2026 Compliance Manual

Montana Board of Housing

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Introduction

This manual is a training and reference guide for the administration of the Low-Income Housing Tax Credit Program, as well as other Multifamily Housing Programs, in the state of Montana. This manual should be used in conjunction with, and as a supplement to, Section 42 of the Internal Revenue Code and the regulations promulgated thereunder (Treasury Regulation 1-42-5), together referred to as IRC. If a determination is made that any provision within this manual is at conflict with IRC, the IRC will govern.

Federal law requires the Montana Board of Housing to monitor compliance and outline procedures for notifying the Internal Revenue Service of any instances of noncompliance. The Qualified Allocation Plan authorizes MBOH to conduct compliance monitoring and outline procedures for notifying the IRS of instances of noncompliance. This manual satisfies both requirements.

This manual does not replace LIHTC certification training and is written with the expectation that the reader has completed LIHTC training, passed the required examination and received their certificate. For additional details, reference Section II. Property Management A. Education Requirements.

The laws and regulations governing the LIHTC Program, as well as the interpretation of these laws, can and do change. Likewise, this manual is subject to change at any time.

I. Low-Income Housing Tax Credits Program Background

A. Compliance Monitoring Basics

Federal law mandates that state allocation agencies monitor compliance consistent with IRC Section 42, including site visits to ensure adherence to National Standards for the Physical Inspection of Real Estate.

B. Compliance Period vs. Extended Use Period

MBOH will monitor for the duration of the time frame outlined in the Land Use Reservation Agreement, also known as the Restrictive Covenants. The LURA can terminate earlier than the specified date by foreclosure or a Qualified Contract. In these cases, there is a three-year tenant protection period, during which units shall remain rent restricted. At the end of the time frame specified in the LURA, the terms expire. There is no tenant protection period after the expiration of the Extended Use Period specified within the LURA.

The Compliance Period is the first 15 years following lease-up of the housing development. During this time, MBOH must report noncompliance to the IRS by means of IRS Form 8823, Low-Income Housing Credit Agencies Report of Noncompliance. The remainder of the time frame specified by the LURA is known as the Extended Use Period. During this period, instances of noncompliance are recorded but not reported to the IRS. Consequences of noncompliance during this period could result in a dissolution of the partnership with MBOH and MBOH refusal to do business with the members/partners of the ownership entity in the future.

C. Compliance for Other Funding Programs

MBOH's portfolio may consist of developments funded by sources outside the LIHTC program, including but not limited to: Project-Based Section 8, CDBG, HOME, Housing

Trust Fund and Rural Development. Projects may also include loans from the following programs:

- The formerly named Coal Trust Multifamily Homes Program
- GO Housing — Housing Montana Fund
- GO Housing — Multifamily Homes
- MBOH — Housing Montana Fund
- MBOH — Multifamily Loan Program

These Board-administered programs are collectively known as MBOH Multifamily Loan Programs.

Please refer to the program guidelines for each of the Board's funding sources for the specific requirements.

Developments with these funding sources may enter into an agreement with MBOH regarding compliance and the monitoring of such. Compliance monitoring for these properties will be based upon the parameters used during the Extended Use Period idefined in Part B above.

II. Property Management

A. Education Requirements

During the legislative session of 2023, the Montana Legislature passed House Bill 358, titled "An act revising property manager license laws; exempting from the property manager license requirement owners of real estate, related owners, and entities owned by related owners; eliminating the exemption for persons acting as managers of certain government-subsidized housing; amending Section 37-51-602, MCA; and providing an immediate effective date and a retroactive applicability date." The most significant change under HB 358 was removal of the exemption from licensing requirements for managers "of a housing complex for low-income individuals subsidized either directly or indirectly by the state, any agency or political subdivision of the state, or the government

or an agency of the United States." Prior to the passage of HB 358, property managers of affordable housing properties were exempt from the property management licensing requirements, but HB 358 has eliminated this exemption. The legislation became effective upon passage and approval, and any manager hired since must have their required property manager's license.

The property management company and site manager must be trained in fair housing and certified for LIHTC compliance by one of the nationally-recognized LIHTC compliance training companies before the property is Placed in Service. New site managers hired for existing LIHTC properties must be certified within their first six months of employment. New property management companies hired for existing properties must be certified before they assume management of a property. Management company personnel responsible for tenant qualification or verifying compliance must be certified in LIHTC compliance and attend fair housing training and LIHTC training at least once every four years. Training requirements must be met to maintain Qualified Management Company status.

