

**TRACS Meeting Notes
March 2005**

Opening Remarks – Lanier Hylton

At the beginning of the meeting, Lanier announced that TRACS 202B has been released on March 1st. In light of assignment of the development contractor, TRACS 202C will not be released in fiscal year 2005. Expect to see 202C changes in 2006.

Bob Barrick – Tenant Compliance – 85%

Bob Barrick discussed the current status of the 85% Optimum Tenant Compliance objective. As of the meeting date, 449 vouchers were suspended. The automatic release is happening every day.

As expected, when vouchers are suspended, HUD has found that the Owner/Agents are actively submitting missing information in order to achieve at least 85% compliance.

HUD implemented a plan to phase in the Optimum Tenant Compliance Requirements by suspending vouchers with the lowest compliance percentage first. As those voucher issues were resolved, the automated compliance monitoring was adjusted to suspend vouchers below 85% by using a phased approach. Compliance percentage requirements were increased incrementally until all vouchers below 85% were suspended. (Consideration of very small properties has been built in to the automation of compliance percentage monitoring)

Although HUD expected a jump in calls to the Multi-family Help Desk, it turns out that there was not a significant increase in the number of calls. With 24,000 contracts, 449 is a good percentage. HUD is happy with the numbers and wondering how many of these vouchers have been there for a long time. Effective with this month's voucher, HUD is enforcing compliance at 85%. Fifty percent of the 449 suspended vouchers are actually contract identified activity where four to five vouchers on a contract are suspended.

The next step is to investigate properties that have vouchers suspended for a significant period of time without response from the owner/agent. HUD will issue a notice and, if the OA fails to respond, more severe action will be taken. If the OA does not do something in the timeframe described in the notice, they will send out a second letter, and then HUD will go to enforcement centers to obtain resolution.

As of right now, the compliance percentage objective is 85%. We expect to see that number increase to 90% sometime toward the end of 2005 or the beginning of 2006.

Stakeholder – Are any of these properties reporting to PBCAs?

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Bob – We're at the 85% level so anyone with access to the TRACS database can go in, sort the portfolio and see anything that could be in trouble. Most of the vouchers suspended are HUD managed.

Lanier – less than 5% of the violators are reporting to PBCAs. For those properties, HUD initiated conversations, and, based on discussions with the PBCA, made a determination of whether they should suspend the voucher. HQ notifies the field office and CAOM and lets them know so they can follow up with the OA and the CA.

Bob was also asked to discuss problems with future certs.

There is one rather small issue connected with TRACS processing when there are future certs submitted more than one month in advance. In these cases, there will be a potentially sudden and temporary decline in the compliance percentage. This stems from problems determining which certification is in effect.

As a result, there are a handful of cases where vouchers either are or will be suspended when they should not be. Because HUD is able to identify those cases, they are reviewing suspended vouchers every 48 hours to identify those cases and to see if the compliance percentage drops as a result. If this is the case, TRACS is manually releasing the vouchers.

Stakeholder – We are still having problems when there are changes to the Head of Household on a future certification. Why can't you change the Head on a future cert? The only way to make this work is by trying to change the Head on the previous cert and send it as a correction. The CA has to pay on the following voucher. Why is the edit in there?

Bob – I do not know the status of the fix, but until recently, you could not change a Head of Household by way of correction. Where are we on allowing this change?

Pat Machogu – We already put in a fix. You need to make sure you filled in the fields for previous Head of Household. I am not aware of any other issues.

(Note from RBD – this has been resolved...future certifications can now include a change to the HOH)

Stakeholder – Question #1: In the tenant compliance calculation, you are counting certifications that are 13 months old; however, the certification query still shows the certs for 15 months.

Question #2: There are disparities between the Optimum Tenant Compliance Query and the Certification Query. In one report a property may reflect 42%, but the daily compliance percentage is 100%.

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Bob – On the first question, quite simple; Housing established the policy that they would let a cert remain active as long as the cert was within 3 months of the annual recertification date.

That 15 month period was established as a matter of policy, grace period or whatever. When business rules were established, they decided that these things should be current to within a year.

Stakeholder – There is a bit of a problem with the division of the 15 months and the 13 months. Some certs may carry over. Is there a possibility of looking at 14 months as a compromise?

Stakeholder– is there any way to tag inactive certs?

Bob – We plan to be able to flag households that are not active.

Lanier – Future development of TRACS will not occur until 2006. Given that, we need an interim measure to address the variance between the 13 and 15 months.

Stakeholder – We could allow for a sort by effective date.

Bob - We talked about that earlier. Sorting within the query itself is easier from a development perspective than doing the reconciliation, but both involve a change.

Stakeholder – Maybe we could make active certs a different color.

Bob – Second question – why is there a variance between compliance percentages from one query to another?

Stakeholder – The voucher compliance query and the actual voucher query may be different for one day depending on the timing of the calculation.

Bob – You should only see one business day's difference in the report. The server providing the data for the voucher compliance query has data that is one day old.

Stakeholder – Some of our properties are in PA, and she is seeing the same issue.

Stakeholder – There may be something else going on beside the future cert issue.

Bob – The way that TRACS was logically deleting records had a minor problem. There are literally half a dozen vouchers that are suspended because of the future cert issue.

Jerry – The fix is in system test in order to get a resolution as quickly as possible.

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Bob – We appreciate the help in getting the issues identified.

Stakeholder – Would it be easier to copy the tenant cert query, rename it to a 13 month query and then get the true active tenant count?

Bob – That is a good idea to consider, but we could still run into problems with the reconciliation. The tenant compliance set of rules is voucher driven and is based on the current voucher date. To a small degree, we are talking about apples and oranges.

LH – Let's close this out. We are fixing future certs. We also need to discuss the change of head of household for future certs with Pat.

Bob - We will also look at the two options proposed to change the reports to provide the 13 month information.

PBCA Awards – Lanier Hylton

HUD has awarded the last two PBCA contracts. Bremerton Housing was awarded the contracts for Utah and Nebraska. The contract administration will be ramping up over the next 4 or 5 months.

HUD has 56 PBCA contracts in place nationally, including Puerto Rico, DC, and California which has been divided in to two territories. There is a Performance Work Statement on the street for outsourcing Rent Supplement, RAP and Section 8/202. HUD will be bidding as well.

2006 Budget – Lanier Hylton

HUD is already working on the 2006 budget. Stillman Knight was on the Hill yesterday. Lanier is not sure what Congress will do with the budget proposals for 2006, 2007 and 2008. There will be big changes in how HUD will operate.

Among other things, the voucher program is changing, and the budget approach is also changing. With that, it seems that most of the other programs are taking

The 2006 numbers are about \$4.9 billion for HUD – down from \$5.2 billion. Housing usually makes up the difference through recapture.

HUD's position is that if the budget is short, they will fill it with renewals, amendments and PBCA fees. The fallback position is to fill shortfall through recapture. It is unsure if the \$4.9 billion for renewals will be the final number. Stillman is arguing to keep the number where it is.

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It is a collection of notes taken during the discussion at the TRACS Industry Meeting.

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We have kept Section 8 program controls in line with the 2 to 2.5 % increases. Currently, everyone is working to identify where the funds will be.

One major objective is to try to make sure all contracts expiring in 4th quarter will have time to complete the renewal process, which takes 120 days. HUD wants to make sure those contracts are funded.

202C – Lanier Hylton

The release of TRACS 202C will not happen in 2005. It will happen after HUD has a new contract for a TRACS developer. In future years, there will be very limited development for TRACS. Instead, HUD will look at the project plan to address any “low hanging fruit” as identified in the Business Process Re-engineering. Lanier would like to see one certification used for Multifamily Housing and PIH. He does not think PIH is against the idea.

