Welcome to EPS, Inc.'s SUCCESS WITH TRACS

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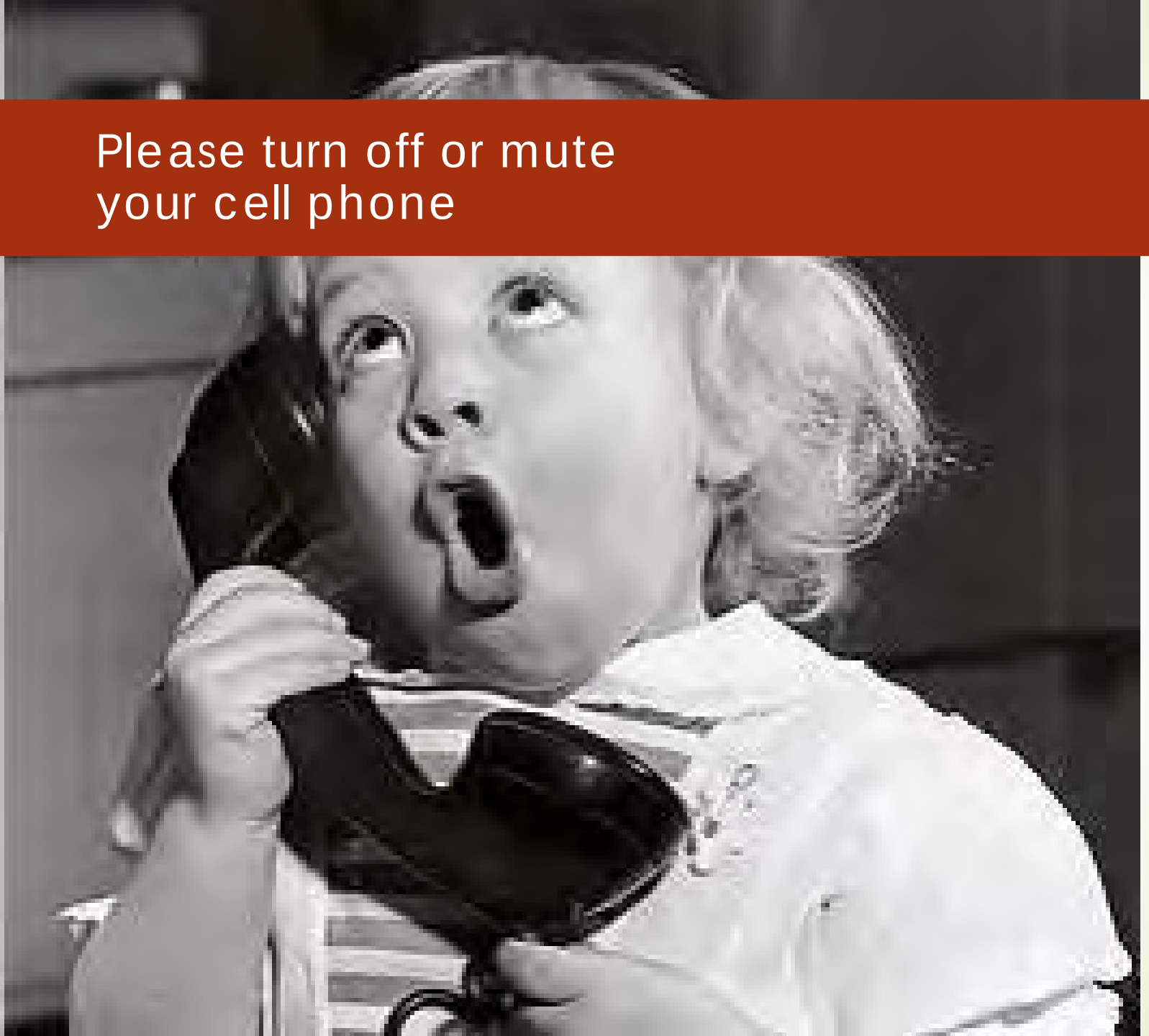
Please turn off or mute your cell phone



- For your neighbor’s sake, please keep side conversations to a minimum

Our objective….

TRACS Updates and Special Claims Discrepancies:

Tenant Rental Assistance Certification Systems, TRACS, and all of its nuances is always an adventure. This session will teach you the latest TRACS updates, and the most common discrepancies we see on vouchers. We will also be delving into the complexities of Special Claims, and what you need to report claims accurately will be the focus of this training.

TRACS Updates....

TRACS Updates....

- On April 4, 2022, the federal government stopped using DUNS numbers. The DUNS Number was replaced by a new, non-proprietary identifier that is provided by the System for Award Management (SAM.gov). This new identifier is called the Unique Entity Identifier (UEI), or the Entity ID.
- If your entity is already registered in SAM, it has been assigned a UEI. To view your UEI, the Federal Service Desk has posted instructions for finding the UEI in SAM.
- While the UEI is assigned by and viewable within SAM, Grants.gov users can also find it listed under their organization profile in Grants.gov.
- If you currently manage awards in JustGrants, you can view your UEI by opening the “Entity Profile” tab in JustGrants. The UEI is displayed at the center-top of the screen.
- Another way to locate the UEI is to open a funded award, where you will see the UEI on the right of the “Funded Award” header

Reason for UEI replacing DUNS:

- Entities will no longer rely on a third party to obtain an identifier, as with DUNS. This change is meant **to streamline the entity identification and validation process, making it easier and less burdensome for entities to do business with the federal government**.

Where and when it impacts MAT 30s...

- UEI should be used in place of DUNS numbers after April 1, 2022*
- The new UEI is stored as a 12-character, alpha-numeric value within databases (versus the 9 – characters for DUNS)
- Per the MAT User Guide, (6.1 VCHHR Voucher Header Record, item 33) requests the Owner submit DUNS Number, and item 34 requests the Owner to submit Parent Company DUNS Number to TRACS. If you do not have a DUNS Number, leave the field blank. A TRACS error message for missing DUNS number is for informational purposes. Doesn't suspend/stop electronic request for subsidy payment
- Future: TRACS Release 203A will include an upgrade to collect four UEI data entities to the end of the Voucher and Tenant MAT header records: [i] Awardee UEI; [ii] Immediate Parent UEI; [iii] Domestic Parent UEI; and [iv] Global Parent UEI.
- current MAT guide only allows 9 characters for this field, so should be updated to 12 characters in 203A

33	MOC	Owner DUNS Number	344	9	Alphanumeric	Owner DUNS Number for this project. See HUD Notice 2011-01. Required for Section 8, Rent Supplement, RAP and 202 and 811 PRACS.

What if I do not have a DUNS number?

- Entities not registered in SAM.gov will be assigned a UEI when they register—they will not use a DUNS for entity registration or reporting. To register in SAM.gov, click **Get Started** under "Register Your Entity…" This process is recommended to be started as soon as possible.
- Fact sheet: https://www2.ed.gov/about/offices/list/ofo/docs/unique-entity-identifier-transition-fact-sheet.pdf
- If you still have questions about the SAM website or the DUNS number registration process, contact the Federal Service Desk at 1-866-606-8220
- https://www.hud.gov/sites/dfiles/Housing/documents/TRACS_UEI_Notification.pdf

TRACS Forum has returned…

- Implemented 5/24/21
- This re-established forum is a place to post questions, and promotes information exchange between O/A, CA, policymakers and more in the industry.
- Great for sharing best practices, experiences and knowledge
- https://www.hud.gov/sites/dfiles/Housing/documents/TRACS_Forum_Stakeholder_Notification_V3.pdf
- https://tracsforums.hud.gov/forum

TRACS Secure Systems, ROB and Cyber Awareness…

- Every 90-days, you are required to log on to the TRACS Secure Systems
  - https://www.hud.gov/program_offices/housing/mfh/trx/trxsum
- Once a year, you are required to sign your Rules of Behavior, and keep that on file for a HUD or CA reviewer, if they ask.
  - This should prompt you automatically the first time you sign on to the Secure System a year from your previous ROB
  - https://www.hud.gov/sites/dfiles/Housing/documents/TRACS_F87_ROB.pdf
- Cyber Awareness training
  - Although, you may feel this has little to do with what we are looking for, you still must go through the process yearly.
  - Good Practice – do this within a month of signing your ROB. This month requirement has fluctuated over the years from just once a year to within 30 days. If you do it soon after signing the ROB and within a month, you should be all set.
  - https://www.hud.gov/sites/dfiles/Housing/documents/TRACS_FY2022_Access_User_Recertification_Security_Awareness_Training_Requirements_v2.pdf

New TRACSMail/iMAX ID Request…

If you need a new TRACSMail or iMAX ID, which is used to submit Voucher and Tenant data to TRACS, you will need to fill out a Request and Registration Form

https://www.hud.gov/sites/documents/DOC_25275.PDF

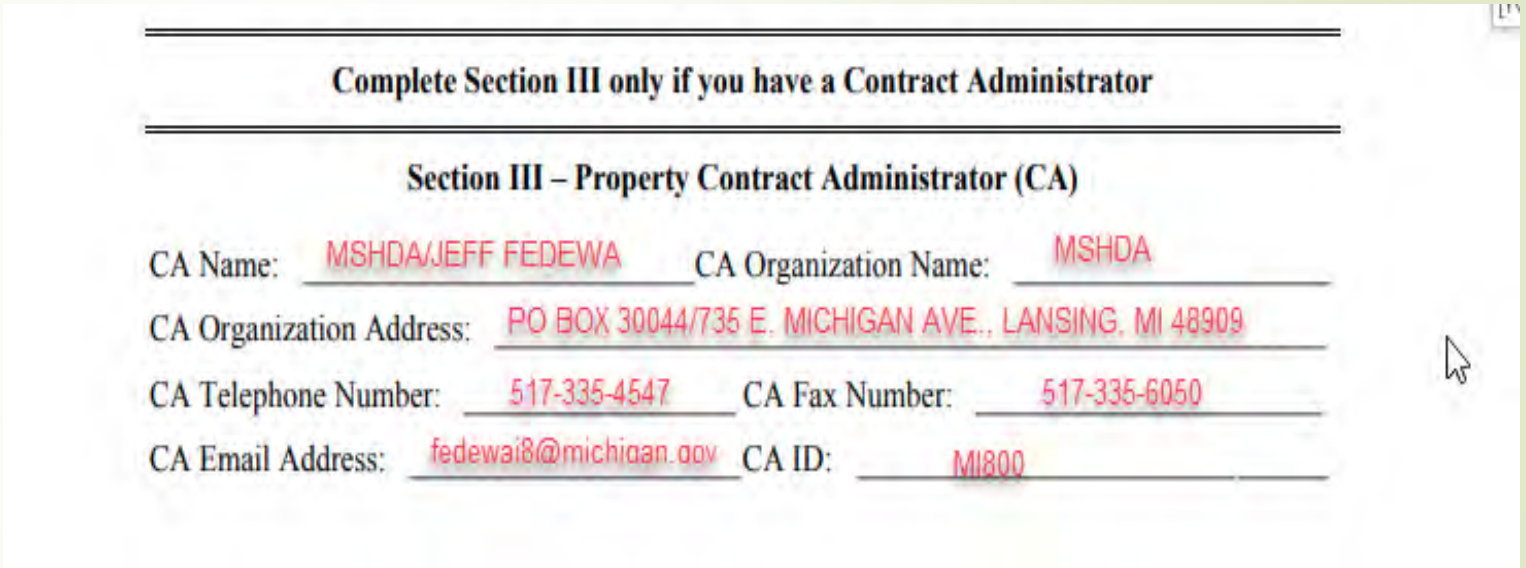
Email the request to TRACS@hud.gov

The email address on the form is outdated and should not be used

How to fill out with a CA...