Fair housing training must include and cover the following subjects and requirements:

- Protected classes
- Accessibility requirements
- Reasonable accommodation/modification
- Applicant screening
- Disparate impact
- Victims of domestic violence
- Occupancy standards
- Section 504
- Service animals

Property management companies must promptly inform MBOH of all personnel changes. MBOH must monitor access to the Certification Portal to ensure there is no

access provided to unauthorized users. Therefore, notification of personnel changes is of supreme importance.

If noncompliance with education and/or personnel change requirements are not corrected by the applicable deadline, the owner will pay the fees specified in the fee schedule.

B. Management Notebook

During a site visit, MBOH will review the following management materials, which may be contained in a notebook:

- The management company's policies and procedures, including the tenant selection plan
- The current and past income limits and maximum rents applicable to the property
- The project's current and past utility allowance schedules
- Fully executed IRS Form 8609s for each building in the development
- Land Use Reservation Agreement
- Fair Housing Flyer, which should also be posted throughout the development

C. Tenant Eligibility and Certification

Tenant eligibility begins when an applicant submits a rental application. The first step is to determine that the applicant meets the criteria set forth by management to live in the development. MBOH does not monitor the applicant screening criteria, except to ensure that an application has been filled out completely.

The most important piece of documentation for tenant eligibility is the Tenant Income Certification. The TIC records all household data collected during the screening process and determines tenant eligibility. The gross tenant-paid rent is listed and itemized and compared to the maximum rent outlined by the LIHTC Program. MBOH will accept student status verification with either the TIC or Student Status Verification form.

MBOH requires property managers utilize the Certification Portal (previously known as COL) website at certsonline.mt.gov to manage tenant data such as household demographics, income and assets, rent and utility allowance data, etc. This information will populate to the TIC, which is printed and signed by both the tenant and management personnel and stored in the tenant file. The electronic TICs for all tenants are stored in CP, including those recording:

- Initial tenant certifications (move-ins)
- Annual tenant recertifications
- Utility allowance updates
- Changes to tenant-paid rents
- Move-outs
- Transfers

D. The Tenant File

The tenant file shall include all paperwork, documentation and notices gathered from and sent to the tenant, including the housing application and TIC. The following are MBOH's minimum requirements for what documentation must be retained in the file:

- Housing application, identification verification/copies of identification documentation, additional screening questionnaires, etc.
- Initial lease, any lease addendums and lease renewals
    - A minimum of six months is required for the initial lease term.
- TICs and other LIHTC-required forms, including the following:
    - Initial TIC
    - Income verifications/clarifications (All income sources must be verified.)
    - Asset verifications/clarifications
    - Initial Student Status Certification
    - Documentation of qualified full-time student exception, if applicable

  - Tenant Income Recertifications (See Section IV. C. of this Compliance Manual for additional information about Recertifications.)
- Tenant communications

E. Maximum Rents and Rent Increases

Rents and total tenant obligations to the landlord, including any mandatory tenant-paid items, must be limited to the levels published on Novogradac's website. Rents may be increased once per calendar year. For existing tenants, any rent increase within a calendar year may not exceed 10% of the then-current rent amount.

MBOH staff may grant exceptions to this limit. Exception requests, together with supporting cost and rent documentation, must be submitted at least 90 days prior to the desired effective date. Rent increases, whether or not in excess of the foregoing limits, that reflect a deviation from the LURA that results in the addition of any mandatory tenant obligation (e.g., adding tenant payment of utilities when not specified in the LURA) are also subject to MBOH approval.

F. Utilities

The TIC must itemize tenant-paid utilities. All tenant records in CP must also be updated in accordance with the effective date of the Utility Allowance, determined by Montana Housing's Rental Assistance Bureau.

Upon approval by MBOH, projects may use a HUD Utility Schedule Model. The HUSM must be updated annually. Owners must submit requests for approval of HUSM allowance amounts and annual approval requests to MBOH at least 90 days before the projected start date or anniversary approval date. Data used for the approval request submission must be current within 30 days at time of submission. Utility allowances provided by utility providers will not be considered or accepted.

