



TRACS 202D Changes

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As originally provided in the 2014.10.31 Update Release

TRACS 202D Changes ...

Implementation Schedule

The implementation schedule for TRACS 202D submission compliance starts August 1, 2014 and ends February 1, 2015. National TRACS and all State Contract Administrators will accept both 202C and 202D MAT file submissions during this six month transition period. On February 1, 2015, only 202D MAT file submissions will be accepted by TRACS & State CA's from then on.

FHA Software (Rel. 2014.10.31)

TRACS 202D forms and MAT file submission compliance was provided with the October 2014 Update Release of *FHA Software*. A general overview of TRACS 202D related changes and the affects it has with *FHA Software* program usage is detailed in this documentation.

TRACS 202D Form Revisions

The following forms were revised by HUD to comply with TRACS 202D requirements ...

HUD-50059 - Tenant Certification
HUD-50059 A - Partial Certification

Note: Start your *FHA Software* program and click-on *HUD .. TRACS/MAT File Submissions .. TRACS 202D Info & Error Message Reference ..* to view &/or print the following documents that provide very specific details on all HUD-50059/59A data entry items ...

- * Instructions for TRACS 202D form HUD-50059 (06/2014)
- * Instructions for TRACS 202D form HUD-50059 A (06/2014)

HUD-52670 - HAP Request Voucher (Cover Page)
HUD-52670-A Part 2 - Schedule of Section 8 Special Claims
HUD-52670-A Part 3 - Adjustments to Schedule of Tenant Assistance
HUD-52670-A Part 6 - Repayment Agreements for Schedule of Tenant Assistance

Note: All other existing HUD-52670 related forms did not change for TRACS 202D.

HUD-52671-A - Section 8 Special Claims for Unpaid Rent/Damages

Note: All other existing HUD-52671 related forms did not change for TRACS 202D.

HUD-27061-H - Race and Ethnic Data Reporting Form

Note: All TRACS 202D form revisions listed above have been made in *FHA Software*.

Voucher Detail and Adjustments added to the MAT30 Voucher File

In TRACS 202C, only HUD-52670 HAP Voucher Request cover page totals were included in the electronic Voucher MAT file submitted to your HUD Contract Administrator (CA) which is why your CA required a signed, hard copy of the printed voucher emailed or faxed to them each month. With TRACS 202D, the electronic Voucher MAT file now includes all voucher detail (*Regular Tenant Assistance, Adjustments, Special Claims, Miscellaneous Accounting, and Repayment Agreements*). As a result, your CA may be notifying you on or before February 1, 2015 to stop sending them copies of your signed, printed vouchers.

Note: This TRACS 202D change is automatically accommodated by *FHA Software*.

Anticipated Children Acknowledged

FHA Software has previously maintained and displayed *Expected Family Addition* counts on the printed TRACS 202C HUD-50059 Tenant Certification form for *Adoption, Pregnancy, and Foster Children*, but this information was not part of TRACS 202C MAT file submission. The TRACS 202D MAT file now includes this information.

Note: This TRACS 202D change is automatically accommodated in *FHA Software*.

Foster Children & Foster Adult Member Changes

Identifying household members as *Foster Children* or *Foster Adults* has not changed, but TRACS 202D has changed how they are counted in occupancy eligibility and HUD-50059 Tenant Certification calculations. *Fosters* are now considered “Family” (as opposed to Non-Family Members) for all purposes. Below is a brief list of *Foster* related changes ...

- * Fosters are now included for Income Limits
- * Citizenship Code selection (EC, EN, PV, etc.) is required
- * Include disability assistance expenses incurred by Fosters
- * Include medical expenses of Fosters when eligible
- * Deductions for child care expense was previously allowed and are unaffected
- * A F/T Student - Foster Adult who is employed is subject to a \$480 earned income cap
- * Race/Ethnicity was previously be maintained for Fosters and did not change

Note: *FHA Software* has been revised to accommodate TRACS 202D *Foster* related changes.

Section 8 Income Exception Codes

There has been some confusion in the industry about the proper use of the Section 8 Income Exception Codes, when they are required and whether they change over time. Per HUD policy, instructions for *Eligibility Universe Code, Current Income Status Code, Section 8 Assistance 1984 Indicator*, and *Income Exception Code* have been updated to make it clear that the need for an exception code is determined at move-in or at the time of an initial certification and that the code or

lack of a code persists on subsequent certifications.

