SUBJECT: Processing Changes for Voucher Management System (VMS) Data - Housing Choice Voucher Program

1. **Purpose.** This Notice announces that certain changes are being implemented in the submission and processing of data in the VMS. No changes are being made in the data that is collected.

2. **Background.** The VMS was established by HUD to collect monthly leasing and cost data for the Housing Choice Voucher Program (HCVP). The data has been collected on a quarterly basis and has been used for national reporting, analysis of program performance and, since calendar year 2005, for calculation of annual HCVP funding for each public housing agency (PHA). PHAs submit data for each month after the end of each calendar quarter. Once the submission period has ended, HUD extracts all the data and performs a variety of “edit checks” to validate the data and identify apparent errors, omissions and discrepancies. Edit checks compare the data that the PHA is reporting to threshold data for that field (for instance, units months available vs. units months leased, etc.) If the data fails the edit threshold, it is not deemed incorrect; it is identified for PHA review because it falls out of normal ranges, and possibly needs editing. PHAs are then requested to review the results of these edits and make any needed corrections via a revised submission to VMS. The submission period ends one month after the reporting period, and another month is required to complete the validation process. As a result, when the data is first available for analysis and use, it is aged as much as five months. Since performance and funding are linked to a calendar year schedule, such a delay generally does not allow enough time within the year to make meaningful adjustments to performance.
3. **Submission and Processing Changes.**

The following modifications are being made to the submission and processing of the VMS data. These modifications were implemented on October 25, 2008:

A. PHAs will begin submitting their monthly data on a monthly, rather than quarterly, basis. Submissions will be made in the month immediately following the reporting month. This change will provide data at a much earlier point, thereby facilitating timelier reporting and earlier identification of any performance or financial problems. The data to be submitted is not changed; only the timing of the submissions is changed.

B. The edit and validation process currently performed in a combined manual and automated process after the submission period will be performed on-line as the PHA enters the monthly data. If an entry fails an edit, the PHA will be alerted to review the data, revise it if needed or select an explanatory comment to support that data; HUD will review the explanatory comments as necessary. The submission will be accepted by VMS once all entries have passed validation in this manner. This change will reduce or eliminate the off-line validation efforts, accelerate the point at which validated data is available for use, and provide for a current database at all times. A revised VMS user’s guide, to be issued with the release, will provide a detailed description of each edit.

4. **Paperwork Reduction Act.** The information collection requirements contained in this notice have been submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 3520) and approval under OMB Control Number 2577-0169 is pending. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

Any questions concerning this Notice should be directed to the Housing Voucher Financial Management Division, Office of Public Housing and Voucher Programs, at (202) 708-2934 (this is not a toll-free number). Persons with hearing or speech impairments may access these numbers via TTY by calling the toll-free Federal Information Relay Service at (800) 877-8339.

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Paula O. Blunt, General Deputy Assistant Secretary for Public and Indian Housing