

PracticalPoints

Celebrating 25 Years of Services and Solutions



August 2014

BREAKING NEWS

TRACS 202.D Is Here!

We have discussed it for years. Now, TRACS 202D is finally here! The conversion to TRACS 202.D kicked off on August 1, 2014 and will run to January 31, 2015.

Beginning August 1, 2014, HUD and Contract Administrators (TCA or PBCA) are required to receive and be able to process MAT files for vouchers and 50059s in the TRACS 202D format.

The conversion ends January 31, 2015. This is the last date that Contract Administrators and/or HUD will accept files in the TRACS 202C format. All tenant and voucher files must be submitted in the TRACS 202D format beginning February 1, 2015.

Don't have your update from your software vendor yet? Don't panic. Several vendors will be releasing their updates to users within the next few weeks. As you decide when to "flip the switch" for your property, keep the following considerations in mind:

- Be prepared to see some visible changes to the display of the 50059 and voucher forms.
- Schedule carefully.....Once you convert to TRACS 202D, you cannot revert back to the 202C format.
- This is a major release. Implementing 202D at your property will significantly affect your application, recertification and vouchering process. Forms used to screen applicants and complete recertifications must be updated to gather new information required for 202D files to be created correctly.
- Please keep in mind that this conversion time-frame incorporates the 2014 Holiday Season. Plan accordingly to ensure you do not experience a lapse in subsidy payments as a result of a delayed conversion.

Time is of the essence. Take the time to make sure you are prepared for the impact this change will have on your everyday activities. For more information about how PMCS can help prepare you for this conversion, visit our website at www.pmcs-icap.com.

New Secretary of Housing and Urban Development

On July 9, 2014, the Senate confirmed Julian Castro as the new Secretary of Housing and Urban Development. Former HUD Secretary, Shaun Donovan, assumes a new role as the Director of the Office of Management and Budget.

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Follow our Blog for Breaking News and Trending Topics in the Affordable Housing Industry.
www.pmcs-icap.com

Where We Will Be
PennDel AHMA 2014 Fall Management Conference & Expo

Dover, DE
September 17-18, 2014

2014 New Jersey Governor's Conference on Housing and Economic Development
Atlantic City, NJ

September 22-23, 2014

LeadingAge Annual Meeting and Expo
Nashville, TN

October 19-22, 2014

MONTHLY NEWS

Appeal Process Revised for Tenant Complaints

On June 13, 2014 HUD issued a memo revising Notice H 2012-21 (Implementation of Tenant Participation Requirements). The part that changed was Section F, detailing the appeal procedure for tenants or tenant organizations when complaints haven't been resolved at the local level.

The enforcement process begins with a tenant or tenant organization filing a written complaint with the local HUD office, alleging a consistent pattern of HUD program requirements or one violation that caused serious harm to tenant or the public. A list of items that can be used as factual evidence supporting the claim is provided.

If, after investigating, the Hub Director doesn't find reasonable cause to support the complaint, the Director will close the case.

If the case remains open, the Hub Director will bring the parties together to try to conciliate, which is voluntary. If appropriate, the Hub Director signs a conciliation agreement. If, after investigating, the Hub Director doesn't find reasonable cause to support the complaint, the Director will close the case. If there is a signed conciliation agreement, the case will be closed; however the Hub Director can re-open it if either party breaches the agreement.

The Hub Director could pursue Enforcement action after owner notification and a chance to respond. If the owner fails to respond or to address the issue(s) in a satisfactory way, then a referral will be sent to Enforcement and the owner will be flagged in APPS (Active Partners Participation System).

PMCS Wants To Hear From You!

2014 is flying by at a record pace. In the last year, managers have been tasked with modifying written policies and adjusting their daily procedures to comply with Change 4 of the HUD Handbook 4350.3, and to prepare for the TRACS version 202D implementation now underway.

At PMCS, we strive to provide the most up-to-date training courses that respond to the changing regulations. We equip our clients with the knowledge and understanding to implement new requirements correctly and timely.