Note: This TRACS 202D change was already being accommodated in *FHA Software*.

Owner DUNS Number added to Header Records

HUD Notice H 2011-01 requires owners with project based Section 8, PRAC contracts, Rent Supp, and RAP to obtain a DUNS Number and include it (along with existing Tax ID Numbers) in all TRACS 202D electronic MAT file submissions. Recording *Owner, Parent Company, and Management Agent DUNS Numbers* was added to *FHA Software* in the January 2014 Update Release and is located in the DATA .. PROJECT DATA .. OWNER INFO .. OWNER Information section (sample screen below) ...

Owner Information ...

Payee	Bank
Name: VILLAGE GREEN APTS ASSOC	Name: 1ST STATE BANK & TRUST
Address: 888 HAVEN STREET	Address: 2222 NORTH SECOND STREET
City: PARKVILLE	City: ROCKFORD
State: IL Zip: 69999	State: IL Zip: 65555
Phone: 815-564-0987	Phone: 815-564-3434
Account Number: 123456789	ABA Route Number: 123456789

Owner	Current Project
Name: WINNEBAGO NATIONAL BANK	HUDDemo
Address: 9187 FOREST HILLS	VILLAGE APARTMENTS - HUD
City: WINNEBAGO	1111 DEMONSTRATION ST.
State: IL Zip: 61199	DEMONSTRATION, IL 69999
Phone: 815-756-1818	
Property ID: 66-77777	
Tax ID Number (EIN): 12-9566666	
DUNS Number: 800555111	
Parent Co. Tax ID No. (EIN): 12-8876544	
Parent Co. DUNS Number: 800666222	

Management Data **OK**

For current TRACS 202D MAT file submission compliance, the Owner Tax ID Number and DUNS Number must both be filled .. or .. both be left blank (if you don't know one or the other numbers). National TRACS will reject a 202D MAT file if only one of the two fields is filled in, but will temporarily accept both fields left blank. If you submit to a Contract Administrator (CA), they may have already asked you for the Owner's DUNS Number for their records and could require it in a TRACS 202D MAT file submitted to them. Regardless, all TRACS 202D MAT file submission must include the Owner's DUNS Number starting 02/01/2015.

Note: This TRACS 202D change was already being accommodated in *FHA Software*.

Rent Overrides

HUD Handbook 4350.3, Chapter 5, paragraph 5-30 (Determining Tenant Contribution at Properties with Multiple Forms of Subsidy) reviews situations where the tenant rent calculated by other funding programs, such as tax credits, may differ from the HUD calculated rent. Generally the rule is that the tenant should be charged the lower of the two rents—the benefit goes to the tenant. When the HUD rent is overridden and the lower rent submitted to TRACS or a CA, the result is typically a large number of calculation error messages. In TRACS 202D, a **Rent Override** flag was added to the certification to indicate situations when the HUD calculations are being ignored.

To assist CA and TRACS software in auditing the correctness of certification calculations, a new **TTP Before Override** field was also added. This field is used to hold the TTP that is calculated before applying the override. In other words, it is filled with the TTP that would normally be charged if there was no override. The primary use of the override flag will be to indicate a case where a PRAC tenant's rent is being raised to operating rent.

In addition, the override flag will be used to indicate a tenant rent phase-in situation under the Section 8 RAD program. A new **TTP At RAD Conversion** field is to be used in conjunction with the other override fields for these specific phase-in situations.

To trigger a **Rent Override** in *FHA Software*, click-on the HUD SUBSIDIZED INFORMATION button, while editing a HUD-50059 Tenant Certification, and the following window appears ...

HUD Subsidized Information ...

Move-In Codes

Previous Housing: Standard

Displacement Code: Not Displaced

Preference Code: No Preference

Eligibility Check not Required at MI or IC ☐

Secondary Subsidy

☐ Tenant benefits from Sec 8, RAP or Rent Supplement

AND ... Section 236

Household Assistance Status (NCR)

Current Status: E

Apply ☐ N - Subsidy Type NOT subject to Noncitizen Rule

F - Full Assistance while eligibility is pending

E - All members ARE eligible with full assistance

C - Continued Assistance - R/A Began 02/01/1987

P - Prorated Assistance Noncitizen Rule eligible

T - Temporary Deferral of Termination Status

Tenant Accessibility Qualifications

Head, Spouse, Co-Head, Foster Children & Adults, Dependents and Other Adult family members occupying the unit requires one or more of the following accessibility features ...

