TRACS 2.0.3.A

| HUD| Lanier Hylton
| HDS | Jed Graef
| Ross Business Development| Mary Ross

1

Attendees

Department of Housing & Urban Development
HUD Contractor – Pyramid Group
Owner/agents
Contract Administrators
Software Vendors
Consultants/Trainers

2

References

PPT Presentation

2.0.3.A Industry Specification Document

2.0.3.A MAT Guide

2.0.3.A Forms

3

Agenda

Address Changes That Affect PBRA RAD	Address Changes That Affect All Programs

4

Changes That Affect PBRA RAD

5

Two S8RAD Components

S8RAD C1	S8RAD C2
PH to PBRA RAD	Mod Rehab to PBRA RAD
Some Mod Rehab to PBRA RAD (Old Notice)	Rent Supp/RAP to PBRA RAD
	PRAC to PBRA RAD

6

Differences

Every Component has

At least one rule variance

That makes that Conversion

Different from all others.

7

S8 Subcategories - Proposal

Proposal to add a Section 8 Sub-Type field
to Header Records (TENHR and VCHHR) or
MAT90 Record
or both,
to make it easer to address the difference
between the five types of RAD Contracts

8

S8 Subcategories – Proposed Field Values

1 = RAD Mod Rehab Conversion under C1

2 = RAD Mod Rehab Conversion under C2

3 = RAD Public Housing Conversion (C1)

4 = RAD Rent Supplement or RAP Conversion (C2)

5 = RAD 202 PRAC Conversion (C2)

9

You will see why

as we continue

with this presentation

10

Rules that Apply Only to S8RAD PH C1

Phase in of Tenant Rent Increases
Earned Income Disregard and Rent Phase-in
Jobs Plus
Resident Participation and Funding
Resident Procedural Rights
TTP may exceed Gross Rent
Rehab Assistance Payments

11

S8 RAD TTP & Gross Rent

Component 1	Component 2
TTP may equal or exceed Gross Rent Creating an AP of $0 or a negative amount	TTP May not equal or exceed Gross Rent. When AP is zero, resident pays contract rent *(assuming no LIHTC)*

12

S8 RAD C1 – TTP, Negative AP & Proration

Component 1	NonCitizen Proration
TTP may equal or exceed Gross Rent Creating an AP of $0 or a negative amount	When AP is zero or negative, Do not apply noncitizen proration.

13

S8 RAD C1 – TTP & Tenant Voucher Status

When a S8RAD C1 TTP Calculation results in TTP that is equal to or greater than Gross Rent, AP is zero or negative.	These tenants are still considered subsidized/assisted (similar to PRAC) and are subject to the AR and IR certification rules.

14

S8 RAD C1 – Termination (Note)

S8 RAD C1 Tenants
Are subject to termination
(Based on standard S8 rules)
For non-compliance
And are subject to suspension for rehab

15

S8RAD and Right to Return

Existing Residents
in place at the time of conversion to RAD –
or those relocated for rehab immediately prior to
conversion to RAD –
have a right to return.

16

S8RAD and Right to Return

OAs are not required to offer the same unit upon return

HUD Occupancy Standards Apply

17

PRAC to RAD Income Limits

Component 2 PRAC to RAD	All Other PBRA RAD
Low (No)	Low (Yes)
Very-low (Yes)	Very-low (Yes)
Extremely-low (Yes)	Extremely-low (Yes)

18

S8RAD C2 – PRAC to RAD Right to Return

The PRAC Contract Does Not Apply Noncitizen Rule

Under S8RAD C2 PRAC to RAD
Do Not Apply NCR on the Conversion IC
OAs are required to determine noncitizen eligibility at first AR/IR after conversion to RAD for existing residents.

19

NCR – PRAC to RAD Conversion IC

Add New Member Citizenship Code of RD (New Code)	Set the HH Citizenship Eligibility Code to R (New Code)
RAD Resident at Time of Conversion – Rule not applied for each member	RAD Conversion Tenant - Full Assistance while verification of eligibility is pending

20

TRACS Edit

RD	R
Member Code May not be used on AR or IR	HH Code May not be used on AR or IR

21

S8RAD & NonCitizen Proration

Noncitizen Rule applies to RAD
and normal proration calculations are to be done,
when applicable,
for RAD households **whose assistance is positive.**

22

S8RAD C1 & NonCitizen Proration

Noncitizen Rule proration does not apply to S8RAD C1 households with zero or negative AP

These households pay according to normal S8RAD C1 rent calculation without Noncitizen Rule proration.

23

S8RAD & LIHTC

As long as AP is $1 or more tenant pays according to Section 8 rent formula.

If AP is terminated, Tenant Rent may not exceed the maximum allowed LIHTC rent

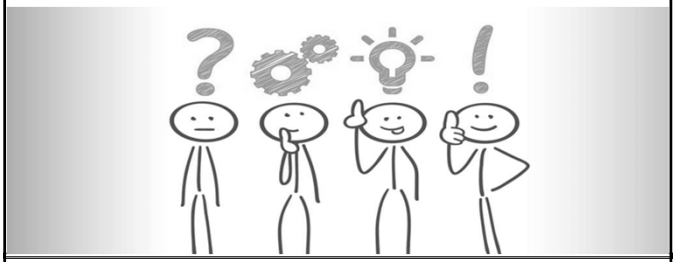
24

S8 RAD C1 & C2 Mod Rehab to RAD

When EID Ends
Recertification(AR or IR)
Is required
Regardless of the amount of increase
($200 rule is not considered)

25

Questions



26

S8RAD Rent Calculation

27

S8RAD C2 – Rent Calculation

HUD Only	w/LIHTC
TTP Capped at Gross Rent When AP=$0 TR=Contract Rent	TTP Capped at Gross Rent When AP=$0…

28

S8RAD C2 with LIHTC – AP = $0

When LIHTC	When LIHTC
Maximum Allowable Rent Is less than Contract Rent Resident Pays LIHTC Max Rent	Maximum Allowable Rent Is more than Contract Rent Resident May Pay LIHTC Max Rent

29

S8RAD C1 - Zero or Negative AP

Accepted in 2.0.3.A (No Longer FATAL)

Conversion IC

New Move-in

Existing Residents (AR, IR, GR, UT)

30

S8RAD C1 w LIHTC - Zero and Negative AP

Resident Pays Lesser of

Standard RAD C1 Calculated Rent (TTP – UA) or
LIHTC Maximum Allowable Rent
(mind special calculation rules)

31

S8RAD C1 – Existing Residents

When Existing Residents Pay Zero or Negative AP

Certifications FATALLED in Previous Versions of TRACS

Within 30 Days of Converting to 2.0.3.A

Must send an IC with the most recent info establishing the tenant in TRACS

32

S8RAD C1 – Existing Residents

Follow similar rules as for the Conversion IC

Do Not Check Eligibility = Y

RAD Conversion Tenant = Y (if in place at conversion)

TTP at RAD Conversion (if Phase-in is in progress)

33

S8RAD C1 – Negative Assistance Voucher

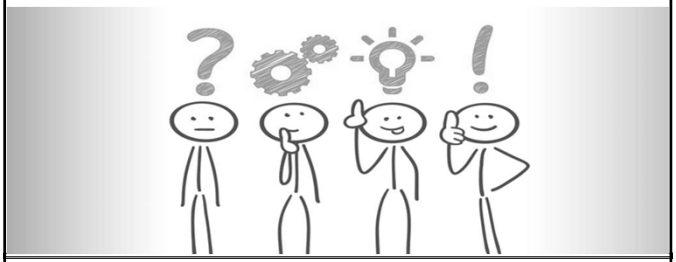
When Assistance Payment (AP) is negative

Use New RADN Miscellaneous Accounting Request Code

To Offset the Negative Request

34

Questions



35

S8RAD The Conversion IC

36

Existing Residents

PH and Mod Rehab to RAD	Rent Supp, RAP & PRAC
An EOP record	A TM
Must be submitted	Must be submitted
To PIC	To TRACS
Before submitting any certs	Before submitting any certs
For the new RAD Contract	For the new RAD Contract
To TRACS	To TRACS

37

The Conversion IC

A Conversion IC Must Be Submitted

For Any Resident In Place

At the Time

Of Conversion to S8RAD

(including residents relocated for Rehab prior to conversion)

38

S8RAD Conversion IC Effective Date

Conversion IC Effective Date

Is Equal to

PBRA RAD Contract Effective Date

39

RAD Conversion Tenant Indicator

A new MAT10, Section 2 field 19 (RAD Conversion Tenant)
is set to **Yes**
on the IC and on all subsequent full certifications.

This field is not printed on the 50059.

40

S8RAD Component 2 – 50059 Data

Use Data on Most Recent 50058/50059
For the Conversion IC
(when possible)

If AR/IR Effective on Same Date
as RAD Contract Effective Date
Use New Information when
Creating Conversion IC

41

Conversion IC Instructions

42

General Rules – Conversion IC

No Re-Screening
Do Not Check Eligibility Flag is Set to Y
Do Not Count Conversion IC as Part of Income Targeting
Earned Income Disregard (EID) Uses Net Number
Occupancy Rules Apply (Over/Under Housed)
Next Recert Date = Next Recert Date on most recent 50058/50059 submitted prior to conversion to RAD

43

S8 RAD C1 Only - Change to TTP at Conversion

If S8RAD C1 Calculated TTP is more than
TTP on most recent 50058
Use Rent Override to
Make TTP equal to TTP on the 50058

44

S8 RAD C1 Only - Change to TTP at Conversion

TTP Before Override Field
Is filled with the
Standard Section 8 TTP

TTP Before Override
is TTP as it would normally
be calculated
including any
Minimum Rent or
Noncitizen Rule Proration

45

S8 RAD C1 Only - Change to TTP at Conversion (Note)

DO NOT Use Rent Override
When TTP is equal to
Standard S8 TTP

This will generate an error.

46

S8 RAD C1 Only - Change to TTP at Conversion

If Conversion IC Calculated TTP Is more than TTP on most recent 50058	OA must determine If Rent Phase-in applies for this tenant 2.0.3.A Rules

47

S8RAD C1 Only – Rent Phase-in

With TRACS 2.0.3.A
Eligibility for Rent Phase-in applies when
standard S8 Rent Calculation for Conversion IC
Results in TTP that is
Higher than TTP on most recent 50058 submitted prior to RAD
By the greater of
$25 or 10% of TTP at RAD

48

Phase-in Causes

Optional Deductions

Fixed Rent

Do Not Apply Rent Phase-in
If Change In TTP
Is Caused by End of EID
Occurring on
Conversion IC Effective Date

49

S8RAD C1 Only – TTP at RAD Conversion

When Phase-in Applies
TTP at RAD Conversion Field
Must be filled
With TTP on the
Most Recent 50058
Submitted Prior to RAD

Field May Be Filled
At Other Times (C1)
But it is not Required

Do Not Fill
For C2 Conversions

50

TTP At RAD Conversion

This Number
Should Not Change
Once Submitted
Unless a Correction
is Submitted

Will Generate
A Discrepancy Error
Action Code 3

51

S8RAD C1 Only – Two Phase-in Options

Three-Year Phase-in 2.0.3.A	Five-Year Phase-in 2.0.3.A
33% in year 1 and 50% in year 2	20% in year 1 25% in year 2 33% in year 3 50% in year 4

52

Phase-in Percentages & Existing Residents

New percentages will be applied
To new 2.0.3.A Certifications
Even if Phase-in started using old percentages

202D certifications corrected under 2.0.3.A use old percentages

53

Phase-in Percentages & Existing Residents

No need to correct Submitted certifications

New percentages are used starting with next full cert.