- Section III only would be filled out
- For verification purposes the email must contain the following: Organization Name, Street Address, CA ID (if applicable), Contract/Project Number, telephone number and the property subsidy type.

MSHDA'S INFO:



Complete Section III only if you have a Contract Administrator

Section III – Property Contract Administrator (CA)

CA Name: MSHDA/JEFF FEDEWA CA Organization Name: MSHDA

CA Organization Address: PO BOX 30044/735 E. MICHIGAN AVE., LANSING, MI 48909

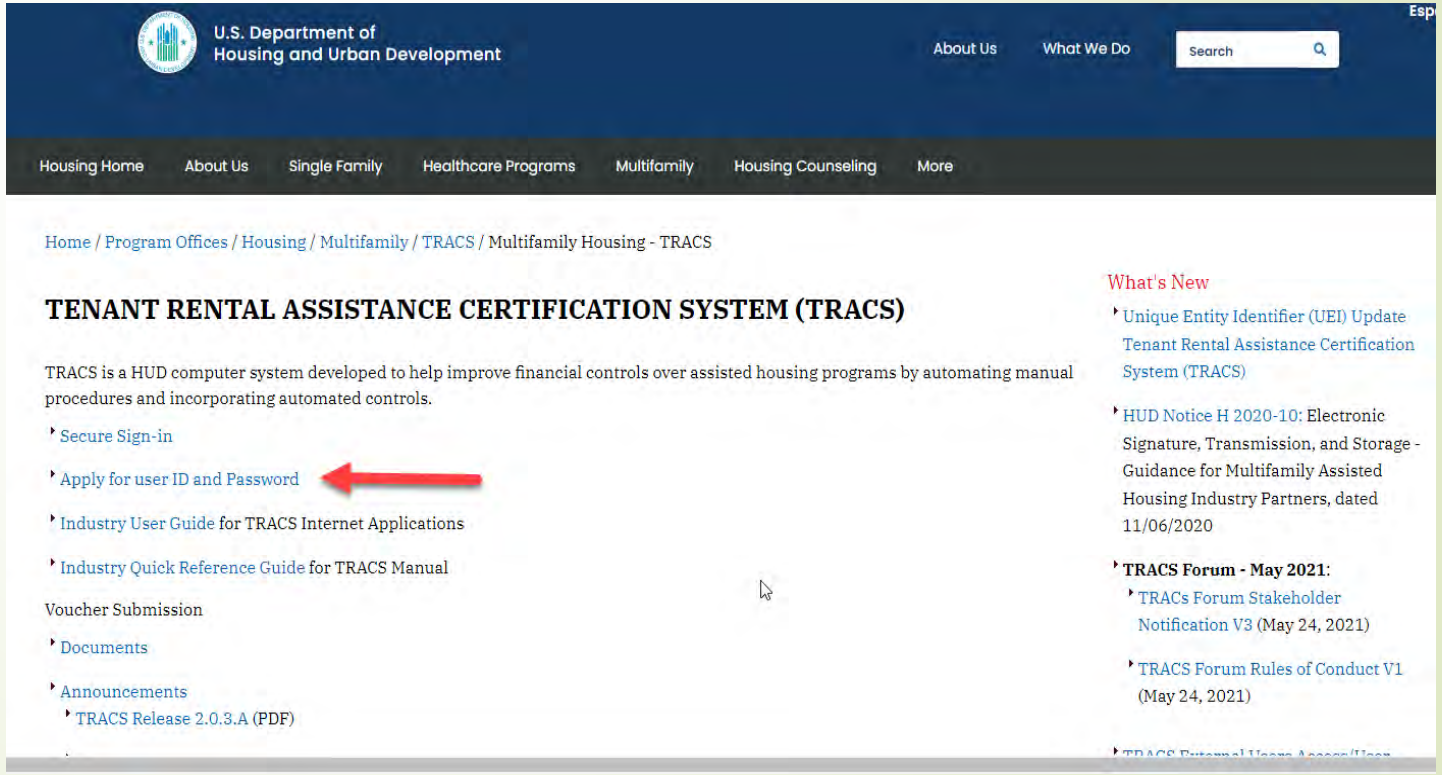
CA Telephone Number: 517-335-4547 CA Fax Number: 517-335-6050

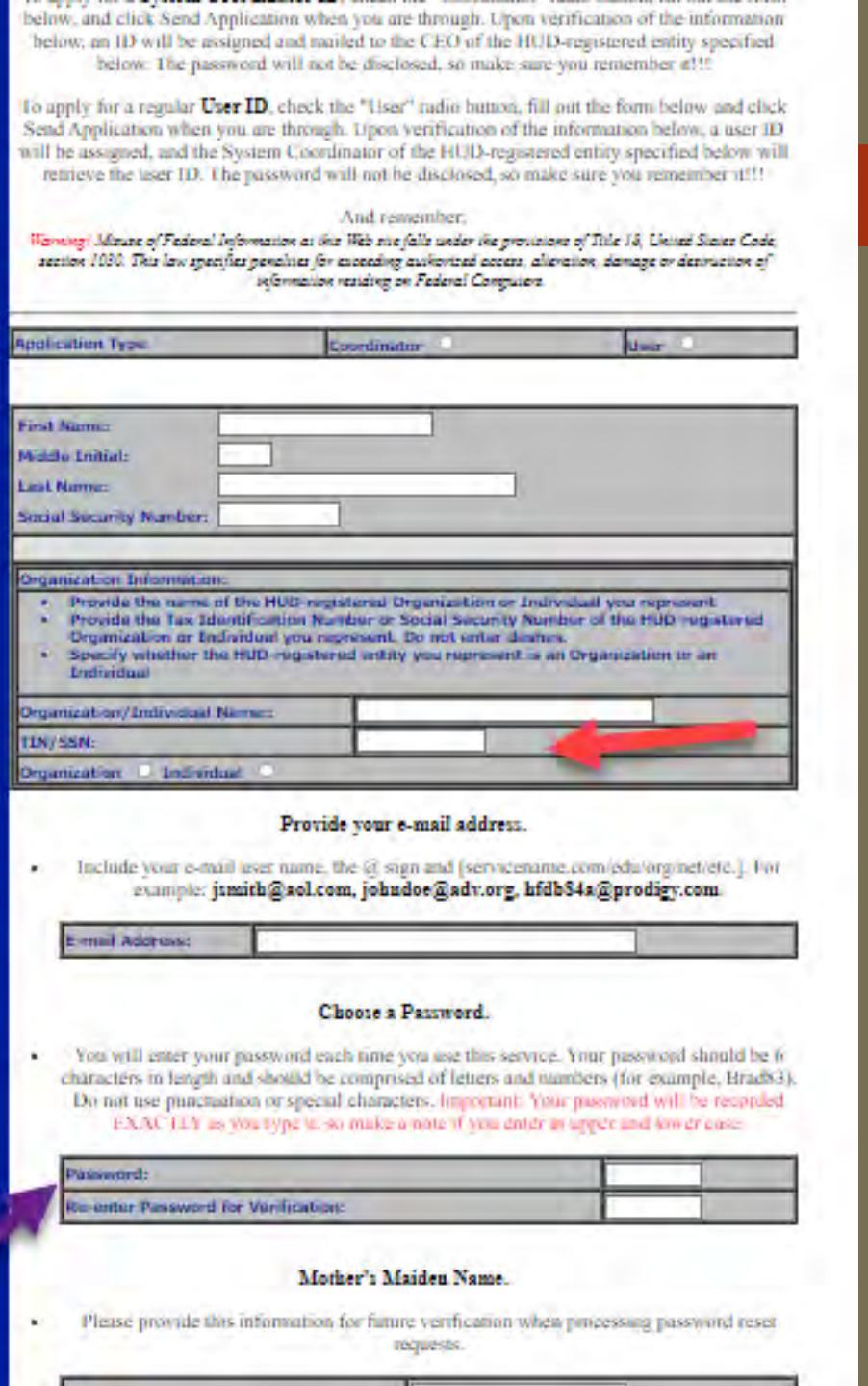
CA Email Address: fedewai8@michigan.gov CA ID: MI800

LET EPS KNOW IF YOU NEED FOR ANOTHER STATE!

How to update your Password…

- https://hudapps.hud.gov/public/wass/public/participant/partreg_page.jsp
- If you have not gone on to the Secure System in 90 days, you will need to do a password reset





below, and click Send Application when you are through. Upon verification of the information below, an ID will be assigned and mailed to the CEO of the HUD-registered entity specified below. The password will not be disclosed, so make sure you remember it!!!

To apply for a regular **User ID**, check the "User" radio button, fill out the form below and click Send Application when you are through. Upon verification of the information below, a user ID will be assigned, and the System Coordinator of the HUD-registered entity specified below will retrieve the user ID. The password will not be disclosed, so make sure you remember it!!!

And remember,

Warning! Misuse of Federal Information at this Web site falls under the provisions of Title 18, United States Code, section 1030. This law specifies penalties for exceeding authorized access, alteration, damage or destruction of information residing on Federal Computers.

Application Type: Coordinator User

First Name:
Middle Initial:
Last Name:
Social Security Number:

Organization Information:

- Provide the name of the HUD-registered Organization or Individual you represent.
- Provide the Tax Identification Number or Social Security Number of the HUD-registered Organization or Individual you represent. Do not enter dashes.
- Specify whether the HUD-registered entity you represent is an Organization or an Individual.

Organization/Individual Name:
TIN/SSN:
Organization Individual

Provide your e-mail address.

- Include your e-mail user name, the @ sign and [servicename.com/edu/org/net/etc.]. For example: **jsmith@aol.com, johndoe@adv.org, hfdb54a@prodigy.com**.

E-mail Address:

Choose a Password.

- You will enter your password each time you use this service. Your password should be 6 characters in length and should be comprised of letters and numbers (for example, Brad83). Do not use punctuation or special characters. Important: Your password will be recorded EXACTLY as you type it, so make a note if you enter an upper and lower case.

