TRACS/HUD Industry Meeting
TRACS Working Group
05/10/2023

Industry working Group Ses

TRACS Release 203A
System Requirements Session
Including HOTMA Impact Discussion

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## Agenda

- Panelists
- Location of Requirement Documents
- Status of HUD Forms Changes
- Proposed Rollout Schedule
- TRACS Sprint #3 & Clarifications
- Other Changes
- Questions

TRACS Industry Working Group Session

 Lanier M. Hylton – HUD Multifamily Housing Programs

**Panelists** 

- Alisa Costello/Jerry Ledbetter Pyramid
- Jed Graef Housing and Development Software (HDS)
- Mary Ross Ross Business Development (RBD)

nier M. Hylton

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### Bi-weekly Meetings Next Three Meetings

- Wednesday, May 24, 2023, 1:00 PM 3:00 PM EDT
- Wednesday, June 7, 2023, 1:00 PM 3:00 PM EDT
- Wednesday, June 21, 2023, 1:00 PM 3:00 PM EDT

TRACS Industry Working Group Session

## Purpose of Meetings

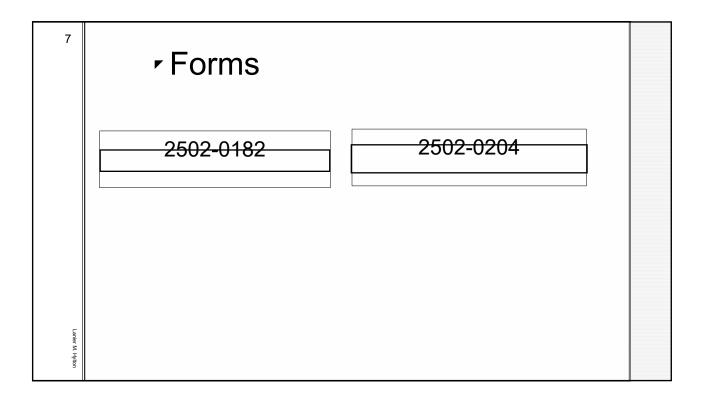
- To communicate new and revised 203A requirements as quickly as possible.
- Address HOTMA Questions & OAMPO responses – to date.
- Discuss impact of responses.
- Not all changes are related to HOTMA.

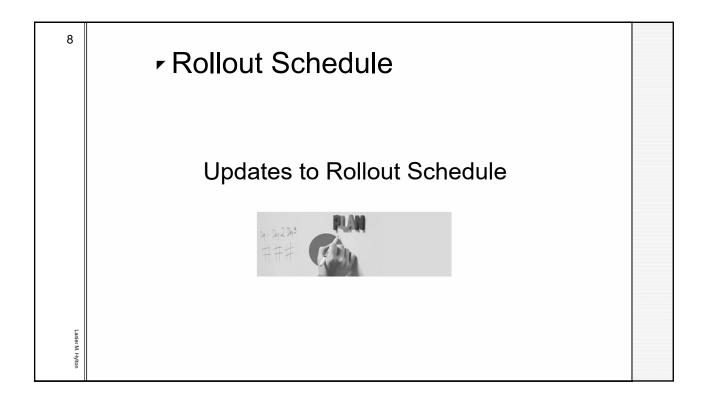
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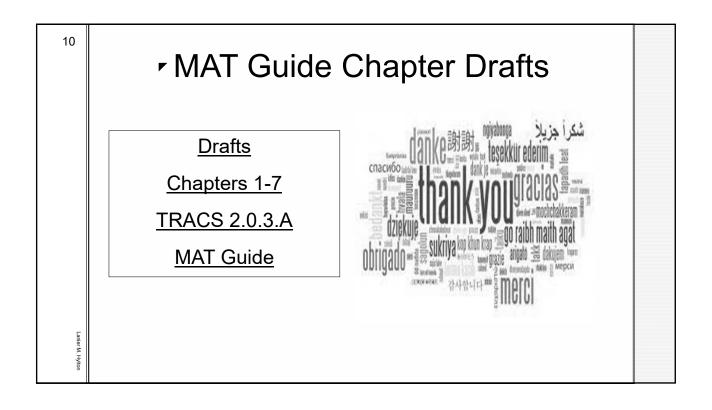
Status of Forms Change

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## MAT Guide Chapter Drafts

Posting New Drafts
With edits
By Monday
May 15, 2023

Next
Comment Deadline
May 22, 2023

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MAT Guide Chapter Drafts

There are rules.

