

# Chapter 1 Introduction

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**Note: In previous versions of the MAT Guide – This was Chapter 1**

**Note:** Handbook references are to HUD Handbook (HH) 4350.3 REV-1, Change 4.

**Note:** References to the voucher are references to the HUD 52670 and not the PIH Housing vouchers unless explicitly indicated.

## 1.1 Background

The Tenant Rental Assistance Certification System (TRACS) is an integration financial management system developed by the U. S Department of Housing and Urban Development HUD to improve the fiscal control over Section 8 and other assisted housing programs.

TRACS is the sole repository of all tenant certification data, assistance contract data and crucial payment data for HUD's Office of Multifamily Housing (MFH). Based on the data stored in the system, TRACS automatically generates payments for subsidy programs where HUD is the contract administrator. TRACS currently controls payment processing for approximately 250,000 Section 8 subsidy payments annually.

The Tenant Rental Assistance Certification System (TRACS) was developed to help improve financial controls over HUD's Multifamily Housing programs.

TRACS collects and stores certified tenant data and subsidy payment vouchers from owners and management agents of Multifamily Housing projects (owner/agents) – either directly from the owners, from organizations acting as subsidy Contract Administrators for HUD, or from service providers/service bureaus who are paid by the project or Contract Administrator to collect, calculate, complete, and submit the data to TRACS on their behalf.

HUD Office staff maintain data on subsidy contracts and contract funding.

All tenant data submitted to TRACS undergo edits for accuracy and compliance with eligibility rules/rent calculation rules before they are stored in the TRACS Tenant Database.

If there are any issues, error messages are returned to the owner/agent either directly or through the Contract Administrator. Contract Administrator (CA)s are required to return all messages generated by TRACS to the owner/agent.

TRACS stores payment history for all project-based subsidy contracts for which HUD makes monthly Assistance Payments in the TRACS Voucher Database.

Much of the tenant, contract, funding, and voucher data stored in the TRACS databases is available to authorized users for on-line viewing. Report and data retrieval capabilities are also available.

## 1.2 Document Audience

This technical-level guide is intended to be used by the technical resource staff supporting Owners, Management Agents, State Agencies, Industry and Contract Administrators when implementing procedures for submitting automatic transactions/data to TRACS for processing. This guide should also be used in conjunction with HH 4350.3 and subsequent HUD Final Rules and HUD HSG Notices.

## 1.3 Document Scope

Analysts should refer to the definitions and codes defined in HH 4350.3 for MAT fields which have a HUD 50059, HUD 50059A, or HUD 52670 et.al. reference.

Definitions, codes, and edits which occur in this user's guide for these items are intended to further clarify the handbook as an aid in automation.

## 1.4 TRACS Resources

This paragraph summarizes some of the resources available to TRACS users. Owners should visit the TRACS website often, as announcements and documents are posted regularly.

### TRACS Information Updates

**HUD's TRACS** web site: [https://www.hud.gov/program\\_offices/housing/mfh/trx/trxsum](https://www.hud.gov/program_offices/housing/mfh/trx/trxsum)

TRACS frequently posts announcements on the TRACS website. These announcements notify owners and management agents of new procedures being implemented in TRACS.

Access the page for information about implementation of industry specifications, information about TRACS Industry meetings, and for other important announcements related to TRACS.

TRACS produces documents specifically related to TRACS for use by owner/agents and Contract Administrators. All documents can be accessed via the TRACS Documents website at the following address: [https://www.hud.gov/program\\_offices/housing/mfh/trx/trxdocs](https://www.hud.gov/program_offices/housing/mfh/trx/trxdocs). Documents that are current as of publication of this handbook are as follows:

**Integrated Multifamily Access eXchange (iMAX) User Manual** (July 2018) provides guidance to Contract Administrators, Owners and Management Agents who have subsidy contracts with HUD for transmitting tenant data and voucher data files to HUD and to other Owners, Management Agents and Contract Administrators registered with iMAX: <https://www.hud.gov/sites/dfiles/Housing/documents/iMAX%20User%20Manual.pdf>.