If a UT or GR comes before the next full cert, use percentage from prior full cert

54

S8RAD C1 Only – Phase-in Certs

The Rent Phase-in Calculation
Is only completed when creating
Full Certification 50059
(This includes a previously transmitted
50059 corrected only due to GRC with UA change)

And Not when Creating
Partial Certifications
But follow new calculation rules for Partial Certifications

55

S8RAD C1 Only – Phase-in Calculation

Increase on any particular certification is calculated by applying proper percentage increase to difference between TTP on prior certification and TTP for current certification.

In the final year
(the year-3 or year-5 annual),
calculated TTP is used since phase-in is complete.

56

S8RAD C1 Only – Phase-in Calculation Ends

At the End of the Phase-in Period

At the End of EID

When TTP before Override is less than or equal to
TTP on the most recent 50059

57

Example – P1

- IC moving the tenant to RAD.
- TTP calculated at Conversion IC is used to determine if phase-in applies.
- Tenant is subject to phase-in
- The relevant fields are filled as follows assuming that the
  - Tenant would normally pay a TTP of $150
  - Tenant's current TTP at RAD conversion (on 50058) is $100.
- 3-year phase in

58

Example – P2

Rent Override: Y
Total Tenant Payment: 100
TTP Before Override: 150
TTP At RAD Conversion: 100

59

Example – P3

- First AR, tenant's income has increased
- **TTP Before Override** = $300.
- We are still in year 1 of the three (3) year phase-in.
- The fields are filled as follows:

Rent Override: Y
Total Tenant Payment: 166 *(300-100=200*33%=66+100)*
TTP Before Override: 300
TTP at RAD Conversion: 100

60

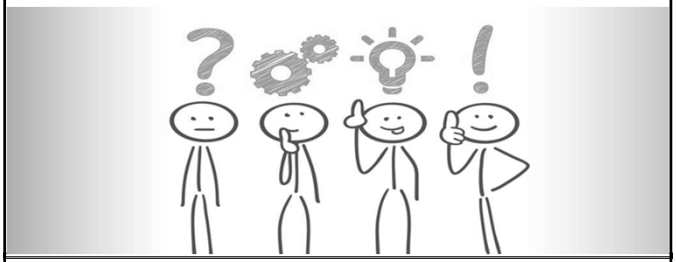
Example – P4

- Second AR TTP has dropped and **TTP Before Override** is $150.
- Since the **TTP Before Override** is less than TTP from the prior cert ($166), this signals the early end of the phase–in.
- The fields are filled as follows:

Rent Override: blank
Total Tenant Payment: 150
TTP Before Override: 150
TTP is equal to or less than TTP on most recent cert ($166)
TTP at RAD Conversion: 100

61

Questions



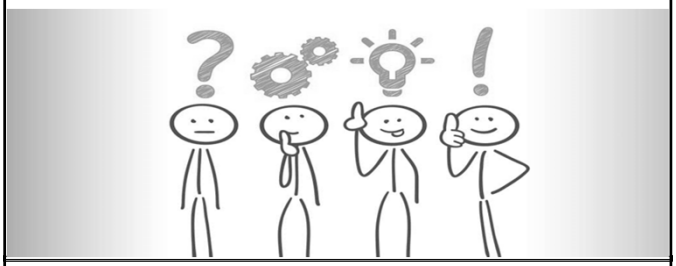
62

S8RAD C1 Only – Phase-in – Retroactive Certifications

In the event a retroactive certification is required
any certifications effective after effective date of retro cert
may need to be corrected
and the phase-in TTP recalculated.

63

Questions



64

Addition to MAT 10 Record

Add four fields to the end of

MAT10, Section 2 Basic record

(not to the HUD Form 50059)

to help with auditing RAD Phase-in Calculations.

65

New Phase-in Fields

1 = RAD Phase-in Schedule (3 or 5 years)

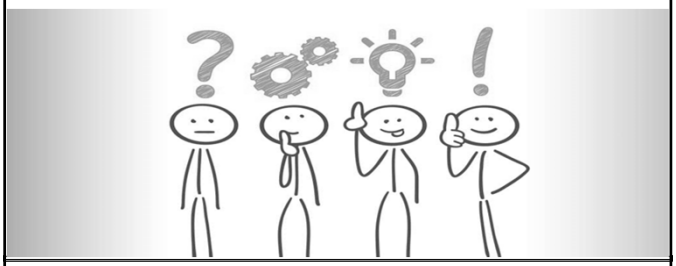
2 = Prior TTP

3 = Phase-in Rules (202D or 203A)

4 = Phase-in Year (1-5)

66

Questions



67

S8RAD C1 Only – 50059 Data When AR/IR is Due

Data Used for Conversion IC
Is same as data
Included on most recent 50058
Submitted Prior to Conversion

What if the AR or IR had already been submitted?

68

S8RAD C1 – AR/IR Effective DATE = RAD

When AR or IR is Effective
On the Same Date
As Conversion IC
Use Data on 50058
For the Conversion IC

Determine if
Rent Phase-in Applies

69

S8RAD C1 – AR/IR Effective DATE = RAD

Submit that Conversion IC To TRACS
& Check TRACS to Make Sure
Conversion IC
Was Recorded Correctly

70

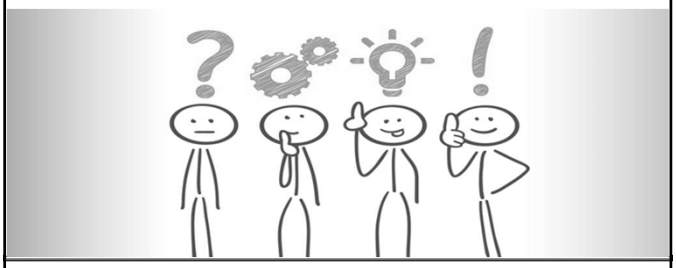
S8RAD C1 – AR/IR Effective DATE = RAD

Then the OA
Must correct Conversion IC
Using new AR/IR data

Submit that Corrected IC
To TRACS &
Check TRACS to Make Sure
Corrected IC
Was Recorded Correctly

71

Questions



72

Residents Relocated for Unit Rehab

73

RAD Relocation for Rehab – Same Contract

When a RAD resident is relocated for rehab
to a unit under the same contract
The owner/agent will complete
A unit transfer

74

Relocation for Rehab – Lease

Execute the leases based on UT timeframe. Result is 3 leases Or	Incorporate a HUD approved (approved before using) Lease Addendum

75

RAD Relocation for Rehab – Not Same Contract

When a RAD resident is relocated for rehab
to housing that
Is not covered under the RAD Contract
The household is suspended
Using the new Termination/Suspension Codes
(Note: Not true if Pass Through Applies)

76

RAD Relocation for Rehab – Not Same Contract

Before RAD Contract Effective Date	On or After RAD Contract Effective Date
New TM Code of RH = Relocated before RAD Contract Effective Date Note: Treated like NS/DS	TM code of RD = Section 8 RAD tenant transferred to other housing during rehab.

77

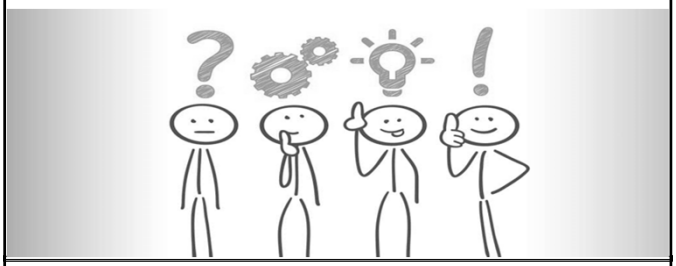
RAD Relocation for Rehab – Not Same Contract Vouchering

These residents/units will receive a new classification
On the voucher of
Rehab

We'll talk about that later
(Not specific to RAD)

78

Questions



79

When Relocated Resident Returns

80

When Resident Returns

OA must create an IC To reinstate the tenant and Do Not Check Eligibility Flag is set to Y	If tenant returns To a different unit The UT flag is set to Y And Previous Unit Number used on Conversion IC is included on IC

81

Note to SW Vendors

Be sure to check
To make sure this won't cause an issue
When another family has already been moved in to
the original unit.

82

New IC for Relocated Residents – Effective Date

The Effective Date for
The Returning Resident's IC
Is the first day of occupancy
In the S8RAD Unit.

Do Not Check Eligibility
Is set to
Yes

83

New IC for Relocated Residents – Next Recert Date has Not Passed – No New Info

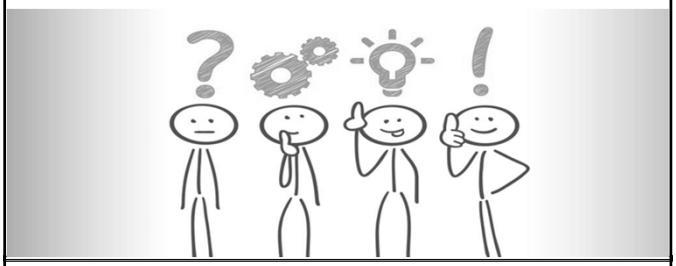
If the Next Recert Date on
the Conversion IC
Has not passed
OA uses the same
Next Recert Date

Generally, OA will use
information from Conversion
IC (or most recent MAT 10)

OAs should make inquiries
To determine if new information
should be included
(IR requirements)

84

Questions



85

New IC for Relocated Residents – Next Recert Date has Not Passed – New Info

If nothing has changed that would normally drive an IR
Use data from Conversion IC
(or most recent MAT 10 submitted before relocation)

If income or household composition has changed,
And an IR would be required
include new information treating the IC like an IR.

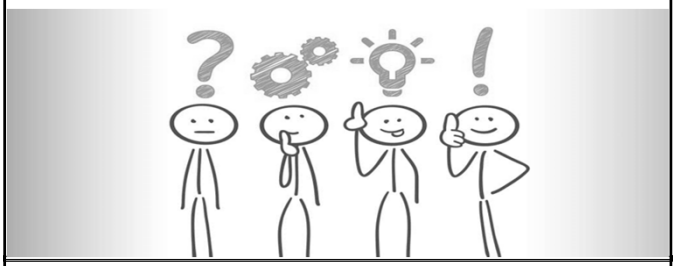
86

New IC for Relocated Residents – Next Recert Date has Not Passed (Note)

Be careful when a Relocated resident Will return within 120 Days of their Next Recert Date.	Appropriate AR Notices are required (more on AR Notices later)

87

Questions



88

New IC for Relocated Residents – Next Recert Date has Passed

Based on a Rule Change
OAs are not required to certify residents
During the time they are relocated for rehab
(unless Pass-through applies)

89

New IC for Relocated Residents – Next Recert Date has Passed

If the Next Recert Date on the Conversion IC has passed
(or most recent MAT 10 submitted before relocation)
The OA must gather new information for the resident

90

New IC for Relocated Residents – Next Recert Date has Passed

The IC is treated
Like an AR

All AR Tasks
(verification, forms distribution, etc.)
Are completed.

Do Not Check Eligibility Flag
is set to Y

91

New IC for Relocated Residents – Next Recert Date has Passed

The Next Recert Date

on the new IC

Coincides with

The Effective Date of new IC.