☐ Family is Mobility Impaired

☐ Family is Hearing Impaired

☐ Family is Visually Impaired

Rent Override

☐ Rent Override applies for this TC

Check this box when tenant rent calculated by other funding programs (such as Tax Credits or RAD Phase-In) differs from the HUD calculated rent. HUD rent (TTP) will be overridden with a lower rent (TTP) amount on this HUD-50059.

OK

Click-on the RENT OVERRIDE APPLIES FOR THIS TC checkbox and click-on OK. During the CALCULATE process, the following Rent Override window will appear ...

Occupancy Eligibility - Compliance Review ...

! Rent Override Applies ...

The Rent Override option has been enabled for this HUD-50059 which means Tenant rent calculated by other funding programs (such as Tax Credits or RAD Phase-In) may differ from the HUD calculated rent. If applicable, HUD calculated Total Tenant Payment (TTP) on this HUD-50059 will be overridden with a lower TTP amount defined below.

HUD calculated TTP on this HUD-50059 is \$ **294**

Override the HUD TTP Amount above with \$

If this is a RAD Phase-In project ...

Enter the TTP amount at RAD Conversion \$

Rent Override does not apply for this HUD-50059 ☐

Return to Edit Screen **Cancel TC** **Continue Calculation**

HUD calculated TTP on this HUD-50059 is - What TTP (Total Tenant Payment) is normally calculated out to be and is automatically saved as **TTP Before Override**.

Override the HUD TTP Amount above with \$ - This is where you manually enter what TTP is to be changed (overridden) to and used in the HUD-50059 being processed.

Enter the TTP amount at RAD Conversion - If this is a RAD Phase-In project, this is the TTP amount as it was on the tenant's Move-In or Initial Certification and does not change in future Annual Recertifications throughout the Phase-In.

Secondary Subsidy Type field expanded

The existing *Secondary Subsidy Type* field has been used to indicate cases when a Section 8, Rent Supplement or RAP contract is in a Section 236 project. In TRACS 202D, the field has been expanded to cover the case where the contract is in a BMIR project.

To access the **Secondary Subsidy** indicator in *FHA Software*, click-on the HUD SUBSIDIZED INFORMATION button, while editing a HUD-50059 Tenant Certification, and the *HUD Subsidized Information* window on previous page #5 appears. If *Secondary Subsidy* applies, click-on the checkbox and use the pull down list to select SECTION 236 or BMIR. This indicator will automatically carry over to all future HUD-50059's processed for this tenant. If *Secondary Subsidy* is no longer applicable in the future, simply uncheck this box on the HUD-50059 this becomes effective.

Extenuating Circumstances Code (Tenant Unable to Sign Indicator)

Previously, a simple checkbox was used to indicate that a tenant was unable to sign a HUD-50059 Tenant Certification being implemented. TRACS 202D will now track more closely the reasons for lack of a signature on a certification. In *FHA Software*, the ACTIVATE feature window (sample below) is where the applicable extenuating circumstance code is selected ...

Tenant Certification Activation ...

The activation process records Tenant & Owner Signature Dates and puts the selected Tenant Certification into affect, making it available for electronic submission and all tenant occupancy reports.

Date Tenant Signed this Tenant Certification : [mmddyyyy]

Tenant Unable to Sign Indicator (applies to HUD only) ...

1 - Medical

[Select the applicable reason above, if the tenant is legitimately unable to sign the HUD-50059 in time to achieve an on time recertification. Create and submit a corrected HUD-50059 to TRACS with a Tenant Signed Date when the tenant is able to sign.]

Date Owner Signed this Tenant Certification : 05/01/2014 [mmddyyyy]

Anticipated Voucher Date this change will effect : 11/01/2014 [mmddyyyy]

☐ This HUD-50059 is subject to Repayment

OK Cancel

The following *Extenuating Circumstance Codes* are permitted ...

