



**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing**

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**Special Attention:**

**NOTICE PIH 2005- 17 (HA)**

Housing Agency Directors; Housing Choice  
Voucher Program and Public Housing  
Administrators; Public Housing Field Office  
Directors; Section 8 Financial Management Center

Issued: June 15, 2005

Expires: June 30, 2006

Cross References:

Notice PIH 2000-13 (HA)

Reinstatement

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Subject: Reporting Requirements for the Family Report (Form HUD-50058) to the Public Housing Information Center (PIC)

1. **Applicability.** This Notice applies to Public Housing Agencies (PHAs) administering public housing (low-rent “conventional”) or Housing Choice Voucher (HCV) programs (including the project-based certificate and voucher program). For PHAs that participate partially in the Moving to Work (MTW) program, this Notice only applies to those PHA’s households that are not part of the MTW program. This Notice does not apply to PHAs that participate fully in the MTW program and entities administering Moderate Rehabilitation Programs and Tribal Designated Housing Entities (TDHEs).
2. **Purpose.** This Notice renews and revises Notice PIH 2000-13 issued April 7, 2000. It explains the requirement that all PHAs that administer public housing or HCV programs must submit, on a timely basis, 100 percent of family records to HUD’s PIC as set forth by 24 CFR Part 908 and the consolidated annual contributions contract (CACC). PIC is the Department’s official system to track and account for public housing and HCV family characteristics, income, rent, and other occupancy factors. PHAs must submit their Form HUD-50058 records electronically to HUD for all current public housing and HCV families. PHAs must submit accurate records with no fatal edits (edits that cause PIC to reject records to maintain the integrity of the PIC data) for HUD to consider the records successfully submitted.
3. **Response to OIG FY 2004 Financial Statement Audit (2005-FO-003).** The Office of the Inspector General’s (OIG) independent audit of the Department’s financial statements reported a material weakness in establishing requirements to ensure that PHAs accurately and fully report all tenant data every reporting period in which rental subsidies are expended. To clear this material weakness, it is essential that HUD and PHAs ensure that the data within PIC is current, complete, and accurate. HUD will maintain the reporting policy because PIC is a critical source of data for performance assessment of PHAs.

4. **Minimum Reporting Rate.** PHAs must have a minimum 95 percent Form HUD-50058 reporting rate for both public housing and HCV at the time of their annual assessment to avoid sanctions. HUD calculates reporting rates separately for the public housing and HCV programs based on the PIC Delinquency Report business rules. HUD will begin assessments starting with the December 31, 2005 Fiscal Year End (FYE) PHAs. HUD will assess PHA reporting rates annually based on the PHA's FYE. The following table indicates for each FYE the due date for PHAs to submit their Form HUD-50058 records to PIC to have them count toward their reporting rate and when reporting rates will be available to view in PIC.

	<b>March FYE</b>	<b>June FYE</b>	<b>September FYE</b>	<b>December FYE</b>
Measures records submitted through	3:00 p.m. EST on the first Friday in April	3:00 p.m. EDT on the first Friday in July	3:00 p.m. EDT on the first Friday in October	3:00 p.m. EST on the first Friday in January
Date reporting rate report is available in PIC	10 days after FYE	10 days after FYE	10 days after FYE	10 days after FYE

PHAs are responsible for monitoring their own performance. HUD requires PHAs to continuously update PIC by accurately reporting Form HUD-50058 data on time. HUD provides PHA reporting rates in the Delinquency Report. The Delinquency Report contains data for the 16 months prior to the date the report is generated. PHAs can access the report in PIC. PHAs may also contact their Field Office to obtain their reporting rates.

5. **Forbearance Requests.** Field Offices will notify PHAs with reporting rates under 95 percent that they will be sanctioned. PHAs that are subject to sanctions have 15 calendar days from the date they received this notification to submit a forbearance request in writing to their Field Office. Forbearance requests must include (1) an explanation of the problem that caused them to report below 95 percent and (2) a Corrective Action Plan (CAP) with measurable milestones and dates. PHAs currently under another CAP can include their Form HUD-50058 reporting issues under an existing CAP as long as the existing CAP's due date generally does not exceed 90 days from the date the PHA received notification to submit a forbearance request.

Forbearance requests will be considered for a limited number of reasons:

- (1) PHA's program (public housing and/or HCV) with a reporting rate below 95 percent was established within the past two years.
- (2) PHA has software vendor or contractor issues and can provide documentation of their on-going effort to address problems in a timely fashion and of their inability to submit Form HUD-50058 records for the 90 days proceeding their FYE.