Password:
Re-enter Password for Verification:

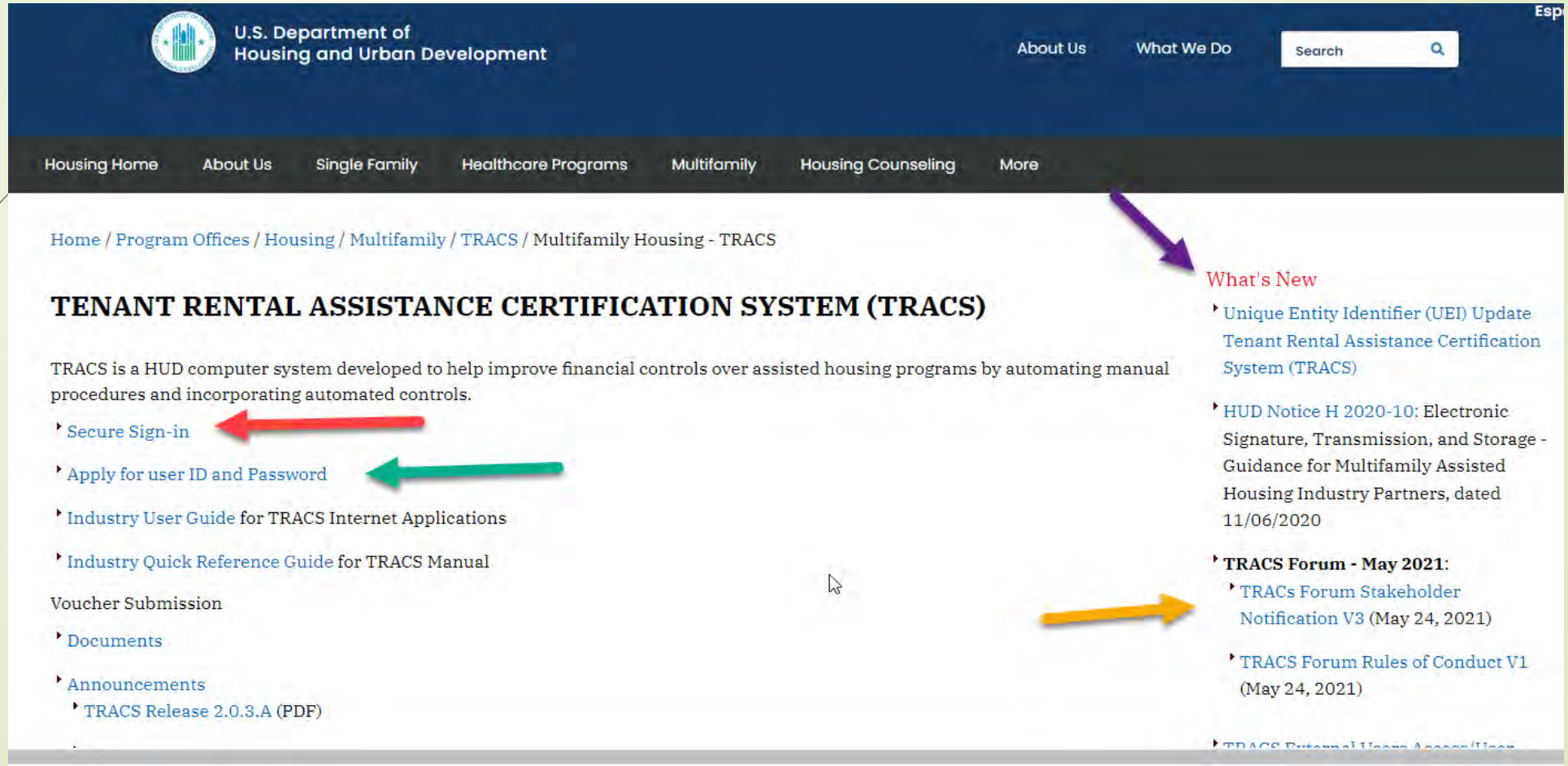
Mother's Maiden Name.

- Please provide this information for future verification when processing password reset requests.

Password Change

- Don't forget your Password that you create after you are prompted
- Incredibly difficult to fix if you have not entered the password in once already
- Be sure you have the correct TIN or SSN number

Wealth of information for you on TRACS website…



Presidentially Declared Emergencies and Disasters, Oh My!

Be prepared!

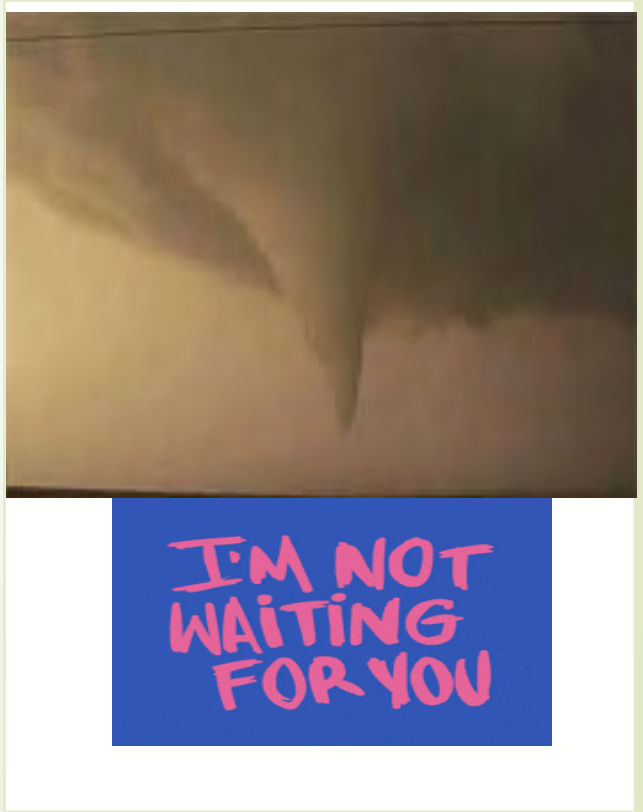
Presidentially Declared Emergencies and Disasters

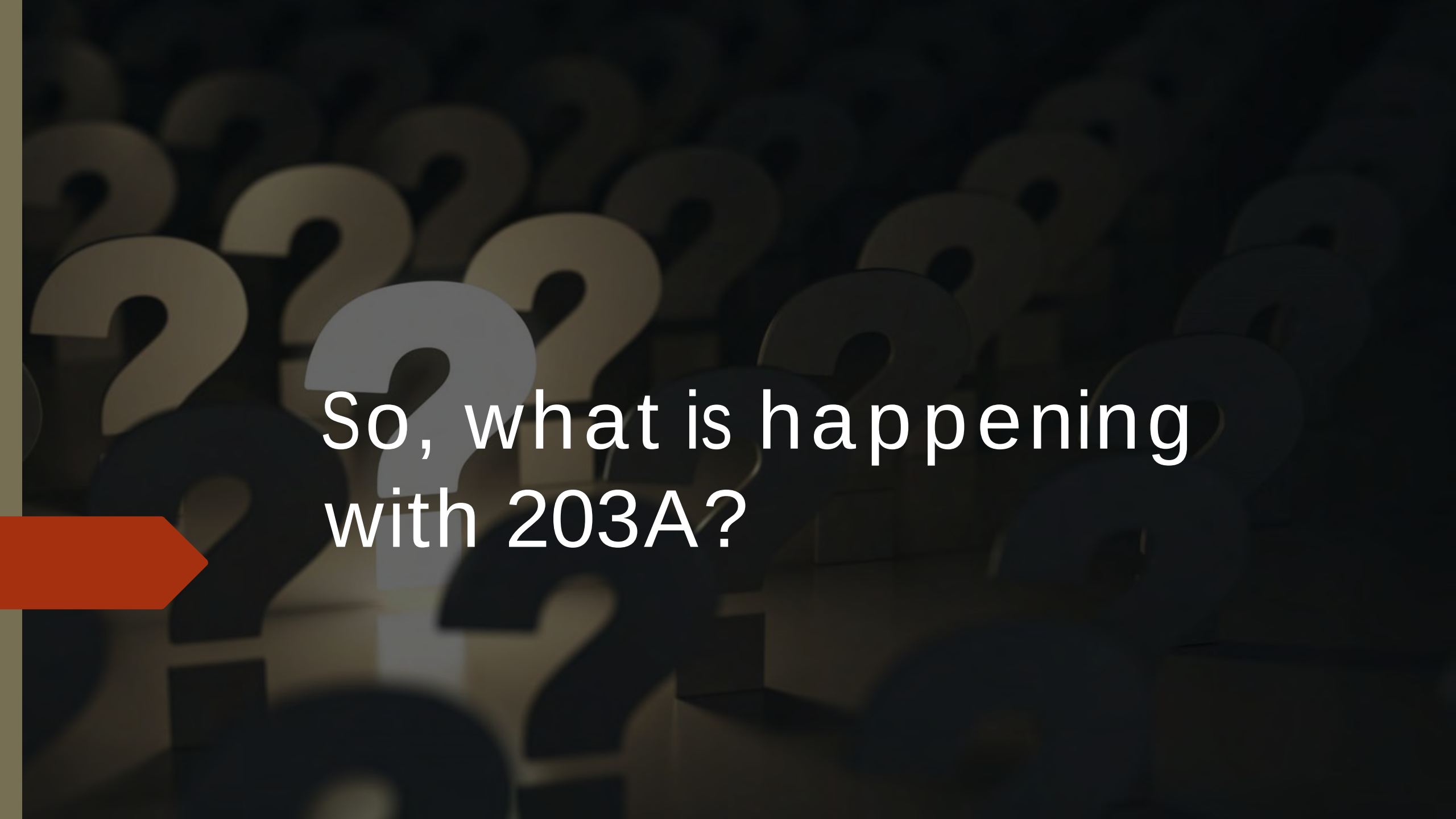
- If the unthinkable happens, and you are impacted by a Natural disaster, you need to make sure you are already familiar with the 4350.1 Chapter 38:
  - HUD's policies and procedures on what to do
  - https://archives.hud.gov/offices/adm/hudclips/handbooks/hsgh/43501.cfm

- Contact your HUD AE and your CA to let them know about the disaster
- Have the tenants continue to pay rent, and do not give any rent back, until there is a plan of action in place with your HUD AE
- Look up PASS-through information, so you can advocate, if you need to
  - 38-32 C – Section 8 Servicing – Section 8 PASS-Through

Don’t wait!

- Create a pre-disaster plan
- Utilize Chapter 38 in the 4350.1 and its Appendices
- Any sister properties near by, or places that could house tenants, if a disaster happens
- Remember that only HUD can abate a unit, and allow PASS-through
  - If HUD does abate the unit, 6c on the voucher must show the abated units every month, until HUD puts the unit back online
  - If HUD allows PASS-through, and tenants are residing in another property, you will need to keep a spreadsheet to be submitted each month to reflect rent differentials on the Misc. Accounting portion of the voucher, if the tenants locate to a new property for the short-term, that is less than the Contract Rent of your property




So, what is happening with 203A?