BPR – Morton Glassberg

- Agenda –
 - Introduction
 - What’s Happened Since October
 - Next Steps
 - Your Opportunity for Involvement
 - Questions and Answers

Let’s give you an update on where we are



The above diagram is a comprehensive summary of HUD’s BPI Initiative. It provides a visual explanation of the high-level activities that will occur during each Business Process Improvement project. The diagram highlights the activities that precede and follow the actual project, the Phases of BPI itself, and the elements that will be considered throughout the entire project.

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Integrated Business (People / Processes / Technology / Strategy). The BPI at HUD strives to account for the integrated business of an organization. The people, processes, technology, and strategy of an organization must all be addressed when improving any aspect of their business. These areas, as they exist currently, will be thoroughly reviewed. They will also be addressed in any recommended solution, as all four are interrelated and integral to the success of any organization.

Change Management. Managing change is one of the most critical elements to each BPI effort, and it must take place throughout the entire BPI effort. There will always be resistance to change, regardless of whether it is positively or negatively perceived. Stakeholders, when confronted with change, will move through various levels of commitment. They begin indifferent, maintaining the status quo, then move to reject/denial, prior to turning towards acceptance and a higher level of performance.

Change Management, in the context of BPI, will focus on four key areas. **Leadership** will establish the vision, mission and agenda for change, and will then make executive commitment visible, constant and contagious. **Ownership** will create the environment for motivation and commitment throughout the change journey. **Enablement** will provide personnel with appropriate resources to accept new roles. **Navigation** will control the environment to manage, integrate, and coordinate multiple change efforts. Focusing on these areas throughout the process will help minimize any resistance to change.

IT Assessment. The available IT resources within the organization will be revisited throughout the BPI effort. The BPI Team will bring its expertise in technology to examine the IT resources that are currently utilized within the organization, as well as to recommend modifications in technology for the future improvement of processes. However, processes are not designed around technological improvement. The idea of technology for its own sake will not be considered during a BPI effort. Rather, the redesigned business processes will be supported by the most effective use of technology. Where appropriate, the most exciting and innovative technology will be recommended, however, eGovernment and automation are not a panacea for process problems. Instead, the role of Information Technology is assessed throughout the BPI project, leveraging technology to support processes in the most efficient and effective way possible.

Program Management, like Change Management and IT Assessment, is common to all project phases and is ongoing throughout BPI. It is the approach used to organize and administer individual efforts, and integrate those efforts into a closely monitored and cohesive program. The Program Management Framework incorporates a variety of goals, including planning and controlling the BPI Initiative, obtaining management commitment to BPI, developing and executing the team building process, developing and executing a reporting and communication strategy, ensuring integrity across individual projects, and preparing the organization for change

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through the development of leadership attributes. Not only is Program Management in effect throughout the BPI project itself, but monitoring and oversight will also take place throughout the implementation of recommended solutions.

Each project is a well managed effort conforming to:

- Structured reporting and progress requirements
- Standard methods and range of documentation
- Appropriate definition of scope and objectives
- Measurable execution/performance oversight

Since we last met, we've completed the Project Mobilization Phase.

We have developed a Project Charter, which has been approved by the Project's Executive Steering Team. However, until it is approved and signed by the project's sponsors (Stillman Knight of MFH and Bill Russell of PIH), we cannot release it to you.

The version approved by the Executive Steering Team states that the project's focus areas are:

- The flow of funds from the time HUD receives them until they are distributed to Public Housing Agencies and MFH's owner/agents. This will enable HUD to demonstrate the financial integrity of RHA programs.
- The flow of performance information back to the Department to be able to assess the effectiveness and efficiency of the programs funded.
- Improving the relationship between HUD and its partners (Manage Partner Relationship).

Do have a project charter that is signed by some but still looking for Stillman Knight and Bill Russell

The Business Diagnosis ("As-Is" Model) Phase creates a comprehensive picture of the existing process to be improved, documenting the process itself as well as the people and technology that support the process. The Phase will outline any legislative, financial, business partner, and resource constraints that affect the process, and any other relevant business requirements.

The "As-Is" phase can be very painstaking work. In assessing the current environment, it's critical to take nothing for granted. Attention to detail is so important in diagnosis. A small but critical nuance of a project or a system's impact on the environment can make a huge difference when you try to introduce change at a later time. For instance, if we assume we can pursue a specific course of action to make an improvement, and that action is highly regulated by legislative mandate, we need to change the law before we can change the process, or we may determine to work around that issue instead.

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The way we are structuring this analysis, we think that we will be able to identify some short-term improvements that can be made to how HUD does Rental Housing Assistance (i.e., we will help HUD pick the low-hanging fruit.)

The BPR team is currently in the Business Diagnosis phase, which should conclude on 9/30/05. The Process Directions phase concludes 11/30/05, and a recommended solution will be made by 6/30/06.

Stakeholder – Who is actually giving input to the business diagnosis as far as what is happening in the real world?

MG - We are conducting interviews with HUD staff, then talking to Subject Matter Experts (HQ, field office, PIH, PBCA, etc.).

How do we see some of you being involved?

As I just said, one way we may ask you to become involved in this effort is as a member of one of the Business Process Action Teams. Business Process Actions Teams consist of system owners, stakeholders, users, and customers who provide their points of view to assist the Core Reengineering Team redefine and streamline HUD's Rental Housing Assistance processes on an ongoing basis as a process is being analyzed.

Another possibility is that you may be asked to participate as a focus group participant. A focus group usually meets just once, and in it, the users of a product or service try to plan how to improve it.

Finally, you may be asked to participate as a Subject Matter Expert. A Subject Matter Expert is an individual who exhibits the highest level of expertise in performing a specialized job, task, or has a specialized skill within the organization. We use Subject Matter Experts to get our facts straight and to make sure that our interpretation of information matches an experts'.

If you are interested in being on a Business Process Action Team, being part of a focus group, or if you consider yourself a Subject Matter Expert, please give me a call. My contact information is on the last slide.

Stakeholder – Are you also going back to the problems that have happened in the past?

MG – As we do the analysis, the idea is to gather the problems that you face – systems, process, policy, etc. Tell us what is wrong.

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Stakeholder – Are you going to be gathering information from OAs?

MG – Yes, we are taking is a customer focused approach.

Stakeholder– What is the anticipated forum for gathering data from the industry?

MG – ideally we will have a focus group or a workshop to the extent that they can do that. We'll be asking Quadel and HUD about good people to talk to in order to understand the problems and issues.

Our approach to the project is to identify things that can start to be addressed immediately. If it can be handled, great. If not, we will spin off another team to address immediate issues.

As solutions are identified, they will be addressed prior to 6/30/06.

Security Deposit – Pat Machogu

Pat was at the meeting to talk about Security Deposit logic based on the 4350 handbook. Based on what she has today, we should be able to work with this and get it implemented soon.

Agenda

- Current SD Logic
- Rev 4350.3 HB SD Changes
- Security Deposit Amount
- Revised Discrepancies (2)
- New Discrepancies(3)

Current Security Deposit Logic

New logic will be based on subsidy type

Currently, TRACS does not differentiate between different Section 8 programs

Revised 4350.3 Handbook Changes

- Differentiates among Section 8 programs.
- Expects a specific security deposit amount based on subsidy type and/or program guideline id.
- Makes collecting a security deposit a prerequisite for special claims approval
- (Sec 8, PAC, PRAC).