Upon approval by MBOH, projects may use an Estimated Consumption Model for utility allowances. An ECM must be calculated by a properly licensed, unrelated and independent engineer or other qualified professional and, at a minimum, consider factors such as unit size, building orientation, design and materials, mechanical systems, appliances and characteristics of the building location. As with the HUSM, annual approval requests must be received by MBOH at least 90 days before the projected start date or anniversary approval date. Utility rates used in the ECM request must be current within 60 days at the time of submission.

G. Record Retention

The owner of an LIHTC project must keep records for each building in the project showing unit qualifications for each year throughout the term of the LURA.

The following information must be retained for each year in the Compliance Period:

- Total number of residential rental units in the building, including the number of bedrooms and square footage of each residential rental unit
- The percentage of residential rental units in a building that are Qualified Units
- The rent charged on each Qualified Unit in the building, including any utility allowances and mandatory fees
- LIHTC unit vacancies in the building and information that shows when, and to whom, the next available units were rented
- The tenant income certification of each LIHTC tenant and annual income recertifications for each continuous tenant, if applicable
- Documentation to support each LIHTC tenant's income certification, including all income verifications
- The eligible basis and qualified basis of the building at the end of the first year of the credit period
- The character and use of any non-residential portion of the building included in the eligible basis of the building, if applicable

MBOH requires the Owner to keep tenant files on-site (original or copy). IRC Section 42 guidance requires retaining the files for the original qualifying households for six years after the due date (with extensions) for filing the federal income tax return for the year of the initial 15-year compliance period and six years after the due date (with extensions) for filing the federal income tax return for the year of move-out for subsequent households (both may be through electronic storage). Owners must also include Form 8609 for each of the buildings in their property as a part of these records.

MBOH does not mandate that CP be the only method of electronic tenant data management. However, all of the tenant information within a company's electronic file system must be imported into CP.

H. Marketing the Project

The owner must list all LIHTC properties on mthousingsearch.com within one year after PIS and keep the listing active through the Extended Use Period. Using this website meets the criteria for "reasonable attempts to market" vacant units.

III. Annual Compliance Submission

The Annual Owner's Compliance Submission occurs each year of participation in the LIHTC program throughout the LURA term.

A. Reporting Period and Annual Submission Overview

Each property's reporting period is listed on the buildings page of CP. Annual Compliance Submissions not received by the due dates are subject to a late fee.

- The first quarter runs from April 1-March 31. All reporting materials are due to MBOH by April 25.
- The second quarter runs from July 1-June 30. All materials are due by July 25.
- The third quarter runs from Oct. 1-Sept. 30. All materials are due by Oct. 25.

- The fourth quarter runs from Jan. 1-Dec. 31. All materials are due by Jan. 25.

The annual submission is split into two components: electronic and form submission. CP must be used for both submissions. The following is a checklist of the materials required:

- Annual Owner's Certification
- Annual Financial Report (audited financial statements)
- Property Contact Information Form
- LIHTC/Fair Housing Certifications
- Tenant Recertification
- Remit payment for annual compliance fees

These materials must be submitted to MBOH by the deadline for the property's annual reporting period.

B. Annual Owner's Certification

IRC Section 42 requires all owners to submit an owner's certification of continued compliance to the monitoring agency on an annual basis.

C. Tenant Certification

IRC Section 42 requires all owners to submit tenant certifications to the monitoring agency on an annual basis. These tenant certifications must be uploaded to CP prior to submission to MBOH following the protocols outlined in Exhibit B.

D. Annual Compliance Forms Submission

MBOH requires owners to submit financial records, property contact information and program certification for assigned staff on an annual basis. In addition to the requirements outlined above, the Owner shall comply with all requirements regarding

the maintenance, distribution, use and expenditure of replacement and operating reserves as specified in the Owner's partnership, operating or other governing owner or investor documents or agreements.

E. Compliance Monitoring Fees Payment

MBOH compliance monitoring fees, including those charged for properties electing the Average Income Test set-aside, are listed on the fee schedule. Market-rate units are exempt from compliance monitoring fees.

IV. Site Visits

MBOH will randomly sample a number of the affordable units in each building for review and physical inspection in accordance with the table below, as well as all vacant units. MBOH reserves the right to increase the size of this sample and/or the frequency of site visits at its discretion.

