

TRACS Industry Meeting October 27th & 28th, 2005

Opening Remarks – Lanier Hylton

Disaster Update

Let's start off with two things about disasters. There is a notice that is out that will expire soon. It is being updated based on experience with Katrina, Rita and Wilma. HUD is working hard to get update out the door as fast as they can. Plans are to have it finished no later than Friday of next week.

(Note from RBD – this clarification has been released – See Disaster Clarification notice dated October 28, 2005 – if you cannot find this on the HUD web site, visit the Ross Business Development site at <http://www.rbdnow.com/noticesforms.htm>)

HUD has developed some new programs around Katrina. Several things have happened that you need to be aware of when dealing with applicants/residents.

1. FEMA is providing assistance to families. As long as FEMA is providing assistance we need to make sure the family enters in to what is called a “temporary lease for housing” because FEMA will pay the housing costs. At the point they get permanent assistance, FEMA will no longer pay.

One of the questions the OA needs to ask is “are you receiving assistance from FEMA?”

2. FEMA has a new voucher program looking to house 50,000 families. KDHAP – HUD will be administering. 18000 families have been assisted. PIH is administering the program and PHAs are getting involved.

The certification process is truncated (2 page document) is not following the certification process for the 58 or the 59. Document is set up so there is not additional burden placed on the displaced family.

Rents under KDHAP are set up as Fair Market Rent for the area.

Additional expenses are paid such as transportation for re-location out of New Orleans and back to New Orleans. This is a temporary program.

(Note from RBD – for additional information, check out HUD's KDHAP web site at <http://www.hud.gov/offices/pih/publications/kdhapcontact.pdf>)

HUD is also discussing how they deal with the insurance issues for properties that were damaged. They have not put any instructions out. HUD has received recommendations but clarifications have not been published. HUD wants to give OA information about what they can voucher for.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

HUD is just getting an idea of the extent of the data-gathering requirement. They have “pulled” data from TRACS and MTS so they could see which families might come in and ask for assistance. This is a way to indicate that an applicant is eligible for the KDHAP program. The application and program was developed and implemented in 6 to 8 weeks.

At last count, the number of families in shelters was about 10,000. HUD is working with FEMA to provide more stable housing.

HQ is working with some of the field offices to find where the assisted buildings are and what kind of damage occurred. At this time, Alabama has better information than New Orleans.

HUD is working through the logistics to figure out how to do an inspection to insure that the properties are safe decent and sanitary. It will be some time before they figure out where New Orleans is going to be. It will probably take about 3 years before some of the housing units come back on line.

What do we do about FHA insurance for properties that are gone? Do we try to keep them active and rebuild? HUD does not want to do anything to terminate a contract but they need to figure out what to do about properties that are totally devastated. **They will try** to keep the contracts active and alive if the owner commits to rebuild.

As expected, there has been lots of maneuvering on the Hill to create aid. There may be extra things in the FHA fund to assist with rebuilding. They will be grappling with it for a long time.

With Wilma, the insurance companies did not want to offer liability. Construction codes were beefed up instead. This will be a consideration in New Orleans.

HUD is positioning itself to give much more clarification about what to do in these kinds of disasters.

HUD appreciates the stakeholder efforts to identify housing and making the efforts. We could not have done it without you.

Stakeholder – You had mentioned that the TRACS and MCS database have been provided for eligibility. Is that going the other way? Can we identify recipients of FEMA assistance?

LH – Applicants should have a FEMA number. Some families may make a decision that they want to apply for permanent housing and then the normal processes go into play with the 50058 and 50059. The applicant’s assistance would be terminated in the old property and assistance would be started in the new property.

FIRE ALARM (The meeting was temporarily suspended due to a fire alarm)

This document is created as a courtesy to Ross Business Development, Inc.’s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Stakeholder – Is it HUD's plan to hold off on the clarification?

LH – It depends on what gets finished first. The basis of the clarification will contribute to what gets added to the edits.

Stakeholder – How are evacuees getting information about vacancies for the displaced applicants?

LH – it's up to FEMA. The office in New Orleans is devastated and functions have been moved to Ft. Worth.

Special Claims Guide

Can you believe it's out there?

Gail Williamson did a lot. LH has a lot of respect for what it takes to get information out the door.

HUD is looking forward to receiving comments. The due date to submit comments is November 7. The writers put a lot of effort in to trying to maintain the guidance provided by stakeholders when the Special Claims Guide was developed.

Stakeholders are more closely associated with what it takes to do the business. There was a lot of input about how special claims should be set up and they tried not to change it.

PBCAs that have their own processes should not have major changes nor will the field offices. They tried to outline consistent processes but they know that, with the comments, it can always be better. HUD is looking forward to the comments and hopes to see a lot of comments.

Stakeholder – The draft is great and he does have comments. For the purpose of this meeting, the one big thing is that you are required to have Move outs in TRACS. If someone is terminated will someone accept the type 0 code? You see a move in for a unit where the prior household was terminated. There is no move out. So how do we track the market rate tenant?

LH – Those are the comments they are looking for. HUD is looking forward to finalizing the Guide and getting it done. This is a high priority for 2006.

OCAF

2006 OCAFs are out. Effective Feb 11, 2006.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Contract Administration for Non-Project Based Section 8

The RFP for contract admin for non-project based Section 8. HUD has set up a team with field office staff to evaluate the proposals. No decision has been made at this date. If you are not on the evaluation team, you are only provided information on a need to know basis. Lanier has limited info but knows that they are still in the evaluation process.

Proposals were accepted from both private industries and from the government - HUD did put in a proposal. However, it is subject to approval from OMB and to having funds allocated to fill the awards.

After making the award, there are 2 steps – Has to go to OMB and has to be funded.

Stakeholder – Does the team have any thoughts about timetables in terms of determining whether the selection will be private or government?

LH – There are a lot of factors. How many proposals were received? What kind of funding is available? The original schedule was October 2005 but they have not given a new date for when the evaluation will be done. HUD does have to be equitable about how they evaluate the proposals. If there is a protest, it goes to the office of accounting which is why they are so tight about releasing the information. They could get second-guessed. They follow the OMB prescribed rules.

Stakeholder – How many proposals were submitted?

LH – They do not know how many responses they got.

Stakeholder – There was a reference to “Notice of deficiency”? What does that mean?

LH – His guess is that you would be given the opportunity to cure. That is his assumption.

Stakeholder – Is HUD being considered for individual regions or nationally?

LH – He does not know.

Stakeholder - There is some confusion in that there was funding and yet the comment keeps being made that there is no funding.

LH – In the 06 budget, there was no funding identified for the A76 process (the award of the contract). They are still working on 07 and money could be put there.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

HUD Form 9834 MOR

The new form has been approved by the OMB but Multi-family has not posted it.

Deb Lear is working with Kim Munson from asset management. Grappling with a few issues

1. They want to make sure they put out instructions especially as it concerns PBCA. The form is used for multiple purposes - some of which does not fall under the PBCA. Some go to FHEO. They want to make sure people are clear on what parts of the form they should use.
2. Sometimes changes in forms have impact on systems and implementation. They want to be cognizant of efforts to incorporate changes to the software. How long do they need to give to implement this so that people have time to make system changes?