**Monthly Activity Transmission (MAT) User's Guide** provides the information necessary to understand the MAT requirements for preparing and transmitting data. This guide describes the prescribed MAT record layouts, field characteristics, and procedures to respond to error messages returned by TRACS: [https://www.hud.gov/program\\_offices/housing/mfh/trx/trxdocs](https://www.hud.gov/program_offices/housing/mfh/trx/trxdocs)

**Industry User Guide for TRACS Internet Applications** provides detailed information to assist industry stakeholders when accessing and using the Voucher, Certification, and Tenant Unit Address Queries. The queries are used to facilitate retrieval of voucher and certification information: [https://www.hud.gov/program\\_offices/housing/mfh/trx/trxdocs](https://www.hud.gov/program_offices/housing/mfh/trx/trxdocs)

**Apply for Access to HUD's Secure Systems – TRACS:**  
[https://hudapps.hud.gov/public/wass/public/participant/partreg\\_page.jsp](https://hudapps.hud.gov/public/wass/public/participant/partreg_page.jsp)

**TRACS External Users Access/User Recertification/Security Awareness Training Requirements.** This document provides information about access to TRACS and stakeholders responsibilities for keeping TRACS data secure. This includes information about the TRACS Rules of Behavior (TRACS ROB), Security Awareness Training through the Cyber Awareness Challenge, and Annual User Certification. [https://www.hud.gov/sites/dfiles/Housing/documents/TRACS\\_FY2023\\_Access\\_User\\_Recertification\\_Security\\_Awareness\\_Training\\_Requirements\\_v3.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/TRACS_FY2023_Access_User_Recertification_Security_Awareness_Training_Requirements_v3.pdf) (Note, if this link does not work, this document can be accessed from the TRACS web page).

**HUD Handbook 4350.3 Change 4**  
[https://www.hud.gov/program\\_offices/administration/hudclips/handbooks/hsg/4350.3](https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsg/4350.3)

TRACS 2.0.3.A MAT User Guide  
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**HUDClips** – HUD forms are stored on this page. This is where you can download current versions of HUD Forms 50059 and 50059A.  
[https://www.hud.gov/program\\_offices/administration/hudclips/forms/hud5](https://www.hud.gov/program_offices/administration/hudclips/forms/hud5)

**HSG Notice 2020-10 Electronic Signature, Transmission and Storage - Guidance for Multifamily Assisted Housing Industry Partners:**  
[https://www.hud.gov/sites/dfiles/Housing/documents/HUD\\_Notice\\_H\\_2020-10\\_Electronic\\_Signature.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/HUD_Notice_H_2020-10_Electronic_Signature.pdf)

**HUD’s Forms Matrix** providing owner/agents permission to remove the OMB Approval Number and OMB Expiration Date from the lease and certain TRACS forms.

[https://www.hud.gov/sites/documents/DOC\\_20481.PDF](https://www.hud.gov/sites/documents/DOC_20481.PDF)

**Unique Entity Identifier (UEI) Update Tenant Rental Assistance Certification System (TRACS):** A Unique Entity Identifier (UEI) is replacing the DUNS unique number assigned to all entities (public and private companies, individuals, institutions, or organizations) who register to do business with the federal government. New UEIs will be automatically assigned to entities registered in SAM at a future date. UEI should be used in place of DUNS numbers after April 1, 2022. This guide provides detailed information supporting these changes for the 2.0.3.A update.

[https://www.hud.gov/sites/dfiles/Housing/documents/TRACS\\_UEI\\_Notification.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/TRACS_UEI_Notification.pdf)

**HUD’s Multifamily Housing Help Desk:** Owner/agents also have the option of contacting the HUD Multifamily Help Desk or their software vendor with any questions concerning MAT errors.

Owners and Contract Administrators should always contact their software vendor first to address issues concerning their software. When the problem cannot be resolved by the software vendor, owners should then call the toll-free Multifamily Help Desk ( 800-767-7588). Owner/agents may also email the Help Desk using the following email address [tracs@hud.gov](mailto:tracs@hud.gov).

The HUD Multifamily Help Desk uses the MAT Guide to identify the mandatory field and format errors. The HUD Multifamily Help Desk is also authorized to respond to file transfer errors.