Excerpt from Section 1.42-5
Table to Paragraph (c)(2)(iii)

Number of low-income units in the low-income housing project	Number of low-income units selected for inspection or for low-income certification review (minimum unit sample size)
1	1
2	2
3	3
4	4
5-6	5
7	6
8-9	7
10-11	8

12-13	9
14-16	10
17-18	11
19-21	12
22-25	13
26-29	14
30-34	15
35-40	16
41-47	17
48-56	18
57-67	19
68-81	20
82-101	21
102-130	22
131-175	23
176-257	24
258-449	25
450-1,461	26
1,462-9,999	27

A. Scheduling and Arrival of Compliance Specialist

MBOH will contact the Owner and management agent no more than 15 days prior to the site visit date to confirm the date of the site visit. After confirming the site visit date, MBOH will send an official scheduling letter to Ownership and the management agent. Upon arrival for the inspection, MBOH will provide management with a list of the selected units. The units selected for physical inspections and file audits may not necessarily be the same.

B. Site Inspections

Site inspections are conducted on three levels: inside, outside and site. In common areas, the inspection will focus on:

- Functionality of emergency lighting (exits signs and auxiliary lights)
- Electrical breakers and panels
- Outlets/Ground Fault Current Interrupters
- Smoke and carbon monoxide (if applicable) detectors
- Egress/ingress
- Bathrooms: functionality, presence of leaks
- Kitchen areas: functionality, presence of leaks
- Overall physical conditions (flooring, walls, ceiling tiles, etc.)

Unit inspections will focus on all corners of the unit, including but not limited to:

- Smoke and carbon monoxide (if applicable) detectors
- Electrical breakers and panels
- Egress (living room and each bedroom)
- Outlets/GFCIs
- Adequate lighting
- Windows
- Kitchen
    - Range
    - Vent fan
    - Refrigerator
    - Outlets/GFCIs
    - Plumbing: functionality and presence of leaks
- Bathroom
    - Toilet: functionality and presence of leaks
    - Shower/tub: functionality and presence of leaks
    - Sink: functionality and presence of leaks

  - Caulking
  - Vent fan
- Overall physical conditions (flooring, walls, ceiling tiles, doors)
- Heat source

Although unit and building inspections are separate, either can exhibit inside deficiencies. Outside deficiencies may be observed during building inspections, but not unit inspections.
The project inspection encompasses the entirety of the site, including:

- Signage
- Walkways/sidewalks: presence of tripping hazards, spalling of concrete
- Parking lot: condition of asphalt
- Stairwells/handrails
- Holes/erosion in courtyards/lawns
- Overgrown vegetation

Once the inspection has been conducted, MBOH will send a letter and findings report to Ownership and the management agent, generally within two weeks from the date of inspection. The letter outlines the scope of the inspection and the timeline for correction. With the exception of health and safety deficiencies that require a 24-hour correction, Owners and/or management agents have 30 days to correct any instance of noncompliance. Owners and management agents self-report deficiency corrections, providing our office with necessary work orders, documentation and/or receipts as prudent to the finding. The findings report contains a column title “Date Corrected” for the correction dates. MBOH may require photographic evidence of correction. Corrections to health and safety deficiencies, if not corrected before staff leave the site, must be reported within 24 hours. Staff will verify correction has been completed.

C. Tenant File Audits

MBOH will contact management and the Owner no more than 15 days prior to the date of review. This review may be an in-person file review, or the review may be conducted remotely utilizing electronic file formatting. For remote file reviews, the following materials to be scanned into electronic format include:

- Initial application
- Initial lease: six-month minimum initial lease term
- Move-in TIC (Note that if there is a green star stamp at the bottom, this indicates that the move-in file has been reviewed previously by MBOH and no supporting income/asset documentation is required.)
- Income/asset supporting documentation/verification
- Recertifications, including Student Status Forms for 100% LIHTC, or full-income recertifications when required

D. Site Visit Occurrences

An initial site visit will be conducted not later than the end of the second calendar year following the year the final building in the project was placed in service. Site visits will occur at least once every three years. MBOH reserves the right to schedule and conduct a site inspection at any time, providing a 15-day notice to ownership and management of such inspection.