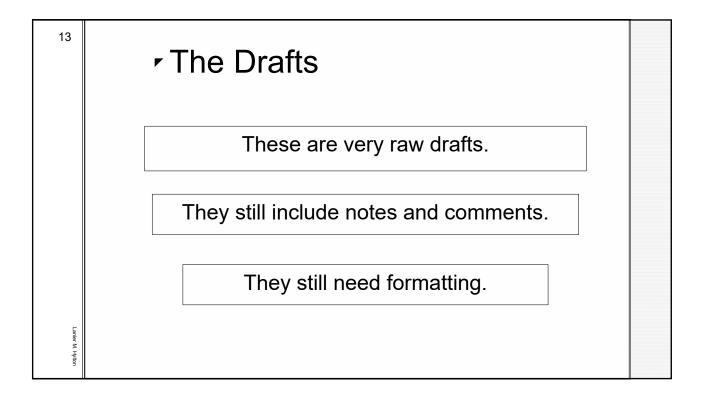
Comments to

Lanier & Princess

If you feel it is appropriate,

copy Jed and Mary

Lanier M. H



## Seeking Additional Comments

- The MAT Guide is not meant to be an occupancy guide.
- Consideration of edits should be related to TRACS or SW development.
- Questions re: content should be related to TRACS or SW development.

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Be specifically mindful of the word "must".

MAT Guide editors cannot provide clarification regarding implementation of HOTMA.

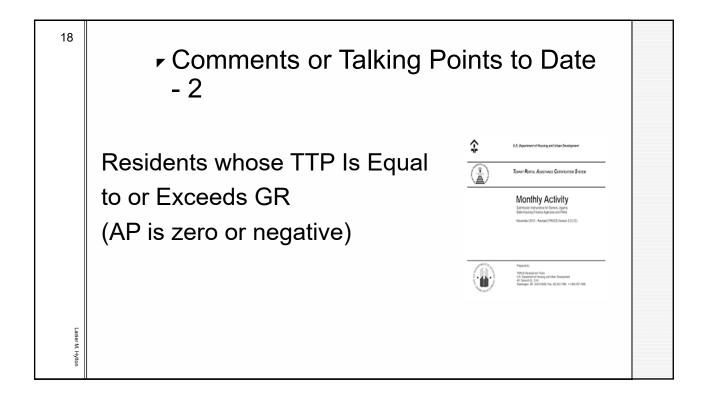
Inquiries should be sent to MFH\_HOTMA@hud.gov

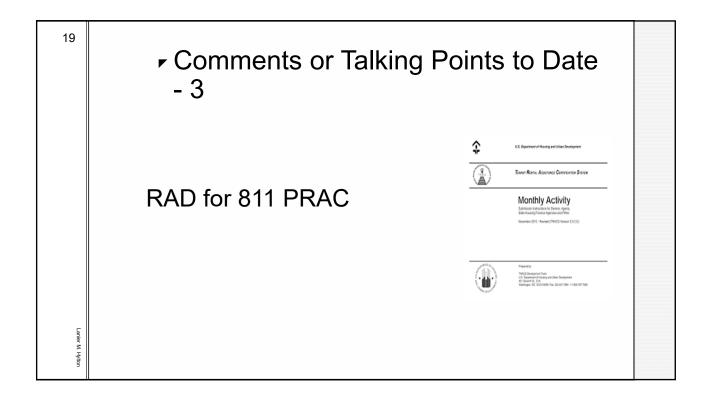


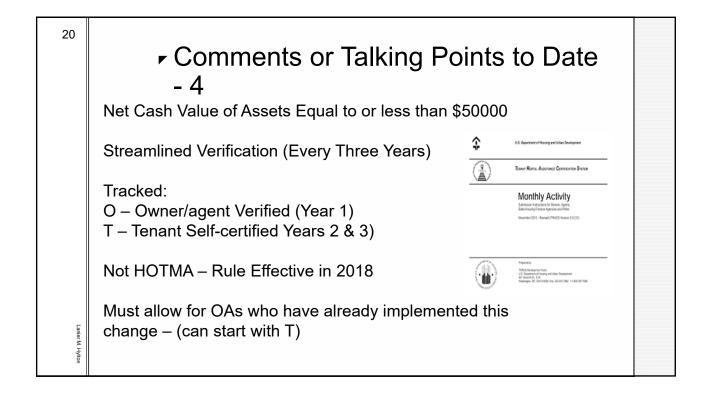
P Comments or Talking Points to Date
- 1

Chapter 4 PBRA RAD −
Rent Phase-in 202D v 2.0.3.A

Page 10 Secret Pa







## Comments or Talking Points to Date5

# Recertification for Fixed Income Families (FAST Act)

- Review of <u>Income</u> Required Every Three Years
- AR still submitted each year.
- Not HOTMA In effect since 2018