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Security Deposit Amount

Amount collected for Section 8 depends on:

- Program type
- Date AHAP or HAP contract was signed.
- Amount of TTP

Revised Discrepancies

CE131

- Transaction type other than MI (Section 8, PAC or PRAC)
- Submitted security deposit equals \$0
- “Security deposit is now being collected by TRACS”
- Action required = 3

Stakeholder – Can we change the wording on this message. It seems to be confusing people.

Lanier – Send Pat an email with your suggestions.

CE252

- Transaction type equals MI
- Subsidy type (202 PAC, 202/811 PRAC)
- Submitted amount does not equal the **greater** of TTP or \$50
- “Security Deposit should equal the greater of Total Tenant Payment or \$50”
- Action required = 3

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New Discrepancies

CE259

- Transaction type equals MI
- Subsidy type equals Section 8
- Program types
 - New Construction (with AHAP executed before 11/5/79)
 - New Construction FMHA (RHS 515 with Section 8)
 - Substantial Rehab (with AHAP executed before 2/20/80)
 - State Agency (with AHAP executed before 2/29/80)
- Submitted amount does not equal **1 month's TTP**
- "Security deposit for this Section 8 program should equal 1 month's TTP"
- Action required = 3

CE260

- Transaction type equals MI
- Subsidy type equals Section 8
- Program types
 - Property Disposition (with sale of HUD owned property)
 - Section 202 (with Section 8 or PAC)
 - State Agency (with AHAP executed on or after 2/29/80)
 - New Construction (with AHAP executed on or after 11/5/79)
 - Substantial Rehab (with AHAP executed on or after 2/20/80)
- Submitted amount is not the **greater** of 1 month's TTP or \$50
- "Security deposit for this Section 8 program should equal the greater of TTP or \$50"
- Action required = 3

CE261

- Transaction type equals MI
- Subsidy type equals Section 8
- Program type
 - Loan Management Set-Aside
- Submitted amount is **greater than 1 month's TTP**
- "Security deposit for this Section 8 program may not exceed TTP"
- Action required = 3

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We have been looking at identified issues that will require design changes for TRACS.

**Features Requiring Tenant MAT Changes
Submission of A Security Deposit In Installments**

In order to implement this, it would require a change in the MAT. Pat would suggest that this be added to the 202C changes.

Opt-Out provision for PAC and PRAC properties

We also need to consider an Opt-out provision for PAC and PRAC properties

Stakeholder– People with POA contracts say they have permission from HUD not to collect a security deposit and instead just collect one month's rent. I guess it's really a small issue because these errors are discrepancies with an action code 3, and the site should have adequate documentation for an audit.

Stakeholder – how do I handle security deposits paid in installments? What is the expectation? What do I submit on the MI - the total security deposit amount or the installation amounts with corrections to the MI?

Pat – that needs to be worked out in the conference calls with Lanier. If we are going to capture the deposit amount, we need to make a change and decide what to store.

Stakeholder – It gets down to what the purpose is. If the field office is looking at the security deposit collected for Special Claims, then it should be the actual amount.

Pat – The opt out option would require a change as well so again, that is something for 202C.

Rent Supplement, RAP, 236 and BMIR

TRACS will accept the submitted security deposit amount.

No discrepancy will be generated.

Stakeholder – For tenants in Section 236 units going in to Section 8, do the Section 8 security deposit rules apply?

Lanier - We will follow up with Willie Spearman. We will also find out what Willie wants in regard to partial and full deposits paid.

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Stakeholder - when will this be effective in the system?

Lanier – we are waiting for approval, but probably in the next two to three weeks. We need to check on interim measures.

HUD 50059 Form – Jenny Dyer (Classic Real Estate Systems)

There is a new proposed format for the 50059. The new data requirements are listed on the updated MAT guide, which is available from the TRACS/Documents page.

<http://www.hud.gov/offices/hsg/mfh/trx/trxdocs.cfm>

Thanks to Jenny Dyer (Classic Real Estate Systems) for taking the lead in developing a standard format for the 50059 to be utilized by all software vendors. In addition, thanks to Dave Kessler (Yardi) and Gustavo Sapiurka (CAMS) for sending back the new format.

The form distributed at the meeting has not been approved. The form still needs to go to the OMB for fast track approval.

In 1984 Jenny went to work for QED. She's been working on the certification for 20 years. Jenny stayed at QED for a long time and eventually sold her software product to Classic.

No one involved in designing the new form wanted to just re-do the old form. The requirements made it look like they were considering printing the MAT records. She tried that and could not make it work. For one thing, it makes an ugly form. If you use the MAT Guide order, there is no standardization, and the form ends up having longer fields and shorter fields.

She reviewed Jed Graef's comments on the handbook. He said the MAT record is fine for computers, but it would be nice if we had a form for humans.

In addition, in a vendor conference call, there was discussion about the voucher date. It was suggested that the voucher date be included at the top of the form so industry trainers would be likely to train to it.

Jenny considered all the fields and then grouped the fields that logically seemed like they belonged together. She also initially tried to make the fields in the same place as the previous 50059, but that did not work out.

During development of the form, she determined that owner/agents, software vendors, CAs, trainers and service bureaus would all benefit if everyone used a standardized form. She sent an e-mail with a copy of the form and provided the 50059 prototype. An informal group was put together, some modifications were made, and they agreed on the format.

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As it turns out, OMB says we have to have a paper 50059 since we collect information from the public and need them to sign the privacy act.

(A copy of the proposed form was distributed at the meeting.)

All of the text shown is required. There is text that covers the privacy act, etc. Since there was so much extra space on the front page, we put the signature lines there.

The second page contains all of the data, including room for 9 family members and 15 income and assets.

Some of the contributors wanted to have these sections expand and contract depending on the amount of data. However, the committee decided to go with fixed length sections and then go with an extension page (page 3) if necessary. This way, the first two pages are always consistent.

Another issue was field numbering. Every time the MAT changes, it generates a form update. They decided to leave the number on the form, but a new field identifies the form/TRACS version number.

Some other minor changes were considered, including taking the shading out to help with faxing. However, the group agreed to put shading back in because it made it easier to determine where the sections breaks are. Since shading is only in section headers, it should be okay.

Some people want the signature page to be on the same page with the data. It was suggested that the TTP and TR be added to the top of the page. They may also add a place for household member initials. She assumes one of these things will happen before it goes to the OMB.

Stakeholder – Have you guys discussed adding the market value as well as cash value to the asset information?

JD – If it is added to the TRACS spec, she can add it.

NOTE TO SOFTWARE VENDORS - Stakeholder – It would be nice to be able to store information so that when a 50059 has been signed and submitted to TRACS you can reprint the 50059 with the signature date. If all the vendors could do this, that would be great.

Stakeholder – Will this be added to 202B?

LH – Yes.

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Stakeholder – will there be a data map?

JD – Yes.

Stakeholder – Is it off the table to change the numbering to reflect the MAT Guide?

JD – I hope so.

Stakeholder – It has value when referencing the MAT guide.

Lanier - How does everyone feel about putting one line on the signature page?

Stakeholder – Why does the signature have to be on the page with the data?

Stakeholder - The reason the signature is there is because the government is insistent that the first page information shown on the sample has to be there.

LH – Housing had similar concerns that it may not be clear that household members knew what they were signing. What that means is that you will have to sign the first page and include the TTP information.

The policy folks agree that the adult household members have to sign the form

Stakeholder – Could we move the signature lines down and add the transaction calculation information to the front page?

Stakeholder– Going back to the voucher date, some software developers, including this stakeholder, have a problem with the voucher date. It could vary depending on the real signature date.