E. Noncompliance

Typical instances of noncompliance follow:

- NSPIRE violations
- Errors in tenant files (rent and income calculations, missing recertifications, violations of Full-Time Student Rule, etc.
- Failure to provide annual owner's certification
- Failure to provide annual compliance submission materials

- Inaccessibility of tenant income supporting documentation and rent records
- Vacant units not rent-ready longer than 90 days
- Incorrect identification of a project's Average Income Set-Aside Group or Average Income Fraction Group

MBOH will provide the Owner and management agent with prompt written notice and a reasonable time frame to correct instances of noncompliance. Thirty days is the typical correction period. With regards to an error in the identification of the Average Income Set-Aside Group or Average Income Fraction Group for LIHTC properties, MBOH has the discretion to waive in writing any failure to comply with procedural requirements for a period of up to 180 days, as defined in Treasury Regulation 1.42-19T(c)(4). Instances of these waivers will be considered on a case-by-case basis.

For LIHTC properties, MBOH must report noncompliance to the IRS (regardless of whether corrected) no later than 45 days after the end of the correction period and no earlier than the end of the correction period.

For all projects, regardless of funding source, failure to submit corrections on noncompliance by the MBOH deadline will result in an initial late fee and an additional per-week fee until resolved. MBOH may grant a one-time extension if the Owner submits a written request no later than 10 days prior to the deadline.

MBOH's obligation to monitor for compliance and to report instances of noncompliance as outlined in IRC section 42 does not make MBOH liable for noncompliance. Further, no member, officer, agent or employee of MBOH shall be personally liable concerning any matters arising out of, or in relation to, the compliance monitoring of any participating property.

F. Ownership/Management Changes

The LIHTC Program allows for changes in ownership at any time. The Owner must provide MBOH with at least 120 days' advance written notice prior to offering or listing

any project property for sale, assignment, transfer or exchange or entering into any agreement for such transaction. The Owner must also obtain the written agreement of any buyer, successor or other person acquiring the project or any interest therein that the project is subject to the requirements of the Restrictive Covenants, Section 42, and the applicable QAP, and this Compliance Manual.

The following forms are due prior to the sale:

- Property Change Information Form
- Purchaser Agreement
- Release of Information Form

Such forms, executed by the buyer, successor or other person acquiring the project must be submitted to MBOH prior to closing of the sale, transfer or exchange. The Board may void any sale, transfer or exchange of the project if the buyer, successor or other person fails to assume in writing the requirements of the requirements of the Restrictive Covenants, Section 42, and the applicable QAP, and this Compliance Manual.

The Owner shall notify MBOH within 10 business days of the filing of any judicial foreclosure action, receipt of any notice of trustee's sale or receipt or submission of any proposal for a deed in lieu of foreclosure with respect to any project or project property and provide MBOH with copies of the complaint, notice of trustee's sale or deed in lieu of foreclosure proposal, as applicable. MBOH may notify the United States Secretary of the Treasury if it has reason to believe that any potential foreclosure sale or deed in lieu of foreclosure is part of an arrangement to terminate the LURA restrictions.

Management changes must be reported to MBOH 30 days prior to the effective date. MBOH staff will have 15 days to review such change. If notice of the management change is not received in the time frame specified, or if MBOH receives no notice, MBOH shall impose the late fees based upon its assessment of the date of property management or ownership change. No change in management company shall be

acceptable unless it results in a Qualified Management Company assuming management of the property. All management companies, whether in place or being hired, must meet the definition of Qualified Management Company as defined by the applicable QAP. Replacement of a management company with a company that is not a Qualified Management Company or failure to timely submit notification to MBOH may trigger issuance of an IRS Form 8823.

In addition, project replacement and operating reserves and reserve accounts required by applicable law, and Board requirements must be retained by the project (and transferred in full to the new owner as applicable) in or as part of any sale, transfer or exchange of the project. The owner shall not withdraw or retain any such reserves or reserve accounts in or as part of any sale, transfer or exchange of the project. Any sale, transfer or exchange of the project that violates this may be voided by the Board.