- 1 = Medical
- 2 = Late annual certification due to accommodation or extenuating circumstances.
- 3 = Late annual certification due to owner/agent delay
- 4 = Late annual certification due to third party delay (Guardian)
- 5 = Military Deployment
- 6 = Eviction
- 7 = Court order
- 8 = No Signature Required (Retroactive GR done after a MO- no requirement for a tenant signature)
- 9 = No signature required for 60 days (based on anticipated voucher reported on date)
- 10 = Other

When the tenant finally signs the certification, a *Correction* to that HUD-50059 Tenant Certification must be created and activated with a valid *Tenant Signature Date*.

Eligibility Check Not Required field added

There are a number of situations described in the HUD 4350.3 where an eligibility check is not required at MI or IC. The addition of this field allows the Owner/Agent (OA) to indicate that one of those situations applies. Current examples of when the flag would be turned on include:

1. If a tenant is transferred to a unit in a comparable project as a reasonable accommodation (Handbook 2-32.C.1.a) eligibility is not checked on the Move-in certification or in response to VAWA
2. For a contract combination, the tenant is first terminated from the old contract and an Initial Certification is done for the new contract. Eligibility is not checked on the Initial Certification.
3. Under Handbook paragraph 7-12.B.3, a tenant who fails to respond to a notice to provide information about changes in composition or income must be terminated. When the tenant submits the information, their rent must be reduced (IC). Eligibility is not checked on this Initial Certification.
4. For 100% Section 8 properties. If the project is 100% subsidized, in the case where an in-place tenant's assistance was terminated due to an increase in income and whose income decreases to where they are again eligible for assistance, the tenant should be recertified and receive the assistance. The tenant's income eligibility was determined at Move-in and does not have to be determined again.
5. PDD—Presidentially Declared Disaster
6. Other

To access the **Eligibility Check Not Required** indicator in *FHA Software*, click-on the HUD SUBSIDIZED INFORMATION button, while editing a HUD-50059 Tenant Certification, and the *HUD Subsidized Information* window on previous page #5 appears. Click-on the **Eligibility Check Not Required at MI or IC** checkbox, if it applies. This is just an notation on the MI or IC HUD-50059 Tenant Certification being processed and does not affect Tenant Rent/HAP calculations.

Gender Code on 50059 Added

The final rule on Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity--see 24 CFR 5.105(a)(2)(ii)—prohibits inquiries on sexual orientation or gender identity except in limited circumstances. As a result, for TRACS 202D the Sex Code field on the 50059 may be filled with M - Male, F - Female or a blank to allow for compliance with the rule.

In *FHA Software*, a pull down list has been added for selecting the **Sex** of each household member which includes *Male*, *Female*, or *Declined to Report* which is now similar to existing *Race* and *Ethnicity* selection. When adding or entering a new household member in *FHA Software*, *Declined to Report* will now be the default selection for *Sex*, *Race* and *Ethnicity*.

A sample *Household Member Information Entry* window is provided on page #9 which shows the new pull down selection for identifying each member's **Sex**.

Below is sample *Household Member Information Entry* window that is available when editing a HUD-50059 Tenant Certification in *FHA Software* ...

New Household Member Special Status Codes

There are new member attributes that HUD is interested in tracking. These are status as a US Military Veteran and people living in the unit temporarily as a result of a presidentially declared disaster (PDD). Accordingly, M and P special status codes have been added to the special status code field.

As the sample *Household Member Information Entry* window provided above shows, three new checkbox items have been added to the *Member Status* section in *FHA Software* ...

- US Military Veteran - To designate the member as a Military Veteran
- Temporary Resident - To designate the member as a temporary occupant
- Frail Elderly - To designate the member as being Frail Elderly (future)

Household Member SSN Exception Codes added

For TRACS 202D, a new SSN Exception field has been added to capture the cases where there is a valid reason for the member not having a *Social Security Number* (SSN). The legal exceptions are:

C = Individual who does not contend eligible immigration status.

E =Individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility in either a Multifamily or Public and Indian Housing program was begun prior to January 31, 2010 (a break in assistance does not void the exemption)

M =New household member under the age of 6 where disclosure of SSN is delayed for 90 – 180 days. This code may not be used on a MI or IC transaction.

As the sample *Household Member Information Entry* window provided on previous page #9 shows, a new [+] button has been added to the right of the *Social Security No.* entry field in *FHA Software*. When a *Social Security No.* has not been entered (field is blank), clicking on the [+] button to access the following *SSN Exception* window ...