Stakeholder – It is one of the most commonly misunderstood pieces of data.

Stakeholder – How does it really affect the information?

Stakeholder – Managers sign whenever they want.

Stakeholder– There is no option to print it off.

Stakeholder – If we don't print the voucher date, there has to be some documentation that says there is going to be a hand dated option on the field.

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There was a lot of discussion regarding what needs to be done about the voucher date and what should be done about the fact that the date needs to be as early or as late as possible.

Stakeholder– There seems to be a print out issue versus a signing issue.

Stakeholder– What happens if the CA holds the cert?

Stakeholder – Why does the voucher date have to be on the 50059?

Stakeholder– The reason was because the certs were coming in to TRACS and there was no information about which voucher it was reported on. This is necessary from an audit standpoint.

Stakeholder – Wouldn't it be easier to have it on a report versus having it on the actual 50059?

LH – This has blown up into an issue that has to be discussed further on the conference calls.

Continuation of the voucher date discussion...

Stakeholder - Can we use a “projected” voucher date?

Stakeholder – Disagreement – doesn't like that.

Stakeholder – The other piece to consider is that the “submitted on voucher date” information is needed to distinguish an old cert that, for some reason, is being resent. We don't want that one or two year old cert creating TRACS adjustments. “Here is a cert, but it doesn't count as something new” or “Here's a cert and it's going to create an adjustment.” The real distinction is that it will be creating an adjustment on the voucher.

Stakeholder - To add to what the other stakeholder said, one of the software packages uses the difference between the voucher date and the effective date to determine what the adjustment amount should be.

Stakeholder (CA) – We will know when the cert comes through what the adjustment will be. We don't care about the voucher date. We make the adjustment based on when the information comes across.

Stakeholder (CA) – We make the adjustment based on the effective date and once we get it in, we make retroactive adjustments based on that.

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Stakeholder – We're talking about a couple of issues – software issues – there are some people who don't see that voucher date at all. There are some that see the voucher date and have no idea what that means. If the user does not see it, they don't know what the date is.

Stakeholder– In our responsibilities as a CA, we have to report accurate information to TRACS. The voucher date should be right. Like the other stakeholder said, if we want to leave the cert off a voucher, then we can do so. We do have an obligation to report accurate information to TRACS.

Stakeholder – From the standpoint of the paper 50059, isn't it true that what you are putting on there is the date it will appear on the site's voucher. The CA may decide to hold the cert and put it on the next voucher. The site cares that it goes on the correct voucher.

Stakeholder (CA) – None of us disagree about the voucher date. It should be the proposed date. The training aspect and all the other stuff is valid. Who cares what the real date is.

Lanier ended the discussion and said they would review in future conference calls.

Release 202B Edits – Janell Brooks/Jerry Ledbetter

202B was made available for March 1 submissions.

- 202B includes Standardize Voucher Edits for CA Vouchers
- Return Compliance Percentage with Voucher Message
- Rejection of Rent Supplement & RAP Vouchers submitted with Special Claims
- Voucher MAT Changes

Standardize Voucher Edits for CA Vouchers

Controlling date events affecting when a voucher can be accepted from a CA and when a voucher payment is paid to the CA.

- **Date the contract is assigned to the CA** - This date is conveyed to TRACS through a file provided monthly by MFH. The CA Id must be submitted with the voucher transactions sent to TRACS from the CA. This includes vouchers for periods that pre-date the date the contract was assigned to the CA.
- **Date the CA is to start receiving the payment for the voucher**- This payment start date is approved by the Office of Housing Assistance Contract Administration Oversight and entered into LOCCS. It is conveyed to TRACS via the nightly voucher response file returned to TRACS as part of the voucher processing procedure. Vouchers submitted for periods on or after the payment start date must be submitted with the CA Id. Vouchers submitted for periods prior to the payment start date will be paid to the O/A.

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TRACS Meeting Notes
March 2005

VF40 Fatal Error is returned if there is no CA ID

Return Compliance Percentage with Voucher Message

Vouchers submitted under Release 2.0.2.B have expanded messages to keep users advised of their status.

Whenever the voucher is held for non-compliance the percentage is sent to whoever submitted the voucher advising them of the current percentage.

Whenever a reviewer takes an action that changes the status of a voucher being held for a compliance percentage violation, a message will be sent to whoever submitted the voucher to TRACS.

Stakeholder – Does this mean that the PBCA will receive the message?

LH – Yes.

Stakeholder - What about the site?

Stakeholder - This is for the direct reports to HUD.

LH – This is for “who submitted the voucher”. If the person submitted directly to HUD they would get the message. Otherwise, the CA gets the message.

Stakeholder – But the CA is mandated to forward the message to the OA, right?

LH – The CA has to forward the information to the OA. He hopes that the vouchers are pretty close to what is in TRACS. It would seem clear that they may only approve a payment for those vouchers that are correct.

Stakeholder – The question is that “is there any repercussion to a CA not forwarding messages”?

LH – What would pique his interest is that he has a CA with a compliance percentage issue.

Stakeholder– They should be on Secure Systems...

Stakeholder - That is part of the question – what is done to a CA that requires more information than the handbook or the MAT Guide indicates?

**TRACS Meeting Notes
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Stakeholder (CA) – As a CA you have to understand the clients that you are working with. Some can get error messages and it's ok. On the other hand, there are some managers that, if you send error messages, then you will be on the phone for a week.

Lanier – What you're saying is that if there is an error message that requires an owner to do something, then, you could see having a conversation with an owner but if you are just getting a confirmation and then you don't need to forward it.

Stakeholder– sometimes she gets a message stating that their ID is not recognized by the server. She sends and receives responses. She has 10 properties where the server does not recognize the ID.

The CA can only do what the machine does for it.

Stakeholder - also has an issue with the 1299 numbers. When are they getting their numbers? The traditional still don't have these numbers.

LH – Can you send us an example?

Rejection of Rent Supplement & RAP Vouchers submitted with Special Claims

Voucher Batch System was modified to reject Rent Supplement and RAP vouchers submitted with special claims.

VF080 – Special Claim Not Allowed with Rent SUP/RAP Voucher
Recommended Solution – Resubmit Special Claim with allowed contract

Voucher Batch System was modified to reject Rent-up Vacancy special claims or vouchers with Rent-up Vacancy special claims submitted for Section 8 Loan Management Set-Aside contracts.

VF081 – Rent-Up Vacancy, Special Claim (3), Not Allowed for Section 8 LMSA vouchers.

Recommended Solution – Resubmit with claim type allowed for Section 8 LMSA vouchers.