203A Update…

TRACS RELEASE 2.0.3.A DELAYED IMPLEMENATATION SCHEDULE

- TRACS Release 2.0.3.A enhancements will help maximize efficiency within MFH rental assistance programs; thereby generating more successful program outcomes and increasing the availability of affordable housing. Specifically, these six areas are:
  - Race and Ethnic Data Reporting under Executive Order 13515 - Asian American and Pacific Islander Community
  - TRACS Business Edit to Ensure Extreme Low-Income Requirements for 811 PRA Demonstration Program
  - TRACS User Security Recertification to Meet Federal Information Security Modernization Act Regulations: https://www.hud.gov/sites/documents/TRACSRECERTQA.PDF
  - Rental Assistance Demonstration (RAD) Data Reporting for Tenant Payments Exceed Total Tenant Payment (TTP)
  - Repayment Agreement Data Collection [Update HUD Form 52670 A – Part 6 Repayment Agreements] to Meet Improper Payments Elimination & Recovery Improvement Act (IPERA) Regulations
  - Family Self-Sufficiency (FSS) Program [Record and Track Tenant Escrow Accounts]
  - Every tenant will be listed on the voucher regardless if they are a Section 8 tenant

2.0.3 A TRACS Final Spec

https://www.hud.gov/program_offices/housing/mfh/trx/trxdocs

EPS' Most Wanted…

EPS' Top 10 Issues:

- Do I need a new Gross Rent Certification submitted after I send a corrected/retroactive cert?

Need a new GR?

- Why Yes Indeed! How do you remove an incorrect partial cert? Whether it is a MO, or a GR, you submit the last full cert as a correction to remove the incorrect partial. If you are submitting either a retroactive cert or correcting any full cert prior to the GR, you knock that GR out. Remember partials are attached to full certs. So, send a new GR with the corrections on retros. Your software should even ask you if you want to correct the partials, you should always say yes.
- Make sure the GR's TTP matches the last full cert prior. Do that double check to ensure you are creating a GR off of the last full cert, since the TTP should not change. Sometimes you may do an AR or IR at the same time, and since you ran the GR first before you entered the AR/IR info, your TTP is now incorrect, and we will revise your voucher. Always try to enter all of your 59s for the month first, then do the GR, will ask again to do corrections to anything since then,
- Also, if you do a retroactive GR, and the tenant has moved out, submit a corrected MO with the new CR and UA, so you can ensure that your Special Claims are calculated correctly from your software.

EPS' Top 10 Issues:

ANNUAL RECERTS:

- Are you doing them timely?
- Did the tenant come in by the first?
- What code are you using?
- Do you have blanket recerts?

ANNUAL RECERTS CONT....

- Remember, if you use the termination code of "did not recertify on time" you are saying that the tenant did not come in by their Anniversary Date, and therefore, is not eligible to receive subsidy for a least a month, so they have to come on with an IC. For example, if AR is due on September 1st, and tenant comes in on September 9th, the earliest they can come on to subsidy is with a 10/1 IC. They are not eligible for subsidy in September, and they must pay Market Rent.
- If you have blanket recertifications every August, and a tenant moves in on July 29th, then their next AR effective date will be 8/1, and you will have to do an 8/1 AR. The bonus is that you can use all the same information.
- Also, most terminations are on the last day of the month, not the first!! The only terms that would not be the last day would be a result of a Natural Disaster, Double subsidy, or NS – not eligible for subsidy at MI/IC.

ANNUAL RECERTS CONT…

- If you sent out all your notices timely, but are waiting on third-party verifications, what should you do?
- Create an AR with an extenuating circumstance code of 3 or 4
  - 3 = Late annual certification due to owner/agent delay (Must eventually obtain tenant signature unless tenant passes or skips before signature can be obtained)
  - 4 = Late annual certification due to third party delay (For example a Guardian) (Must eventually obtain tenant signature unless tenant passes or skips before signature can be obtained)
- Once you get a signature, send a correction, but don't wait for us to put the tenant on hold.

EPS' Top 10 Issues:

- Check your errors! It is your responsibility to check all TRACS responses
- Need to do a least monthly, or check after you submit your files to us!
- Contact analyst if you have questions on the errors.

Example of 203A TRACS errors will look like

CE077	Incorrect Previous Housing Code submitted for Move-In.	Submit correct Previous Housing Code (1, 2, 3, 4, 5 or 6).	02
NOTES: The Recommended Solution section indicates the valid codes that can be used. HUD is placing more emphasis on Previous Housing data collection as it relates to homelessness. Codes 1, 3, and 4 should be used when applicable. DO NOT use Code #2 for new Move-In certifications being transmitted under TRACS 202D. Instead of choosing Code #2, choose either CODE #5: Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who resided in an emergency shelter or a place not meant for human habitation and who is exiting an institution where he or she temporarily resided OR CODE #6: Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member. Only use Code #2 (Without or Soon to Be Without Housing) when submitting a correction to a Move-In that was originally transmitted under TRACS 202C or TRACS versions previous to 202C. Even though this discrepancy is an Action Required level 02, treat it like an Action Required level 01 by correcting the information and submitting a corrected certification within 45 days. See the current MAT Guide: Chapter 5, MAT10 Basic Record, Field 23 and the HUD-50059, Item 10			

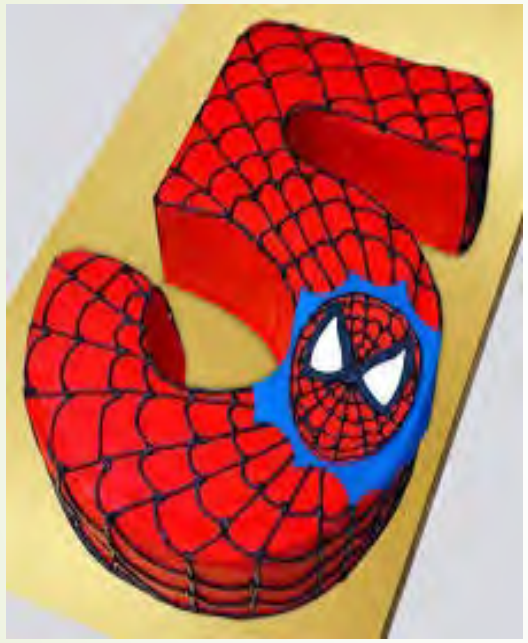
EPS' Top 10 Issues:

Voucher dates? Why does that matter?

VOUCHER DATES CONT...

- Knowing which voucher date to use and understanding how they drive adjustments.
- A considerable number of revisions are due to just that, incorrect voucher dates were used. An incorrect voucher date one month can have a domino effect, causing monetary differences on future vouchers.
- Before you submit your monthly information, preview your tracs files to ensure that the voucher date corresponds with the month you are working on.
- If we send a request of information, and are working on the December voucher, then the certs should all have December voucher dates.

EPS' Top 10 Issues:



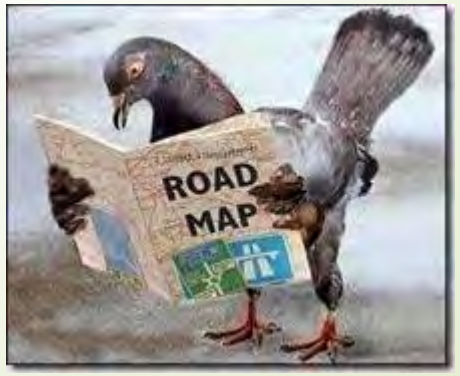
Remember above all BE PROACTIVE:

- Send necessary information at the same time you submit your electronic files
- All auxiliary documents need to have the Contract number listed on the top
- Special Claims, Repayment Agreements, Misc. Acct. requests, anything that goes in any of your child records, needs to have documentation.

Properties should Upload to:
https://www.dropbox.com/request/Sm5ibNd0L0hYwsLL9jcq
Or
Send to analysts to upload

EPS' Top 10 Issues:

Communication!



COMMUNICATION CONT...

- Read the closeout messages, respond to e-mails, return phone calls. Realize that EPS will be happy to work with you through issues, but we do not have unlimited time to wait for a response. Our goal is to make sure that you are getting the correct amount on a monthly basis, so the better the communication, the easier to get paid timely.

- EPS instituted a new policy, due to the lack of communication. If we communicate with you for a request of info, and we do not hear back within 2 business days, that is considered strike 1, and we let you know on the closeout. Once you reach Strike 3, we will simply revise your voucher based on how you submitted it with no requests of information. This is due to the large amount of time spent filling out requests, waiting two days, and then finalizing.
- Please respond to us. Any of the above methods are fine, pigeon carrier, morse code, smoke signals, whatever you can do other than silence, but even an email would be terrific!

EPS' Top 10 Issues:

To send or not to send a MO?

TO SEND OR NOT SEND A MO CONT..

- Reporting MOs, especially for smaller properties WILL impact your compliance percentage.
- Be aware that MOs are accepted at TRACS immediately, regardless of voucher date, as TRACS does not keep voucher dates listed.
- Reporting MOs after your voucher is reconciled and before the MAT30 generates a VSP10 will drop the compliance percentage, and now you must work with your analyst on bringing your property back up above 90% before you can get paid.
- I know most trainers tell you to do a MO, as soon as it happens to prevent double subsidy issues; however, when you ask the question about what to do because you are a small property, and your compliance percentage is impacted, there is usually a pause. It is not a perfect system, and if you are small, you simply can't do it yet.
- HUD and industry partners are working on alternatives, but nothing yet.
- My advice is to submit early. Once you have everything needed for the next month, send it as early as you can. This will hopefully ensure no DS issues

EPS' Top 10 Issues:

- Timeliness!
- Send before the 10th
- Send before the 1st
- EPS can handle early submissions, and we then send MAT 30's on the first to HUD's iMAX systems

EPS' Top 10 Issues:

- REPAYMENT AGREEMENTS!!

REPAYMENT AGREEMENTS CONT…

- This has definitely been on the top 10 list since its inception, and it is only going to get more challenging once 203A is final released. If you have repays, send them proactively to the dropbox (https://www.dropbox.com/request/Sm5ibNd0L0hYwsLL9jcq)
- Please ensure that a contract number is visible on the top of the form. We do over 1500 properties a month with many of the same names. We even get repayments on management company letterhead with no idea what property it is, but even worse, we don't even know what state it if for since there are many Rivers, Lake, and other natural elements in the same nomenclature of properties across states.
- Also, show us how you produced the repayment amount you are requesting. It is incredibly helpful to receive an accounting of how you produced the amount you are requesting for a repayment, and by doing this step, it can help in the continuous questions back and forth.
- Remember the repayment agreement for a voucher is to assist a property, so they are not burdened with the adjustment givebacks. Once the tenant repays the property, the property then must repay HUD on the next voucher month.
- The only item to be used in figuring out the repayment agreement amount is based off Assistance Payment. Anything else the tenant may owe the property is between the owner and the tenant, and not included on the voucher, so do not include any fees.

EPS' Top 10 Issues:

- RENUMBER!!
- They are simply messy if not done correctly
- By far the biggest issue that properties do not do correctly
- Even some software vendors don't advise you on how to do correctly
- Can take numerous months to get paid if not done right
- CALL EPS IF YOU THINK YOU NEED TO RENUBMER!

QUESTIONS?

Special Claims....

What are these special claims you speak of?

- HUD recognizes the financial risks owners undertake in their efforts to provide affordable housing. It is HUD's intent to ensure that owners involved in this effort remain financially viable partners. The special claims process is one tool that owners can use to be reimbursed for their financial loss. Owners are encouraged to submit special claims for eligible losses.
- Section 1-1 Special Claims Processing Guide (SCPG)

What makes them special?