*Note: HUD’s Multifamily Help Desk is responsible for answering questions about transmissions to HUD’s databases. Multifamily Help Desk personnel are not responsible for responding to questions related to occupancy or resident concerns.*

## 1.5 HSG Notices & Final Rules Related to MFH Programs and Affecting TRACS Issued Since the Release of HH 4350.3 Rev. 1 Change 4

|           |   |
|-----------|---|
| 2014-09-H | <a href="#">Relocation Requirements under the Rental Assistance Demonstration (RAD) Program, Public Housing in the First Component</a>  |
| 2014-12   | <a href="#">Implementation of Tenant Participation Requirements in accordance with 24 CFR Part 245</a>  |
| 2015-01   | <a href="#">Notice of Program Eligibility for HUD Assisted and Insured Housing Programs for All People Regardless of Sexual Orientation, Gender Identity or Marital Status as Required by HUD’s Equal Access Rule</a> |
| 2015-04   | <a href="#">Methodology for Completing a Multifamily Housing Utility Analysis</a>   |
| 2015-06   | <a href="#">Program Eligibility in Multifamily Assisted and Insured Housing Programs in Accordance with HUD’s Equal Access Rule</a>   |
| 2015-10   | <a href="#">Guidance for Public Housing Agencies (PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions</a>  |
| 2015-12   | <a href="#">Amendment to the Definition of Tuition</a>  |
| 2016-01   | <a href="#">Passbook Savings Rate Effective February 1, 2016</a>  |
| 2016-05   | <a href="#">Revision of Tenant Participation Requirements in accordance with 24 CFR Part 245</a>  |
| 2016-08   | <a href="#">Family Self Sufficiency Program in Multifamily</a>  |
| 2016-09   | <a href="#">Streamlining Administrative Regulations for Multifamily Housing Programs</a>  |
| 2016-17H  | <a href="#">Rental Assistance Demonstration (RAD) Notice Regarding Fair Housing and Civil Rights Requirements and Relocation Requirements Applicable to RAD First Component – Public Housing Conversions</a>          |
| 2017-03   | <a href="#">Rental Assistance Demonstration – Final Implementation, Revision 3</a>  |

|                    |  |
|--------------------|--|
| 2017-05            | <a href="#">Violence Against Women Act (VAWA) Reauthorization Act of 2013 – Additional Guidance for Multifamily Owners and Management Agents</a>   |
| 2018-05            | <a href="#">Rental Assistance Demonstration (RAD) – Supplemental Guidance</a>  |
| 2018-10            | <a href="#">Guest Suites in Multifamily Housing Under the National Housing Act</a>   |
| 2018-11            | <a href="#">Rental Assistance Demonstration (RAD) - Supplemental Guidance 3.B</a>  |
| 2019-03            | <a href="#">Section 221(d)(4) and Section 220 New Construction and Substantial Rehabilitation Multifamily Projects with Low Income Housing Tax Credits (“LIHTC” or “Tax Credit”) Pilot Program</a>   |
| 2019-06            | <a href="#">Treatment of ABLE Accounts in HUD-Assisted Programs</a>  |
| 2019-09            | <a href="#">Rental Assistance Demonstration-Final Implementation Rev. 4</a>  |
| 2020-04            | Electronic Signature, Transmission and Storage - Guidance for Multifamily Assisted Housing Industry Partners (This Notice is superseded by HSG Notice 2020-10 below.   |
| Interim Final Rule | <a href="#">Streamlining Administrative Regulations for Multifamily Housing Programs and Implementing Family Income Reviews Under the Fixing America’s Surface Transportation (FAST) Act .</a>   |
| Final Rule         | <a href="#">Streamlining Administrative Regulations for Multifamily Housing Programs and Implementing Family Income Reviews Under the Fixing America's Surface Transportation (FAST) Act.</a>  |
| 2020-06            | <a href="#">Exclusion from Annual Income of Temporary Employment from the U.S. Census Bureau</a>   |
| 2020-10            | <a href="#">Electronic Signature, Transmission and Storage - Guidance for Multifamily Assisted Housing Industry Partners</a>   |
| 2020-11            | <a href="#">Continued Availability of Funds for COVID-19 Supplemental Payments for Properties Receiving Project-Based Rental Assistance under the Section 8, Section 202, or Section 811 Programs</a>  |
| 2022-04            | <a href="#">Reserve for Replacement Lender Delegation</a>  |
| 2022-05            | <a href="#">Renewal of Expiring Project Rental Assistance Contracts (PRACs) for Projects Under the Section 202 Program of Supportive Housing for the Elderly and the Section 811 Program of Supportive Housing for Persons with Disabilities</a> |
| 2022-06            | <a href="#">Continued Availability of Funds for COVID-19 Supplemental Payments for Properties Receiving Project-Based Rental Assistance under the Section 8, Section 202, or Section 811 Programs</a>  |
| 2023-01            | <a href="#">Unique Entity Identifier Replaces Dun &amp; Bradstreet Data Universal Numbering System for Identification of Federal Awards</a>  |
| Final Rule         | <a href="#">Housing Opportunity Through Modernization Act of 2016: Implementation of Sections 102, 103, and 104: Correction</a>  |

## 1.6 Glossary of Industry Terms

The following acronyms are used throughout this MAT Guide.