**TRACS Meeting Notes
March 2005**

**Voucher MAT Changes
Modifications to (VCHHR) Voucher Header Record**

MAT Field	Field Name	Description
32 (New Field)	Elderly Type	Valid Codes: 231 = project covered by Section 231. See Handbook 4350.3 paragraph 3-18 202 = project is an Individual Section 202, Section 202/8, Section 202 PAC or Section 202 PRAC See Handbook 4350.3 paragraph 3-19. Otherwise leave blank. Note: MOC, Field length – 3, Field Type – Alphanumeric

Modifications to MAT30 Section 2: Payment Summary

MAT Field	Field Name	Description
6	Employer Identification Number (EIN) <i>(Formerly Management Agent EIN Number)</i>	Management Agent EIN Number
7	Total Units in Contract <i>(Formerly Units in Contract)</i>	Zero can be a valid entry. Maximum number of residential spaces for which assistance may be claimed under the contract. If multiple occupancy is permitted, then the type of residential space qualifying for assistance – e.g., “beds” – must be specified in the assistance contract.
8	Number of Units Receiving Subsidy <i>(Formerly Contracted Units Receiving Subsidy)</i>	Zero can be a valid entry. The number of residential spaces in (6a.) for which regular assistance is claimed for the entire month.
9 (New Field)	Number of Units Abated	Zero can be a valid entry. Residential spaces in (6a.) where a formal cessation of assistance is in effect for the voucher month, e.g. due to natural disaster or health and safety reasons. Note: Mandatory, Field Length – 4, Field Type - Numeric

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MAT Field	Field Name	Description
10	Number of Units Vacant (Formerly Contracted Units that are Vacant)	Zero can be a valid entry. The number of residential spaces in (6a.) that are no longer occupied.
12	Project-Based Exceptions in Use (Formerly Exception Used Project Count)	Project-Based Exceptions in Use. Obtain from column 12 of form HUD-52670-A Part 1, Schedule of Tenant Assistance Payments Due, by counting all EP codes.
13	Project-Based Exceptions Allocated (Formerly Exception Allocated Project Based Count)	Enter the number of exceptions the HUD Field Office has: 1. Approved for situations 2 through 6 of 4350.3, Exhibit 3-1; and 2. NOT taken back.
14	Tenant-Based Exceptions in Use (Formerly Exception Used Tenant Based Count)	Obtain from column 12 of form HUD 52670-A part 1, Schedule of Tenant Assistance Payments Due, by counting all codes that begin with an "E" and end with "T".
15	Total Exceptions (Formerly Total Exception Count)	Add 7b and 7c
16	Project-Based Exceptions – Date Last Changed (Formerly Exception Last Change Date)	Enter the date of the last HUD letter that increased or decreased the number of exceptions allocated to this project. Leave space blank of HUD has never given this contract any project-based exceptions. Note: The old field 16 (Low Income Tenant Units) has been dropped from the MAT. It is no longer a field on the new voucher form.
18	Regular Tenant Assistance Payments (Formerly Total Regular Payment Amount)	Amount of Regular Assistance Payment requested. Permit negatives. Zero can be a valid entry NOTE: Enter negatives as right-adjusted, zero-filled negative numbers e.g. – 00000575. Positive values are unsigned.
20	Adjustments to Regular Tenant Assistance Payments (Formerly Total Adjusted Payment Amount)	Amount of Adjusted Assistance Payment requested. Permit negatives. Zero can be a valid entry. NOTE: Enter negatives as right-adjusted, zero-filled negative numbers e.g. –00000575.

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MAT Field	Field Name	Description
22	Unpaid Rent (Formerly Total Approved Unpaid Rent Special Claims Payment Amount)	Sum of Approved Unpaid Rent Special Claim Amounts. Zero can be a valid entry.
23	Tenant Damages (Formerly Total Approved Tenant Damages Special Claims Payment Amount)	Sum of Approved Rent-Up Vacancy Special Claim Amounts. Zero can be a valid entry.
24	Rent-Up Vacancies (Formerly Total Approved Rent-Up Vacancy Special Claims Payment Amount)	Sum of Approved Rent-Up Vacancy Special Claim Amounts. Zero can be a valid entry.
25	Regular Vacancies (Formerly Total Approved Regular Vacancy Special Claims Payment Amount)	Sum of Approved Regular Vacancy Special Claim Amounts. Zero can be a valid entry.
26	Debt Service (Formerly Total Approved Debt Service Special Claims Payment Amount)	Sum of Approved Debt Service Special Claim Amounts. Zero can be a valid entry.
28	Total Subsidy Authorized (Formerly Total Voucher Amount)	Permit negatives. Total of all amounts in 52670, Part III, Column 10. NOTE: Enter negatives as right-justified, zero-filled negative numbers, e.g. -000000575. Positive values are unsigned.

Stakeholder – In the voucher header, the sender ID field was dropped, if the information is blank will there be an error message?

LH – It has not been changed.

Stakeholder – Then we are expecting a sender ID... ?

LH – Yes.

TRACS Meeting Notes
March 2005

Stakeholder (CA) – We talked a few TRACS meeting ago that one of the TRACS changes would provide the CA with more latitude to make those errors fatal. One of the things they were talking about was to give the CA more latitude.

Stakeholder – When will there be an official updated MAT user's guide?

HUD – It's supposed to be on the TRACS/Documents web page.

Stakeholder – Why did some of the field names change? I assume the information means the same thing. The information needs to be there still right?

LH – Do you think leaving it there would be better?

Stakeholder – The current guidance for a PRAC voucher is to complete two fields: Number in contract and Number vacant. The question has been out for a year because they were told to complete 6a and 6b, but now 6b is abated units. Now they should be looking at 6a and 6c.

Stakeholder – When will the new voucher be released?

LH – We have not released it so you will not be measured against it.

Stakeholder – should we comply with the data standard or the form?

LH – We are trying to give the software vendors a chance to get the form done as well as incorporating the new 50059. If we don't make the forms official then you cannot be measured against them. The best solution is to hold off on the form, release 202B and then get the forms (voucher, 50059).

This would indicate that HUD will consider looking in to extending the date of requirement to switch to 202B.

LH - We are still accepting the old format.

Stakeholder - There is a form on HUDclips with the new voucher format. As a result, some CA's may hold OA feet to the fire to comply with the new format.

**TRACS Meeting Notes
March 2005**

Temporary Deferral of Termination - Jerry Ledbetter

Discussion about the Household Assistance Status Code (Citizenship Eligibility)

Background information on the Household Assistance Status Code Mandatory on Condition required on or after 6/19/95

Valid codes N, F, E, C, P, and T

“T” code edit for the Household Assistance Status Code represents temporary deferral of termination. Families for which this code applies receive temporary deferral of assistance

There are New Fatal Codes and Conditions

Household Assistance Status Code Edit

No longer accept T code after cutoff date of March 1, 2005

Will accept T code with transaction prior to March 1 under certain conditions

Conditions for Accepting “T” code Transactions

- Transaction is a **correction** or **retroactive** submission
- Household must have previously have been receiving a temporary deferral of termination
- The transaction effective date of the submitted transaction must match the transaction effective date of the household previously receiving the temporary deferral of termination

New Fatal Errors for Household Assistance Status Code

- F0215
 - MAT10 Not Processed. Household Assistance Status Code “T” is invalid for Transaction Effective Date greater than 3/1/2005. Valid Codes are “N”, “F”, “E”, “C”, and “P”.
- F0216
 - MAT10 Not Processed. No matching certification found for the submitted Transaction Effective Date and “T” code combination.
- F0219
 - MAT10 Not Processed. Household was not previously receiving a Temporary Deferral of Termination.

**TRACS Meeting Notes
March 2005**

Stakeholder – There was an IC and IP eligibility code for family members. There was an issue where the IC and IP were fatalling and had to be sent back as IN's.

Financial Operations – Eileen Walker

HUD is working on a couple of things for the CAs and the field offices in the area of documentation.

The budget for contract renewals is \$4.9 billion. The number for 2006 will be less. At this point, it is \$4.6 billion.

For amendments, there is about \$295 million designated for contracts in their original term.

CA fees represent about \$235 million.

Funding estimates are \$4.9 billion. Depending on how you calculate needs to cover the purpose, those estimates could go to \$5.5 billion to meet the need.

We have what we have, and we are not expecting any more. Anything is possible, and we may get additional money from recaptures, but we are operating on the expectation that this is all we are getting. We are being conservative on our funding calculations.