For Example

IC Effective Date
7/15/20
(date resident returned)

Next Recert Date is
7/1/2021

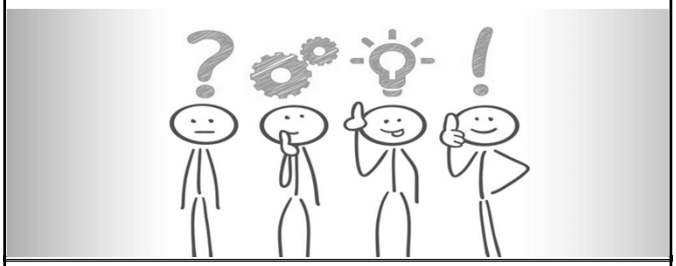
92

Relocation & Noncitizen Eligibility

If Noncitizen Eligibility has not been determined or if it has changed
AND
when a resident has been suspended
using either the RD or RH code
And
When the resident returns
after the "Next AR Date" on the Conversion IC
(or last MAT 10 submitted before relocation)
OA completes necessary tasks to comply with NCR

93

Questions



94

S8RAD C1 – Tenant Return & Phase-in

When Phase-in applies

The owner/agent will apply phase-in rules

Based on the length of time

The resident has been gone.

95

S8RAD C1 – Tenant Return & Phase-in

Example Assuming No Passthrough:

- Tenant is relocated before the RAD contract is effective.
- The tenant moves into a residence outside of the RAD Contract
- The Conversion IC is effective on RAD Contract Effective Date 3/1/2019
- Next Recert Date is 11/1/2019

96

S8RAD C1 – Tenant Return & Phase-in

A new MAT10, Section 2 field 19 (RAD Conversion Tenant) is set to **Yes** on the IC and thereafter on full certifications.
This field is not printed on the 50059.

TTP at RAD Conversion is $100 and calculated MFH TTP is $200

Rent Phase-in Applies because difference is more than greater of 10%/$25

Rent Phase-in will normally apply on the next MF full certification.

97

S8RAD C1 – Tenant Return & Phase-in

To prevent subsidy billing on the voucher, a TM is issued using the IC effective date using TM code of RH—no subsidy.

There will be no assistance billed for this household.

98

S8RAD C1 – Tenant Return & Phase-in

- The resident returns and the OA creates an Initial Certification on August 1, 2019.
  - The OA 50058/Conversion IC data to complete the certification *(Next AR date has not passed)*
  - The Eligibility Check Not Required flag is set to Yes

99

S8RAD C1 – Tenant Return & Phase-in

In this example, the Next Recert Date has not passed and no family or income information has changed.

Phase-In calculations are **NOT** performed.

Resident's TTP is based on the TTP on the Conversion IC or most recent MAT 10 submitted before relocation.

100

If the Next Recert Date had passed or If 50059 Data Changed….

101

S8RAD C1 – Tenant Return & Phase-in

Example Assuming No Passthrough:

- Tenant is relocated before the RAD contract is effective.
- The tenant moves into a residence outside of the RAD Contract
- The Conversion IC is effective on RAD Contract Effective Date 3/1/2019
- Next Recert Date is 5/1/2019

102

S8RAD C1 – Tenant Return & Phase-in

Tenant Returns on 8/1/2019

New Data is used on IC

Phase-In calculations are performed.

The phase-in percentage used is based on the Effective Date of the new IC in relation to the Effective Date of the Conversion IC.

March 1, 2019 to August 1, 2019 (still year 1)

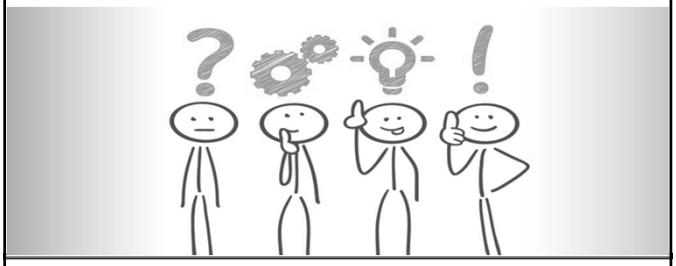
103

S8RAD C1 – Tenant Return & Phase-in

If it has been less than one year since the Effective Date of the Conversion IC, Use year 1 Phase-in percentage	If it has been more than one year, but less than two years, since the Effective Date of the conversion IC, Use year 2 Phase-in percentage, etc.

104

Questions



105

Special Note – Pass Through

When Pass-through applies Resident is not Terminated; O/A still bills for subsidy

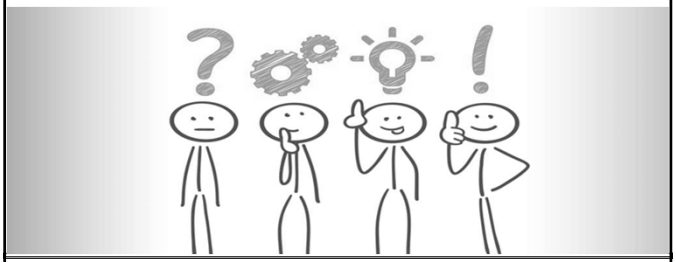
If the tenant is in a PIH unit which receives operating funds, it is not eligible for a pass-through.

This is not A TRACS issue

Unit is included in the Subsidized Unit Count.

106

Questions



107

Vouchering for RAD

108

Vouchering for RAD - General

AE is responsible for ensuring property information is available in iREMS for TRACS

Must Begin Submitting Tenant Certifications Immediately
Must Begin Submitting Vouchers Within 90 Days

Vouchers must include FSS Escrow Account Information for all residents including those in place at the time of conversion to RAD

109

S8RAD Component 1 – Vouchering – YOC

110

Contract Administrators & RAD

HUD AE Acts As The Contract Administrator	All Vouchers Must be Approved By the HUD AE Before Submission To TRACS Until the AE is “comfortable” with the submission process.

111

Year of Conversion (YOC) Defined

Year of Conversion is

The time that starts with

The Effective Date of the RAD Contract

Through December 31

Of the Same Year

112

Example - YOC

S8RAD C1 Contract Effective Date
4/1/2020

Year of Conversion is
4/1/2020 through 12/31/2020

Year Two Begins 1/1/2021

113

YOC Funding

S8RAD C1 YOC Funded by PIH	All Vouchers for YOC Must be Reduced to Zero

114

New MAR Code – RADZ

Use the new

Miscellaneous Accounting Request Code

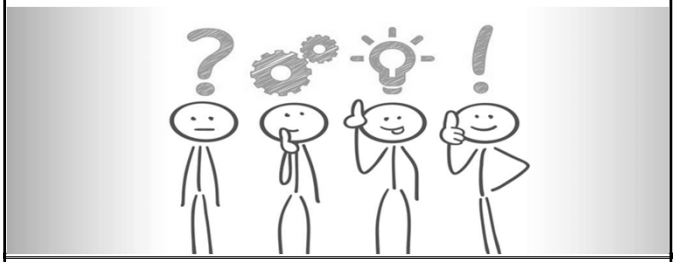
RADZ

To Reduce the Voucher to Zero

After the voucher is otherwise complete

115

Questions



116

S8RAD Component 1 – Vouchering – Rehab Assistance

117

S8RAD C1 – Rehab Assistance

For units that are unavailable Due to Scheduled Rehab

(sometimes there are limits on the number of units per month)

Monthly Rate Is Noted In Part II, Section 2 of the HAP Contract

118

S8RAD C1 – Invoice for Rehab Assistance

Can bill for units that Are not re-rented Because rehab is Scheduled soon

Best to Bill For the month prior To account for Changing construction schedules

119

S8RAD C1 – Invoice for Rehab Assistance

Can bill for multiple months on a single voucher using New MAR Code RADR

Must have A separate RADR line item In MAR For each month

120

MAR RADR Comment Field

The Comment field must contain
the month/year of the Rehab Assistance request
and number of units included in request for that month.

For example:
"January 2020 Rehab Assistance Payment – 40 Units."

121

The Rehab Assistance Payment Invoice

Rehab Assistance Payment Invoice
is an Attachment to voucher *(supporting schedule)*

Both must be printed, signed and maintained

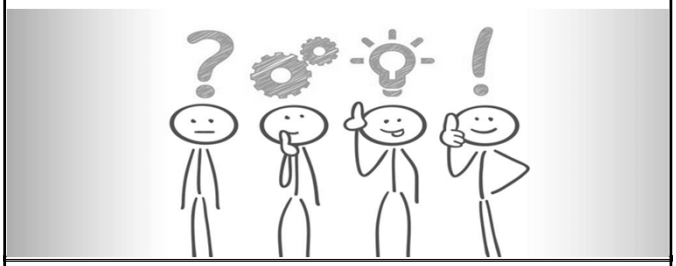
While OA can bill for multiple months on one voucher,
Each RAP Invoice
may only contain information for single month

122

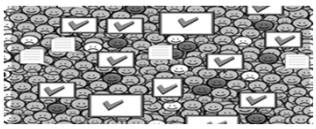
See Sample in MAT Guide (Excel)

123

Questions



124



PBRA RAD Repayment Agreements

125

S8RAD C2 – Repayment Agreements

Mod Rehab to PBRA RAD Do Not Include Repayment Agreements for Existing Residents (at time of RAD Conversion) On RAD Voucher (PIH Funds)	Rent Supp/RAP/PRAC Include Repayment Agreements for Existing Residents (at time of RAD Conversion) On RAD Voucher (MFH)

126

Rent Supp/RAP/PRAC

If previously reported
Show as existing RA Baseline

So there is no offsetting
voucher adjustment

If not previously reported
Show as
New RA

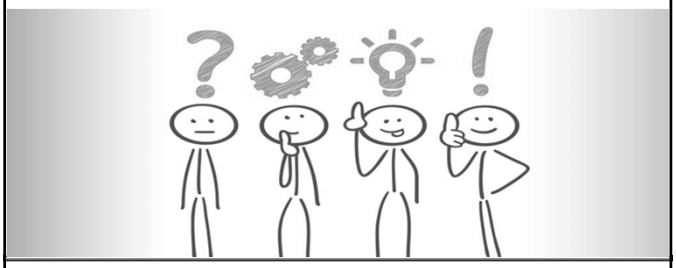
127

S8RAD C1 - Repayments

Do Not Include Repayment Agreements for
Existing Residents
(at time of RAD Conversion)
On RAD Voucher
(PIH Funds)

128

Questions



129

S8RAD C1 – Adjustments That Affect YOC/Year 1

130

S8RAD C1 – Year Two Adjustment Rules

Adjustments caused in Y2 or later That Affect YOC Must Be Reversed	Use New MAR Code RDRV to reverse the net of YOC Adjustments for Each Tenant

131

Example

YOC is 5/1/2019 – 12/31/2019

On 4/1/2020, OA Creates Correction to Prior for AR effective 9/1/2019

Adjustment is…

132

Required Adjustment

9/1/2019 through 12/31/2019 is part of YOC

Increased Billing $25 per month

Reverse this Transaction

RDRV = -$100

133

See Sample

Adjustments to Schedule of Tenant Assistance Payments Due

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0182
(Exp. 06/30/2018)

Before completing this form, read and follow the instructions in the Monthly Activity Transmission (MAT) User's Guide. See the statements on the form HUD-52670 information on public burden.