Family Member - SSN Exception ...

SSN Exception Code

A valid Social Security Number (SSN) has not been recorded for this Family Member. If qualified, select the applicable Exception Code listed below ...

☒ Blank = No Exception applies.

☐ C = Individual who does not contend eligible immigration status.

☐ E = Individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility in either a Multifamily or public and Indian Housing program was begun prior to January 31, 2010 (a break in assistance does not void the exception).

☐ M = New Household member under the age of 6 where disclosure of SSN is delayed for 90 - 180 days. Not applicable for a MI or IC.

OK

Select the appropriate *SSN Exception Code*, if applicable and click-on OK to save the selection. The [+] button will then display the selected code ([C], [E], [M]) in place of the plus sign [+].

SSN Benefits Claim Number activated

In TRACS 202D, it will be possible to indicate that a source of benefits is tied to the Social Security Number of another person. When the income is derived from social security benefits, code the claim number used to collect those benefits. You enter the social security claim number under which a family member receives income benefits only if it is different from that member's own number.

Note: This TRACS 202D change was already being accommodated when entering *Social Security* related income in *FHA Software*. SSN Benefits Claim Number was not being included in TRACS 202C MAT file submissions, but now is with TRACS 202D.

Proration of Imputed Asset Income

Handbook 4350.3, Rev 1, Change 3 added language allowing an owner to prorate the income of divested assets (when an imputed income calculation is required) instead of having to field requests from tenants for interim recertifications when divested assets reach a point greater than two years from the divested date.

Note: This TRACS 202D language change did not affect asset entry in *FHA Software*.

Asset Record Member Numbers

Assigning *Member Numbers* to each individual *Asset Income* entry is now required and submitted in TRACS 202D MAT files.

Note: This TRACS 202D change was already being accommodated in *FHA Software*.

MAT15 Address Record Field Additions and Other Changes

The requirement to fill the previous unit number field in a MAT15 Address Record when changing or updating the address information has been dropped. The only time the previous unit field is now required to be filled is when changing a unit number. A number of bedrooms field has been added as well as a Tax Credit BIN for cases where tax credits apply to the project. The tax credit information is to help with HUD's LIHTC data collection initiative.

Note: *FHA Software* has been revised to automatically accommodate this TRACS 202D change.

Move-Out Codes Expanded

TRACS 202D added seven (7) new codes (now totaling 11) to the VACATE process that further describes why a tenant moved out of the unit. Below are all eleven Move-Out Code selections ...

- 1 = Owner initiated for nonpayment of rent (8-13.A.5)
- 2 = Owner initiated--other
- 3 = Tenant initiated--other
- 4 = Death of sole family member
- 5 = Unit Transfer between two projects. See MAT Guide Chapter 4
- 6 = Reserved for TRACS use only (HQ Move Outs)
- 7 = Abandoned Unit (6-9.B.2) (8-13.A.2) – PDD
- 8 = Failure to submit SSN
- 9 = Uninhabitable unit – Abated.
- 10 = Substantial Rehab or Repair – Tenant Expected to Return
- 11 = RAD to Housing Choice Voucher—Choice Mobility Option Exercised

Note: *FHA Software* has been revised to accommodate this TRACS 202D change.

MAT40 Move-Out Field Additions

In addition to the new MO codes above, a description field has been added to hold text describing the reason for the move-out.

Note: This TRACS 202D change is automatically accommodated in *FHA Software*.

Termination of Assistance Codes Expanded

TRACS 202D added five (5) new codes (now totaling 14) to the TERMINATION process that further describes why a tenant's subsidy was terminated. Below are all fourteen Termination Code selections ...

TI = TTP Equals/Exceeds Gross Rent or moving to market rent.

TC = Did not supply citizenship/eligible alien documentation.

TR = Did not re-certify on time. Tenant required to pay market rent.

TF = Tenant refused to transfer as agreed or submitted false data.

CE = Subsidy contract expired-not renewed. Note: not for use when renewal is delayed.

ST = Ineligible Student. Not available for PRAC. Tenant must move out.

DS = Double subsidy at move-in.

ND = Natural Disaster or Uninhabitable Unit or Presidentially Declared Disaster

AB = HUD abated unit.

