



Working with TRACS - Overriding an HQ Termination When the AR is Completed/Submitted

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Missing Annual Certs - Cause

- Resident Non-Compliance
- Delayed Submission
- Owner/Agent Non-Compliance

HQ Termination

HUD will terminate about 96 days from the annual due date

***U.S. Department of Housing and Urban Development
TRACS Late Recertification Report***

Contract Number: AZ **Report Type: All Certifications**

Total Number of Late Recertifications: 8 **Sorted By: Unit**

Project Number	Unit	Tenant Name	Tenant SSN	Effective Date	Next Recert Date	Number of Days Late	Termination Date	Termination Reason
12	102			5/1/04	5/1/05	178	4/30/05	HQ
12	110			5/1/04	5/1/05	178	4/30/05	HQ
12	128			5/1/04	5/1/05	178	4/30/05	HQ
12	135			5/1/04	5/1/05	178	4/30/05	HQ
12	213			5/1/04	5/1/05	178	4/30/05	HQ
12	218			3/1/04	3/1/05	239	2/28/05	HQ
12	225			5/1/04	5/1/05	178	4/30/05	HQ
12	230			5/1/04	5/1/05	178	4/30/05	HQ

Two Different Models

Currently Uses Correct Effective Date

Used to Use Effective Date 90+ Days After AR was due

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TRACS Late Recertification Report*

Contract Number: AK Report Type: All Certifications

Total Number of Late Recertifications: 8 Sorted By: Unit

Project Number	Unit	Tenant Name	Tenant SSN	Effective Date	Next Recert Date	Number of Days Late	Termination Date	Termination Reason
	A01			6/1/03	6/1/04	0	7/1/03	TI
	E35			10/1/02	9/1/03	274	4/5/04	HQ
	E39			4/1/02	4/1/03	427	7/7/03	HQ
	E40			1/1/04	6/1/04	0		
	H58			3/1/04	6/1/04	0		
	H63			3/1/02	3/1/03	458	6/9/03	HQ
	K85			12/1/02	12/1/03	183	3/8/04	HQ
	L95			3/1/02	3/1/03	458	6/9/03	HQ

[Interpreting and Printing this page](#)

Return to Query

To Override HQ Termination – Common “Fix”

- Submit Termination
- Then submit Initial effective the day after the HQ termination
 - Risk Factors/Increased Errors
 - Risk Eligibility for Assistance
 - Risk Change in AP
 - Risk Missing Annual Review
 - Users forget to change next AR date
 - Information at site no longer matches what actually happened with the household

To Override HQ Termination – Handbook Compliant

After 15 Months (HQ TM)

- Submit AR with original effective
- May have to submit as
 - Correction
 - Will generate error
 - Baseline

Resident Non-Compliance

- If Household does not respond by the AR date, AP should be terminated

- Termination effective day before AR date

- TRACS & Site data should be the same
 - F0035 - Household assistance termination record already exists for household ID:_____
 - TA005 - A MAT65 termination updated the existing HQ termination.



Delay in Submission - Resident

- Resident was late to reply
 - After 10th day of 11th month
 - Before annual effective date
- Extenuating circumstances
 - Extended hospital stay
 - Emergency hospital stay (unable to sign)
 - Out of town/country
 - Other

Handbook Reference

■ 7-8-D

2. Delays in processing due to late tenant response.

a. This situation can occur as follows:

- (1) The owner provides all three recertification reminder notices in accordance with HUD requirements; and
- (2) The tenant reports for the recertification interview and provides information and signatures after the cutoff date (i.e., after the 10th day of the 11th month following the last annual recertification), but before the recertification anniversary date.

b. The owner processes the annual recertification.

(1) Changes in the TTP/tenant rent and assistance payment take effect on the recertification anniversary date.

(2) As established in the Model Lease, the third reminder notice fulfills the requirement for a 30-day notice of rent increase effective on the anniversary date.

c. In all cases where the tenant reports for recertification after the 10th day of the 11th month after the last annual recertification but before the recertification anniversary date all adjustments in assistance payments and the tenant's rent are made retroactive to the recertification anniversary date.

No Termination Required

Within 15 months

- Submit AR with original effective date
- What about extenuating circumstances??
 - Submit AR with known info and correct later?
 - Let HQ Termination Happen?
 - Reduces compliance percentage

After 15 Months (HQ TM)

- Submit AR with original effective
- May have to submit as
 - Correction
 - Baseline

Owner/Agent Non-compliance

- If O/A fails to notify or certify on time
- Household AP should not be terminated
- AR must be submitted with original effective date
- O/A is not penalized financially unless TTP increases
 - 30 day notice requirement

Delayed Submission – O/A

- O/A Submits AR after 15 months

- 7-8-D

1. Delays in processing due to owner or third-party action

- a. This situation can occur as follows:

- (1) The owner fails to provide timely recertification reminder notices
 - (2) The owner has adequate time, but fails to complete verification and recertification processing procedures 30 days before the recertification anniversary date, and fails to provide the required 30-day notice for a rent increase to take effect on the recertification anniversary date.

- b. Changes in the assistance payment take effect on the recertification anniversary date.

- c. Changes in the TTP and tenant rent are effective as follows:

- (1) On the recertification anniversary date, if the tenant rent decreases as a result of the recertification; or
 - (2) On the first of the month following a 30-day notice period, if the tenant rent increases as a result of the recertification.



In Summary

- The HQ Termination Override Recommended Process Has Changed
 - No “Pat” Answer
 - Depends on Circumstances
 - Initial Certification is only appropriate when resident is non-compliant
 - Otherwise, submit AR with original AR certification effective date

- Please help us communicate this updated information