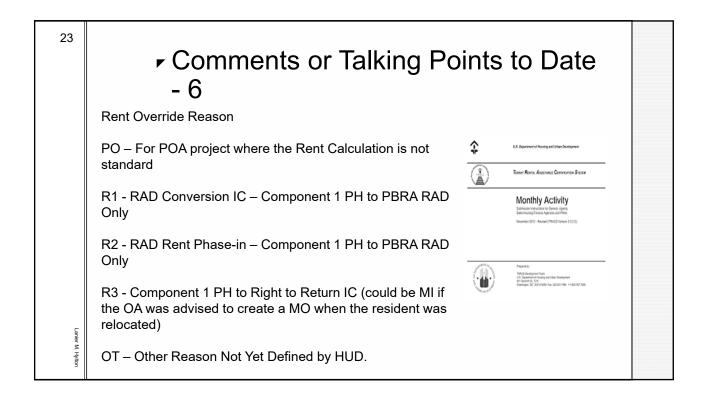
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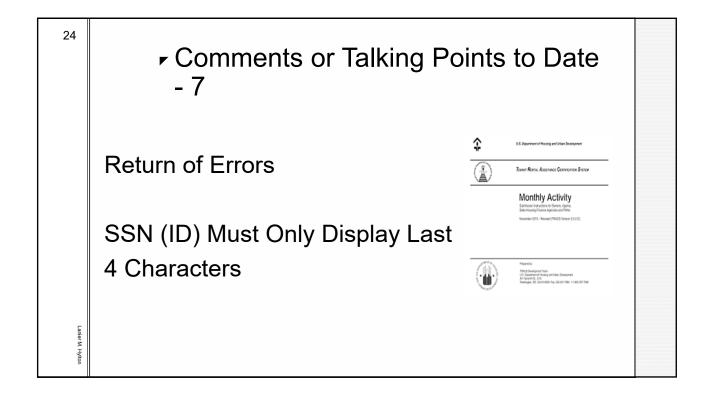
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#### The FAST Act

- The FAST Act became effective in March 2018. Under the FAST Act, when at least 90% of a household's income is from a fixed source (e.g. Social Security, VA Disability, fixed pension) a review of income can be conducted once every three (3) years. A new certification must be submitted every year. Compliance with the FAST Act is not monitored by TRACS.
- For tracking purposes, a new field is being added to the MAT to identify fixed income households (MAT10, Section 2, field 20: Fixed Income Household).
- Fill the new field with "Y" if the household qualifies as a Fixed Income Family and leave blank if not. This field should not be filled for any certification effective prior to March 2018.

dilei w. nyi





## Non-essential Personal Property

 Explanation of the Example of Income from Assets that we are including in the MAT Guide Chapter 5.

anier M. Hylto



Recap of 203A Changes
From the original Final Spec

Race and Ethnicity
 Added Ethnicity Sub-types
 Puerto Rican
 Cuban
 Mexican, Mexican American, Chicano/a
 Another Hispanic, Latino/a or Spanish origin

## Race and Ethnicity

- Added Race Sub-types (Asian)
  - Asian India
  - Japanese
  - Chinese
  - Korean
  - Filipino
  - Vietnamese
  - Other Asian

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## Race and Ethnicity

- Added Race Sub-types (Native Hawaiian or Other Pacific Islander)
  - Native Hawaiian
  - Samoan
  - Guamanian, Chamorro
  - Other Pacific Islander

Lanier M. H)

## Previous Housing Code

Code 2=Without or Soon to Be Without Housing is a legacy code to be used only for MIs or corrections to MIs originally transmitted under TRACS Release 2.0.2.C or earlier Releases.

Code 2=Without or Soon to Be Without Housing is not to be used for any new MI effective on or after 10/1/2015. Any MI effective 10/1/2015 or later, that includes Code 2 in the Previous Housing Code field must be corrected to use a valid code ( $5 = Lacking \ a \ Fixed \ Nighttime \ Residence$  and  $6 = Fleeing/Attempting to \ Flee \ Violence$ ).

TRACS will issue a FATAL error if a Code 2 is submitted for any MI certification or corrected certification with an effective date on or after 10/1/2015. Site and CA software vendors are expected to enforce this rule.

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

- Housing Notice 2016-09 Streamlining Administrative Regulations for Multifamily Housing Programs
- **999-99-0000**
- There are approximately 273 active households that have at least one family member with the "999990000" as the SSN.
- For 203A- Two Edits:
- 1. TRACS will generate a fatal error if family ID code is 999990000
- 2. TRACS will generate a fatal error if no SSN Exception for household member using 999999999.

anier w. Hyli

#### SSNs for Fosters

- Printing/Displaying SSN and Date-of-Birth for Fosters on the 50059
- Starting with the implementation of TRACS 2.0.3.A, the SSN for a Foster Child/Foster Adult will NOT be printed on the 50059.
- Site and CA software MUST ensure that the 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.