- Free money paid through vouchers
  - For when you can’t fill the unit
  - For when a tenant skips out on rent
  - For when a tenant damages your unit
  - For when you could default on your mortgage from trying to fill vacant units
- Lots of paperwork
- Regulations

Are you eligible to receive Special Claims?

- If you are a Section 8 property:
  - Section 8
  - Section 202
  - Section 811 PRAC
  - Section 811 PRA Demo
- Security Deposit must be collected

Section 3-2, 4-2, 5-2 (SCPG)

- Resident must be receiving Subsidy
- Terminated Tenants?
  - If the resident was not terminated due to their TTP equals/exceeds GR
  - If you have a term of OT = Other: Must supply documentation for the reason of the termination

What kind of claims are there?

- Regular Vacancy – compensation to O/A for loss of rental income for a vacant unit
- Unpaid Rents/Tenant Damages –
  - UR – reimbursement for former tenants' failure to pay rent
  - TD – paying O/A for damages caused by negligence or abuse by former tenant
- Debt Service – submitted to HUD Account Executives for PBCA, or for Traditional Properties, your CA. Debt Service is used when there are vacancies that are over 60 days, in order to avoid mortgage default

Section 3-1, 4-1, 5-1 (SCPG)

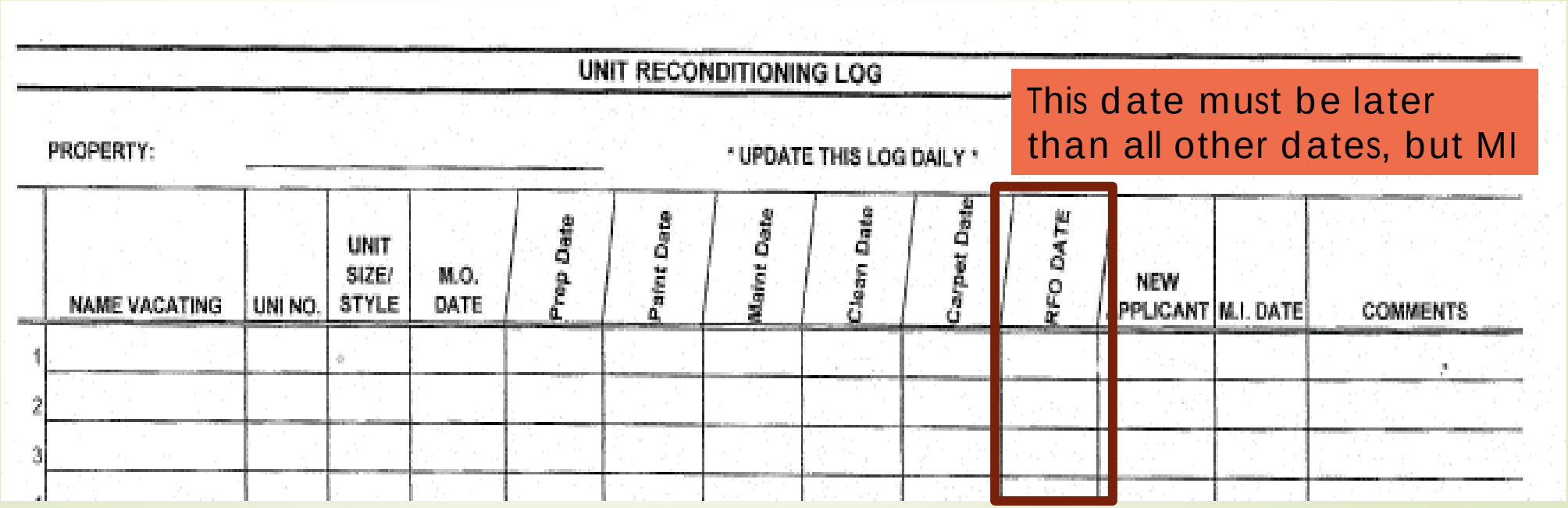
Why are my claims denied or revised?

Why claims were denied or revised…

Incorrect Ready for Occupancy Date

Incorrect RFO date…

- Vacancy claims may not be paid for the days a unit was being prepared for occupancy
- The claim period begins the day the unit is available for occupancy
- Thus, RFO is the date after the final work is done!
  - Unit Vacated May 5th
  - Cleaned from May 5 – May 8
  - RFO May 9th



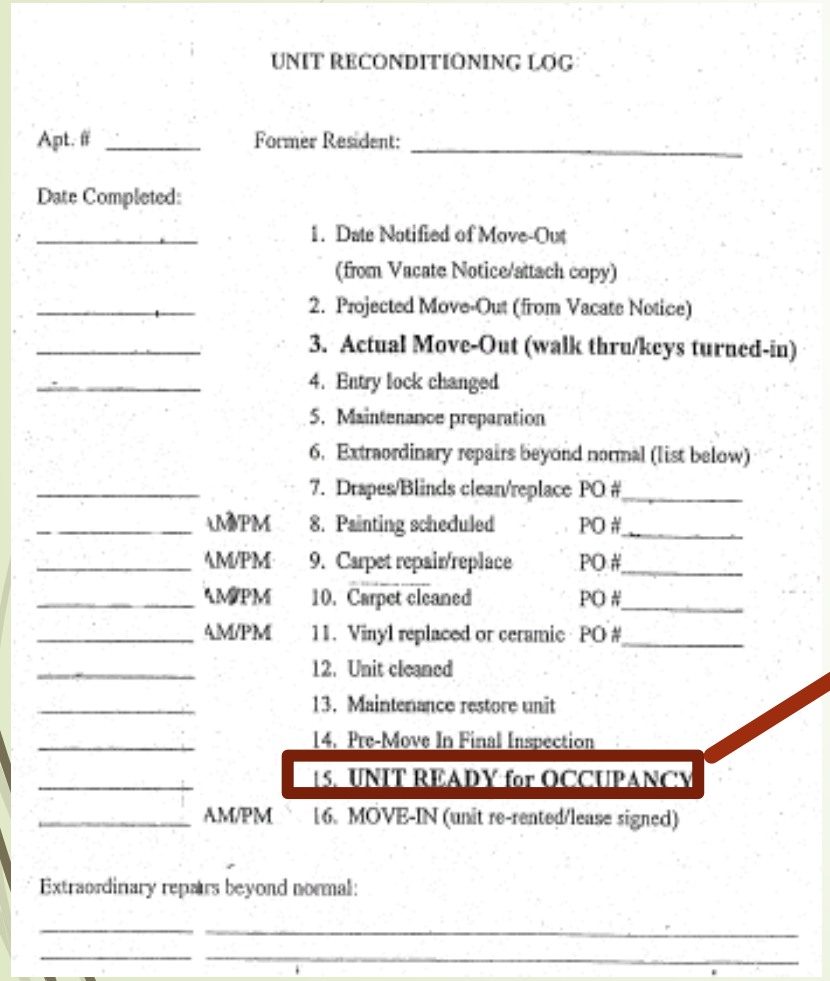
UNIT RECONDITIONING LOG

PROPERTY: _____ * UPDATE THIS LOG DAILY *

This date must be later than all other dates, but MI

	NAME VACATING	UNI NO.	UNIT SIZE/ STYLE	M.O. DATE	Prep Date	Paint Date	Maint Date	Clean Date	Carpet Date	RFO DATE	NEW PPLICANT	M.I. DATE	COMMENTS
1													
2													
3													

More Examples of RFO Logs....



UNIT RECONDITIONING LOG

Apt. # _____ Former Resident: _____

Date Completed:

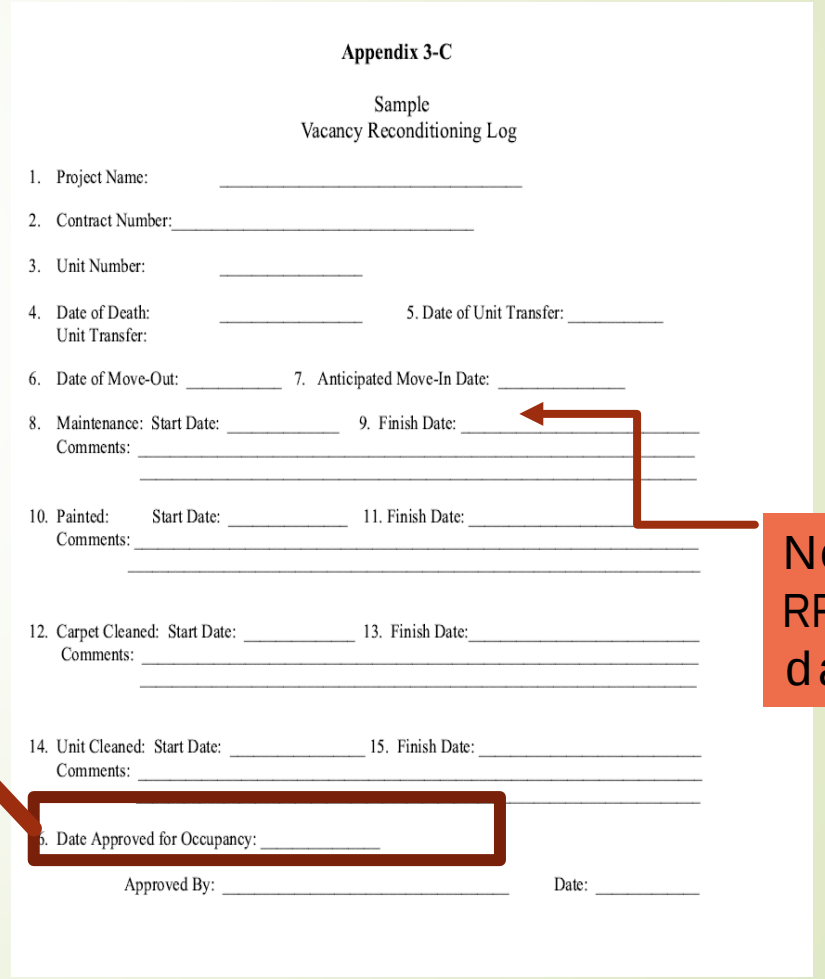
_____	1. Date Notified of Move-Out (from Vacate Notice/attach copy)	
_____	2. Projected Move-Out (from Vacate Notice)	
_____	**3. Actual Move-Out (walk thru/keys turned-in)**	
_____	4. Entry lock changed	
	5. Maintenance preparation	
	6. Extraordinary repairs beyond normal (list below)	
_____	7. Drapes/Blinds clean/replace	PO #_____
_____ AM/PM	8. Painting scheduled	PO #_____
_____ AM/PM	9. Carpet repair/replace	PO #_____
_____ AM/PM	10. Carpet cleaned	PO #_____
_____ AM/PM	11. Vinyl replaced or ceramic	PO #_____
_____	12. Unit cleaned	
_____	13. Maintenance restore unit	
_____	14. Pre-Move In Final Inspection	
_____	15. UNIT READY for OCCUPANCY	
_____ AM/PM	16. MOVE-IN (unit re-rented/lease signed)	

Extraordinary repairs beyond normal:

_____ _____

_____ _____

This date must be later than all other dates on this form (besides MI)