Please note that this is not a complete list of HUD acronyms used by Industry Stakeholders.

| Acronym         | Definition   |
|-----------------|--|
| ACC             | Annual Contributions Contract – This is the CA Contract  |
| AHAP            | Agreement to Enter into a HAP Contract   |
| AP              | Assistance Payment   |
| AR              | Annual Recertification   |
| Automation Rule | 24 CFR Part 208 Electronic Transmission of Required Data for Certification and Recertification and Subsidy Billing Procedures for Multifamily Subsidized Projects. Requires owners of subsidized multifamily projects to submit accurate data for housing assistance payments through the Tenant Rental Assistance Certification System (TRACS). |
| CAOM            | Contract Administrator Oversight Monitor   |
| Co-HOH          | Co-Head-of-Household   |
| Contract Number | HUD assigned 12-digit rental assistance contract numbers starting with state abbrev  |
| Coop            | Cooperative  |

| Acronym        | Definition  |
|----------------|---|
| CR             | Contract Rent   |
| CT             | Correction  |
| DAS            | Deputy Assistant Secretary  |
| DD             | Developmentally Disabled  |
| EID            | Earned Income Disregard   |
| EIN            | Employer's Identification Number  |
| EIV            | HUD's Enterprise Income Verification System   |
| ELI            | Extremely Low Income  |
| ETL            | Error Tracking Log  |
| FAQs           | Frequently Asked Questions  |
| FEMA           | Federal Emergency Management Administration   |
| FHEO           | Fair Housing & Equal Opportunity  |
| FORQ           | Field Office Initiated Accounting Adjustment  |
| FSS            | Family Self-Sufficiency   |
| FY             | Fiscal Year   |
| GR             | Gross Rent (TTP + UA)   |
| GR             | Gross Rent Certification  |
| GRC            | Gross Rent Change   |
| HACAO          | <i>Housing Assistance Contract Administration Oversight (HQ Office overseeing the PBCAs; interfaces with other HQ offices for the PBCAs)</i>  |
| HAP            | Housing Assistance Payment(s)   |
| HH 4350.3      | HUD Handbook 4350.3   |
| HOH            | Head of Household   |
| HOME           | Home Investment Partnerships  |
| HOPWA          | Housing Opportunities for Persons with Aids   |
| HOTMA          | Housing Opportunity Through Modernization Act of 2016   |
| HQ             | HUD Headquarters  |
| HSG Notice     | Multifamily Housing Notice  |
| HUD AE         | HUD Account Executive   |
| IC             | Initial Certification   |
| ICF/DD         | Intermediate Care Facility/Developmentally Disabled   |
| ICF/MR         | Intermediate Care Facility/Mentally Retarded  |
| IL             | Income Limit  |
| iMAX           | Integrated Multifamily Access Exchange  |
| IR             | Interim Recertification   |
| iREMS          | Integrated Real Estate Management System  |
| iREMS Number   | HUD assigned 8-digit Integrated Real Estate Management System (iREMS) property number   |
| ITIN           | Individual Taxpayer Identification Number (A tax processing number only available for certain nonresident and resident aliens, their spouses and dependents who cannot get a Social Security Number.) |
| LIHTC          | Low-income Housing Tax Credits  |
| LIHTC Max Rent | The Maximum Allowable Rent under LIHTC  |
| LMSA           | Loan Management Set-Aside   |
| LOCCS          | Line of Credit Control System   |