The budget is expressly for contracts that expire in FY 2005. We know this may not be enough. We are using a conservative formula and are committed to covering your vouchers. If there is a shortage of coverage for 2005, the 2006 budget will have to compensate for that.

Recapture methodology is not approved, but the proposal is consistent with what has been done in the past except that it is more aggressive about recapture for contracts expiring for the first time in FY 2005. We had been leaving the balances out for an additional year, but that timeframe has been stepped up.

Execution of those recaptures will provide additional funds for renewals.

We are attempting to make sure that contracts that have been renewed have been funded adequately.

Any contracts where the owner opted out before the beginning of the fiscal year, terminated or with no payment activity in the last six months will be part of the recapture exercise. We expect to recover all of those balances.

Stakeholder - How many months will trigger the review?

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**TRACS Meeting Notes
March 2005**

Eileen – six months.

Execution of Funding

CAs do have a role in the funding, and this is where we are trying to produce documentation to provide a better understanding of what is required and when.

Contracts are funded based on the expiration date in PASS. If the PASS date is in 2005, we treat it as an initial subsequent renewal. Anything beyond 2005 is just an amendment.

If contract is not renewed or extended, there will be a commitment made against those funds. The field office will do the ACC amendment with the CA involved that will reflect the renewal amount.

The CA has to complete the renewal with new dates and a new dollar amount. This not only applies to budget authority increases but also where there is no budget authority increase.

The contract will appear on the ACC amendment with a \$0 amount. The notification form still needs to be filled out and sent to Ft. Worth. This is the vehicle for entry of the renewal dates. If the dates are not completed, the voucher payment will be suspended.

If there is a dollar amount, the notification form will cause accounting to fill out the new date information and the new commitment.

Failure to do this is one of the reasons that the vouchers get put on hold. Both of the actions have to be taken by the accounting office.

If the expiration date is beyond 2005, we are monitoring the budget authority required to support the payments. Contracts should get substantial increases in funds consistent with the renewal calculations.

There could be some timing issues with the amendment. The increases may not be what you expect because we are trying to make them coincide with the draw down of the 2004 funds. If we fund the contract too early, the system will start expending the new funds. We need to use the old funds, or next year it will show that the 2004 funds are still there.

The objective is to have some money there for the contract before payment is due on the first of the month.

Look at when your 2004 funds are expended. If you see problems, please alert HUD.

TRACS Meeting Notes
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At this point in the year, there should not be a lack of payment due to funding issues. Funds should not be the reason for contracts not being renewed. Sometimes that is true, but that problem can be cured. Many times, after investigation, there are other issues.

OAs should not be waiting over 30 days for funding. We may not be able to fix other issues, but we should not have a problem with funds.

Stakeholder – We have a situation where we are still waiting for payment on a 9/04 Rent Supplement voucher. Janie said it was because of insufficient funds.

Eileen – I was talking about Section 8, not Rent Supplement.

Eileen wanted to emphasize that the contract needs to be sent to Fort Worth when the it is expiring regardless of a budget authority increase or not.

If contract is not expiring, no paperwork needs to go to Fort Worth. There may still be an occasion where the paperwork needs to be maintained if the field office is sending out an ACC amendment with a dollar amount on it.

The system will obligate the funds automatically, but auditors will be looking for obligation documents. The document they are looking for is the ACC amendment. The only document that the system will produce is the contractor ACC amendment, and it will produce that based on the budget authority.

The CA must do the notification of obligation of funding.

Many of the BAI are processed directly from HQ, and they are attempting to keep up with producing the electronic file to share a copy of what they have on file with the CA. It will say original signature is on file. If you receive one of these files, they are just providing you with a copy for your information. Print it or keep the electronic copy. This is for CA reference only.

Contact the field office if you receive a T41 FO contract renewal voucher suspension. The voucher will not be processed until renewal dates are updated in TRACS.

If you receive a R41 code, you need to refax a copy of the contract information to Fort Worth so they can update the dates. The contract was updated in TRACS, but did not get through the LOCCS edits.

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A R22 code (transfers from ACC to PBCA or back to HUD) means that LOCCS could not pay because the contract has not been re-established in LOCCS. All banking information needs to be resubmitted.

Sometimes LOCCS will schedule a voucher for payment when there is not enough money. It does not get paid on the first, even though you have received a P10 code. P10 is a temporary code to send back to TRACS stating the LOCCS expects to pay on the first of the month. Eileen's group needs to know if this is happening.

Stakeholder – For PRAC 202 and 811, when the contract is executed, and the OA is moving in residents, not-for-profits can't afford to be without the voucher money.

Eileen – They do support the payments through TRACS.

The 52670 on HUDclips is probably the right form. We have been messing around with the voucher detail, which is the 52670A. We seem to have an agreement on what it should look like, but it has not been through clearance yet. If you will know this is not the final form, I have copies available. We have agreed to eliminate the SSN and DOB, which provides additional space for the name and the adjustment explanation. We will also take away all of the signatures lines except on the last page.

We are trying to time the release of this form with the 202B release for the vendors. We will not post the form until we have an effective date.

LH – also trying to get the new 50059 out there for the 202B release.

The data requirements have been approved. This should result in quick clearance.

Changes to MAT

Regarding contracts with multiple occupancy, we have to have the unit specification attachment from the contract (exhibit A). We are going with the MAT definitions of residential spaces in place of units. The contracts do not currently reflect that – they show 10 units instead of 20 residential spaces. We need to amend the contracts to show the correct number of residential spaces. This was discussed with the handbook committee. There is a concern that an owner cannot bill against the full unit if a space is not occupied. There may be issues when we try to identify those contracts with ambiguities.

Stakeholder – Once that decision comes out, for any property with an exception from HUD, anytime there is one unit vacant, they have an exception that when one bed is empty that you can bill the remaining resident for unoccupied residential space.

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TRACS Meeting Notes
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Eileen – we will have to review. The assistance would be billed against the occupied space and then you would bill for the full rent on the empty space.

Stakeholder – Will these be amended as they are up for contract renewal?

Eileen – Field offices will have to make adjustments in the REMS system.

Stakeholder – What happens when we split and there is a dollar difference in the assistance calculation?

Eileen – we'll have to check on that.

Stakeholder – One or two meeting ago, we were re-instituting the fatal edit for more units. In these cases, the voucher error will become fatal. Is that being considered?

Eileen – They will look in to that.

Last thing – for the Traditional CAs, a new contract release will accommodate the CA voucher process similar to what the PBCA's have. We now know for sure that Tenant Based is converting to LOCCS as of January 1, and that will put more pressure on us to convert the rest of the inventory from HUDCaps to LOCCS.

By 2006 all traditional CAs will be collecting fees under LOCCS.

MA900 CC0001 would be the fee contract for the Mass Housing contract. Software changes implemented in conjunction with the release will provide itemized contract numbers.

Stakeholder – We need to consider the format of field.

Stakeholder – When fees go over, will the contracts go over for HAP payments for properties that they are administering?

Each HAP has a unique number.

Stakeholder – Can you tell me why, if you run the LOCCS portfolio report, it would have a different amount than the LOCCS detail report? The ending balance is different.

Eileen – Send me an example.

**TRACS Meeting Notes
March 2005**

Next TRACS Meetings – Lanier Hylton

The next two meetings have been scheduled.

Summer meeting – June 22nd and 23rd

Fall meeting – October 26th and 27th

Lanier is trying to lock down dates so they can plan to use a better meeting space. They **may** try to block hotel rooms at the new Residence Inn. They are currently planning to hold the next meeting at the GSA building behind HUD building.