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#### Birth Dates for Fosters

- In addition, the 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 in the Member 3 Record.

Lanier M. H

 The actual Birth Date will be transmitted in the MAT 10 Member Record

# New Member Special Status Code for FSS Participants

- A new code F has been added to identify members participating in the Family Self Sufficiency program.
- Not all household members are required to participate in the FSS program.
- The Special Status Code, MAT10, Section 3 Field 10, has been widened to 10 characters to accommodate this and possible future codes.
- The former future code of F for frail elderly has been dropped.
- HUD Form 50059 is not being modified at this time to allow more space for printing codes.
- F = FSS-Family Self Sufficiency Participant (such individuals have executed an ITSP-Individual Training and Services Plan. ITSPs are attached to, and incorporated as part of, the CoP-Contract of Participation

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## Certification Data Entry

- The 203ACertificationDataEntry.xls spreadsheet has been corrected to add a rounding to the penny step in the 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.

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## Terminations/Suspensions

- New Codes
  - RD = PBRA RAD Tenant Transferred During Rehab is being added to indicate a suspension occurring on or after the RAD Contract Effective Date to allow for renovation of the unit.
  - RH = PBRA RAD Tenant Transferred Prior to RAD Contract Effective Date for Rehab

Added Later DE and OA

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## History Baselines

Required (all record types) for both OA and CA software

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## Voucher Miscellaneous Requests

- SERV is no longer valid
- New Codes
  - RADZ
  - RADR
  - RADN
  - RDRV
  - RPMT

and with

HOTM Added Later

## Voucher Miscellaneous Requests

- Three new fields are being added to the MAT30, Section 6, Miscellaneous Accounting Request record:
  - 1. HOH Last Name,
  - 2. HOH First Name and
  - 3. Unit Number.

Lanier M. Hy

 These are used in relation to RADN requests and for RDRV

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## Adjustment Cert Types

- On the voucher, the certification types applicable for Adjustment Records (MAT30, Section 4) are now all mandatory.
- The codes for full certification/UTs (AR-O, AR-I, IR-O, IR-I, IC-O and IC-I) were added late in the 202D process and were considered optional for 202D.

Lanier M. H

 With 203A UT-O and UT-I are no longer permitted for a full certification/UTs.

## Voucher Billing for All Units

Rows for Assisted, Abated, Vacant, Market, and Rehab units will appear in the Regular Assistance billing part of the voucher (Section 3 Record)

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Repayment Agreements/FSS Escrows

Major surgery.

Read the requirements carefully.

anier M. Hyl

## Origination of Data

Since certifications are legal documents that modify the lease, CAs may not edit them.

All certifications must originate with the OA.

anier m. Hyli

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## PRACs and Failure to Recertify

- Upon review, HUD's Office of General Counsel has determined that a tenant's rent should not be changed while eviction is being pursued after a failure to recertify.
- Guidance on how to force tenant whose assistance is not zero or negative to operating rent had been introduced with TRACS 2.0.2.D and illustrated in the CalculatingTenantRent spreadsheet.
- As a result of the OGC opinion, that guidance is being removed. Since it is assumed that forcing a tenant to operating rent is a manual process in OA software, OA software vendors are instructed to tell their clients not to use that procedure.

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Removal of that process is mandatory for TRACS 2.0.3.A

## Unit Swaps/Trades

- Site and CA software must support Unit Trades. A Unit Trade may be defined as
  - Two households trading units (Household 1 moves from unit 101 to unit 102 and Household 2 moves from unit 102 to 101 simultaneously) and
  - 2. More than two households moving simultaneously (Household 1 moves from 101 to 102; Household 2 moves from 102 to 103; Household 3 moves from 103 to 101).

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#### UTs and LIHTC

- LIHTC rules do not allow a UT between two buildings in a property unless they are formally part of a multiple building Tax Credit project.
- When not part of a multiple building LIHTC project, tax credit rules require a qualification certification for the new unit and the set of transactions is commonly implemented as a MO/MI pair of LIHTC certifications.
- However, HUD requires that a UT be done in this case—not a MO/MI.
- This means that the OA software must be able to handle the transfer both ways to satisfy the rules for the two programs.

allel w. nyie

### Recert Notices

Recertification (AR)
Notices: Chapter 7 of HH
4350.3 and Chapter 4 of
MAT Guide calls for all AR
Notices to be sent until the
AR is completed/signed
unless there are
extenuating circumstances.

This ensures compliance with the instruction provided in HH 4350.3 R1, C4, Paragraph 7-8 and HUD's Clarification in the Q&A

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