Appendix 3-C

Sample
Vacancy Reconditioning Log

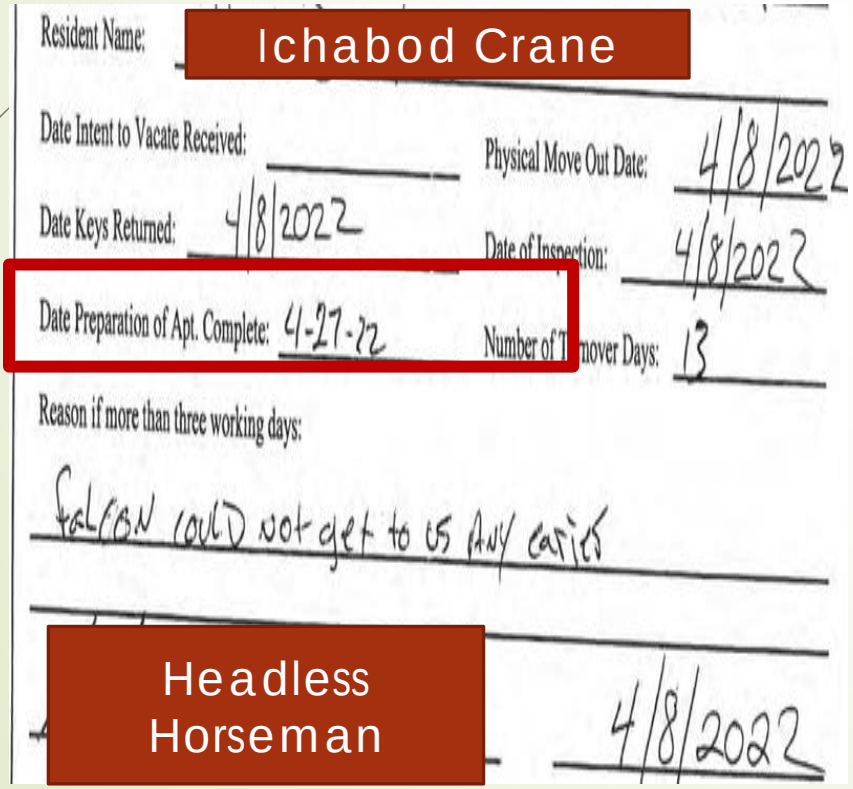
1. Project Name: _____
2. Contract Number: _____
3. Unit Number: _____
4. Date of Death: _____ 5. Date of Unit Transfer: _____
   Unit Transfer:
6. Date of Move-Out: _____ 7. Anticipated Move-In Date: _____
8. Maintenance: Start Date: _____ 9. Finish Date: _____
   Comments: _____
10. Painted: Start Date: _____ 11. Finish Date: _____
    Comments: _____
12. Carpet Cleaned: Start Date: _____ 13. Finish Date: _____
    Comments: _____
14. Unit Cleaned: Start Date: _____ 15. Finish Date: _____
    Comments: _____
16. Date Approved for Occupancy: _____

Approved By: _____ Date: _____

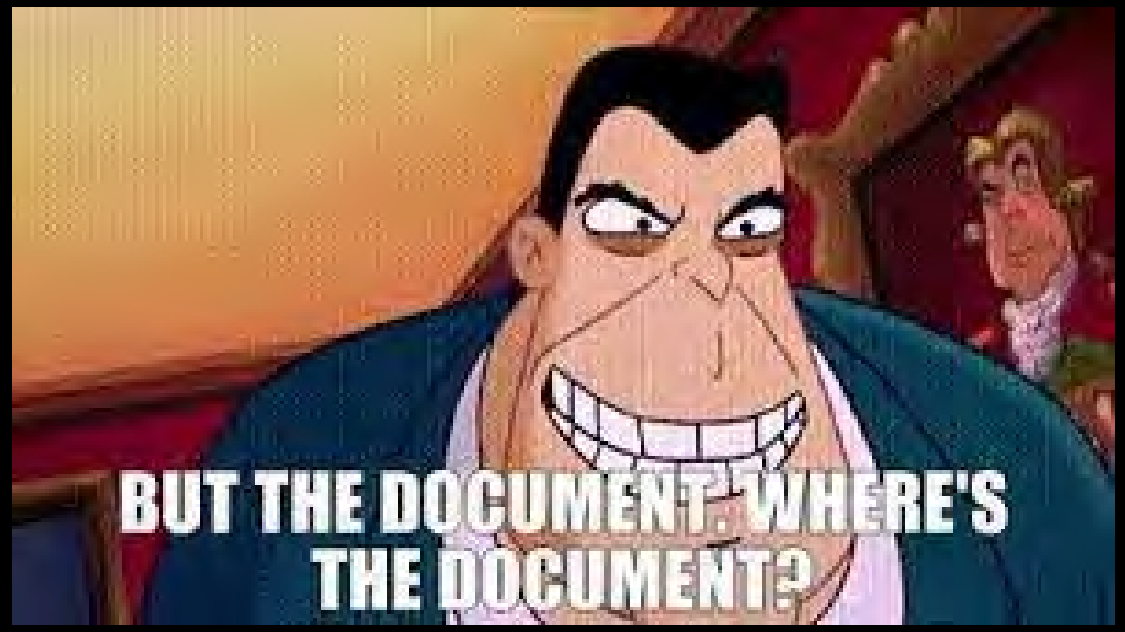
Not RFO date

Examples of "completed" RFO logs:

RFO date 4/28/22



RFO date 11/16/19



Why claims were denied or revised…

Missing Documents!

- MI 50059
- Lease's
- COMPLETE Waiting Lists

WHAT IF I DON'T HAVE THE MI BECAUSE OF A NATURAL DISASTER, OR HOSTILE TAKEOVER?

- Send a copy of the oldest SIGNED full 50059 that you have on file, with an explanation as to why you are missing the original MI
- These will be considered for approval on a case-by-case basis

Missing documents, and preferred order..

Regular Vacancy

- Waiting List (1 copy per package)
- HUD 52671-C
- Checklist
- RFO Log
- Security Deposit Disposition
- Lease
- Move-In HUD-50059
- MI/MO/UT TRACS Queries

Unpaid Rent and Damages

- HUD 52671-A
- Completed Checklist
- TRACS Queries
- Security Deposit Disposition
- Copy of Certified Letter to Resident
- Collection Agency letter
- Lease
- Move-In HUD-50059
- Move-In/Move-Out Inspection Reports

All claims start with these:
HUD 52670-A Part 2
TRACS Queries (1 list per package for all units listed)

Why claims were denied or revised…

This Photo by Unknown Author is licensed under CC BY-SA-NC

Incorrect Contract Rent at MO

- Don't forget that if you do a retroactive Gross Rent, and there is a MO after, you need to update the MO with the newest approved GR
- Check your 52671- A and –C, Item 7 to ensure your CRs are correct.
- One of the biggest reasons for revisions

HUD Form 52671 – A Item 7

Special Claims for Unpaid Rent / Damages

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

(Exp. 06/30/2016)

Instructions
Follow guidelines in HUD Handbook 4350.3, Rev. 1 Chapter 9

Total amount collected from tenant	1. Enter the security deposit amount required.	
	2. Enter the security deposit amount collected	
	3. Enter the greater of lines 1 and 2	
	4. Enter the interest earned on the security deposit	
	5. Enter the money collected for unpaid rents and damages (from tenant, insurance, etc.).	
	6. Total amount collected. Add lines 3 through 5.	
HUD's maximum liability	7. Enter the monthly contract rent at move-out for Section 8 or PAC units, or the monthly operating rent for Section 202/811 PRAC.	
	8. Subtract line 6 from line 7 (equals maximum HUD liability). **If this amount is 0 or negative, stop!** This exceeds HUD's maximum and no claim is allowed.	
Unpaid rent claim	9. Enter the rent and any other allowable charges due under the lease that were charged but unpaid at move-out.	
	10. Subtract line 6 from line 9 (not less than 0).	
	11. Enter the lesser of lines 8 and 10. Round to the whole dollar. Also, enter in column 3 on HUD 52670-A Part 2.	
HUD's remaining liability applicable to damages	12. Subtract line 11 from line 8. **If this amount is 0 or negative, stop!** This exceeds HUD's maximum and no claim for damages is allowed.	
	13. Enter cost to repair damage	
	14. Enter the remaining amount of the security deposit (line 6 minus line 9). This cannot be less than 0.	
	15. Amount of damage exceeding the remaining security deposit (line 13 minus line 14). This cannot be less than 0.	
	16. Enter the lesser of lines 12 and 15. Round to the whole dollar. Also, enter in column 4 on HUD 52670-A Part 2.	

I certify: (a) I billed tenants for unpaid rent or damages and took all reasonable steps to collect the debt; (b) I determined the damage claim was due to the tenant's negligence or abuse; (c) All documentation will be retained in the project's file for 3 years.

Owner's printed name, signature, and date

HUD/Contract Administration Review

- ☐ Claim approved
- ☐ Claim adjusted. Reason:
- ☐ Claim denied. Reason

Official's name, signature, and date

HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. Sections 1001, 1010, 1012, 31

HUD Form 52671 – C Item 7

Special Claims for Regular Vacancies

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0182 (Exp. 06/30/2016)

Instructions
Follow guidelines in HUD Handbook 4350.3, Rev. 1, Chapter 9

Project name | FHA project no. | Sec 8/PAC/PRAC Cont #

Vacated Tenant name | Unit No.

Part A
(applies to the following)
680: Section 8 New Construction
881: Substantial Rehabilitation
884: Rural Housing Services
886: LMSA Subpart A
891: Elderly Housing

	1. Tenant's move-out date	2. No. days taken to clean / repair unit	3. Date unit ready for occupancy	4. Date unit ready for occup. + 59 days	5. Date unit was re-rented	6. No. of days vacant (Not to exceed 60. Include day in line 3 but not day in line 5.)
7. Contract rent/operating rent at move-out						
8. Enter daily contract rent/operating rent (Divide contract rent/ operating rent in effect on move-out date by actual no. days in move-out month)						
9. Multiply lines 6 and 8 (Contract rent /operating rent for days vacant)				0.00		
10. Multiply line 9 by 0.80 for Section 8/PAC units or 0.50 for Section 202/811 PRAC units (This is the most HUD will pay)						
11. Enter amounts paid by other sources (Security deposit, Title I, etc.)				(—)		
12. Subtract line 11 from line 9					0.00	
13. Compare line 10 with line 12 & enter the lesser amount Enter in column 6 on HUD 52670-A Part 2.						