They will get back to us with an implementation schedule and direction (instructions)

HUD is also trying to put together something that addresses training for the new form.

Deb has been hearing about a lot of dislike for the form. It is what it is and they will attempt to make the transition as smooth as possible.

Addressing Availability of the New 50059 and 52670

The 50059 was not posted. Lanier just found out and he came back to his office and tried to get the form up.

Stakeholder 1 –It has been posted, but it has an OMB number. It was not supposed to have an OMB number

LH – It was strange.

Stakeholder 1 – Does this mean that the clock starts on the 50059 now?

LH – Let's not go there.

Stakeholder 1 – The voucher is still the old voucher

LH – Doesn't know if he wants to engage about the form number or if it has some impact on what needs to be done.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Stakeholder 1– If you do clarification, it has to be posted. We (software vendors) may accept it, but some people do not have the same train of thought. There is a risk that a CA may not accept the 50059 unless it does have the appropriate OMB number

Stakeholder 2 – Adding the number is simple, but just adding the number takes a new release. The five months from the release is real.

Stakeholder 3 – The 50059 has links to the D, E, F and G worksheets. The links say HUD is in the process of updating. These references need to be pulled.

LH – Fred will be presenting on the instructions.

Stakeholder 1 – What does this do to the 202B deadline?

LH – The resolution is not to impact the date of 12/1

Stakeholder 1 – You did say that the release is 5 months from the date of posting. In the software developers mind you're going to have 5 months.

Stakeholder 4 – He put together a landscape mode and that got shot down and now he is waiting for the final posting and at this point he will be revising that one. It will be done by December 1.

Stakeholder 5 – One thing on the OMB number. He is in agreement with Fred that it is not a big deal. OAs might be taken to task by CAs but the CA will have to have some written direction from HUD.

Stakeholder 6 – What about requirements for using the new form. If 50059 is done before the December 1st deadline (even if effective January 1 or later) it should still be accepted, right? That's our interpretation.

Stakeholder 7 – She would agree with the comment on CA. January certs will be in the new form.

LH _ Good point

Access to Information about Applicants Currently Receiving Assistance

There was a lengthy discussion to do a pre certification of tenants who reside in the database to find out if someone is currently receiving assistance. That is not going to happen. Because of funding limitations, they are stuck doing maintenance and have limited development dollars for TRACS.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Tomorrow, when David Sandler makes a presentation on EIV, one thing to note is that may be an ideal place to include pre-certification information. We need to discuss if that is something we want as a requirement for EIV.

What is there now will not fully service our needs, but this is a time to define our requirements. These will need to be prioritized as we go forward.

HUD met with the developers and looked at the program and they have already come up with 4 or 5 things that would be considered enhancements. He wants industry stakeholders to be part of the discussions early. 95% of the time, that application will be used by the stakeholders. HUD wants to know our needs and they want to identify what they can and can't do early in the requirements definition process.

They want to make sure the EIV program is complete and provides a valuable service. It is up to all of us to determine what are the things we need to service the multi-family side. Once the requirements are decided the EIV developers will provide a timetable for delivery. There is always an issue of dollars and they need to determine what can get done based on priority and dollars available.

Stakeholder 1 – Where's the SSN query – I don't know about the other enhancements or how high a priority the pre-admission query is. This is the most popular thing being looked for by the industry. There is huge support at levels you may not see at the meeting.

LH – It is on the schedule to talk about.

Stakeholder 2 – Do the EIV developers have development dollars?

LH – EIV will be implemented for the whole department based on RHIIP. Phase I was PIH. Phase II is multifamily housing (TASS). There is money based on RHIIP. It is part of the effort to get us off the high-risk list. The lead is James Martin and the project has a budget

Stakeholder 3 – How does this effect 202C?

LH – Looking at development and IT funds in 2006 and 2007 there will be little money for development. Enhancements or maintenance only. There will be no development vis a vis 202C.

Stakeholder 4 – Will some of the changes included in the 4350.3 Revision 1, Change 2 require TRACS changes?

LH – We will have that discussion when we know what the changes will be. We have things called corrective maintenance and things called adaptive maintenance. Corrective maintenance indicates that something is there but not working. Adaptive maintenance tends to include new development.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

When they define what they are doing, Multi-family will send the funding document forward. The funding document gets reviewed and they have to look at line items for corrective, adaptive or new development.

Frank Whalen and Eileen Walker meet with LH every week and they have a change board. Any time they make a correction or update, it is documented and then they have to decide where each process falls. The project file (required by OMB) documents the project management requirements.

Policy Discussion – (Gail Williamson)

Status of Revisions to 4350.3 Revision 1, Change 2

Gail_williamson@hud.gov

Change 2 to Occupancy handbook – Where are we?

This is Gail's first introduction to the TRACS Industry Meeting. She is the new director of the Housing Assistance Policy Division. She has been in her position since January. She has been with HUD for 30 years. Most of experience has been related to housing policies for people with disabilities.

In her new role, she is charged with 3 major things.

1. RHIP
2. Occupancy Policy
3. Section 8 contract renewal

First – 4350.3 Revision 1, Change 2 – The handbook draft was posted in July. HUD felt that it was necessary to get comments on this change because it is the most extensive change since 2003.

HUD received 500 comments from 46 respondents. The comments received were from Owner/Agents, associations, HUD staff and other stakeholders.

This Effort was taken very seriously. HUD wanted to be responsive and include changes if possible. All comments were reviewed. HUD is trying to make sure this is as useful a document as it can be.

Diane Hooten is in Des Moines is the lead for the Change 2 edits.

Some of the tough issues related to guidance about non-citizens, students, date and time stamp for apps and criminal background.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

At this point, the edited handbook has not gone through departmental clearance but the following points were reviewed and these decisions have been proposed.

The non-citizenship issue – make it clear that families receive assistance in 1995 will have termination of assistance deferred and there will be no time limit on deferral of assistance. There is no end to a deferral of termination for asylum seekers.

One time medical expense is not applicable at move in.

Date time stamp – the date and time can be written as well as stamped on the application.

Criminal background checks – they have to do the criminal background checks for all

Pay stubs requirement for 6 to 8 weeks will turn to 4 to 6 pay stubs

Occupancy requirements for adult children will be the same for 202PRAC and 811PRAC

If changes impact TRACS, they would like a deferred time period to make the change effective.

To give everyone an idea of where we are with change 2... The final edited version should be ready for departmental clearance by next week. The student issue is still changing. Senator Harkin has issued an amendment.

It will probably take 3 to 4 weeks for departmental clearance comments. Then Policy has to respond to clearance comments.

If things go as planned, change 2 will be published and released between January and March.

Stakeholder 1 – Have all the FAQs questions been included in Change 2

GW – yes they have been included.

Stakeholder 1 – There are some conflicts – specifically with the 15-month certification issue.