1. Asst. Pymts Due For (mm/yyyy):	2. Project Name:	3. FHA / EH / Non-Insured Proj. No:	4. Section 8 / PAC / PRAC Contract No:	5. Type of Subsidy:
4/1/2020	Magnolia Gardens		TX37RD99999	S8

6. Head of Household Name Last, First, Initial	7. Unit Number	8. Adjusting Certification					9. Adjustment Period		10. Calculation Detail							11a. Requested	11b. Approved (HUD/CA use only)
		Prior or New Billing?	New Cert?	Cert Type	Effective Date	Asst. Pmt.	Beginning Date	Ending Date	Beginning Partial Month		Full Months		Ending Partial Month		Amount		
									No. of Days	Daily Rate	No. of Months	Monthly Rate	No. of Days	Daily Rate			
Anderson, Andy, A.	101A	P	N	AP	9/1/2019	0	9/1/2019	3/31/2020		0	7	240	0	0		-1680	
Anderson, Andy A.	101A	N	N	AP	9/1/2019	0	9/1/2019	3/31/2020		0	7	265	0	0		1855	
																175	

134

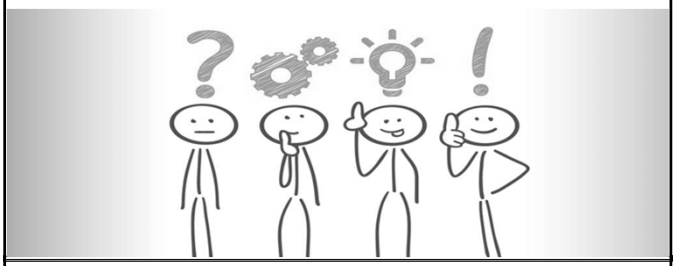
When Adjustments Require Repayment

S8RAD C1 Adjustments Affect YOC

Only include on the RAD Voucher
Repayment Agreement Amounts
That Affect AP Payments/Improper Payments
Made After YOC

135

Questions



136

S8RAD 50059 After Conversion IC

137

Income Limits – All But PRAC to RAD

For Income Limit (IL) Purposes
All S8 RAD Residents
Except PRAC to RAD
Are Treated as Pre-Universe
Admitting
Low, Very-low and Extremely-Low Income Applicants
(These are still transmitted as Post Universe Contracts)

138

Income Limits –PRAC to RAD

PRAC to RAD
Are Treated as Post-Universe
Admitting Only
Very-low and Extremely-Low Income Applicants

139

S8RAD – IL Exception Codes

Field 46, Income Exception Code = blank	RAD (Except for PRAC to RAD) OAs may admit tenants up to the Low-Income Limit. (MI and IC)
Exception codes do not apply to RAD (except for PRAC to RAD) even though it is Post Universe.	PRAC to RAD OAs may admit tenants up to the Very-Low Income Limit. (MI and IC)

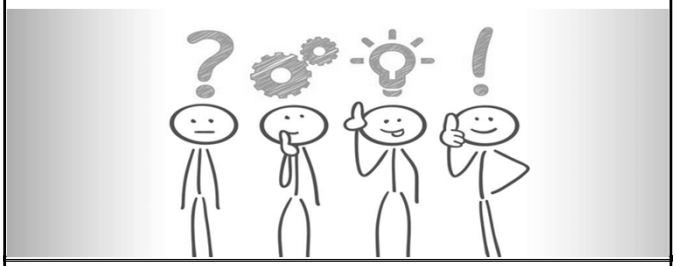
140

S8RAD – AP

S8RAD Component 1	S8RAD Component 2
AP may be Zero or negative (including MI/IC - Exception to HH 4350.3 P-3-6)	AP may not be Zero or negative Comply with HH 4350.3 P-3-6

141

Questions



142

Break

143

Other Changes

144

811 PRA Demo

145

811 PRA Demo Eligibility

Households must be Extremely Low Income (ELI) and must have a member (Head, Spouse or Co-Head) with a disability who is 18 years of age or older and under the age of 62 to qualify for the program

146

811 PRA Demo Eligibility - Timing

This eligibility check is done at the time of MI or IC.

As long as the household was eligible at MI/IC, rules are not applied when subsequent certifications are created.

147

811 PRA Demo Eligibility after TM

If a tenant is terminated (not suspended)
for a reason such as failure to recertify
or increased income (AP drops to $0)
the tenant does need to requalify
when reapplying for assistance

148

811 PRA Demo Vacancy Claims

Under 811 PRA Demo program, state agency administering the program may allow vacancy claims or not.

If they do, state agency can set payment percentage other than the traditional 80%.

Site and CA software needs to support whatever value state agency uses, keeping in mind that the value may differ from state to state.

Payment percentage used is a whole number (For example: 72%) to be consistent with the standard percentages used (80% and 50%).

149

811 PRA Demo Rent Calculation

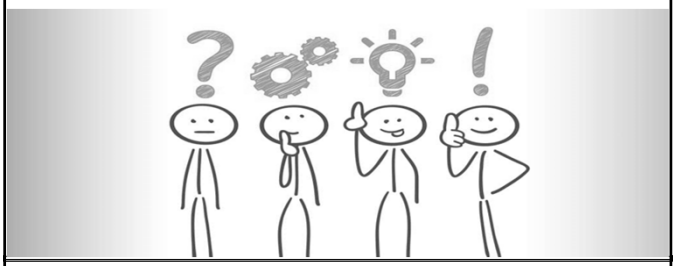
The rent calculations used are the same as for Section 8.

Minimum rent does not apply to the 811 PRA program.

Noncitizen rule proration is also not applicable.

150

Questions



151

The FAST Act - Fixed Income Families

152

Fixed Income Family - Definition

A Fixed Income Family is defined as a family
That has Income (including income from assets)
and
90% or more of that income
Is from a fixed income source.

(e.g. Social Security, VA Disability, Pension, etc.)

153

The Rules (Similar to Streamlining)

Annual Recertification Is still required Every year *(This is a change to the originally proposed rule)*	Review (verification) Of annual income Is conducted every 3 years

154

How it Works

COLA/Fixed % applied to Any fixed income source	Resident Self-Certifies Amount of Income That is not Fixed Income (employment, gifting, stipend, etc.)

155

Verification of COLA or Fixed %

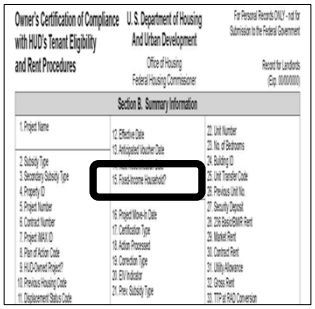
New Award/Benefit Letter Is Not Required	Streamlined Verification of Fixed Income Just verification of COLA Or Fixed Percentage

156

New Field on 50059

A new Field has been added to HUD Form 50059 To Flag all Fixed Income Families.

This field should not be filled for any certification effective prior to April 2018.


Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures

U. S. Department of Housing And Urban Development
Office of Housing
Federal Housing Commissioner

For Personal Records ONLY - not for Submission to the Federal Government

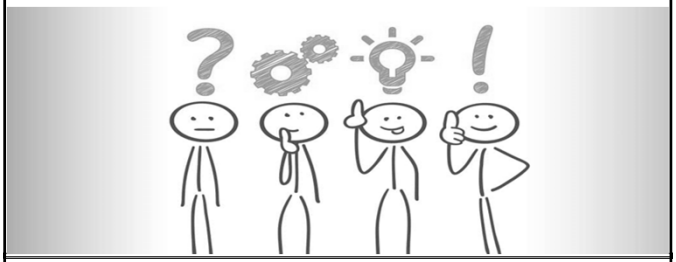
Record for Landlords
(Exp. 00/00/0000)

Section B. Summary Information

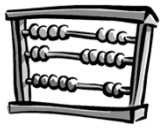
1. Project Name	12. Effective Date	22. Unit Number
	13. Anticipated Voucher Date	23. No. of Bedrooms
2. Subsidy Type		24. Building ID
3. Secondary Subsidy Type	15. Fixed-Income Household?	25. Unit Transfer Code
4. Property ID		26. Previous Unit No.
5. Project Number		27. Security Deposit
6. Contract Number	16. Project Move-In Date	28. 208 Basic/SMAR Rent
7. Project MAX ID	17. Certification Type	29. Market Rent
8. Plan of Action Code	18. Action Processed	30. Contract Rent
9. HUD Owned Project?	19. Correction Type	31. Utility Allowance
10. Previous Housing Code	20. EIV Indicator	32. Gross Rent
11. Displacement Status Code	21. Prev. Subsidy Type	33. TTP at RAD Conversion

157

Questions



158



Income Calculation Rounding
Imputed Income from Assets

159

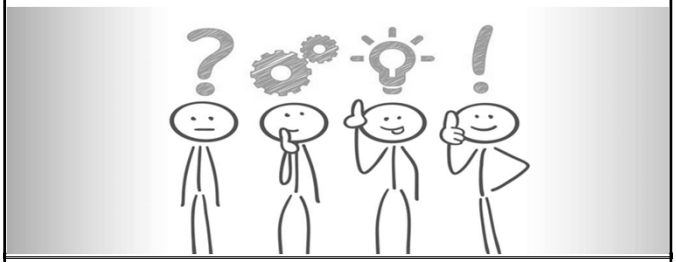
Certification Data Entry

The **203ACertificationDataEntry.xls** spreadsheet has been corrected to add a rounding to the penny step in calculation of imputed income from assets.

Either the old or new calculation is acceptable prior to an OA's implementation of 2.0.3.A.

160

Questions



161

New Race & Ethnicity Form

162

New Codes

Expanded Race and Ethnicity Categories for Members

Expanded Ethnicity and Race categories are being added to the MAT10, Section 3 Member record.

See New Form

163

MAT vs 50059

New Fields Are Included

In the MAT Record

But Not On

The 50059

164

New 27061H - DRAFT

Race and Ethnic Data Reporting Form

U.S. Department of Housing and Urban Development
Office of Housing

OMB Approval No. 2502-0204
(Exp. 08/30/2017)

Name of Property | Contract/Project Number | Address of Property

Name of Owner/Managing Agent | Type of Assistance or Program Title

Name of Head of Household | Name of Household Member

Date completed: _____

Ethnic Categories (select one)

☐ Not of Hispanic, Latino/a, or Spanish Origin
☐ Hispanic, Latino/a, or Spanish Origin (select sub-category as well)
☐ Puerto Rican ☐ Mexican, Mexican-American, Chicano/a
☐ Cuban ☐ Another Hispanic, Latino/a or Spanish Origin

Racial Categories (select one or more)

☐ American Indian or Alaska Native
☐ Asian (select sub-category as well)
☐ Asian Indian ☐ Chinese ☐ Filipino
☐ Japanese ☐ Korean ☐ Vietnamese
☐ Other Asian
☐ Black or African American
☐ Native Hawaiian or Other Pacific Islander (select sub-category as well)
☐ Native Hawaiian or Other Pacific Islander ☐ Guamanian or Chamorro
☐ Samoan ☐ Other Pacific Islander
☐ White
☐ Other

There is no penalty for persons who do not complete the form.