Part B
(applies to)
885: Property Disposition, Subpart C

	14. Tenant's move-out date	15. No. days taken to clean / repair unit	16. Date unit ready for occupancy	17. Last day of mo. (or day before move-in if in same month)	18. Number of days vacant in first month (Line 17 minus line 16, plus one day. Not to exceed 30.)
19. Enter daily assistance payment (Divide assistance payment in effect on move-out date by actual no. days in move-out month.)					
20. Multiply lines 18 by line 19 **This is the most HUD will pay for the first month.** If vacancy continues for a second month, continue with line 21. However, if a new tenant moved in the same month as the previous tenant moved out, **skip to line 26.**					0.00
21. Day of second month the unit was rented					
22. Subtract one (1) day from line 21 (Or enter actual no. days vacant if the unit was not re-rented.)					
23. Enter daily contract rent/operating rent (Divide contract rent/ operating rent in effect on move-out by actual no. days in move-out month.)					
24. Multiply line 22 by line 23				0.00	
25. Multiply line 24 by 0.80 **This is the most HUD will pay for the second month.**					0.00
26. Add lines 20 & 25					0.00
27. Enter amounts paid by other sources (Security deposit, Title I, etc.)					(—)
28. Subtract line 27 from 26 Enter in column 6 on HUD 52670-A Part 2.					0.00

I certify: (a) Units are in decent, safe, and sanitary condition, and are available for occupancy during the vacancy period in which the payments are claimed. (b) The Owner / Agent did not cause the vacancy by violating the lease, the contract, or any applicable law. (c) I notified HUD or the contract administrator immediately upon learning of the vacancy, or prospective vacancy, and the reasons for it. (d) I complied with all HUD requirements on termination of tenancy (Chapter 8, Section 3 of Handbook 4350.3 Rev.1 if the vacancy was caused by an eviction. (e) All documentation will be retained in the project's file for 3 years.
Owner's printed name, signature, & date

HUD/Contract Administrator Review
☐ Claim approved.
☐ Claim adjusted. Reason:
☐ Claim denied. Reason:
Official's name, signature, & date

Why claims were denied or revised…

RFO past 180 days

RFO PAST 180 DAYS CONT…

- We tend to get many claims that are after 180 days from the RFO date, so not entirely sure why the bother. They will automatically be denied, so unsure why you would go through all that paperwork for something that is older than 180 days.

- I have heard from some larger mgmt. companies that the policy is to do them, even if they know that they are too late to submit. Please let us know if that is the case, and we would love to talk to your supervisor, as this is an unnecessary burden for everyone.

Why claims were denied or revised…

- Signatures missing
- All the HUD forms need to be signed and dated on the bottom
- https://www.hud.gov/sites/dfiles/Housing/documents/HUD_Notice_H_2020-10_Electronic_Signature.pd

Rev. 1 Chapter 9

Total amount collected from tenant	1.	Enter the security deposit amount required.	
	2.	Enter the security deposit amount collected.	
	3.	Enter the greater of lines 1 and 2.	
	4.	Enter the interest earned on the security deposit.	
	5.	Enter the money collected for unpaid rents and damages (from tenant, insurance, etc.).	
	6.	Total amount collected. Add lines 3 through 5.	
HUD's maximum liability	7.	Enter the monthly contract rent at move-out for Section 8 or PAC units, or the monthly operating rent for Section 202/811 PRAC.	
	8.	Subtract line 6 from line 7 (equals maximum HUD liability). **If this amount is 0 or negative, stop!** This exceeds HUD's maximum and no claim is allowed.	
Unpaid rent claim	9.	Enter the rent and any other allowable charges due under the lease that were charged but unpaid at move-out.	
	10.	Subtract line 6 from line 9 (not less than 0).	
	11.	Enter the lesser of lines 8 and 10. Round to the whole dollar. Also, enter in column 3 on HUD 52670-A Part 2.	
HUD's remaining liability applicable to damages	12.	Subtract line 11 from line 8. **If this amount is 0 or negative, stop!** This exceeds HUD's maximum and no claim for damages is allowed.	
	13.	Enter cost to repair damage.	
	14.	Enter the remaining amount of the security deposit (line 6 minus line 9). This cannot be less than 0.	
	15.	Amount of damage exceeding the remaining security deposit (line 13 minus line 14). This cannot be less than 0.	
	16.	Enter the lesser of lines 12 and 15. Round to the whole dollar. Also, enter in column 4 on HUD 52670-A Part 2.	

I certify: (a) I billed tenants for unpaid rent or damages and took all reasonable steps to collect the debt, (b) I determined the damage claim was due to the tenant's negligence or abuse, (c) All documentation will be retained in the project's file for 3 years.

Owner's printed name, signature

Ichabod Crane
11/2/22

HUD/Contract Administration Review

- ☐ Claim approved
- ☐ Claim adjusted. Reason:
- ☐ Claim denied. Reason:

Official's name, signature, and date

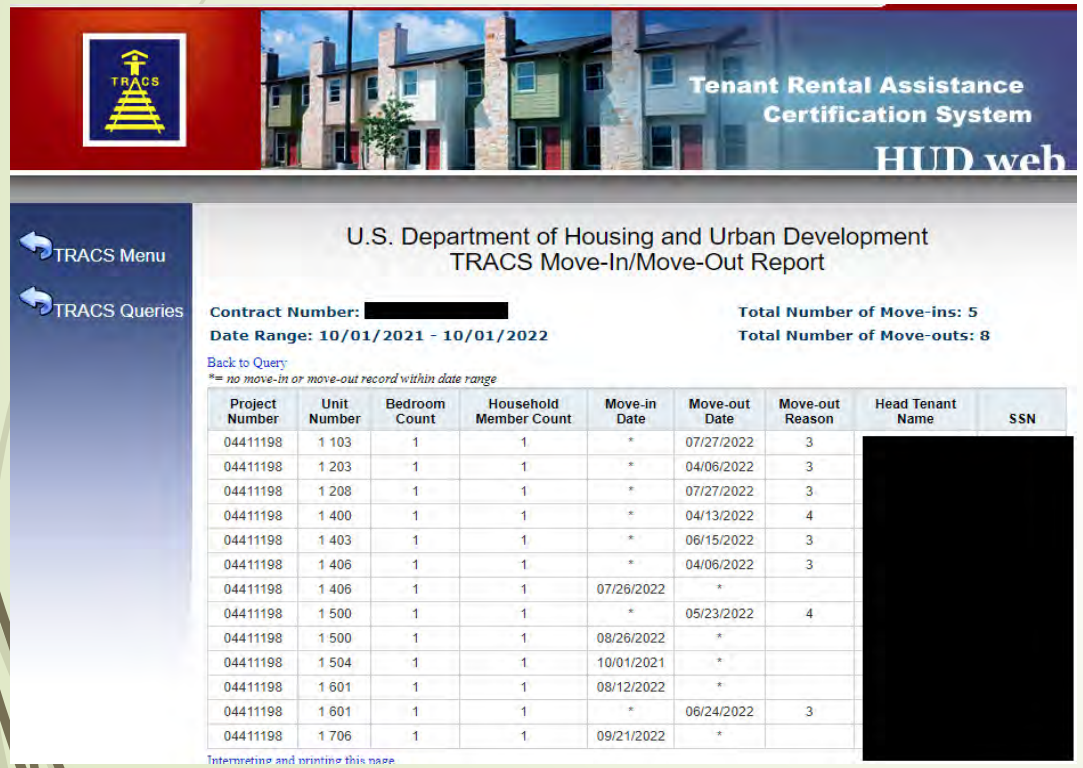
Why claims were denied or revised…

The cert is not in TRACS!

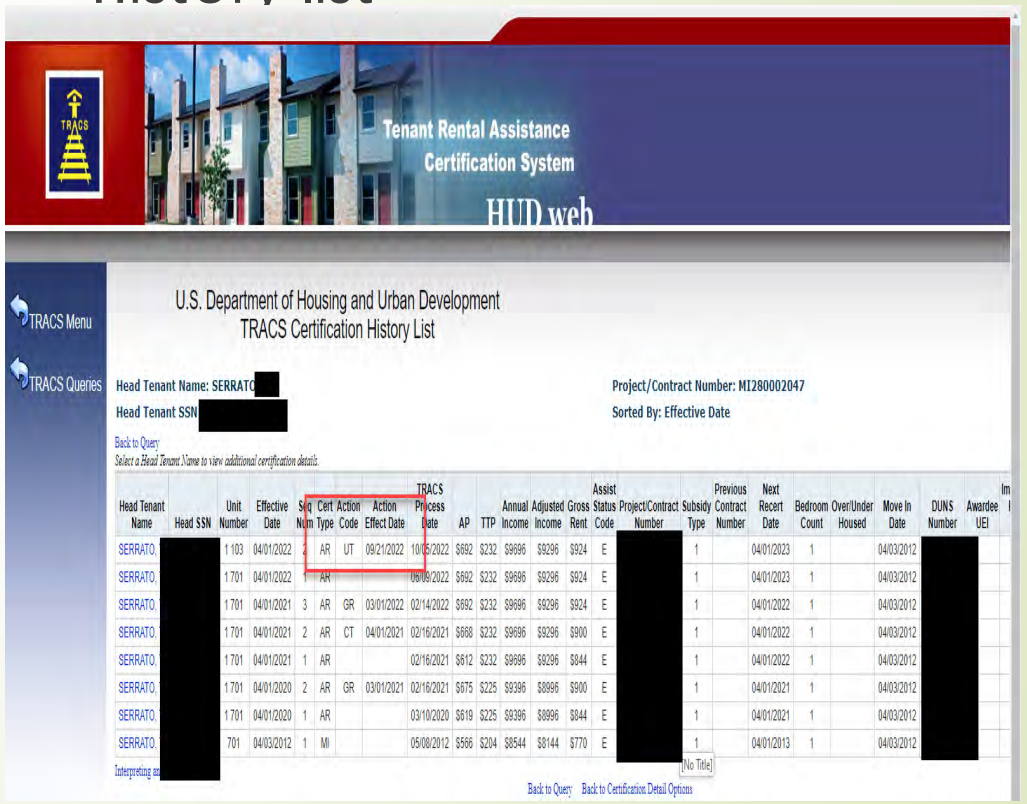
- Remember, you need to ensure that the MI/MO or UT is visible in TRACS, and then print off the documents to be included in your claim packet
- If it is not there, contact your data analyst for assistance
- If new MI tenant is a Market Renter, you will need to send a zero Assistance Payment 50059 with your information

The cert is not in TRACS continued….

TRACS MI/MO Report

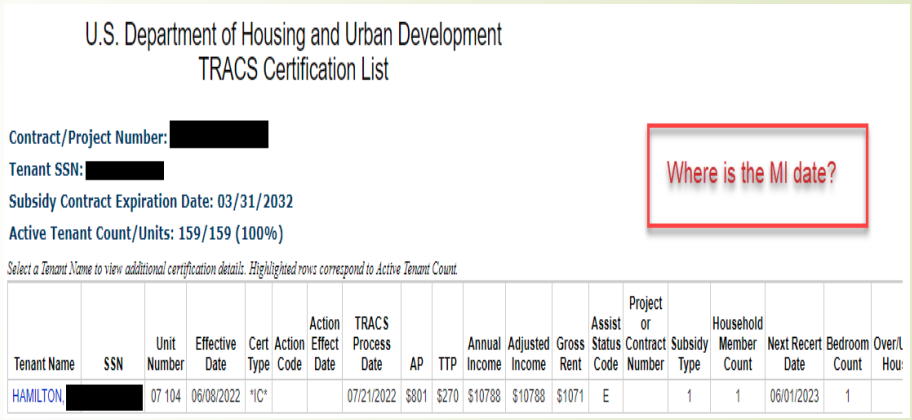


Certification Query UT –cert history list



The tenant had an IC, so not on the MI/MO report...