Appendix A: Concepts

- Once Income Qualified, Always Qualified: With the exception of mixed-use properties (see The Available Unit Rule below), once a tenant is income-qualified to reside in a LIHTC unit, they are **always** income-qualified to reside there, regardless of household income. This is because income qualification is based on the effective date of the move-in TIC. If income increases at a later date, it has no effect on the eligibility of the previously qualified household.
- The Available Unit Rule: This is also referred to as the 140% Rule and is applicable only to mixed use properties with market rate units. The Available Unit Rule is triggered when a household goes above the 140% AMI limit as designated by the set aside election on IRS Form 8609. This does **not** mean that the household is forced to move (see Once Income Qualified, Always Qualified above). What it **does** mean is that the next unit of equal or smaller size **must** be rented to an LIHTC income-qualified household. Failure to do so would disqualify the 140% unit as an LIHTC unit, decreasing the applicable fraction, thus decreasing the number of credits eligible to be received. For AIT set-aside properties, the Available Unit Rule is triggered when a household income goes above the **greater** of 140% of the 60% AMI **or** 140% of the unit's designation. Please note that if your property is 100% LIHTC, then all units need to be rented to LIHTC income-qualified households regardless.
- Full-Time Student Rule: An LIHTC unit may not be rented to a household comprised entirely of full-time students and not eligible for one of the exceptions. An individual is considered a student if they attend school for any portion of five months in a calendar year; even one day counts as a portion of the month. Full-time status is determined by the educational institution. The Once income Qualified, Always Qualified concept does **not** apply to student status.
- Vacant Unit Rule: A vacant unit that had previously been qualified as an LIHTC unit will continue to qualify as an LIHTC unit as opposed to an empty unit, provided that the owner makes reasonable attempts to occupy the unit.

- Operating to Most Restrictive Requirements: Though briefly mentioned in this manual, many properties utilize many sources of funding other than LIHTC (HOME, Housing Trust Fund, Project-Based Section 8, etc.). If the regulations of two funding sources in one project contradict one another, management **must** follow the regulation that is most restrictive.
- Housing Choice Voucher holders **cannot** be denied based solely on the fact that they receive Section 8 HCV rental assistance. They **can** be denied if they are over the income limit, are full-time students or do not pass management's background check or screening process.
- Unit Transfers are allowed between buildings without requalifying the household **unless** each building on the property is being treated as an individual project. This will be denoted by the answer of "No" to Question 8b of the building's 8609.
- MBOH has considered the guidance and regulations proposed by the Housing Opportunities Through Modernization Act of 2016 while drafting this manual. At the time of this version, all guidance as it relates to the administration of the LIHTC Program follow guidance in HOTMA.
- MBOH must be notified of all personnel changes within your organization to monitor user access to the Certification Portal and ensure that no unauthorized persons may access the website.

Appendix B: Special Instructions

Annual Owner's Certification Submission

1. Log in to CP.
2. Select the Project.
3. Click on the button titled "Annual Owner Certification" above the Project list.
4. Update the Reporting Period.
5. Complete the form by answering the 29 questions on the form and filling in the pertinent information for "The Undersigned" and "On Behalf of" fields.
6. Click on "Save" near the bottom of the form.
7. Click on "Annual Owner Certification Form" near the bottom of the form.
8. Print the Annual Owner Certification Form.
9. Click "Submit Certification" near the bottom of the form.
10. The printed version must be notarized.
11. Scan notarized form and upload it to CP with the rest of the Annual Owner's Compliance submission materials.

Annual Tenant Certification Submission

1. Log in to CP.
2. Select the Project.
3. Click on "Proceed to Buildings."
4. Look at the "Current Reporting Period" column to ensure it's accurate. If not, click on the "Change Report Period" and update the reporting period.
5. Select the building.
6. Click on "Proceed to Units."
7. Select the unit.
8. Click "New Tenant Cert."
9. Enter the effective date of the tenant recertification in the "New Cert Date" field.
10. Update all other fields as needed.
11. Click "Save" or "Save and Close" near the bottom.
12. Proceed with all units in all buildings in the same manner.

13. When all tenant recertifications have been entered, click on “Ready All Units.”
14. Once all recertifications have been entered and all units have been readied, select the first building from the buildings screen and click “Reports.”
15. Select “Household Income and Rent Limits Status” report. This report will show whether or not all units are below the income and rent limit, as well as show which date the most-recent certification was performed.
16. Ensure that all units are under the income and rent limits and that all units show a most-recent recertification date within the current reporting period.
17. Perform this for all buildings.
18. Once the report has been run for all buildings, select the first building and click “Submit Tenant Certs.”
19. The tenant certs are now awaiting staff review. We will contact you in the event that a change needs to be made.

Utility Allowance Updates

The utility allowance information must be updated for all tenants annually through CP in a similar manner as the tenant recertifications. Note that projects that include all utilities in their rents will disregard this section, as the utility allowances are updated upon submission of their new allowances to the MBOH office.