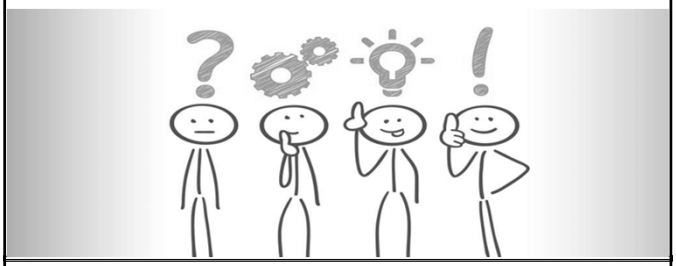
Signature | **Date**

Public reporting burden for this collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is collected by HUD's Multifamily Housing and Community Development Offices and is used to determine compliance with Fair Housing and Civil Rights laws. This information is authorized by Sec. 7, Housing Act of 1937, as amended, the Housing and Urban-Rural Recovery Act of 1983 and Housing and Community Development Act of 1974, as amended, and HUD's implementing regulations. Your response is required to obtain benefits or assistance. Your voluntary response to this request for information, including your social security number, will help HUD assist in fair housing and civil rights compliance. Failure to provide any information may result in disapproval of your application. We may use your information in form records, in other computer records, or in other ways as necessary to carry out our mortgage insurance programs and related functions. We may give information you provide to other government agencies or to private organizations assisting or participating in the mortgage insurance programs, as permitted or required by law. Information you provide may be disclosed and routinely used for civil, criminal, or regulatory purposes as authorized by law or in response to a court order or subpoena. Failure to provide the requested information may delay or prevent the processing of your application for assistance or mortgage insurance and may result in your being ineligible for mortgage insurance or other benefits. Section 1001 of Title 18 of the United States Code makes it a criminal offense to knowingly and willfully make false or fraudulent statements to any department or agency of the United States on any matter within its jurisdiction.

Form HUD-27061-H (10/2016)

165

Questions



166

Changes to SSN Exceptions

167

Change to SSN for Minors at MI/IC

168

HSG Notice

See HSG Notice

Implementation of Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification System - Amendments; Final Rule).

169

2016 Exemptions for Minors

Streamlining Rule as related to Children Under the Age of 6 at MI/IC

Previously, M Exception Code was not allowed for any MI/IC.

As of April 7, 2016, children under the age of 6 who do not have an SSN
(or adequate documentation to verify the SSN)
and who joined the household within 6 months of the effective date of the MI or IC
may be allowed to move in without a HUD waiver.

170

Data Entry

When this is the case

Section 3 Member Record for such children

must display the SSN as 999999999

and the SSN Exception Code must be set to M.

171

The Rule

Required to obtain SSN & appropriate documentation within 90 days

May extend up to 180 days to obtain an SSN for these children

(an initial 90-day period that may optionally be extended to 180 days by the OA – certain rules apply).

172

The Rule

If SSN has not been obtained by end of the period, OA **must** terminate tenancy.	May continue to receive subsidy only if pursuing termination of tenancy.

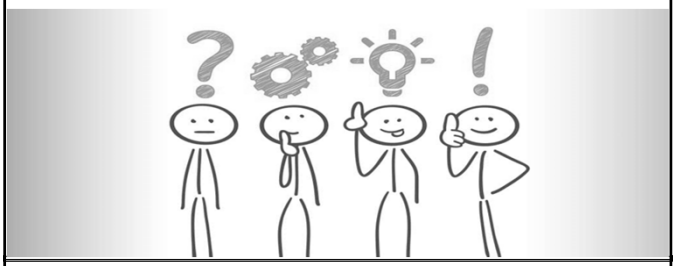
173

Previous Submissions – Work Around

If such a case was reported prior to implementation of Release 2.0.3.A
and SSN "999990000" (or any other made-up SSN)
was reported on last MAT 10,
OA must transmit an IR
(or AR if appropriate depending on timing)
with verified Social Security Number or
changing ID to 999999999 and using M Exception Code.

174

Questions



175

Foster Children & Adults

176

Reporting SSN for Fosters

Per regulation, SSNs are required for Fosters (both foster children and foster adults).

Normally the foster agency will disclose the SSN to the foster family and it is to be reported in the MAT 10, Section 3 Member record.

177

Disclosing SSN & Foster Agencies

Some agencies will not disclose SSN to foster family but will disclose it to the OA.

When obtained, the SSN is transmitted to HUD in the MAT as usual.

178

Disclosing SSN & Foster Agencies

There may be agencies that will not disclose a Foster SSN either to the foster family or to the OA.

When this happens, the OA should submit a waiver request to the AE along with documentation supporting the claim that the agency would not provide the SSN.

Forthcoming: HUD will provide sample language with future guidance that the OA may use when requesting the SSN from the agency.

179

Disclosing SSN & Foster Agencies

Once the waiver has been obtained,
the SSN sent to TRACS will be all 9's and
the new SSN Exception code of F (Foster) is used.

In this situation (SSN for Foster not disclosed).

180

F – Foster SSN Exception Code

If the Foster has not been admitted, OA must apply for HUD waiver before the foster may be added

If the foster is already in the unit, waiver must be requested (not necessarily granted) prior to next certification.

In both cases, until the waiver is granted,
SSN is reported as all 9's and SSN Exception Code is F (Foster).

181

Printing SSN for Foster on 50059

Starting with TRACS 2.0.3.A, SSN for a Foster Child/Foster Adult will **NOT** be printed on the 50059.

Site and CA software MUST ensure that ID field on any printed or displayed 50059 is left blank for any member with a Relationship Code F in the Member Record.

The MAT10, Section 3 Member Record **WILL** contain the SSN.

182

Printing Birth Date for Foster on 50059

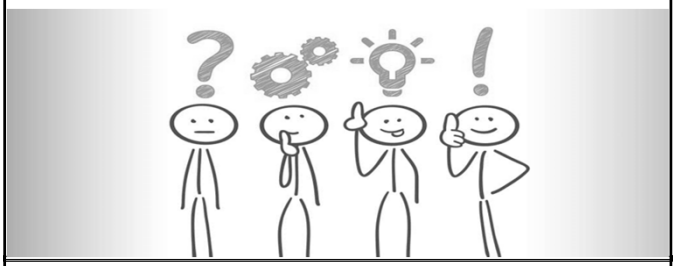
Birth Date field will **NOT** be printed on the 50059.

Site and CA software MUST ensure that the Birth Date field on any printed or displayed 50059 is shown as "**00/00/YYYY**" for any member with a Relationship Code F (Foster).

Birth Date will be transmitted in MAT 10 Member Record

183

Questions



184

Termination to Termination/Suspension

185

TRACS 2.0.2.D – Use in Disaster Situations

Two Move-Out codes	Two Termination Codes
9 = Uninhabitable unit – Abated and *10 = Substantial Rehab or Repair – Tenant Expected to Return*	*ND = Natural Disaster or Uninhabitable Unit* and *RR = Substantial Rehab or Repair - Tenant Expected to Return*

186

Removal of Two MO Codes

HUD has Determined That a MO Should Never Be Used in this case	MO Codes 9 & 10 Have Been Removed for TRACS v 2.0.3.A

187

Introducing Suspension Codes

HUD Has Also Determined That Using the Term "Termination" Could have negative connotations.	New Classification of "Suspension" For ND and RR

188

First New Suspension Code for RAD

New Suspension Code of

RD *= PBRA RAD Tenant Transferred During Rehab*

being added to indicate a suspension for rehab occurring on or after the RAD Contract Effective Date

189

Second New Suspension Code for RAD

New Suspension Code of	The Effective Date of Termination/Suspension (MAT 65)
RH *= PBRA RAD Tenant Transferred Prior to RAD Contract Effective Date for Rehab* (acts like NS/DS) added to indicate suspension for rehab occurring before RAD Contract Effective Date	using RH Suspension Code is equal to Effective Date of Conversion IC/RAD Contract Effective Date.

190

Suspension Codes in General

All of the Suspension Codes
(ND, RR, RD & RH)
will be used to indicate that a unit is offline
but expected to be occupied
once rehab or repair is complete.

191

Affect on the Voucher 52670

To assist with voucher audits, New voucher field (Item 6.f) is being added to voucher MAT record to hold count of units offline for rehab.	Starting with 2.0.3.A, unit undergoing rehab will be counted in the new field and not as either a Vacant or a Market unit.

192

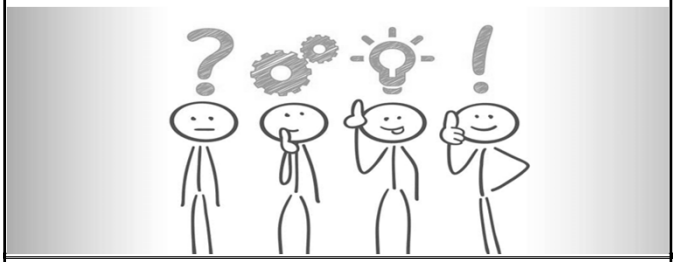
New Voucher Unit Count - Proposed

Unit count for voucher proposed changes as follows:

- 6a. Total Units in Contract
- 6b. Number of Units Receiving Subsidy Under this Contract
- 6c. Number of Units Abated Under this Contract
- 6d. Number of Units Vacant Under this Contract
- 6e. Number of Units Occupied by Market Tenants
- 6f. Number of Units Under Rehab or Suspended

193

Questions



194

New TM Code - Death of Sole Household Member

195

Death of Sole Household Member

TRACS v 202D
Only Legal Code is
MO Code 4 Death of Sole
Household Member

Required to enter
Date of Death
To Monitor Compliance w/
14 Day Rule

196

Common Non-Compliance (1)

Termination	Problem
Many OAs enter a TM/TI Termination Ineligible	No Way To Monitor Compliance with 14 Day Rule

197

Common Non-Compliance (2)

Fake MO	Problem
Some OAs Enter A Fake MO Using Code 4	Unit is Reported As Vacant When Unit is Not Vacant *(Availability for Disaster Response)*

198

Solution

New TM Code	Requirement
Add New TM Code DE – Death of Sole Household Member	OA will be required to Enter the Date of Death In order to monitor Compliance with 14 Day Rule

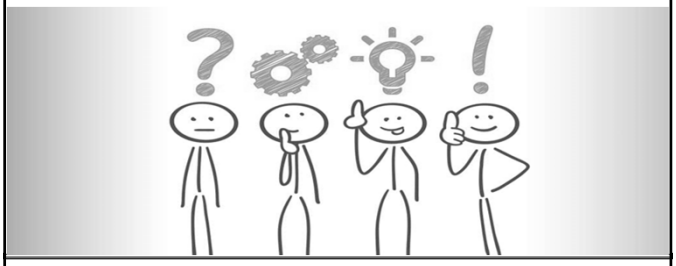
199

Do Not Use

Do Not Use the TM/DE Code	In this case
If the actual MO Occurred within 14 days Of the date of death	Use the MO Move-out Code 4 Death of Sole Household Member

200

Questions



201

Changes to the Voucher

202

Changes to Miscellaneous Accounting Requests (MAR)

203

Removal of SERV

The SERV
(Service Coordinator)
MAR code
no longer valid and
no longer accepted by TRACS

Have not been advised
How these transactions
Are to be reported.

204

New MAR Codes for RAD

RADZ – Used to Reduce the voucher to Zero during YOC

RADR – Used to bill for Rehab Assistance

RADN – Used to Reverse any Negative AP Request

RDRV – Used to reverse adjustments affecting YOC

205

New Fields for MAR Record

Three new fields added to MAT30, Section 6, Miscellaneous Accounting Request record Required For RADN + RDRV Optional for other Request Types	HOH Last Name, HOH First Name and Unit Number.