RR = Substantial rehab or repair – Tenant expected to return.

NS = Resident did not qualify for subsidy at MI or IC for reason other than Double Subsidy.

OT = Other. A reason not covered by any of the other codes.

EN = Contract terminated for enforcement action.

HQ = TRACS generated termination for failure to recertify.

Note: *FHA Software* has been revised to accommodate this TRACS 202D change.

MAT65 Termination Field Additions

A field indicating that the TM is a correction and a future field giving the effective date of a TM being corrected have been added along with an EIV indicator.

Note: This TRACS 202D change is automatically accommodated in *FHA Software*.

MAT70 Unit Transfer/Gross Rent Field Additions

Secondary Subsidy Type, Basic/BMIR Rent, Market Rent and *Rent Override* fields have been added to assist in auditing proper calculation of rents with UTs and GR. A field indicating that the UT/GR is a correction and a future field giving the effective date of a UT/GR being corrected have also been included along with an *EIV indicator*.

Note: This TRACS 202D change is automatically accommodated in *FHA Software*.

Signatures on full certifications (AR, IR, MI, IC) being corrected by a GRC

If the certification has already been transmitted with a tenant signature and if the GR created a corrected version of the original certification, the rules for signatures are as follows. If the only change is to the unit rent and the tenant rent does not increase or decrease, the tenant does not have to sign but the OA must sign. If there is a change and that change is an increase or decrease to the tenant rent caused solely by the gross rent change transaction (UA change), both the OA and tenant must sign but the tenant has 60 days to sign as is the rule for 50059-A (MAT70) gross rent changes. This means that all certifications impacted by a gross rent change, that include no other changes, can be sent as a batch whether or not any tenant signature has been obtained.

Note: This TRACS 202D change was already being accommodated in *FHA Software*.

Security Deposits

When a MI or IC (that originally established a security deposit) is corrected, the security deposit is to be recalculated. Both the owner/agent and the tenant should initial the change on the lease.

Note: This TRACS 202D change was already being accommodated in *FHA Software*.

Gross Rent Change Implementation Schedule Change

Starting with files submitted in TRACS 202D format, some gross rent changes that were previously excluded from the voucher may now be included. The change impacts all subsidy types except Rent Supplement and RAP. Previously GRs effective after the first of the month prior to the voucher date were required to be billed on the next voucher. With this change, GRs effective after the first of the prior month and up to the voucher date may be included on the voucher. For all subsidy types, the cut-off for inclusion of a GR is now the voucher date.

For example, a future 09/01/2014 GRC can now be reported on the September 2014 Voucher, instead of delaying it one month to the October 2014 Voucher.

Note: *FHA Software* has been revised to accommodate this TRACS 202D change.

Interim/Unit Transfer's

When a change in household composition or income that would normally be reported on an IR happens simultaneously with or earlier than a unit transfer, a full cert UT, including the household changes, must be submitted if the IR that would normally be submitted is not yet effective. If the IR was effective prior to the UT date, submit only a UT. The IR/UT may be effective on any day of the month. It is not appropriate to submit a UT followed by an IR updating the composition. In the case of a unit transfer, both the change in rent and change in the assistance payment are effective on the day the tenant actually occupies the new unit.

Note: This TRACS 202D change was already being accommodated in *FHA Software*.

Previous Housing Code - Values Expanded

HUD wants to capture data on whether or not a family was homeless prior to admission to a multifamily property. Accordingly, two new codes (#5 & #6) have been added to the *Previous Housing Code* pull down list that now includes the following selections ...

- 1 = Substandard
- 2 = Without or Soon to Be Without Housing
- 3 = Standard
- 4 = Conventional Public Housing
- 5 = Lacking a Fixed Nighttime Residence (new)
- 6 = Fleeing/Attempting to Flee Violence (new)

In addition, value 2 (Without or Soon to Be Without Housing) has been redefined to be applicable only to records transmitted in TRACS 202C or to corrections to MI certifications originally transmitted in TRACS 202C.

To access the **Previous Housing Code** selection in *FHA Software*, click-on the HUD SUBSIDIZED INFORMATION button, while editing a HUD-50059 Tenant Certification, and the *HUD Subsidized Information* window on previous page #5 appears.

