts you used to determine the utility allowance.

The *Special-Needs Vacancy Report* needs to be completed anytime the property's Special-Needs Set-Asides have not been met. This report should then be included with the annual compliance report. Proper documentation needs to be attached to this report ensuring that the required good-faith marketing effort for at least the 30-day period after the rent-ready date has been met. Consult the Tax Credit Compliance Procedures Manual for additional information. You may also need to include special reports if the property has Farmworker and/or Transitional/Homeless Commitments. Refer to the Tax Credit Compliance Reports' page on our website for these reports.

An *Affirmative Marketing Report* is required on properties with WSHFC Bonds.

It is always nice to receive a brief cover letter, especially if there is something unusual, such as a household not recertified within the required 12 months.

If your organization has a policy to funnel all questions regarding compliance through one or two of your people, in no time that person will become your resident expert. This is just a suggestion and as always, we welcome questions from any and all.

Resident certification packages typically have fewer mistakes if a policy is in place to have "a second (and sometimes a third) set of eyes" look at the certification packages prior to final approval.