| Acronym             | Definition  |
|---------------------|---|
| MAR                 | Miscellaneous Accounting Request  |
| MAT                 | Monthly Activity Transmission   |
| MAT 10              | Any Full Certification (MI, IC, AR or IR or any correction to these)  |
| MAT 15              | Address Record  |
| MAT 30              | Voucher record  |
| MAT 31              | Voucher delete record   |
| MAT 40              | Move-out transaction  |
| MAT 65              | Termination/Suspension transaction  |
| MAT 70              | Gross Rent Change or Unit Transfer transaction  |
| MFH                 | Multifamily Housing   |
| MFI                 | Median Family Income  |
| MI                  | Move-in   |
| MO                  | Move-out  |
| Mod Rehab           | Section 8 Moderate Rehabilitation   |
| MOR                 | Management and Occupancy Review   |
| NC/SR               | Section 8 New Construction/Substantial Rehabilitation   |
| NCR                 | Noncitizen Rule   |
| OA                  | Owner/Agent   |
| OAMPO               | Office of Asset Management and Portfolio Oversight  |
| OARQ                | Owner/Agent Initiated Accounting Adjustment   |
| OGC                 | Office of General Counsel   |
| OIG                 | Office of Inspector General (aka the 'IG')  |
| OMB                 | Office of Management & Budget   |
| PAC                 | Section 202/162 – Project Assistance Contract   |
| PBCA                | Performance Based Contract Administrator  |
| PBRA                | Project-based Rental Assistance   |
| PBRA RAD            | Project-based Rental Assistance Rental Assistance Demonstration   |
| PBV                 | Project-based Voucher (program administered by PIH)   |
| PBV RAD             | Project-based Voucher Rental Assistance Demonstration   |
| PH                  | Public Housing  |
| PHA                 | Public Housing Authority  |
| PIH                 | Public and Indian Housing   |
| PII                 | Personally Identifiable Information   |
| POA                 | Plan of Action <i>owners plan recorded in the Use Agreement</i>   |
| PRAC                | Project Rental Assistance Contract  |
| RA                  | Repayment Agreement   |
| RAD                 | Rental Assistance Demonstration   |
| RAP                 | Rehab Assistance Payment (applies only to S8RAD C1)   |
| RAP                 | Rental Assistance Payment Contract  |
| RD                  | Rural Development   |
| REAC                | Real Estate Assessment Center   |
| Repayment Agreement | Tenants enter into a repayment agreement for the overpayment of assistance with the property, whereas Owners enter into a repayment agreement for the overpayment of assistance with the MFH field office, the following policies will ensure accurate accounting measures for both the |

| Acronym      | Definition   |
|--------------|--|
|              | property and SHCC. Chapter 8, Paragraph 8-23 of HUD Handbook 4350.3 REV-1, Change 4 provide specific guidance in regards to tenants' obligations to repay. |
| Rent Supp    | Rent Supplement Contract (applies only to S8RAD C1)  |
| RHIP         | Rental Housing Integrity Improvement Project   |
| RHS          | Rural Housing Service  |
| ROB          | Rules of Behavior  |
| S8           | Section 8 Contract   |
| S8RAD C1     | Section 8 PBRA RAD Component 1 PH to PBRA RAD  |
| S8RAD C2     | Section 8 PBRA RAD Component 2 Mod Rehab/Rent Supp RAP to PBRA RAD and PBRA RAD for PRAC   |
| S8RAD C3     | Section 8 PBRA RAD Component 3   |
| SAM          | System for Award Management  |
| SAVE         | Systematic Alien Verification for Entitlements   |
| SH           | Safe Harbor Income Source – Also referred to as Means-tested.  |
| SPII         | Sensitive Personally Identifiable Information  |
| SRO          | Single Room Occupancy  |
| Student Rule | Section 8 Eligibility to occupy the subsidized property and receive housing assistance.  |
| SSN          | Social Security Number   |
| TAC          | HUD's Technical Assistance Center  |
| TCA          | Traditional Contract Administrator   |
| TM           | Termination/Suspension of Assistance   |
| TR           | Tenant Rent  |
| TRACS        | Tenant Rental Assistance Certification System (TRACS)  |
| TTP          | Total Tenant Payment   |
| UA           | Utility Allowance  |
| UIV          | Upfront Income Verification  |
| UEI          | GSA SAM Unique Entity Identifier   |
| UR           | Utility Reimbursement  |
| UT           | Unit Transfer  |
| VAWA         | Violence Against Women Act   |
| VLI          | Very Low Income  |
| WASS         | Web Access Secure System   |
| YOC          | Year of Conversion (applies only to S8RAD C1)  |