LH – Gail has included the TRACS teams in those discussions. He has been asked that question and he is in the process of making recommendations. He has to clear them in his own office. He will make a recommendation.

Stakeholder 2 – Thanks for coming and we would like to have you penciled in for future meetings. He appreciates the comment about implementation effective immediately. He doesn't care what the policy is, but give him the information he needs to automate it. OA are required to be automated.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

If the change is effective immediately, there will be a period of non-compliance. In some cases, TRACS will never be compliant. Is there a safe harbor for an OA on a management review? What are the agents to do until the vendors give them a tool to implement the guidance? How do vendors get answers so they can implement correctly?

GW – When she talked to Willie last night and they talked about the effective date for what may be changing in TRACS. Are OAs zinged now for changes that are not incorporated in to TRACS.

Stakeholder 2 – If you look at the way Change 27 was implemented – some things became effective at next software vendor's release versus immediately.

Stakeholder 3 – Some OAs print letters from the software so the vendors would need time to make the update.

Status of Update/Revision to Section 8 Renewal Guide

Working on this since January 2005. It has a lot more controversial issues than the 4350.3

We are making a lot of clarifications in this update.

The revision will include a chapter on state agency contracts and will provide clarification on long-term contracts and the different options when they renew the contracts under MAHRA.

There is a weekly section 8 meeting to drive the edits and each of the 17 chapters have been revised at least once. They are now looking at all the attachments and the appendices.

The updated guide will probably go in to clearance at the end of the calendar year (best guess). Policy is working with council now.

One it goes in to clearance it will probably take 4 weeks of clearance then another month after that to analyze clearance items and respond.

Release expected in the 2nd or 3rd quarter.

It will be a much better guide. It will clarify a lot of issues and will include information that was not in the other guide.

Stakeholder – Will the renewal policy guidebook be put out for comment.

GW – Most likely not. But you never know.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Funding – Eileen Walker

I don't really know much as of today, but I will tell you what I know for FY 06. On Tuesday afternoon, they did receive a small allotment under continuing resolution for less than they requested. This will allow HUD to take care of some immediate funding needs.

Appropriations have not been enacted yet so they are still waiting on the final amount. They got about \$300,000,000. Requested 1.6 billion to take care of Q1 needs so this will not take care of the requirements.

The OMB did do some funding at the end of the fiscal year to cover payments through Q1 of 06. At this point, there are still a few vouchers on hold for insufficient funds. The funding received did cover October and November the payment needs for contracts in effect.

If you do have vouchers on hold for insufficient funds, they are working to get those covered.

Some contracts have not been renewed. Contracts expire in Sept-Dec. - go ahead and get those contracts renewed.

EOY funding has been pushed all the way out for the contract. Therefore when CA sends the contract to Ft. Worth, you will need to send the notification form that goes along with it but it will be primarily to affect the date change. That will be the document they review to record the date change in the contract renewal. I'm specifically speaking about contracts that expire before January 1, not contracts that expire next August or September. They will continue funding with whatever money they have.

Multi-family took the allotment that they got yesterday and tried to see what they could best do with it. It is just about the right amount to extend payments through January. There is really not enough to fund 1st quarter renewals for an annual period. This can't be done until they get appropriations.

I have heard rumors that we are supposed to see a bill but it will be another 30 – 60 days from the time the bill is enacted before we can actually apply those funds to any contracts. We do want to be very deliberate that we are adequately covering these contracts for the payments we are anticipating through January so that payments can continue. Now, what will we do? Again, I would encourage you for contracts that are expiring in December and January that you go ahead and send those renewals down to Fort Worth in a timely manner so that they can adjust those dates in the system. The funds for this small allotment, we will contract them all the way out to the projects so that we don't have the time lapse that is required to communicate those amounts to the field office and have Contract Administrators apply them. So I would suggest that you go ahead and renew your contracts with the zero budget authority increase notification until we have the benefit of the appropriations, then we will go back to procedure.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Once we get the appropriations, the 1st order of business would be to fund the remaining 1st quarter renewals and the 2nd Q renewals. Also have to supplement the funding on all of the other contracts that are short funded. The 2nd order of business will be to supplement additional contracts through FY 06 or through the established contract date. Then they will know how much they have left to fund Q3 and Q4 renewals.

They are expecting appropriations in the \$500,000,000.00 range. She is not confident that it will be enough, but she does understand from the Budget office that funding will be supplementing appropriations with re-capture. We will have to wait for the bill.

Her questions, once they get a bill, is “is there a limitation on the amount of recapture used to make up for deficits to fully funding the contracts for this period?” The estimate used to fund contracts in 05 are proving to be short of the actual that we are experiencing. Therefore, we want to be able to supplement the available amounts so that they will come inline with the actual.

That’s it for money.

Stakeholder 1 – Are they saying where the recaptures are coming from? Some of people are concerned about freezing of a contract.

EW – Not any more than the usual procedure - contracts expired or renewal funds that are over 18 months old. The departments are not limited to only using what we realize from project-based. She’ll let us know more when she knows more.

LH – Historically most of the recaptures are made for contracts expired beyond their original term. Those are contracts entered in the 70s. That makes up the bulk.

Going out the next 7 years, most of those contracts have expired. That “proverbial” pot is shrinking every year.

The other thing is, we identify recaptures. We hope to make up shortfall based on recapture. What they do is identify what they need and what they can recapture. What they get back may be what they ask for or it may be a different number.

Stakeholder 2 – Is they GAO process looking at funding?

LH – They are looking at late payments. Part of the cause is late payments. When GAO gets that (next two weeks), they will issue a document on late payments.

Stakeholder 3 – When TRACS status has P10 but the funding has shortfall do we know what is causing that?

EW – We don’t know what is causing it throughout the year but sometimes the money is there when the voucher is received, but it goes away before P00 is issued and the voucher is paid.

This document is created as a courtesy to Ross Business Development, Inc.’s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Stakeholder 4 – If a property under no pay status for 2 years has funds that have been recaptured, how will they get paid?

EW – They need to know. The money is not there unless there is a special allocation for that contract.

LH – Every year FHA has to have an audit. FHA is an interdepartmental audit. They consolidate the OIG and the FHA audit. OIG does a specific audit of S8 because they make up about 54% of department total appropriations. They ask questions about obligations, documents, recapture methodology.

Stakeholder 5 – Is it true that the ACC contracts are funded through October?

EW – Thank you for asking that question because on the last conference call, which was 2 weeks ago today, she promised to fax out ACCs that were done through the end of the year. Some field offices and contract administrators do it differently. It is true that some cannot execute the renewal contract until they get the ACC. They have the ACCs that support the funding that we did in the fiscal year. Right now she has someone back in the office sorting them by field office and state so that they can fax them out.

The information will be faxed to the funding coordinators who will share with CAOMs who will share with the CAs. Those faxes will go out today or tomorrow. So check with your field office. She apologizes for the delay.