Release 202C Status and Schedule – Lanier Hylton

The RHIIP initiative has taken a couple of hits. After a review of improper payments, they noticed that the number of properties reviewed was not enough to be representative.

Also, there are concerns regarding the review results. If you said you found 100 errors and as a result of investigating the errors, you eliminated 82 as regular adjustments, the assumption is that errors are caused by lack of training.

There is potential for RHIIP to be moved to Lanier's office.

After several conversations, the CFO proposal is that the improper payments will be tied to the MOR, and when you review the files, you need instructions about how calculation information will be reviewed.

The option on the table is to break out the file review into 5 buckets. They also have to consider outright fraud – should it be a category?

Lanier wants to draft something and send it to policy as a draft for a change for housing.

The CFO recommends that, on a monthly process, we would not count it as an improper payment if the CA has sent file back for review. We would only review those certs that have been approved and paid. The review should be tied to the MOR, and then categorized to determine what is improper payments.

Were the errors contract related (rents not the same as rent schedule)? These are errors that do not comply with the guidelines of the contract. The issue then becomes how to track the errors.

There were lots of questions about what is going on with the RHIIP initiative, and what are the CA's responsibilities.

**TRACS Meeting Notes
March 2005**

The management oversight addresses things in the MOR and how to address them.

The initiative is to say the department has performance goals to reduce improper payment. Their objective is to set performance standards to eliminate improper payments.

They have an idea of what they should apply as payments.

How do the CA's feel?

Stakeholder (CA) – One of the difficulties is to define improper payment. Michigan has initiated a stronger tie between the voucher reviews. They put controls in place.

LH – Sometimes it's just an error...

Stakeholder (CA) – The only thing we are not touching is some type of information comparing the income reported compared to the true income.

LH – You bring up a good point. The primary reason for getting an improper payment is because the resident did not report the proper income.

PIH is implementing a new income verification that TASS will move to called “up front verification”. This is good because it uses the new hire database. MFH got access to the information and will be using it.

The big problem is that Health & Human Services is concerned about owners having access to Social Security information. They have made HUD jump through hoops to implement more stringent security protocols. This is a big concern.

How do you train on security requirements? What do you do to re-certify folks on an ongoing basis?

Stakeholder – What happens if there is a discrepancy? Once a household is placed, it is difficult to get them out.

LH – identifying fraud brings up a different issue.

Stakeholder – Is HUD going to link the two programs? We had a situation where residents were receiving PHA and Performance Based Section 8 assistance.

LH – Inform the field office so they can initiate OIG investigation.

TRACS Meeting Notes
March 2005

Deb Lear and Lanier have moved back and forth on the fraud issue. There are ups and downs.

Lanier wants to establish a reality check before they implement any kind of new programs.

Stakeholder – The PHA side does a better job. Look at the big dollars and the front end to eliminate the problem.

LH – Where have we implemented something or changed something is how that is related to the 50059 and the certification process. They are also looking at things where the owner has made a mistake.

Housing wants to look at contract compliance in addition to the certification process.

Stakeholder – What do you have as a mechanism for the repayment agreement? There are so many holes.

Stakeholder – Implement a system in Secure Systems to get a report back for the most recent TRACS activity.

LH – We want to add this information to Secure Systems. We want a report that can be used by OAs before eligibility is determined and before household information is sent over for income matching purposes.

Stakeholder – Another thing that is important is that if somebody is not doing their job, you will find a lot of people with zero income.

Stakeholder – That's a good point – some housing agencies require that there is proof of zero income by using a zero income questionnaire.

The other option is to match to the IRS. The notification letters caused the residents to come in and report discrepancies. If you required the properties to do it, and if it was affordable, it would be a good option.

Open Q & A

Stakeholder – Where is the special claims guide book?

LH – There is one unresolved issue between Willie's group and Lanier's group. They are still trying to get it resolved. Once that is done, the guide will go to OMB.

**TRACS Meeting Notes
March 2005**

Day 2

New Voucher, New 50059

Stakeholder – Will the new 50059 be mandatory or optional?

LH – If OMB approves, it will be mandatory.

Voucher Status

Bob Barrick – There are 497 suspended vouchers as of today.

The OAs will be notified. HUD will give them 45 days to respond. If the issue is not resolved, a 2nd letter will be sent. If there is still no solution within 30 days, then the information will be sent to the enforcement center.

In March of 2006, the Optimum Tenant Compliance will be going to 90%.

REMS Issue

Stakeholder – Related to WASS, under the new strong password rules, do we have the same strong password rules that limit the number of passwords?

Note from RBD: To clarify

We need additional information about the new strong password

- 1. Are we going to have to use 6 passwords before a password can be re-used as practiced by HUD staff?***
- 2. Is there any way to edit the password change option to ensure that users do not enter a non-compliant password? Currently, Social Security will let you enter a non-compliant password, and then it will not work.***

Stakeholder: To follow up on yesterday's conversation about fraud; a couple of CAs are failing certs with \$1 discrepancies. The discussion for 202C was to require algorithms, so the issue will be resolved with 202C, but right now we are having issues with CA's that are not complying and are suspending vouchers.

Stakeholder – Going back to the Section 236 issue, when you go to Willie, can you obtain guidance to help with the scenario where the tenant terminates subsidy – should we refund the deposit, then lower the security deposit amount to comply with Section 8 procedures?

TRACS Meeting Notes
March 2005

Stakeholder – What happens when an owner has to give a resident back part of the security deposit? Owners may be making the agency more liable.

Stakeholder– I am not disagreeing with the other stakeholder, but, in an audit two weeks ago, HUD indicated that those households going to Section 8 need money, and their recommendation was that unless it is in writing somewhere, that they do not refund it. They should be returning the money.

Stakeholder – I think the handbook is clear that security deposits are established at move in.

Stakeholder - I would love to see this clarified in the handbook. You should have a new lease if you transfer. The same applies if you change subsidy. People are getting conflicting advice. On a UT, the owner can collect a new deposit at their option.

LH – Willie is working on handbook changes and is close to getting some things out. I am happy with the changes. This is a direct result of things brought up in our meetings. We should have revisions out in the next 90 days.

Stakeholder – Will those be effective immediately?

LH – We are asking the TRACS folks about one issue that will require a new edit.

LH – If OMB approves the forms, how long will it take to get the new forms into software releases?

Stakeholder (Software developer) – We have always said it takes 6 months to develop and test changes.

LH – Can you do it faster? You know what the voucher form is going to look like. The last issue seems to be the 50059. You have a good idea of where we are going with that. The changes are small changes

We would like to go to one signature. If we get an answer back to us in two weeks, can you make the changes in 3 months?

Stakeholder (software developer) – He thinks he can do it.

Stakeholder (software developer) – It will take anywhere from 3 to 6 months.

LH – Can we say five months?

TRACS Meeting Notes
March 2005

Stakeholder (software developer) - The reality is that we have an industry agreement that is 6 months.

Stakeholder (software developer) - The problem is that we don't start working until we have the approved form. We've been burned in the past. When is the drop dead date for 201B? Yesterday you said they would have more time for 202B.

LH – We have the 90 day transitional period, and we can extend the window to meet the required timeframe to implement.

The first form is locked. Once we lock the second form, can you complete the form in five months?

Stakeholder (software developer) – Can we clarify that 202B will not be the hard rule until the final implementation date?

LH – Yes.

Stakeholder (software developer) – Thanks for coming to us and asking us. I think we should look at August 31st, which means the October voucher is the drop dead date. He would be ok with that date, if they can approve the form by April 1. Does that work?