206

Reason for New Fields

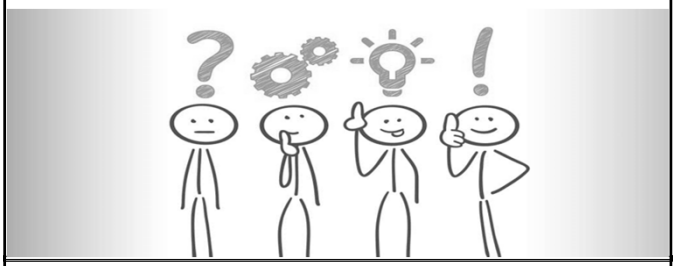
Mandatory for RADN and for RDRV.

Resident Identifiers may be used where applicable for other request types.

Fields should be filled when other Miscellaneous Accounting Request Types are for a single unit and tenant.

207

Questions



208

Billing for Each Unit

209

Line Item Billing – Vacant/Market/Suspended/Abated/Rehab

To assist with compliance monitoring requirements

associated with RAD Rehab and Disaster Response,
Along with HUD rules for some new HAP Contracts

52670-A Part 1 will include
a line item for each unit within the Contract

210

New Voucher Unit Count

Unit count for voucher will be displayed as follows:

- 6a. Total Units in Contract
- 6b. Number of Units Receiving Subsidy Under this Contract
- 6c. Number of Units Abated Under this Contract
- 6d. Number of Units Vacant Under this Contract
- 6e. Number of Units Occupied by Market Tenants
- 6f. Number of Units Under Rehab or Suspended

211

Line Item for Each Unit

Starting with 2.0.3.A, each unit covered by a contract will be reported on MAT30, Section 3 Assistance Detail record.

Currently, only occupied assisted units are reported.

The display of occupied assisted units does not change.

212

Abated Units (Item 6c)

First and Last Names indicated on the voucher will be

Abated Abated

and AP will be zero.

213

Vacant Units (Item 6d)

Item 6.d will include
only Vacant units not undergoing rehab

First and Last Names indicated on the voucher will be

Vacant Vacant

and AP will be zero.

214

Market Units on the Voucher (Item 6e)

When a unit is occupied, and resident is not assisted Last Name indicated on the voucher will be:	First Name will be: Current Subsidy Type (236, BMIR, S8, 811 PRA, PAC, 202 PRAC, 811 PRAC) And AP will be $0
Market	Market, 202 PRAC

215

Market Residents

Does Not Include

PRAC or

S8RAD Component 1 when AP is Zero or Negative

216

Market Residents

Does Not Include

PRAC or

S8RAD Component 1 when AP is Zero or Negative

217

Units Undergoing Rehab

Rehab units now have their own count on the voucher (Item 6.f).	A Rehab unit is considered as Rehab no matter how assistance ended for the unit with either a MO or TM or UT

218

Note to SW Vendors – Responsibility

While Suspension Codes ND, RR, RD and RH show units under rehab, there is no certification indicating when Rehab ends and unit becomes available making the unit “vacant” instead of “under rehab”.

Also, there is no special cert requirement for flagging a unit vacated via MO or UT as a unit under rehab.

Tie to line items on the detail page.

219

Units Undergoing Rehab

Rehab units now have their own count on the voucher (Item 6.f).	A Rehab unit is considered as Rehab no matter how assistance ended for the unit with either a MO or TM or UT

220

Note to SW Vendors – Responsibility

While Suspension Codes ND, RR, RD and RH show units under rehab, there is no certification indicating when Rehab ends and unit becomes available making the unit "vacant" instead of "under rehab".

Also, there is no special cert requirement for flagging a unit vacated via MO or UT as a unit under rehab.

Tie to line items on the detail page.

221

Rehab Units (Item 6f)

Item 6.f will include all units undergoing rehab
(Note: Unless Pass Through Applies)

Last Name indicated on the voucher will be: Rehab

First Name will be
RAD if the unit has been vacated for RAD Rehab
Disaster if the unit has been vacated due to a Presidentially Declared Disaster (PDD)
Repair if the unit is vacant to allow the owner/agent to make repairs (e.g. fire, flood, etc.)

and AP will be zero.

222

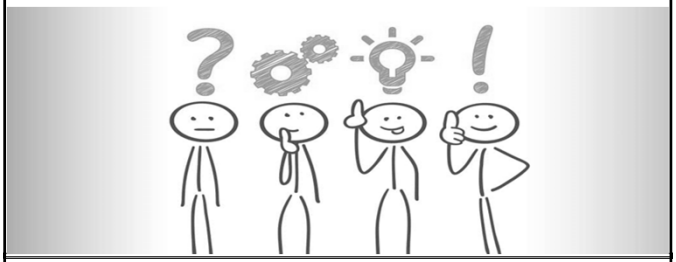
Line Item Detail for Unassisted Units

Line items for units that are **not** occupied/assisted will be indicated using the Last and First Name fields in the record

- Abated – Last = Abated, First = Abated
- Vacant – Last = Vacant, First = Vacant (or Available/Waitlist/Turnover)
- Market – Last = Market, First = Subsidy Type (BMIR, 236, S8, 811 PRA, PAC, 202 PRAC & 811 PRAC)
- Rehab – Name depends on the reason for rehab:
  - If this is initial RAD Rehab – Last = Rehab, First = RAD
  - If the rehab is caused by a PDD– Last = Rehab (or National?), First = Disaster
  - If the rehab is for repairs – Last = Rehab, First = Repair

223

Questions



224

Expanded HUD 52670 Part 6

225

Reason For Change

Since participation in FSS program will require a PHA/owner/agent to adjust the amount of the *Housing Assistance Payment (HAP) Request*,

HUD has decided to use the *HUD Form 52670 Part 6*

As the means to track FSS Escrow Account balances.

226

Repayment Agreements

When resident or a POA receives too much housing assistance, overpayment must be returned to HUD

Guidance is provided in
HH 4350.3 and
HUD Notice 13-06

Common to see such assistance returned to HUD via *Repayment Agreements.*

227

2.0.3.A Changes to 52670 Part 6

HUD Form 52670 Part 6
was completely redesigned
for two reasons:

228

New Name 52670 Part 6

HUD Form 52670 Part 6 will now be entitled *Repayment Agreements and FSS Escrows for Schedule of Assistance Payments Due*.

229

Reason 2

HUD has determined that information currently submitted for *Repayment Agreement* transactions is not sufficient.

HUD will incorporate the following changes to *HUD Form 52670 Part 6* to provide additional information.

230

Repayment Agreements and FSS Escrows for Schedule of Tenant Assistance Payments Due

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0182
(Exp. 00/00/0000)

Before completing this form, read and follow the instructions in the Monthly Activity Transmission (MAT) User's Guide. See the statements on the form HUD-52670 information on public burden.

1. Asst. Pymts Due For (mm/yyyy):	2. Project Name:	3. Project Number:	4. Contract Number:	5. Type of Subsidy:
8/2017	The Arbor	123456789	GA123456789	1

6. Head of Household Name (Last, First) / 7. Unit Number	8. Record Type / 9. Agreement ID	10. Agreement Date / 11. Agreement	12. Trans Type	13. Status	14. Beginning Agreement Amount	15. Agreement Change Amount	16. Ending Agreement Amount	17. Beginning Balance	18. Total Payment	19. Ending Balance	20. Amount Retained	21. Amount Requested	22. Approved (HUD/CA use only)
Roberts, Rachel	RB	1/15/2016											
108A	987654		T	AV	1475	0	1475	975	0	975		0	
Roberts, Rachel	R	1/15/2016											
108A	987654		T	AV	1475	0	1475	975	25	950	5	-20	
Smith, Sam	RB	11/10/2015											
112A	987650		T	IA	2200	0	2200	2100	0	2100	0	0	
Smith, Sam	R	11/10/2015											
112A	987650		T	IA	2200	0	2200	2100	0	2100	0	0	
Thomas, Trevor	RB	7/20/2014											
201B	987550		T	SU	240	0	240	240	0	240	0	0	
Thomas, Trevor	R	7/20/2014											
201B	987550		T	SU	240	0	240	240	0	240	0	0	
Thomas, Trevor	RB	6/15/2015											
201B	987590		T	SU	412	0	412	412	0	412	0	0	
Thomas, Trevor	R	6/15/2015											
201B	987590		T	SU	412	0	412	412	0	412	0	0	
King, Karl (Adjusted)	RB	6/10/2017											
510D	874540		T	AV	3890	0	3890	3290	0	3290	0	0	
King, Karl (Adjusted)	R	6/10/2017											
510D	9874540		T	AV	3890	-500	3390	3290	100	3190	20	-580	
Meyers, Mona (New)	R	6/25/2017											
830B	9876210		T	AV	0	850	850	0	50	800	10	810	
										23. Totals for this page			

Previous editions are obsolete

Page __ of __

form HUD-52670-A part 6 (09/2016)
ref: Handbook 4350.3 Rev. 1

231

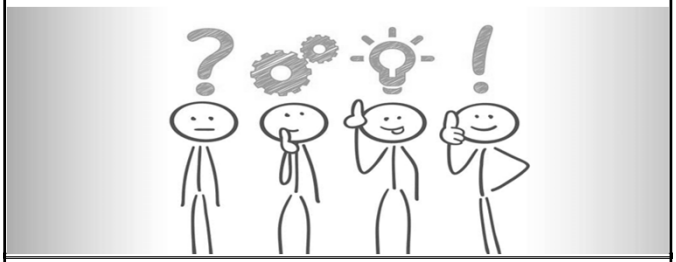
HOH ID Removed

Originally HOH ID Code was to be added to the end of the electronic record

The *HOH ID Code* is no longer included in the MAT record

232

Questions



233

Repayment and FSS Status Codes

234

Status Codes

With 2.0.3.A,
Repayment Agreements and
FSS Escrow Accounts must include
a *Status Code*.

235

Repayment Agreement Status Codes

Status Codes determine whether a *Repayment Agreement* appears on the voucher:

Once,

Periodically based on *Repayment Agreement* activity, or

Every month – regardless of whether resident makes a payment.

236

Rules AV - Active

Resident Is on Target with Repayment Agreement/Escrow Account Requirements:

Appears on the voucher each month even if resident does not submit a payment.

After three consecutive missed payments, status must change to IA (Inactive) on the fourth voucher

237

Rules – IA - Inactive

(Resident has missed 3 or more consecutive payments.

Set on month 4.

Appears on the voucher each month even if resident does not submit a payment.

238

Rules - RV - Reversed

Repayment Agreement/FSS Agreement
entered in error

239

Rules - RV - Reversed - Example

Use if Repayment Agreement was entered for Rose Garcia instead of Jose Garcia or	Use if OA entered in to Repayment Agreement in error.

240

Rules - RV - Reversed - Example

Once a repayment has been reversed,
it is assumed
there will be no future transactions
for this Agreement ID.

241

Rules – CO - Completed

Resident successfully completed
Repayment Agreement /FSS Agreement
requirements.

242

Done

Resident fulfilled terms
of *Repayment Agreement*
and
Balance Due is 0.00.

Resident fulfilled terms
of *FSS Agreement* and
FSS Escrow Funds
have been Disbursed.