There has also been conversation about conversion of contracts. Everything required to do this has not come together yet. The CFO's office does want to migrate funding programs out of HUDCAPS this fiscal year. There is no way we could accomplish the type of conversion we had planned in that kind of timeframe. HUD would have to issue notices right now in order to have a target conversion date in the 3rd or 4th quarter of this FY. The old ACC contracts will probably be moved out of HUDCAPS this year over to LOCCS but the management will be done the old way.

In the meantime, there are a number of contracts that have expired but are under temporary renewal with the original contract administrator. So decisions will be made about if the old ACCs should be terminated and should the contracts go to the PBCA for the state. She's assuming that that consideration will be started sometime this year but she doesn't know when the decision will be made but that's what they expect will occur first.

What they will be working on is all the relevant procedures that will pertain to that task.

The transfer process from budget based to voucher based is intricate due to the sequence of events that have to occur to ensure that the payments flow as they should - on time. They do not want anyone to miss any payments.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

One other thing they are working on this year is the funding model system which is a tool to meet some critical needs. This system should support a systematic and routine way to monitor contract needs. It will also make the information available to field offices and will enhance communications to contract administrators and owner/agents can tap in to that information. This will assist with timeliness of information

Right now, they are soliciting the feedback of field offices to make sure they get what they need. If you have specific needs, we do want to have your input in what they are going to make available.

Stakeholder 1 – Over what kind of a period of time do you expect a systems review.

EW – We are preparing to start the design phase (90 days). We need to know how best to share the proposed design and how to get input back from anyone who is interested in contributing ideas. We also want to try to convene a meeting of the financial working group. She would like to see (to approve ability to estimate) – is if they come up with a way to come up with a way to voucher for retroactive rent increases differently. The way this works currently skews the information so we probably overcompensate by leaving out a lot of the adjustments that should be reflected in the estimate. She thinks this is why the estimates are low.

LH – Do we have to do anything to guidance for the 4350.1 regarding putting retroactive rent increases as miscellaneous accounting requests?

EW – She doesn't know. She thinks that would be strictly a voucher issue. She will have to look at it. They may be able to put the change out as a notice. They need to have a more structured approach to the miscellaneous accounting function.

Stakeholder – Any word on the revised year-end settlement for the payments that happened before April 2001?

LH _ Multi-family has drafted instructions for the PBCAs on that. He needs to ask the office of CFO for some clarifications. They have not had the chance to get those clarifications. It is one of the things they have to move on, probably for the 1st quarter of 2006.

We knew that we needed some capital support to help with the ACC conversion. We think we will get help under the RHIIP initiative.

TRACS team is overwhelmed. Need help defining requirements for enhancing EIV to help support multi-family housing. This would be similar to what we did for the 50059.

There is always the thing about the tracking log and what the tracking log should be. This contract will help us with that. For the PBCA and Contract Administrators this will be helpful to put together defining requirements and processes and procedures moving forward.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Lots of things for 2006

EIV for multifamily
Tracking of improper payments.
Transition to LOCCS

Late Payments

Have visited with MFH and have visited with OA. Issued a draft for HUD's comments and comments have been provided on the draft report.

He thinks it should be issued in the next two to three weeks. The department has taken it upon themselves to be aggressive rather than wait for the report.

One – they want to look at the portfolio and find out what the actual universe of contracts
What are the actual needs for renewals, amendments and recapture – currently

Result could be one of two things –

We will be short
We will be over and are fully funded

First task will be to document the universe of PB contracts and then to get a snapshot of the current status.

Then look at methodology of developing the budget. If either over or under, the budget process is wrong. Need a better way of determining what the actual need is for PB S8 contracts.

Deliverable – provide a 10 year projection for what the needs will be for PBS8. Asst Secretary has asked for this so a second party can review to get an objective prospective of current needs, methodology for determining funding needs and to determine 10 year needs projections.

This is a commitment to looking at and responding to late payments.

Since they do not know what the answers will be, they will be interested to see the results. It could have huge impacts on the budget process for appropriations for PBS8.

As you can see 2006 has a lot of things on the board to get done. Most are high priorities for the FHA commissioner and the Secretary.

These will have impact on industry stakeholders.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Working with TRACS – Mary Ross, CPO

www.rbdnow.com

mary.ross@rbdnow.com

Presentation available on the following web site

http://www.hud.gov/offices/hsg/mfh/trx/meet/overriding_hq_termination.pdf

The presentation was designed to address the issue of HQ terminations that occur when an annual certification is not recorded in the TRACS database. The previous instruction from HUD was to submit a termination effective on or before the HQ termination and then create an initial certification effective the day after the termination. While this provided an “active” tenant in the TRACS database, the result could present problems.

1. Risk resident ineligibility
2. Risk Change in AP
3. Risk failure to re-certify on time because the “next annual certification” date on the Initial was not changed to the original AR date

There are three common factors that result in missing annual certifications

1. Delayed/Missing submissions
2. Tenant Non-Compliance
3. Owner Agent Non Compliance

If you review the Late Certification Query in TRACS, you will notice that, if an annual certification is not received, HUD will terminate assistance about 96 days from the due date. The termination will be effective one day before the required effective date of the new annual.

Assuming that the resident and owner/agent completed their annual recertification tasks on time, there is a better solution. To override the HQ termination and remain handbook compliant, CAs and owner/agents should submit the original AR as a “baseline” or as a correction. This may generate an error (no certification exists for correction submitted) but the information should be recorded in TRACS without any problem.

If the household failed to complete the annual certification on or before the annual certification effective date, the household should be terminated. If the household completes the certification after the annual certification due date, an initial certification should be created. The initial certification should be effective the first day of the month after the resident submitted their information. This means that there is at least one month where the resident will not receive assistance. (See Paragraph 7-8-D-2 of the 4350.3 Revision 1, Change 1)

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

If the owner/agent is non-compliant and fails to provide appropriate notification or fails to complete the certification process, the resident should not be penalized. The annual certification must be submitted with the original effective date. (See Paragraph 7-8-D-1 of the 4350.3 Revision 1, Change 1)

The point is, when resolving the HQ termination issue, there is no pat answer. The multi-family help desk has changed their instruction to recommend initial certifications ONLY when the resident is non-compliant. In all other cases, the original AR should be recorded in TRACS.

Khevin Johnson and the multi-family help desk team would appreciate it if you would help us pass that information along.

APPS - Electronic 2530 – James Collins

The good news is I brought a presentation here with approximately 700 slides; the bad news is it couldn't be loaded.

Who here hasn't heard about the 2530 electronic process? A show of hands? Ok, the electronic 2530 process is taking the place of the paper 2530 that some people are required to file today for doing business with Multifamily Project. The paper 2530 was your information to us about every piece property you've touched in the past and every piece of property that you want to touch today.

The problem with the paper process was two things:

1. If you did business in January and you had over 5000 properties or been doing business for 35 years in January and you told us all 35 years worth of business for all 5000 properties - in February you want to do a new business with one property. You gonna tell us all about the 5001 properties your doing business with – the 5000 in January and the 1 in February. You kept giving us redundant information.
2. We kept the paper but we've never kept it electronically. Now it will be put in electronically. The ones that have filed paper 2530s – whatever you filed on paper in the past – you now have to file electronically, one time. It's called your baseline.