- (3) PHA can demonstrate that their reporting rate is below 95 percent due to more recent leasing data than that reflected in the Voucher Management System (VMS), and that when current leasing data is used their reporting rate is at or above 95 percent.
- (4) Other. PHA must document that circumstances beyond their control caused their reporting rate to be below 95 percent.

Field Offices will review all forbearance requests that cite reasons one through three and make a decision on the request. For forbearance requests that cite reason four (Other), Field Offices will review the forbearance requests and forward a recommendation to Headquarters on whether to approve the request. Headquarters will make the final decision on all forbearance requests citing reason four. PHAs that cite reason three (VMS data issues) in their forbearance request do not need to include a CAP with their forbearance request. Documentation showing how their reporting rate is at or above 95 percent with current leasing data is sufficient. All other forbearance requests citing reason one, two or four must contain a CAP.

6. **Sanctions.** PHAs that do not reach the minimum 95 percent reporting requirements at the time of their annual Form HUD-50058 reporting rate assessment and fail to (1) submit a forbearance request containing an explanation of the problem that caused them to report below 95 percent and a CAP (when a CAP is required, per section 4 of this Notice) with measurable milestones and dates within 15 calendar days from the receipt of notification from their Field Office that they are below 95 percent; and (2) implement corrective actions pursuant to a Field Office approved CAP are subject to the following sanctions:

- A. **Public Housing Sanctions.** Pursuant to Section 6(j)(4)(A)(ii) of the U.S. Housing Act of 1937 and 24 CFR 90.113(c), PHAs with reporting rates below 95 percent that do not submit a HUD-approved forbearance request within 15 calendar days of being notified by the Field Office that they are subject to sanctions, or do not implement its corrective actions within the timeframes approved by the Field Office, will have five percent of its monthly scheduled operating subsidy withheld beginning the month the Field Office makes the sanction effective, and shall last until the PHA achieves compliance with the program requirements. Once the PHA achieves compliance with the Form HUD-50058 requirements, HUD will release the lock on the withheld operating subsidy funds. The PHA can access the unlocked funds once the sanction is lifted.

PIC reporting rates also may be taken into consideration for future funding distribution under the U.S. Housing Act of 1937, as amended. PHAs with reporting deficiencies could experience diminished funding due to poor PIC substantiation of program needs and related requirements.

- B. **Housing Choice Voucher Program Sanctions.** Pursuant to Section 6(j)(4)(A)(v) of the U.S. Housing Act of 1937 and 24 CFR 982.152(d), PHAs with reporting rates below 95 percent that do not submit a HUD-approved

forbearance request within 15 calendar days of being notified by the Field Office that they are subject to sanctions, or do not implement its corrective actions within the timeframes approved by the Field Office, will have 10 percent of its monthly scheduled administrative fee advance withheld beginning the month the Field Office makes the sanction effective, and shall last until the PHA achieves compliance with the program requirements. PHAs that do not improve their reporting rate to 95 percent or above within six months after the sanction becomes effective will have their withheld administrative fees forfeited permanently.

7. **Appeals.** A PHA may appeal the denial of forbearance to the Assistant Secretary within 15 calendar days from the date of the denial. The PHA may not request more than one appeal per adverse action. The PHA shall submit the appeal via certified mail to:

U.S. Department of Housing and Urban Development  
Office of the Assistant Secretary for Public and Indian Housing  
451 7<sup>th</sup> Street, S.W., Room 4100  
Washington, DC 20410  
Attn: Mr. Lloyd Darasaw

8. **PIC Reporting and SEMAP.** HUD verifies five of the Section Eight Management Assessment Program (SEMAP) indicators with data PHAs provide to PIC on the Form HUD-50058. To assign a rating other than zero for any of the five indicators, the Department requires a reporting rate to PIC of at least 95 percent of its participants. The 95 percent reporting rate goes into effect with the December 31, 2005 submissions.
9. **PIC Reporting and PHAS.** Form HUD-50058 reporting rates do not impact PHA Public Housing Assessment System (PHAS) scores.
10. **Information Contact.** Inquiries about this Notice should be directed to Lloyd Darasaw of the Management and Occupancy Division at (202) 708-0614, extension 3637 or to the appropriate HUD Field Office.

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