EIV Indicator Added (Formerly Correction Codes Expanded)

With TRACS 202D, HUD/TRACS wants to know if retroactive HUD-50059 Tenant Certification activity was caused by an EIV investigation. Instead of adding new correction codes to help HUD track the impact of EIV, a new field called **EIV Indicator** was added to the 50059 and 50059-A.

If use of the EIV system is the cause of a correction to a full certification (AR*, IR*, MI*, IC*) the *EIV indicator* is set to Y. Do not set the *EIV Indicator* on a current (uncorrected) AR. If an IR is being added (not a correction) as a result of EIV information, the *EIV Indicator* is set to Y. For partial certifications, the *EIV Indicator* is set for a UT or GR if it is being corrected as a result of a change to a full certification whose *EIV Indicator* is set to Y. Similarly, if the result of an EIV investigation is the termination or eviction of a household, the indicator is set on the TM or MO.

To enable the **EIV Indicator** in *FHA Software*, a “***This HUD-50059 was caused by an EIV investigation***” checkbox has been added to following tenant change activation windows ...

- HUD-50059 Tenant Certification ACTION PROCESS selection window
- HUD-50059 Tenant Certification ACTIVATE window (for new IR's only)
- HUD-50059 Tenant Certification CORRECT option window
- HUD-50059A Partial Certification CORRECT option window (GRC, UT)
- Move-Out Date Correction window (Unit Data)

EIV Indicator is just a notation included on HUD-50059/59A forms and MAT file submission only. It does not affect HUD-50059/59A Tenant Rent/HAP calculations.

Voucher Miscellaneous Accounting Requests

Four character codes used to identify *Miscellaneous Accounting* activity reported on a HUD-52670 HAP Voucher Request have expanded to include the following selections ...

SERV = Service Coordinators

DRUG = Drug Related Expenses

FORQ = Field Office initiated accounting adjustment

OARQ = Owner/Agent initiated accounting adjustment

RGRC = Adjustment for a Retroactive GRC that includes a UA decrease

UUTL = Unclaimed Utility Check

RSPC = Recouped Special Claims Funds

CEAD = Contract Expiration Adjustment

EIVP = EIV Penalty RESR = Residual Receipts. Used to offset part of the voucher billing.

INTA= Interest adjustment submitted by PBCA

Note: FHA *Software* has been revised to accommodate this TRACS 202D change.

Voucher Repayment Agreement Record Added

To allow for improved tracking and reporting, repayment agreements will no longer be reported as miscellaneous accounting request transactions. Instead, they will be accounted for on a new voucher page (52670-A, part 6 form) that has been added with TRACS 202D for printing repayment agreement transactions on the voucher. The new record will allow reporting on both tenant and owner/agent repayment agreements and replaces the functionality originally proposed for the miscellaneous accounting request record in the form of REPA and RTNA request codes.

Note: FHA *Software* has been revised to accommodate this TRACS 202D change.

Contract Administrator (CA) Software Error Messages

With TRACS 202D, CA's must return ALL TRACS and CA software generated messages to owners without alteration. Owner/Agent's are entitled to see these messages. If a CA wants to append additional text to an error message, it is permissible to do so starting on a new line at the end of the TRACS message and indicating that this is a CA addition. CA software must append "-CA" to any code that it generates. This rule applies to MAT error codes as well as to TRACS errors. For example, MAT error Q would be returned as Q-CA. TRACS error CE019 would be returned as CE019-CA. TRACS error messages are returned as is.

Note: This TRACS 202D language change did not require any change in FHA *Software*.

New TRACS 202D Voucher MAT File Response Message

With TRACS 202D, your Contract Administrator (CA) will start to return a modified MAT30 Voucher Record to your TRACSMail ID through iMAX that provides the status of each Voucher MAT file you submit to them for payment. *FHA Software* will automatically interpret the MAT30 Voucher Record message (when it is retrieved) and will display a *CA Voucher Reconciliation Report* in the iMAX Communications - *Message Contents* section like the sample below ...