In order to do a baseline the first thing you have to have is a Coordinator ID. In order to get a Coordinator ID you have to submit an application to the WASS which is Secure Systems. It goes into the FHA connection and gives you the M-ID. It takes approximately 2 weeks. There's no way to get around that. There's no circumventing that. There's no short-cutting it.

Stakeholder – I'm sorry to interrupt but that's the same Secure Connection id for all of the other stuff.

James Collins – Yes.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

2530 process you can't circumvent it. So, if you're a new borrower and you know you're going to buy or manage this project and it's going to happen in December and you do not have access to this company or it's a new company, you need to get access today. Every company must have coordinator access and coordinator id. The question – does the id work for the TASS system – yes it does and no it does not. Yes it does but if you're going to do business with Collins incorporated and you've never done business with Collins incorporated and you've never received a coordinator id with Collins incorporated you must now request access to Collins incorporated information. That's going to take 2 weeks.

Stakeholder – If Collins Incorporated already has 2 coordinators how do you become a third coordinator?

James Collins – Ok, the companies now can have up to 5 coordinators, two coordinators through the front door – the front door is to the coordinator web access. The other 3 coordinators are assigned by having someone in your company assigned as a user id. As soon as you receive the user id a coordinator can get in within 24 hours and say “Hey, this is your user id.” One of the officers of your company, a CEO – whatever, sends an email to the WASS people and the only thing I have is Gary.Faeth@hud.gov that officer of the company and/or the CEO says “My user is Jim Collins, his id is this he was registered as a user, I want him upgraded from a user to a coordinator. That's how they get the other 3 coordinators.

Stakeholder – The traditional method you can only have to but by emailing Gary you can add three more?

James Collins – That's correct. You have to go in the traditional way and become a user first. That m-id is the user and then the officer or the CEO must ask Gary faith to upgrade you.

Stakeholder – Just for clarification does the person making the request have to be one of the 2 pre-existing coordinators?

James Collins – No. One of the 2 pre-existing coordinators is not or may not be an officer or the CEO of the company. It has to be an officer – a responsible party of the company.

Stakeholder – Does that responsible party have to appear in one of the past 2530s? I mean you guys do reference checking, right?

James Collins – Certainly. If you're going to put your foot out there and say I am Jim Collins and I am the CEO of Lanier Corporation and we come back and we find out that Jim Collins is NOT the CEO of Lanier Corporation...HUD is very accessorizable. They do not have a problem with sending out love bracelets with a love chain in between. And we do collect our data.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

That's totally on the WASS side. The best way to get started in TASS is to separate the company from your property. Every system in HUD deals with properties. TASS doesn't care about properties. We care about your company officers, persons in your company, who has controlling rights in your company and who is running the show. Then you tell us what properties. You tell us about every piece of property you touched from the time your company existed to the current date.

Example— If Company A has 5 officers and they are made up of company B, C, D, E and F you only worry about Company A. You put in Company A, you put in the 5 officers and you put in all the previous participation. You do not add Company B, C, D, E and F. Not yet. Once you get company A in you move to company B. You put in their 5 officers and their previous participation. C may go on to B but you don't care about C. What you want to do is get everything done for B. Once you get B done then you move on to C. You do the same thing for C, D, E and F. Once you have all of the companies created separately then you come in and say company F. Do I have everything in for F? If I've got all of their officers in, all their previous participation in and if they have any companies within their structure you've got to make sure their companies are in and their organizational structure is in then you start backing up. Then you say, F is done I can add F to E, E to D, D to C, C to B. The reason you have to do it that way is because if, for some reason, you add your people out of synch and you say, "Ok, B belongs to A, C belongs to B, D belongs to C" and in reality D belongs to A, B belongs to C and C belongs to D, you only have one important button that you never want to touch in APPS. It's called Cancel. If you hit that Cancel button, everything you've entered is gone and you have to start all over. I don't care if it's 2000 properties or 2 properties you will have to start all over because you've entered your data incorrectly. Where if you treat all of the companies separately first, get all of their officers in, all of their previous participation in and then start linking the companies together – link them from the bottom to the top then you're done.

Now, what do you do with it? You don't do anything with it. The baseline goes no place until you folks are ready to submit a 2530 for business. The baseline does not get reviewed until you are ready to submit it for business. If you're going to have a new piece of property whether it is for management or ownership the first thing you have to have is an FHA case number and a project name. We've heard in the past that you can't get those right away. As soon as you submit your property (Property submission) your baseline is locked. You cannot change your baseline. If you forgot to tell us that Lanier was there, now you can't tell us that Lanier is there. You have to do an "org change," and request that Lanier is to join your group. Where before you could add Lanier, remove Lanier, you can add Frank you can remove Frank until you lock it. Once you lock that baseline the only thing you can do is an organization change. Those all have to come to the headquarters office. They all have to be approved.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

What's this going to do for you folks? We're hoping that it will get your approvals faster. It's going to get you guys 2 things.

1. It will be able to tell you where the process is all of the time. Because you can log into the system anytime you want and see if your 2530 is at the field office for review or at headquarters for review or if it's been approved and on its way back to you.
2. You'll be able to know that the Field office has flagged you. You'll be able to put your information in and find out what those flags are. Example – I have a bad inspection. Now you'll be able to get a new inspection and get that corrected before I submit a 2530.

Stakeholder – We've been unsuccessful in submitting a 2530. They've been asked to submit the 2530 for clients. We are set up as coordinators; we're setup as users in the APPS system, and coordinators of the APPS system. They've given us their paper 2530 and we have rights to them.

James Collins – Just because you are a coordinator and they've allowed you to see their inspections – they have to assign you rights to their properties.

Stakeholder – What is the process for that?

James Collins – He has to give coordinators to his company, to his database. I'm Lanier Hilton and I want to be a coordinator for Hilton Incorporated. Now, if he wants you to do it for him, the fact that you are a coordinator means absolutely nothing. Why? Because you can not have access to Lanier Hilton under your coordinator rights. He is going to assign you rights.

Stakeholder – How does he do that?

James Collins – Once he has his coordinatorship he goes into Secure Systems and says "I want this person MF7575 to be my user."

Stakeholder – If Lanier wants me to be a coordinator for his property I would go in, request to be coordinator, he gets through snail mail an activation code.....

James Collins – No. Your ID is connected to your company not to him.

Stakeholder – The ID or the social security numbers?

James Collins – There are two ways you can get an ID. You can get an m-ID for yourself and you can be a coordinator for yourself. If you are a lender or a service bureau you can not be a coordinator for a company an out and out company only.

Stakeholder – By the activation code going to Lanier, and Lanier wanting to give it to me, we are justifying that I have rights.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Stakeholder – It's not that we can't get to it. Take me beyond the m-ID number issue. I know I have the access I need.

James Collins – Where have you guys tried to go through and get access to a company?

Stakeholder – I think what you're saying is that it changed after October 24.