1. Log into CP.
2. Select the Project.
3. Click on “Proceed to Buildings.”
4. Select the first building.
5. Click on “Proceed to Units.”
6. Highlight the first unit.
7. Click on the magnifying glass icon to the left of “Unit ID” to bring up the current tenant cert.
8. From the menu at the left, click on “Unit Rent.”
9. Click on “Edit” near the top.
10. Enter the effective date of the utility allowance under “Rent Change Date.”

11. Update the “Tenant Paid Rent,” “Mandatory Charges” and “Rental Subsidy” fields.
12. Enter the current utility allowance from the chart to the right in the “Utility Allowance” field.
13. Click “Save” near the bottom of the screen.
14. The utility allowance data for that unit has now been updated.
15. Proceed with each of the units in the building.
16. Follow Steps 6-13 above for each building in the Project.

The tenant’s annual recertification date should be done at the same time if it corresponds with the utility allowance update.

Importing Tenant Data Into COL From a Separate Software Platform

Certifications using other software must be imported into CP for them to be submitted to MBOH. To do so, follow the instructions below.

1. Create an XML file from your tenant tracking software (Yardi, OneSite, etc.) for each building.
2. Save these XML files to a folder on your desktop/network/etc.
3. Log into CP.
4. Select the Project.
5. Click on “Proceed to Buildings.”
6. Select the first building.
7. Click on “Import Building Data” near the top of this menu.
8. In the “Upload Building Data” screen click on “Choose File.”
9. Browse your computer for the XML file for the selected building.
10. Double-click that XML file.
11. Check the box next to “Overwrite existing Unit Activity.”
12. Click on “Upload Document” from the bottom of the screen.
13. Follow Steps 6-11 above for each of the buildings in the Project.

14. Follow Steps 13-18 from the Annual Tenant Certification Submission from Page 21 of this manual to submit the recerts you've uploaded.

Annual Compliance Forms Submission

1. Once the Annual Owner's Compliance Notice letter is received, log in to CP.
2. Click on "Templates" on the left of the screen.
3. This will bring you to the document templates screen where the templates can be downloaded.
4. Download the "Updated Reporting Packet."
5. Save this to your desktop to use for all of your properties.
6. Fill out the Reporting Packet with the pertinent information for each project.
7. Gather the remaining items from the checklist on the notice (Audited Financials, Tax Credit and Fair Housing training certificates, notarized Annual Owner's Certification of Continued Program Compliance).
8. In CP, select the Project. You may need to log in again.
9. Click on "Upload Files."
10. Find the "Annual Owner's Compliance Reporting" section.
11. Click on "New."
12. Give the Document Title an appropriate name, e.g., "Project" Reporting Packet."
13. Ensure that the Document Type is Annual Owner Compliance Reporting.
14. Click "Choose File."
15. Select the file from your desktop, or wherever you have it saved.
16. Click "Save."
17. Repeat Steps 10-15 above for all items in notice.'

Compliance Monitoring Fees Payment

The compliance fees can be paid on the MBOH payment portal.

1. Click on “MBOH Payment Portal” link above, or from the Annual Owner’s Compliance notice sent by MBOH, or from the Montana Department of Commerce website.
2. Click “Submit Payment” under the Compliance Fees section.
3. You will be prompted to create an Okta account. If you already have one, log in.
4. Click on “Payment Type.”
5. Click on “Add Item.”
6. Find “Compliance Monitoring Fees.”
7. Click “Add.”
8. Complete the remaining fields and select payment method.
9. Click “Next.”
10. After reviewing the “Payment Summary,” fill out the “Billing Information” for all fields listed,
11. Click “Next,”
12. Click “Submit Payment,”
13. Repeat for each of the projects for which you’re paying.

File Audit Uploading Instructions

Once the household file has been scanned into electronic format, it must be submitted to MBOH via the CP portal. This is done in the same manner as the materials for Annual Compliance Submissions:

1. Log in to CP.
2. Select the property for which you are submitting files.
3. Click on the “Upload Files” button near the top of the screen.
4. Under the “Miscellaneous” section, click on the “New” button.

5. In the “File Name of Short Description” field, type in the “Property Name” and “Unit Number.” Please do not include tenant names.
6. Click on “Choose File.”
7. Select the electronic format file, named as directed above.
8. Click the “Upload” button.
9. Repeat for each tenant file.

MBOH allows 30 days for corrections and will consider extensions on a case-by-case basis. MBOH requires all extension requests to be submitted in writing at least 10 days prior to the 30-day deadline.