Posted: Wed, 15 Oct 2014 15:34:31 -0400
From: TRACM23434
To: TRACM06901
Subj: Upload to Property

OA Defined Data : HUDDemo V11
OA Software Vendor : FHA SOFTWARE
OA Software Rel/Ver : 2014.10.31
CA Software Vendor : CAVS
CA Software Rel/Ver : 1.006
Project Name : VILLAGE APARTMENTS - HUD
Project No. : 12345678
Contract No. : XX36R000009

CONTRACT ADMINISTRATOR (CA) VOUCHER RECONCILIATION REPORT

HAP Voucher Month : SEPTEMBER 2014
MAT30 Created By : CA
Voucher Status : PRELIMINARY
Anticipated Pmt Date : 12/01/2014

BREAKDOWN OF ASSISTANCE PAYMENT (SITE REQUESTED VS CA AMOUNT)

	Site Amount	- CA Amount	= Difference
Total Regular Payments	\$ 21,655	\$ 22,131	\$ -476
Total Adjustment Payments	\$ 2,644	\$ 2,876	\$ -232
Total Sec8 SC Unpaid Rent	\$ 888	\$ 233	\$ 655
Total Sec8 SC Damages	\$ 0	\$ 0	\$ 0
Total Sec8 SC Vacancies	\$ 0	\$ 0	\$ 0
Total Sec8 SC Debt Service	\$ 0	\$ 0	\$ 0
Total Sec8 Misc Accounting	\$ 777	\$ 999	\$ -222
Total Repayment Agreements	\$ 333	\$ 233	\$ 100
TOTAL SUBSIDY AUTHORIZED	\$ 26,297	\$ 26,472	\$ -175

REGULAR PAYMENT DISCREPANCIES ...

Unit #123 SMITH - 12/01/2014 AR* Site-\$454 vs CA-\$475
Unit #555 JOHNSON - 10/01/2014 IR* Site-\$333 vs CA-\$788

ADJUSTMENT PAYMENT DISCREPANCIES ...

Unit # 123 SMITH - PRIOR 12/01/2014 IR* HAP-\$555 Site-\$666 vs CD-\$898

SEC8 SPECIAL CLAIM DISCREPANCIES ...

UNPAID RENT ID #12345678901234 Site-\$888 vs CA-\$233

MISCELLANEOUS ACCOUNTING DISCREPANCIES ...

OARQ Site-\$777 vs CA-\$999

REPAYMENT AGREEMENT DISCREPANCIES ...

Unit #123 SMITH - ID #123456789012 Site-\$333 vs CA-\$222

Voucher Status - When *Voucher Status* says “*Preliminary*” it means your voucher is still being reviewed and may have discrepancies. When *Voucher Status* says “*Final*” it means your CA’s review of the voucher has been completed and CA Amounts displayed have been approved.

Anticipated Pmt Date - When provided, means the voucher has been approved and the date displayed is the date the *CA Approved - Total Subsidy Authorized* amount will be paid.

Additional TRACS 202D Information & Training Sources

In FHA Software

Click-on *HUD .. TRACS/MAT File Submissions .. TRACS 202D Info & Error Message Reference*

Among the ones listed, the following PDF file documents provide excellent guidance with all aspects of HUD tenant/voucher form processing and compliance issues ...

Appendix H - Calculation Guidance
Chapter 4 - TRACS Operating Tips
Chapter 7 - Required HUD-50059, 59A and Subsidy Data Reporting
Instructions for TRACS 202D form HUD-50059
Instructions for TRACS 202D form HUD-50059A

TRACS web site:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxsum

TRACS Documents:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxdocs

Located in TRACS Documents: TRACS 202D Final Industry Specification Documents
Monthly Activity Transmission - MAT User Guide
(includes TRACS errors and recommended solutions)

TRACS Discussion Forum: A forum for Industry members to ask questions and offer resolutions related to HUD Occupancy regulations/requirements and TRACS submission challenges.

<http://ptp.hud.gov/forumswww/main.cfm?cfapp=34>

HUDClips: TRACS 202D versions of the forms HUD-50059 and HUD-50059 A, along with the instructions for these forms, are located at...

<http://www.hud.gov/offices/adm/hudclips/forms/hud5.cfm>

Recommended Independent TRACS 202D & EIV Related Trainers

Affordable Housing Training & Consulting Services (www.ahtconline.com)
Hixton Training & Consulting (www.hixtontraining.com)
Ross Business Development, Inc. (www.rbdnow.com)
Zeffert & Associates (www.zeffert.com)

In addition to State Contract Administrators (CA's) that offer in-State TRACS 202D Training.