James Collins – Prior to the 24 WASS and FHA connection was having a problem with new request and new IDs. If the company was not registered and did not recognize the Tax ID number you had to go out and register. Once you registered you wait 2 hours and request through Business Partners Maintenance and request a coordinator ID. One day later you come back and say the ID is no good. The problem was the Tax ID was filling one column but not the other column too. This has been fixed as of Monday. You should be able to complete this process without problems and in two weeks it will send you the access key code.

Stakeholder – My question is easier than that. We have access to APPS, we can get into APPS, we started doing a baseline and using the manual and it flat out doesn't work. It tells you to do this and you'll see this screen so you do that and you don't get the screen. We've been completely unsuccessful in plowing our way through that manual as have several of the Owner/Agents. We've also been totally unsuccessful in getting any assistance. So my question is this easy – Where do I go when things don't work? We've tried the REAC hotline, the HUD hotline.

James Collins – You go to the Multifamily Helpdesk. They won't let me answer the phones any more.

Stakeholder – We've tried that. And if they aren't able to assist us where do we go from there?

James Collins – The Multifamily Helpdesk is writing everything down because people are waiting until the last minute to get anything done. Unfortunately they started this process when you guys started it. Meaning they don't know any more about APPS than you guys do. So, they write all of the questions down, they send them to me in an email, I'm answering them.

Stakeholder – I'm a Contract Administrator and I'm required to send the 2530 manually, do I go through this system or do I return to paper?

James Collins – Yes you go through this system.

Stakeholder – As of October 12th everyone has to submit the 2530 electronically?

James Collins – That is required to do it, yes. It has to be electronic.

Stakeholder – You won't be approved for Management unless you submit a 2530?

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

James Collins – Correct.

This section covered a discussion on the user's manual not working. James Collins insisted that the manual did work and the stakeholder insists that it doesn't. He covered several steps line by line in the manual (the manual was brought to the screen).

Stakeholder – With the 2530 process if the owner has not set themselves up in the APPS system, we're the management agent are we going to be able to set them up in the APPS system?

James Collins – You could. You could say Lanier Hilton owner, "I want to be his coordinator" because you are not a servicing site.

Stakeholder – Are we going to have to work backwards for all 250 properties that we have?

James Collins – Yes, you have to tell us everything.

Stakeholder – You're saying they need to set up a baseline that is totally editable until they either acquire or begin a new management relationship? If they are not changing a single thing in the way they continue to do business, they will not have a trigger to have to be in the APPS system until they wish to change a management relationship or acquire something new, correct?

James Collins – Correct. If they've done business then that baseline gets locked. If they go in and they still have all of their stuff there and their not going to do any new business until August of next year, they have until August of next year to enter the data. But if they go in and say they want to put their baseline in there with 10 board members and these board members are going to change in March and between now and March I don't have any new business. In March they go in and remove those changes and put in the new ones. It's still an open baseline they can do anything they want to with it. But February comes up and Lanier comes up and says I want you to be my manager, they now have locked the baseline because they said they want to do new business come March when it's time to do the board member change they would have to do an organizational member change (org change). They'd have to do an "org change" to remove them and an "org change" to add but it can all be done on the same "org change." It has to go to Headquarters. It only has to go to committee review if someone feels it should not be approved.

Stakeholder – Ok, so how do they submit it online? If the baseline is locked, how do they submit these changes? Do you just basically hit submit?

James Collins – Correct and then HQ will take a look at them. They'll send an email out to the field offices and say "Hey, Lanier is joining this company, do you know anything about it?" They have 15 days in which to respond. If we don't get an answer in 15 days then we'll decide whatever it is we are going to decide.

Stakeholder – New business includes things like ...?

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

James Collins –Anything you currently have to do a 2530 for.

Stakeholder – I always thought that if there was a HUD initiated flag that it locked in the baseline as well.

James Collins – No.

Lanier Hilton – Leave yourself as much space to move as possible. Do not LOCK the baseline until you have to, right?

James Collins – Correct, until you folks do new business...then it gets locked. As soon as you start new business process it gets locked.

Stakeholder – What kind of timeframe are you looking at?

James Collins – It should be a lot faster than paper process.

Lanier Hilton – It allows you to be very proactive about flags. You will know if you have a flag, who put it there and why it's there. You should work with the field office until it's removed. If the flag is not removed Headquarters will set up an official 2530 review with attorneys involved. Once it goes to this review we go over everything and then decide what needs to happen to the flag. It is a very legal process. We are impacting your ability to do business. What APPS allows you to do see whether or not you have a flag, who put the flag there and the proactively work with your field office to get the flag removed.

James Collins – If you submit a file with a flag in it, even if you had the flag cleared you just don't have it removed from the file yet, the field office cannot remove the flag. We've locked them in. Make sure the resolved flag is in fact resolved prior to submitting the 2530.

Stakeholder – I have a question that relates to the hierarchy. Let's say that there is a property individually owned, self managed. That's an easy one. That's just one TIN. That company goes in and does their application because they just bought this property...

James Collins – Let me stop your right there. One of the problems that we've seen with LLC and individually owned entity is that the IRS says I can use my social security number as the tax identification number for the company. I don't care what IRS says or does HUD will not accept it. Every LLC must have its own TIN, every company must have its own TIN. You cannot use the same number.

Stakeholder – Ok so you've been good and you've gotten your TIN so now you are Joe Blow company .. You are managing the property so you hire a management company to take over. So now there's an issue with the management company having to submit a 2530 as well. So where does the hierarchy come in? I would submit a 2530 because this is new business for me. I've never owned a HUD property before. I do my 2530, HUD approves me and life is good.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

James Collins – So now you're the only entity and you are the management company for the site.

Stakeholder – Right, now I'm old and tired so I'm going to hire someone to manage it for me, she already has a 2530 and she's done her baseline on time – so now she's going to go into her 2530 and tell HUD that she's managing my property.

James Collins – She's going to REQUEST to manage your property, not tell HUD.

Stakeholder – Ok, so going into the future, I understand that. Now, let's say same scenario but the situation happened 5 years ago. So there's an owner and a management company so which is the top company?

James Collins – Five years ago, before APPS got involved, you stakeholder became the owner you stakeholder became the managing agent. Were you the owner and managing agent under the same company? Or did you make two companies? (Stakeholder says 2) Ok so you are going to put in there that you are the owner and the managing agent and life is good.

Stakeholder – No, I own it but she manages it.

James Collins – Then you still don't do anything. She now goes in and says I'm going to be the manager or now I'm managing it because now she's doing before APPS. So she's going to go and put her baseline in, name of her company, officer, everything in her 2530. If she's managing the property prior too APPS coming on line then she puts I am the managing agent for Holly Hills Apartments.

Stakeholder – And I don't have to do anything?

James Collins – You don't have to do anything because you're telling me you are the owner of Holly Hills. She's telling me she's the managing agent. You don't have to do a 2530 if you aren't going to do any more NEW business with HUD. The owner has to do a 2530 if he's got anything out there or plans to do any more new business. If he continues to own that property and decides he wants to refinance that property, he has to do a 2530 for himself.