243

Rules – CO - Completed

Once a repayment has been completed,
it is assumed there will be no future transactions
for this Agreement ID.

However,
transactions are not forbidden in order to allow for additional transactions
such as those required
if the final payment check bounces.

244

Rules – SU - Suspended

Resident unable to make payments due to reduced income

This code is used when household income is so low that it is not reasonable to expect payment

Appears on voucher each month.

245

Rules – MO - Moved-out Inactive

Former resident no longer making payments

Used when resident who is subject to repayment, moves out and no longer lives on the property.

246

Rules – MO - Moved-out Inactive

Once Repayment Agreement is set up with status code of MO, assumed there will be no future transactions for this Agreement ID.

If former resident begins making payments, status can be changed to MA.

247

Rules - MA – Moved Out Active

Former resident making payments

Used when a resident who is subject to repayment, moves out and no longer lives on the property

The resident is making payments

This Repayment Agreement will appear on the voucher each month

248

Rules – TE = Terminated

Unable to enforce agreement.
Court order.
This is used when a judge rules the Repayment Agreement void.
Does not usually create an adjustment to the voucher.
Assumed there will be no future transactions for this Agreement ID.

249

When Reduced Amount is Not 0 (TE)

When a Repayment Agreement is Terminated, the Repayment Agreement Amount is generally reduced to zero.

However, in some cases, the Repayment Agreement Amount may be reduced leaving a new Agreement Amount/Balance Due.

250

Protecting Owner/Agent (TE)

When the Repayment Agreement Amount is less than the Amount Received,
there will be a positive adjustment to the voucher
to ensure that
the owner/agent remains “financially whole”.

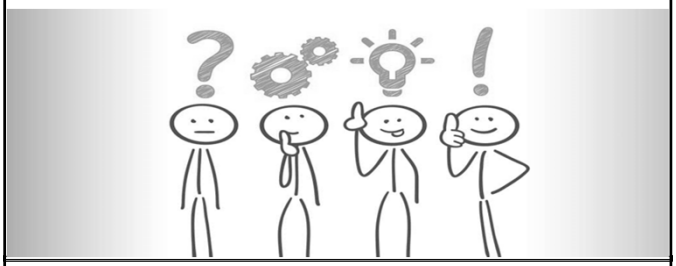
251

What to Do? (TE)

Adjust
the current
Repayment Agreement

252

Questions



253

Repayment Agreement Definition

254

HUD Handbook 4350.3 Paragraph 8-21

Tenant must reimburse the owner for
The difference between the rent
That should have been paid
and the rent actually charged if:

255

HUD Handbook 4350.3 Paragraph 8-21

a) Tenant fails to provide OA interim changes in income or other factors
b) Submits incorrect information on any application, certification or recertification
c) Fails to report income received
d) And, as a result, is charged a rent less than the amount required by HUD's rent formulas.

256

Rules re: Repayment

If tenant does not pay in full, OA should enter into a repayment agreement to collect these funds over a specific period of time.

Tenant is not required to reimburse OA for undercharges caused solely by OA's failure to follow HUD's procedures for computing rent or AP

257

Rules re: Repayment

Tenant must reimburse OA for total overpayment back to time overpayment of AP started, not to exceed the 5-year limitation…..

OAs must reimburse HUD for all other repayments where such overpayments were due to OA's error or failure to follow HUD's procedures.

258

This Means..

No way to know whether a corrected/inserted cert reflects
tenant misreporting,
other errors and changes or
a combination of factors
unless you have additional information.

259

Zero Month Repayment

If a resident opts to pay back subsidy,
immediately and in full,
There is NO
Repayment Agreement

260

Lump Sum Repayment

If a resident opts to pay back subsidy,
Partially and up-front,
The agreement is for
The Remaining Balance Only

261

Adjustments and Repayment Agreements

Adjustments on the voucher
may reflect errors unrelated to tenant misreporting,
and since upfront lump-sum payments are not part of a Repayment Agreement,
net adjustments cannot be relied on to determine a repayment agreement amount

262

Adjustments and Repayment Agreements

In addition,
even when adjustments are related only to tenant misreporting,
timing issues related to
when adjustments appear on the voucher
and when tenant started paying a higher rent
cause net adjustments & RA agreement amounts to be different.

263

Repayment Agreement/FSS Baseline

264

The Baseline

The first voucher
will include
both the baseline record
and the normal record
for that Status Code

265

Self-Managed Repayments

OAs are
not allowed to self-manage
MFH *repayment agreements*.

266

First 2.0.3.A Voucher

In your first transmission, required to submit a baseline of all your repayment agreements if:

Resident still lives on property and still owes money
or

Resident no longer lives on property, but is continuing to make payments

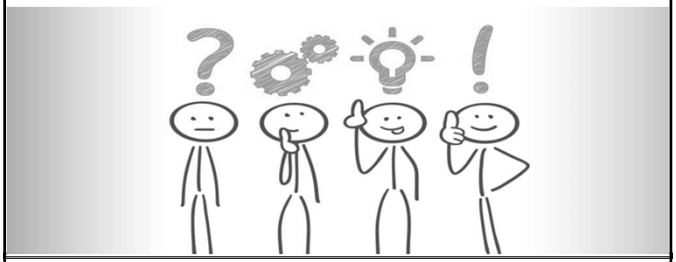
267

Baseline - Note

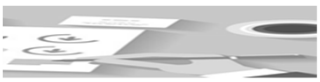
The Baseline Record is also used
When an OA Converts from
Rent Supp/RAP/PRAC to PBRA RAD
And is reporting RA in place at time of conversion
On the first voucher after conversion to RAD

268

Questions



269



Preparing for the Repayment Agreement Baseline Submission

270

Preparing to Submit the Baseline

In order to accurately prepare the baseline,
you will have to gather
quite a bit of information.

271

First

First, OAs must identify all
existing residents who
received improper
payments.

272

Second

Second, OAs must identify
all former residents
who received improper payments
and who continue
to make payments on a *Repayment Agreement*.

273

Finally

OAs must research
the current status
of those *Repayment Agreements*
including any changes and
the current *Balance Due*.

274

Contract Administrators

CAs work with OAs
to ensure that
all active *Repayment Agreements*
have been submitted and
recorded.

OA and CA balances match.
Beginning Agreement Amount
Ending Agreement Amount
Beginning Balance
Ending Balance

275

Get in Sync

If an OA has open *Repayment Agreements*,
but the amounts do not match
the CA amounts,
then CA and OA will need to work together
to correct appropriate certifications
And/or adjust the *Agreement Amounts*
so that they are correct.

276

Not Conditional

This exercise will also force analysis of
repayment agreement submissions and
may identify money owed to the property.

277

RA Not Reported – Submitting to CAs

If an OA never created *Repayment Agreement*
voucher transaction (OARQ or Section 7 Record)
for existing residents who received an improper payment,
and if the there is still a balance due,
OA and CA will need to work together
to determine what steps need to be taken
in order to report this information to HUD.

278

RA Not Reported – Submitting to TRACS

If an OA is reporting directly to HUD/TRACS and
The OA never created *Repayment Agreement*
voucher transaction (OARQ or Section 7 Record)
for existing residents who received an improper payment,
The owner/agent should treat the existing RA
As a New Repayment Agreement
(not as a Baseline RA)

279

Repayment Agreements and FSS Escrows for Schedule of Tenant Assistance Payments Due

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0182
(Exp. 00/00/0000)

Before completing this form, read and follow the instructions in the Monthly Activity Transmission (MAT) User's Guide. See the statements on the form HUD-52670 information on public burden.

1. Aud. Fyrtrs Due For (mm/yyyy):	2. Project Name	3. Project Number:	4. Contract Number	5. Type of Subsidy:
8/2017	The Arbor	123456789	GA123456789	1

6. Head of Household Name (Last, First)	7. Unit Number	8. Record Type	9. Agreement ID	10. Agreement Date	11. Agreement End Date	12. Trans. Type	13. Status	14. Beginning Agreement Amount	15. Agreement Change Amount	16. Ending Agreement Amount	17. Beginning Balance	18. Total Payment	19. Ending Balance	20. Amount Retained	21. Amount Requested	22. Approved HUD/GA use only
Roberts, Rachel	108A	RS	967654	1/15/2016	1/15/2016	T	AV	1475	0	1475	975	0	975		0	
Roberts, Rachel	108A	R	967654			T	AV	1475	0	1475	975	75	900	0	75	
Smith, Sam	112A	967650		11/10/2015		T	IA	2200	0	2200	2100	0	2100	0	0	
Smith, Sam	112A	R	967650			T	IA	2200	0	2200	2100	0	2100	0	0	
Thomas, Trevor	201B	RS	967550	7/20/2014		T	SU	240	0	240	240	0	240	0	0	
Thomas, Trevor	201B	R	967550			T	SU	240	0	240	240	0	240	0	0	
Thomas, Trevor	201B	RS	967590	6/15/2015		T	SU	412	0	412	412	0	412	0	0	
Thomas, Trevor	201B	R	967590			T	SU	412	0	412	412	0	412	0	0	
King, Karl (Adjusted)	312G	RS	874540	6/10/2017		T	AV	3690	0	3690	3290	0	3290	0	0	
King, Karl (Adjusted)	312G	R	874540			T	AV	3690	500	3690	3290	500	3190	50	550	
Smith, Sarah (Adjusted)	605B	RS	9676210	1/1/2017		T	AV	0	850	850	0	50	800	10	810	
Smith, Sarah (Adjusted)	605B	R	9676210			T	AV	0	850	850	0	50	800	10	810	

23. Totals for this page

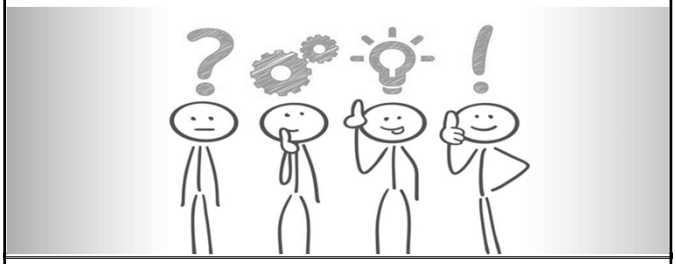
Previous editions are obsolete

Page __ of __

form HUD-52670-A part II 08/2016
ref. Handbook 4350.3 Rev. 1

280

Questions



281

Family Self Sufficiency

282

MF and Family Self Sufficiency

Any existing
Family Self-Sufficiency (FSS) *Escrow Account* balances
available at the time of the conversion
are to be transferred to
Section 8 PBRA RAD contract.

283

2.0.2.D and FSS Escrow Accounts

TRACS version 2.0.2.D does not allow for automated submission of the *FSS Escrow Account* balances.	These offsets are reported using the *OARQ– Miscellaneous Accounting Request*.

284

2.0.3.A & FSS Accounts

Voucher *(53670 Part 6)* has been modified to allow reporting of changes in TTP that are converted to *FSS Escrow Account Deposits*.	These will no longer be reported as *Miscellaneous Accounting Requests*.

285

To Do

If an OA has residents who are participating in FSS the following tasks will need to be completed before the first TRACS 2.0.3.A transmission.

286

New Special Status Code

In order to track these residents, HUD has added a new *Special Status Code.*

F = FSS-Family Self Sufficiency Participant

287

HOH

The *HOH* must be a participant.

Other household members do not have to participate.