If there is a problem, we can revise the date at the June meeting.

We also need to make sure that HUD and the PBCAs are ready to accept the changes.

LH – Again, TRACS 202C will not happen until FY 2006 – probably September or October, which is still very aggressive. We are getting a new contract in place to make the changes and are working on the spec. So for 202B, we will say the deadline is September 1 for the October voucher. We will also make sure the vendor region is up for testing 202B.

Stakeholder (software developer) – For 202B, Jed brought up the issue about the TRACSMail ID, and that is in the spec.

Stakeholder (software developer) - That is a non-issue. The field does not have to be filled – it is mandatory on condition. If you are not the project, fill in the ID.

The MAT guide says to leave it blank. TRACS will store it if you send it, but does not care if it is not there.

**TRACS Meeting Notes
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LH - Dual tenancy is being addressed in a revision. I can't divulge the resolution at this time. That issue was given to Willie Spearman.

Stakeholder – Are there any updates on approval of a new MOR form?

LH – The form is with Asset Management. It is finished. Asset Management wanted the form designed to also be used with FHA projects. There is currently discussion to determine if that can be added to a form that has already been finalized. Deb Lear thinks there should be two separate forms – it is too confusing to see what applies if there is no subsidy.

Interim Certification Date

Stakeholder - At the last meeting, we talked about IR effective dates. There are still problems with UTs that are not effective on the 1st of the month. Have you had a chance to review that?

LH – Can we address this when we resume our 202C conference calls?

Pat Machogu – I know that it says you have to submit an IR on the 1st, but if you submit one mid-month, you only get a discrepancy. The information still gets stored in the data base.

Stakeholder – The old handbook had language about a UT as a form of an IR. It said the new rent and assistance are effective on the date of the UT. Other changes went through the usual notice process. This one has been misinterpreted and viewed as a philosophical difference. We have been asking for clarification, but this did not make it into the new handbook. Willie says it is being addressed in a revision.

Stakeholder – The Simple solution is to permit mid month interims. These should be permissible.

LH – Write up a recommendation for Policy.

Stakeholder (software developer) – I would like to ask a technology question. Have you ever thought of alternative ways to send the TRACS files other than dial-up without waiting for the BPR?

LH – As a result of the BPR, we will be changing what we are doing. I would recommend going to the web. Dial up was not our choice. When the Sprint contract was expiring, the cost to maintain it was exorbitant, so we opted to move to the new TRACSMail system.

Stakeholder (software developer) - Can't we do anything before the BPR?

LH – No, but discoveries will be taken in to consideration when planning updates.

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Stakeholder – Is the BPR going to cover issues like doing away with adjustments?

LH – All business functions are being considered – including looking at the certification process. If I had my way, I would love to see us attack the certification process first. If we could combine the 50058 and 50059, it would allow us to combine infrastructures and do more cross-checks for fraud and improper payments. We are trying to go after the low hanging fruit first, and I think this is the first area. I am not sure if PIH will agree – they have their own perspective.

Other questions for us are if we have so many edit checks and we have the specifications defined for vendors, do I need to run as many business edits and business rules against the information submitted? He would prefer to push the edits to be done down to the PBCA side. He would have to run minimal business edits and rules.

Stakeholder – During the BPR process, when the question gets asked, we need to consider how to get rid of retroactive submissions.

LH – They have recommended to asset management that the retroactive GR creates an adjustment, and the sites then just submit an interim.

Stakeholder – The benefits are to get rid of the day – to – day issues. This would be a major cost reduction.

LH – We could recommend that the retroactive portion be treated as a special claim or manual payment.

Stakeholder - You can't get rid of all retroactive activity. There are just cases where the owner may make mistakes or residents may fail to report in a timely manner.

Stakeholder– Excluding fraud, do you have a statute of limitations on how far back you can go to make an adjustment for a household?

LH – No. It can go all the way back to move in.

Stakeholder – Also, can you bill information for the prior month instead of the future month?

LH - As part of the BPR, we may recommend that this is the way you do business. We may go to a process similar to Rent Supplement and RAP. How do you make that transition for those sites needing payment in order to pay their mortgage? This is a significant policy change.

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Stakeholder – You know you would make the industry happy if you get rid of the retroactive GRC. This means the logic needs to be changed as well. Somehow you will have to account for it in the software.

LH - The primary reason to go to a process with less business edits is to pay based on the certifications in place and generate the voucher internally. That means any adjustments would go against a specific unique voucher. If you follow that logic, it would show on the original voucher.

Stakeholder – So, what are we doing with people who change software and use a baseline conversion? The previous vouchers no longer exist in the software.

LH – You have a baseline at HUD and make adjustments.

Stakeholder – The huge difference between the quality of data in HUD and the data at TRACS is that there are more people monitoring. Making payments off the non-maintained database will always be a problem.

Stakeholder – There are problems in TRACS that CA's cannot clean up. I have some unit transfers where I do not know where they got the information.

LH – I think we are all saying the same thing.

We are paying a fee to PBCAs to maintain data quality. This is a critical question because it affects a lot of things. At the point that a CA approves a voucher and sends it forward, we need to accept it.

PBCAs and CAs are trusted business partners, but HUD runs significant edits against information that has already been checked by the PBCA.

Stakeholder – The piece that has to be in place to make that work has to have consistent formats for things like unit numbers because when people change software, it can affect the whole unit number structure.

TASS – Elking Tarver

As of February 10, there was a new release to TASS.

The first improvement was to add a new report option to view residents who are not receiving benefits. This is based on the file from TRACS and is shown on page 7 of the handout.

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The second improvement was adding the capability to provide SS/SSI Income Discrepancy Reports in PDF.

The third improvement is the capability to download error reports as ASCII files.

These new reports require more recent versions of Netscape and Adobe Acrobat. The reports will work with Adobe Acrobat 6, but you will get errors using Adobe Acrobat 5. If you have problems, try applying the latest versions.

We wanted to grant field office people access to TASS. We did test it, and everything is working. The guide is posted on the web so the field office people can get access to TASS data. The last page of the document is a form that needs to be completed and faxed to Elking so that he can grant access for the field office.

The Owner/Agent coordinator has to provide TASS access for the contract administrator. Currently, the CAs only have access to the Section 8 information. Send Elking an email to gain 236, Rent Supplement and RAP access for CA.

Stakeholder – There are some issues with some customers who don't want to embrace technology. They are interested in TASS, but will not sign up for access.

Stakeholder – Are you allowing OAs to go in with a SSN before move in? The current information available is only for updates to households with pending annuals.

ET – We are working on the new hire database. PIH is working on this verification. Once they get that information, they will have income information for all states. They want to have this in place by June. We are trying to get Housing on board after that.

The information is now run every month, and you won't have to wait as long to get it.

Stakeholder - One of the things we hear about continually is that it would be good if we could find out if they are receiving subsidy through Secure Connection.

ET – There are considerations for doing this.

LH – They have been looking at the database. Can TRACS push new hire information to the OA if there is a change without first requiring a request?

Stakeholder– There is also a question about Pennsylvania benefit information. It is no longer provided, so state SSI must be entered separately or an error is generated. Now, the PA state SSI benefits must be verified through the local welfare office.

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Elking was not aware that there was an issue.

Stakeholder – Why does Secure Connections go up and down so much?

Stakeholder - We see the same jumpiness – if we can't hit a page the first time, it will usually work the second time.

Stakeholders – Will you clarify one more time the issue with the certifications for a small property that recertifies once a year? If anything is late, the compliance percentage can be reduced.

Bob – If it is a small unit count property, at this point the voucher will not be held.