Does anyone know why APPS got started? Does anyone care? 1997 what happened then? September 1997, John Ghatti (sp?)– he got indicted. They couldn't find out what he was involved in. Now we will know what he touched.

Stakeholder – Will the owners be notified? How will they know?

James Collins – Field offices, letters, NAHMA, SHAMA, everything we can think of. Everyone keeps saying they've never heard of it.

Lanier Hilton – It's like the compliance percentage. Nobody heard about it until we stopped paying did people "hear about it."

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

50059 Instructions – Fred Hutchins

Lanier volunteered us to write the instructions for the 50059. He had mixed feelings but is happy to do so. It was given to Hilary Crowell. Manager of training at EPS.

What she and Rick Fletcher came up with is a 35 page set of instructions for the new HUD form 50059. Debbie Hixon gave a big boost to start and helped shape and guide the direction we wanted to take.

Hilary and Rick went through every field and provided instructions. Instructions are quick capsule. There are also notes and the reference to the 4350.3. One of the things they are still working through is getting references to specific parts of the 4350.3 . It will be sent around for comments.

The first version has been sent for comment already...99% on thumbnails, 99% on MAT guide and 75% on the 4350.3 references.

Hilary has 5 extra copies. Stakeholders can take a look. Hilary.c@tracsexperts.com

Let Hilary know if you would like to be on the active team.

LH – If you become knowledgeable and talkative, you get an assignment. This will be posted under the Documents section when this is done. It will be set up as a recommended practice.

Housekeeping Items

Lanier Hylton

Regarding the 2530. He will gather some information and send an update about the 2530 process. He will send the link to the APPS page. They will try everything possible to summarize this.

The other thing we have been discussing is providing access to traditional CAs similar to access provided to the PBCAs. There is no reason why we can't do this, especially in regards to REMS. However, there is still discussion about the access. MFH is still pushing that, but there has been no final decision.

He has it on his list to follow up on the 50059 specifically regarding the OMB number. He needs to get some clarification. They will get something out regarding implementation of the form with the OMB number

The 52670, he will make sure the most recent version is updated and posted to HUDclips.

Other business – Marinda's name is still on the forum.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Frank Whelin - We are going to replace the existing TRACS forum. When we do, the current forum will go away. We will be adding enhancements like the ability to sort by topic or author, etc...

Close of Day 1

Day 2

BPR – Carolyn Armstrong

This power point used during this presentation can be found at http://www.hud.gov/offices/hsg/mfh/trx/meet/tracs_bpr_presentation.pdf

The Clinger-Cohen Act of 1996 mandates the implementation of an effective Enterprise Architecture (EA) policy and an associated Enterprise Architecture practice.

The OMB, in its Circular A-130, issued explicit guidance that requires agency information system investments to be consistent with the Agency's Enterprise Architecture.

The RHA Blueprint recommends the Business Process Reengineering in support of the transition to the target Enterprise Architecture

Project Sponsors

Office of the Chief Information Officer (OCIO)
Office of Multifamily Housing (MFH)
Office of Public and Indian Housing (PIH)

Other Major Stakeholders

Office of the Chief Financial Officer (CFO)
CFO Accounting Center (Fort Worth, TX)
Section 8 Financial Management Center (FMC) (Kansas City, MO)
Field Offices (MFH Hubs and Program Centers; PIH Field Operations)
Contact Administrators (CAs) and Performance-Based Contract Administrators (PBCAs)
Real Estate Assessment Center (REAC)
State Housing Finance Agencies (SHFAs)
Public Housing Authorities (PHAs)

Currently in process of Developing the RHA Blueprint

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Project Purpose

The Rental Housing Assistance (RHA) Business Process Reengineering (BPR) project will assist Multifamily Housing (MFH) and Public and Indian Housing (PIH) to streamline business processes and eliminate redundancies which will allow for duplicative systems to be recommended for consolidation, retirement, or re-design

Goals

Alignment of business processes and systems to increase efficiency, ensure consistency, improve the quality of data received from business partners, and strengthen accountability

Recommend technology solutions that move towards a true enterprise architecture

Steps in the BPR Process•

Phase 1: Project Mobilization

Phase 2: Business Diagnosis (“As-Is”)

Phase 3: Process Direction (“To-Be”)

Phase 4: Recommended Solution

Phase 1: Project Mobilization Project planning and kickoff activities

Key Deliverables:

Statement of Project Goals & Priorities

Stakeholder Analysis

SWOT Analysis

Critical Success Factors

SWOT (Strengths, Weaknesses, Obstacles and T?)

Phase 2: Business Diagnosis (“As-Is”)

Research and documentation of the current environment of the RHA line of business

Key Deliverables:

Business Process Model

Architecture Validation with Blueprint

Evaluation of Existing Performance Measures

As-Is Analysis Report

They must incorporate time for research – the key deliverable – business process model.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Architecture validation is next

Phase 3: Process Direction (“To-Be” Model)

Development of the “ideal” business processes for the future state of the RHA line of business

Key Deliverables:

“To-Be” Document

Gap Analysis

Process Value Analysis

Information Value Chain Analysis

Phase 4: Recommended Solution

Defines the realistic, implementable business solution and strategy for transforming the RHA line of business

Key Deliverables:

New Technological Architecture

Cost Estimates and Cost Benefit Analysis

New Performance Measures

Organizational Development Strategy

Implementation Plan

Project Accomplishments To Date

Developed a Project Charter for the RHA BPR program

Formulated the budget request for the RHA Line of Business via the OMB 300 form

Completed “As-Is” research and analysis including the Business Process Model and Architecture Validation with Blueprint

Benefits of BPR to HUD & Business Partners

Shared Vision

By improving workflow automation, business information, and program portfolio management as a line of business, RHA will be in a position to address many of the accountability issues

Streamlined Processes and Consolidated Systems

By creating standardized RHA business processes, HUD increases efficiency and helps to mitigate the risks caused by having redundant processes and “silo” systems

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Technology Funding

By exhibiting compliance with the OMB mandate to move toward an Enterprise Architecture, HUD increases likelihood of technology funding in the future

Stakeholder – I've been watching TRACS for 13 years and one of the things that has absolutely plagued TRACS is lack of funding, I'm wondering if the BPR steps things up in terms of funding so that the systems development and support structures are stable. Is there any guarantee that funding for systems will be provided to ensure continued support of the systems provide.

LH – enterprise architecture is a priority for the department. The budget is projected for the next two years. There is money in the budget for 06 to maintain TRACS but there is no additional funding. Will only change with a Congressional mandate. There may be funding to change things that pertain to...

The BPR is funded through completion. Commitment for 07 to fund recommendations that come out of the BPR. We assume, based on what we know now, that the commitment will continue through 08.

Stakeholder – There have been a lot of changes on the PIH side where the changes seem to mimic MFH.