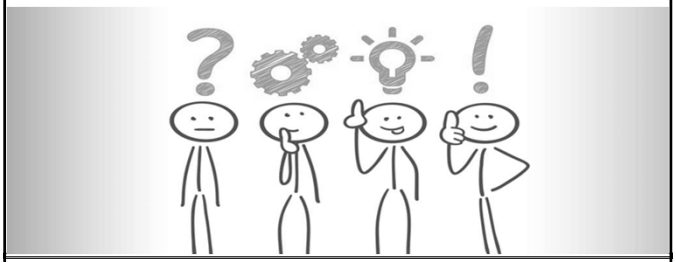
288

New 50059 Required?

No requirement to immediately transmit a full cert to indicate which members are subject to contract.	Next full cert transmitted under normal rules will use Special Status Code of F to indicate members who are participating

289

Questions



290

2.0.2.D & FSS MARs

The FSS Notice indicates that all FSS OARQ adjustments must include, in the comments section:

Voucher Month/Year for the escrow credit,
Unit Number,
HOH Last Name, and
The words “FSS Participant”.

291

2.0.3.A FSS Transactions

52670 Part 6
will now be used
to transmit information about
FSS Escrow Account transactions
as called for
by the *FSS Contract of Participation (CoP)*.

292

Transaction Types

The *Transaction Types* for FSS Escrows are:
E = Execution of the Escrow Account/Signing the FSS Agreement,
D = Deposit,
W = Withdrawal/Disbursement to the Tenant and
C = Cancellation—return of the escrow to HUD.

293

Timing

When the ITSP contract is signed,
Repayment Agreement/FSS Escrow record
must be transmitted to TRACS
on the next voucher
with a Transaction Type of E
to indicate the execution of contract.

294

Taking Not Giving

FSS Escrow Account transactions are different than Repayment Agreement transactions in that there is no Agreement Amount

While Repayment Agreement payments are returning money to HUD, FSS Escrow transactions are receiving money from HUD.

295

Field Rules

Accordingly,
the Beginning Agreement Amount,
Agreement Change Amount and
Ending Agreement Amount fields
are not filled
for FSS Escrow Transactions.

296

Comparison

Resident payment for Repayment Agreement entered as a positive amount and results in a negative Requested Amount.

FSS Escrow Account transaction, Payment is entered as negative amount that results in a positive Requested Amount.

297

Note

If the certification on which an escrow deposit amount has been based
is subsequently corrected
and the deposit amount changed,
submit one reversing and one new FSS escrow transaction
to communicate the change.

298

Multiple FSS Transactions

Multiple FSS transactions
for the same
FSS ID and voucher month
are handled in the same way as
Repayment Agreement transactions.

299

Disbursement v Return

There is a difference between how an OA records a "disbursement of funds" to the resident after successful completion of the ITSP Agreement

and how an OA returns FSS Escrow Account funds to HUD in the event that the ITSP is terminated.

300

Requested Amount

For the disbursement,
money is given to the
resident
nothing is sent to or received
from HUD
(Requested Amount is 0).

For the termination,
Current Escrow Balance
is returned to HUD
(Requested Amount is
negative).

301

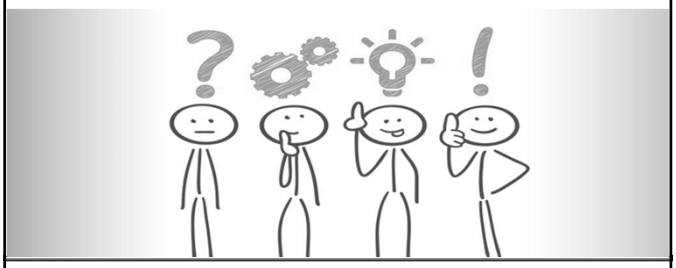
Rules

FSS Escrow Accounts
are required to include any
accrued interest
which is posted
at least annually.

OA is required
to meet with each resident
annually
to review
the Agreement,
the Account and
the Current Balance
including Interest Earned.

302

Questions



303

Opportunities

The Housing Opportunity Through Modernization Act (HOTMA)

304

HOTMA Introduction

HOTMA calls for,
among other things,
changes to how deductions from income are calculated
and allows for periodic COLA changes.

305

Implementation of HOTMA

Implementation of changes in the Act is conditional on HUD rulemaking and new requirements are to take effect on first of a calendar year following rulemaking.

HUD rulemaking is expected to be complete in time for a 1/1/2021 effective date.

306

Included in the 2.0.3.A MAT Guide

Known HOTMA requirements are being published in MAT Guide now.	Implementation is not required for software vendors as part of their 2.0.3.A release but is required prior to effective date required by HUD.

307

HOTMA – Dependent Deduction

HOTMA leaves the Dependent Deduction at $480 but amount is subject to future COLA changes.	Proposed that Adjusted amount will be rounded to the next lowest multiple of $25.

308

HOTMA – Medical/Disability Assistance Deductions

Threshold for
Disability Assistance & Medical Expense deductions
is changed from 3% of Annual Income
to 10% of Annual Income
and is subject to COLAs.

309

HOTMA – Increase Exemption

A tenant may qualify for an exemption from the increase in Medical/Disability Expense Deductions Percentage
(See new **MAT10, Section 2, field 21: % of Income Exemption**)
and will pay based on some other % value
(6.5% in a Proposed Final Rule).

Under HOTMA Proposed Final Rule, this Hardship exemption would expire at family's next regular income reexamination

or at such time that OA determines the family can pay their rent under the normal adjusted income calculation,

whichever comes first.

310

HOTMA – Elderly/Disabled Family Deduction

The Elderly Family Deduction changes from $400 to $525 subject to COLAs.

This amount will be annually adjusted for inflation and rounded to the next lowest multiple of $25.

311

HOTMA – Child Care Deduction Hardship

Allows a hardship exemption for the child care expense deduction.

If a member is no longer going to school, working or looking for work,
family may, under certain circumstances,
be able to continue to include the deduction.

312

HOTMA – Child Care Deduction Hardship

Family would have to demonstrate why child care expense remains necessary when no family member is employed, seeking employment, or furthering his/her education

As with disability assistance and medical expense hardship exemption, child care expense hardship exemption would be temporary and would end no later than the family's next regular reexamination.

313

HOTMA – Permissive Deductions

When a PBRA S8 Project is owned by a PHA
PHA may also choose to adopt
additional Permissive Deductions

314

HOTMA – Permissive Deductions

PHAs would not be eligible to receive any program funding to cover increased cost to the impacted program.

Rule provides that PHA would have to identify

amount of subsidy provided on behalf of the family

that is attributable to the permissive deduction as required by HUD.

315

HOTMA – Imputed Income From Assets

Threshold for imputed income from asset calculation changes from $5,000 to $50,000 subject to COLAs.	Current imputed amount of .06% is subject to COLA.

316

HOTMA – Student Income Exclusion

HUD also proposes
to adjust the current income exclusion
for student/dependents
(amounts over $480)
based on an inflationary index.

317

HOTMA Income Exclusion - Fosters

HOTMA Proposed Final Rule suggests that HUD will require exclusion of earned income of foster adults in order to prevent disincentives to housing such persons	Would codify existing policy that states kinship or guardianship care payments are excluded from income.

318

HOTMA – Veterans Benefits

Proposed Final Rule provides an exclusion for payments related to VA Aid and Attendance	HUD has solicited suggestions/support of additional exclusions including exclusion of all VA benefits.

319

HOTMA – Optional Eligibility Exclusion Assets

Optional eligibility rule when the sum of certain asset values exceeds $100,000.	The new **MAT10, Section 2, field 22: Do Not Check Asset Value** is used to indicate that OA is not implementing the rule.

320

HOTMA – Eligibility Exclusion Real Property

Families not eligible if they own, have legal right to reside in, and legal authority to sell real property (home).	Unlike the $100,00.00 asset cap, rule is not an optional eligibility rule.

321

HOTMA – Income Projection

Alternative to Annual Income Projection

To allow for

Shorter Certification Period (less than one year)

And more frequent certification requirement

322

HOTMA - De Minimis Errors

A de minimis error would be defined as
any error where calculation of a family's income or adjusted income varies from the correct income or adjusted income by no more than 5 percent.

Income determination would not be considered incorrect for purposes of HUD's monitoring and compliance oversight responsibilities.

OA would still be required to take corrective action to repay a family if de minimis error resulted in rent overcharge.

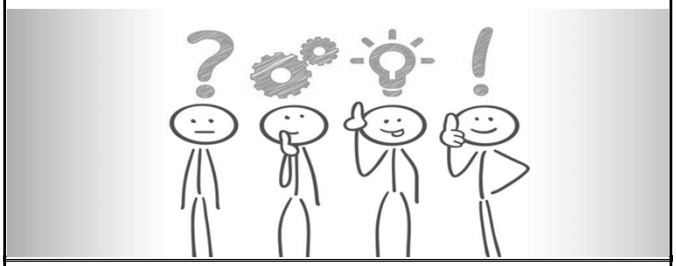
323

HOTMA Recertification - Timing

Annual Recertification	Interim Recertification
Changes to requirement To complete an AR When Income Change Occurs Within 3 months of AR Effective Date	Changes requirement to Create and IR When an Income Reduction Is less than 10% Of previously reported income

324

Questions



325

Changes to Chapter 4

326

Expanded Discussion of AR Scenarios

Perfect World
Resident Reports after Due Date but Before AR Date
Residents Reports on or after AR Date
Extenuating Circumstances

327

Note: AR Notices

In all scenarios

AR Notices should be Issued

Until AR is complete

This is not current practice for most software

328

Change to MO Correction Method

Instruction Provided in Previous Versions
Of the MAT Guide
Are no Longer True
Because of Change to Active/Inactive Tenant Logic

329

Other Changes to the MAT Guide

330

Appendix H – Calculations (Assets)

Averaging for Checking Account Balance

Individual Monthly Balances Can be Negative
Do Not apply the
"Not less than zero" Rule
Until end of the Calculation

331

Ending Balance	Use	Do Not Use
100.00	**100.00**	100.00
25.00	**25.00**	25.00
-15.00	**-15.00**	0
10.00	**10.00**	10.00
-25.00	**-25.00**	0
80.00	**80.00**	80.00
Total = 175.00/6 = 29.166666		Total = 215.00/6= 36

332

Changes to Forms

333

Changes to HUD Forms

Changed forms for the 2.0.3.A release include
HUD 50059—Tenant Certification
50059-A—Partial Certification
52670—Voucher
52670 Part 4—Miscellaneous Accounting Requests
52670 Part 6—Repayments/Escrows and
Special Claims Forms 52671-A, 52671-B, 52671-C
HUD Form 91067 VAWA Lease Addendum
HUD27061-H (Race and Ethnicity) form

334

Final Comments

Take a look at the MAT Guide

Provide comments and other suggestions

So document can be finalized

DEADLINE?

335

Development & Implementation

336

Required for Development to Begin

HUD Forms Approval	Final 2.0.3. A Specification Document

337

After Approval – Development & Implementation

Six Month Development Window	Four Month Implementation Window

338

TRACS 2.0.3.A

Development Server Will be available TBD	If you do not Have access Contact Lanier/Princess

339

Certification Rule Changes

Because of Several Rule Changes
It is Best to Submit
All Completed Certifications
Before Converting to
2.0.3.A
Regardless of whether or not
The certification has appeared on any voucher.

340