As we finalize our 2015 training schedule, we want to hear from you. What topics do you struggle with the most? What topics would you like to see added to the phone class schedule?

Please send your comments and class topic suggestions to solutions@pmcs-icap.com. We value your input!

2014 PHONE CLASSES



August Phone Classes:

- *Dealing with Disasters: Don't Hit the Panic Button*
- *Change 4*
- *Affirmative Fair Housing Marketing Plans: Completing Form 935.2A*
- *TRACS 202.D: The New Voucherthe Research*
- *TRACS 202.D: The New 50059s*
- *Resolving EIV Discrepancies*
- *Verifications and Tenant Interviews*

PMCS offers a variety of live phone classes that are designed to meet the demanding needs of the Affordable Housing Industry. Our experienced trainers provide resources and information that will help you successfully manage your properties. Our 90-minute phone training is a cost effective, convenient solution for you and your staff. The interactive format is an excellent opportunity for questions and answers and our trainers will stay on the line until all questions are answered.

View all our different classes and their descriptions at: pmcs-icap.com/training/phone-training

PMCS - Free Phone Class Giveaways

In honor of celebrating our 25th Anniversary this year, we are giving away a FREE PHONE CLASS to every 25th phone class registrant. Sign up today and you could be our next winner!

More phone classes are being added for 2014! Please watch our website for new classes for October, November and December.

MONTHLY NEWS

Multifamily Transformation Update

As you may recall, in April 2013, HUD announced plans for a major restructuring initiative for its Multifamily Housing Division. Wave 1 (of 5) of this initiative is now well underway and HUD has released some helpful Question and Answers to help the industry understand, not only what this reorganization entails, but how it affects the relationship owners and agents have with their local HUD Offices. This is of particular significance for those contracts that remain HUD-administered.

The transformation calls for significant shuffling of HUD staff to new office locations. Once completed, HUD is confident that the new model will facilitate better risk management, improved customer service and more consistency across the remaining multifamily offices. There are four procedural elements to the initiative:

1. To address fluctuations in work volume amongst different regions, HUD will distribute the workload across the country to minimize backlog.
2. HUD will employ a risk-based underwriting and processing in Production. Applications will be categorized according to risk and complexity before being assigned to an underwriter. Once categorized, more experienced underwriters will then process the riskier, more complex applications.
3. Multifamily staff will be divided into Account Executives and Troubled Asset Specialists based on individual experience and level of expertise. Troubled Asset Specialists, a new role, will focus on addressing challenges associated with at-risk assets while Account Executives, formally titled as Project Managers, will focus on the non-troubled portfolio.
4. HUD will be renaming 4 headquarter division offices and consolidating existing HUD Multifamily Field Offices into 10 regional field office locations supporting 5 Hubs.

Click [here](#) for the *Multifamily for Tomorrow Questions and Answers*

New England Multifamily Hub Requests Reports From Massachusetts Properties Affected by Tornado

On July 28, 2014, the New England Multifamily Hub requested our assistance in relaying the following message to Massachusetts owners and agents: This morning a tornado touched down in Revere, MA. If your residents or housing development experienced injury or damage please report this to HUD at Reg1damage.report@HUD.gov as soon as possible. Please only respond if there was injury or damage. Please include:

1. A brief description of the injury.
2. A brief description of the damage including number of units.
3. Confirm whether any residents were displaced and their whereabouts.
4. Any unique circumstances or assistance needed to accommodate residents (e.g, elderly development, no water, no power, etc.)

QUESTION AND ANSWER

Question:

I am sending out employment verification, child care verification and medical expense verification forms for a tenant's upcoming recertification. Do I have to send the HUD Form 9887A with each verification form or is it sufficient to have the signed form on file?

~ Marilyn in Texas

Answer:

Per Appendix 3 of the HUD Handbook 4350.3, Change 4 Note "A": Requests for verification from a third party source must be accompanied by a Consent to Release form HUD 9887-A." So, it is not enough to just have the signed form in your files. It must be sent out with each and every verification form sent to a third party.