LH – Working group includes MFH and PIH and the executive committee also includes both groups. The real work is in the working groups where they try to mesh best of business practices to reduce effort and redundant work. All systems and processes will be examined. Some things should be combined. Funding is probably not going to be combined. PIH uses grant funding and MFH is tied to contracts tied to the projects (grant form won't work for us) So on the face of it, those two processes won't change (example)

PHA is being pushed by Congress to come up with a process that says that there are units tied to a project vs units tied to a PHA. Want to try to track cash flow at the project level.

Stakeholder – One of the things that he would like to see come out of this. Is this going to be a batch system or will it be a true enterprise solution (real time)

LH – It is one of the goals for me. We want to operate on a real time basis. We want to go to e-commerce. We have moved to a more online process in other areas. For example, the financial statement submission process is online and can be submitted, reviewed and responded to. We would like to set up other processes in the same manner. For example, we would like to further automate the renewal process.

There are several other processes, updated rent schedule, rent increases, and other functions would be more efficient if we used more technology.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Stakeholder – We would like that as well. Also, we would like to know things like confirmation of the number of records received, etc. This industry as a whole spends a lot of time pre-processing records so they are submitted in the same manner as they are entered.

LH – Everything that comes out of the BPR will be what we want, but then it must be evaluated based on what is possible and what gives us the most bang for our buck. This takes an ideal to be model and allows us to take those items and prioritize those based on what has the most benefit.

What is the vision?

What is the priority?

What are you going to implement first

What is the future implementation plan

This provides everyone with the ability to determine what impact those plans have on each stakeholder. And that will assist us in creating a strategy and a road map.

Stakeholder – this is an impressive set up of the vision and the process. The only thing he would say is that stakeholders would have input down the road

C – We appreciate that.

SSA Errors – Elking Tarver

Last time he was here we decided to send forms to identify errors that were incorrect

As of the 14th they got 848 of the forms. By now it is probably about 1000. We have followed up on a majority of them and have followed up with SSA.

143 reports require updates in TRACS. The issues were not SSA issues, they were TRACS problems. The percentage might be higher.

In a lot of cases, the information on the form was different that what was in TRACS. So in these cases, a corrected cert had to be submitted.

On the DOB errors, one of the issues was that the contact on the form did not have access to the software or to TASS or TRACS. The sender needs to have access to the systems so TASS can resolve the issue.

LH – Can I ask a question? When the forms came in where were they from. A lot of times it was the management agent. Sometimes it was the owner.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Stakeholder – I want to appreciate the effort. The errors come from TRACS. We still have people who don't know what Secure Systems is. They get errors, but they do not have access to the system. The hope is that sooner or later they will get access to the systems.

More and more people are getting it and understanding that they need to be on Secure Systems.

Stakeholder – Great work and thanks. I think the confusion with the response is much like Frank said. People generally don't know much about TRACS or TASS. We now know the good contacts and those are the people to call. Please bear with it. We hear a lot from managers that we have documentation from the tenant indicating that the information in Secure Systems is different than the verification documentation.

ET – They admit that they have not reconciled the 3 databases. SS10 -15

If a person applies for a card, they did not require a birth certificate and some times people did not provide the correct birth date. Now they ensure that the birth date is correct. When contacted, you will verify the information even if the information is not true. It will work if the information is correct on any of the databases.

Stakeholder – thanks – I'm not surprised that owner/agents filled out forms improperly. People did not always understand what the form was for. What about correcting the birth date? What about elderly/disabled

ET – The cert in the file did not match the information in TRACS.

Stakeholder – The point needs to be made that the stories are endless over the years, but sometime when the resident goes to the SSA, there might be “push back”. Why return all these messages if you are getting the benefit reports.

Maybe it seems to be addressed on the next CA call, the CAs are still not returning the error messages. This is causing problems because the CAs need to

LH – We have to ask ourselves a couple of questions. Do we need to send back the messages when EIV does the verification? If TASS is providing the information and EIV is providing the information, what is going on.

Stakeholder – A quick fix for the property managers who do look at error messages, they know which ones need the quickest response. Maybe we should make some of the messages indicate a higher response priority.

Stakeholder – Assigning a higher action code may be useful... We get so many of these back every month that there is no action.

ET – Some times they would key on the recert month and some times the annual dates have not been entered correctly. Annual is not done.

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

LH – the reality is that 10 – 15% of these are about data quality while a majority may be seniors' issues and it may be difficult to correct.

Stakeholder – Do you have enough data? Do you need more submissions?

ET - Codes 1 – 4 we can still assist you on those. 10 and up, you should know what the issue is.

If a person does not have access to TASS, maybe someone at the owner agent site should do its own investigation.

Stakeholder – If someone goes through the process and there are still issues, ET will go through the steps to get things fixed.

LH – I think we need to check the form

Stakeholder– I think the issue is that, in those situations, the cert was verified; she thought the point was to identify errors where info coming back from TASS was different than verification document. How many errors were really the kind of thing you were looking for?

Karen (works with Elking) – in terms of prioritizing – those codes are coming from MAT – the priority 3 - may not always be right.

Stakeholder – A lot of the sites are coming or saying that there software does not allow for middle initial or the card has the full middle name. What are they supposed to do.

Break

Enterprise Income Verification (EIV)

The two EIV power point presentations can be found on the following web site:
<http://www.hud.gov/offices/hsg/mfh/trx/trxmeet.cfm>

The EIV database will give users access to Wage, Unemployment and New Hires databases. The new hire database includes information which is on the W4 which is filled out by every employer when they hire someone. This is only new hire, does not cover if someone gets a promotion and has new income.

The addition of NDNH data has been getting SSA and SSI income. We have now rolled out for PIH nationwide. Next task is to absorb the functionality currently in TASS. What you see in EIV will be similar to what we see in TASS. We are working with the multi-family housing team to address issues short term and long term.

Ranjeev – lead developer

This document is created as a courtesy to Ross Business Development, Inc.'s customers and other interested parties. It is a collection of notes taken during the discussion at the TRACS Industry Meeting. This document should not be used as a resource to set policy. Some discussion may have been omitted or missed. Ross Business Development, Inc. representatives make the best effort to capture information as it was interpreted at the meeting and makes no statement as to the completeness or accuracy of this document. Use of additional resources is strongly recommended.

TRACS Industry Meeting October 27th & 28th, 2005

Going to start with a brief overview as it is currently used by PIH.

- Agenda

Application Overview

Uses same infrastructure as rest of Secure Systems. There will be an EIV link in the list of systems available.

In TASS, income info is provided for tenants due for annual in 4 months. EIV is slightly different. Data for every tenant is refreshed every quarter and new tenant information is refreshed monthly.

Every month system checks for new admissions.

Data is also divided in three groups by states to make the quarterly refresh. This helps maintain current and up to date information. This also ensures that information for every tenant is updated quarterly.

*App Overview

User admin function specific to set an expiration date for a user

Audit requires users to be certified every quarter. The user will have to validate every three months.

Note from RBD – At this point, we had to leave the meeting, so we did not get the rest of the information. We would suggest review of the power point presentations to get additional information.