- If the tenant is not on the MI/MO report, then go to the Certification Query to view the IC
- You will need to print in landscape to show the MI date



U.S. Department of Housing and Urban Development
TRACS Certification List

Contract/Project Number: [redacted]
Tenant SSN: [redacted]
Subsidy Contract Expiration Date: 03/31/2032
Active Tenant Count/Units: 159/159 (100%)

Where is the MI date?

Select a Tenant Name to view additional certification details. Highlighted rows correspond to Active Tenant Count.

Tenant Name	SSN	Unit Number	Effective Date	Cert Type	Action Code	Action Effect Date	TRACS Process Date	AP	TTP	Annual Income	Adjusted Income	Gross Rent	Assist Status Code	Project or Contract Number	Subsidy Type	Household Member Count	Next Recert Date	Bedroom Count	Over/U Hou
HAMILTON,	[redacted]	07 104	06/08/2022	*IC*			07/21/2022	$801	$270	$10788	$10788	$1071	E		1	1	06/01/2023	1	

U.S. Department of Housing and Urban Development
TRACS Certification List

Contract/Project Number: [redacted]
Tenant SSN [redacted]
Subsidy Contract Expiration Date: 03/31/2032
Active Tenant Count/Units: 159/159 (100%)

Need to print landscape to capture the MI date

Sorted By: Unit

Select a Tenant Name to view additional certification details. Highlighted rows correspond to Active Tenant Count.

Tenant Name	SSN	Unit Number	Effective Date	Cert Type	Action Code	Action Effect Date	TRACS Process Date	AP	TTP	Annual Income	Adjusted Income	Gross Rent	Assist Status Code	Project or Contract Number	Subsidy Type	Household Member Count	Next Recert Date	Bedroom Count	Over/Under Housed	Move In Date	DUNS Number	Awardee UEI	Immediate Parent UEI	Domestic Parent UEI
HAMILTON	[redacted]	07 104	06/08/2022	*IC*			07/21/2022	$801	$270	$10788	$10788	$1071	E		1	1	06/01/2023	1		05/06/2022	860134477			

Why claims were denied or revised…

Early submission:

- You cannot submit a 60-day vacancy claim until the 60 days is up

MI earlier than 60-days …

- You submitted a vacancy claim, and you realize that a MI occurred before the 60-day timeframe, be proactive.

MI earlier than 60-days …

- Contact EPS to adjust the claim
- This will create a fatal error in our systems:
  - Occupancy date overlaps with effective dates of Special Claim Tenant Occupancy Overlaps with Special Claim Id MI800202212345

Why claims were denied or revised…

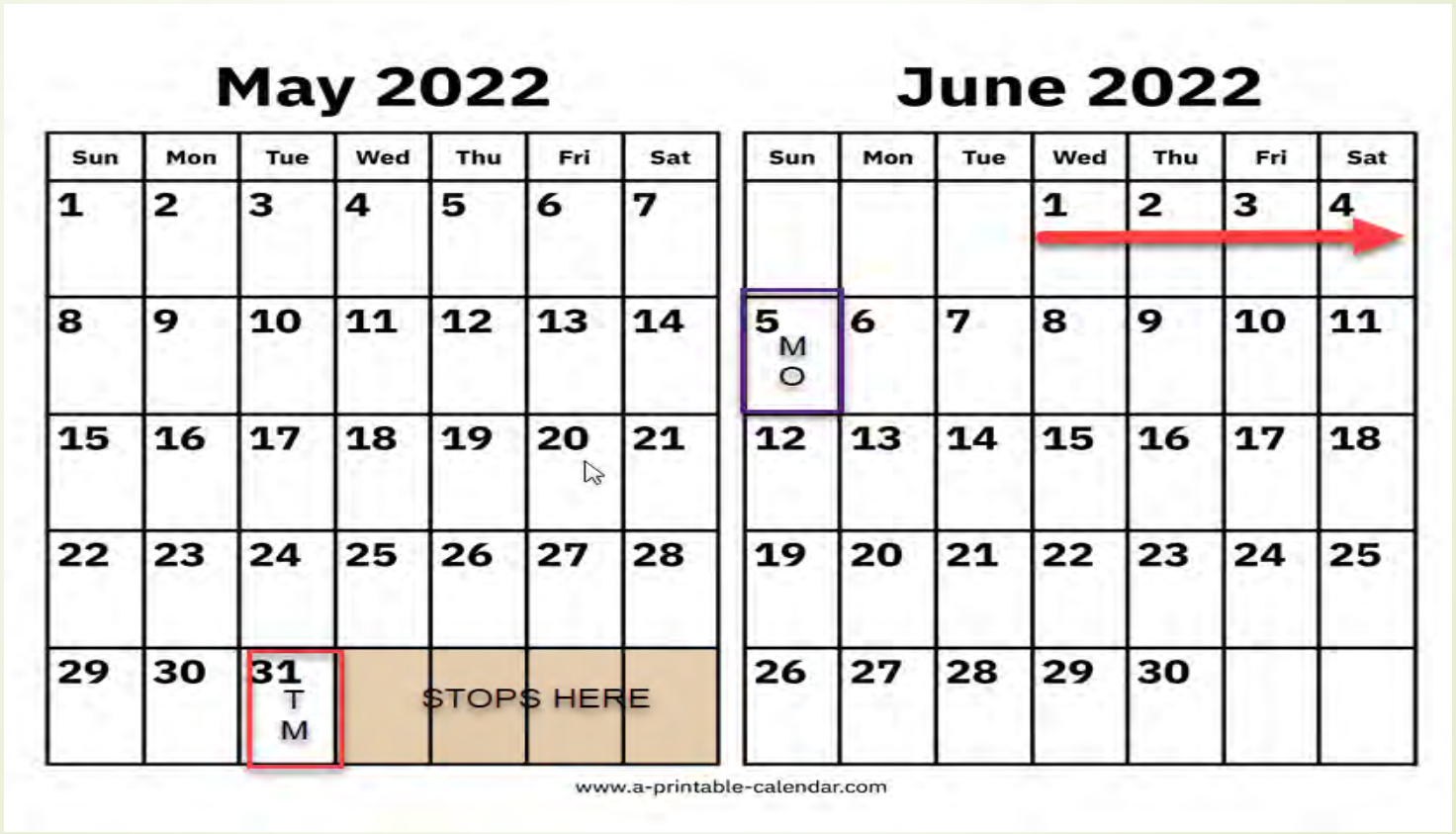
- Termination code prior to MO:
- If the tenant was terminated for TTP = GR, They are not eligible for ANY type of Claim.
- If tenant's subsidy is terminated prior to the MO, with any other Termination code, they are eligible for Regular Vacancy, Tenant Damages, and Unpaid Rent, but they are only eligible for the portion of Unpaid Rent before the Termination date. You do not get to collect Unpaid Market Rent claims for this unit.

Why claims were denied or revised…

Claiming Market Rent as Unpaid Rent

- if tenant was a MR at MO and eligible, must use proration to figure out days eligible (only when they are eligible for subsidy, do you get Unpaid Rent)

If the Tenant was terminated for late recert on May 31st. Tenant MO on June 5th. Only entitled to special claims for Unpaid Rent up until the 31st. You are not eligible for owed Market Rent from June 1st to June 5th.

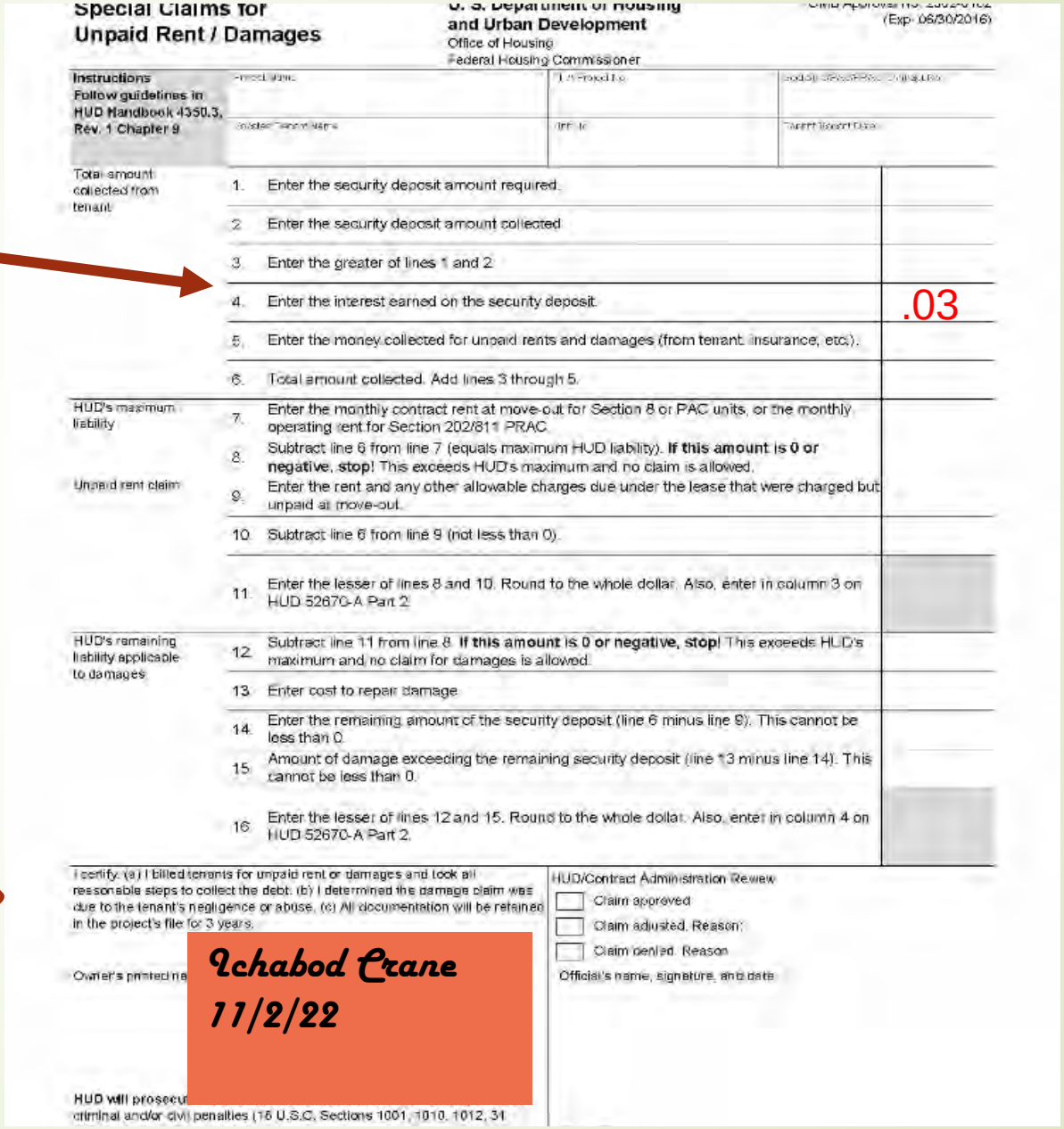


Why claims were denied or revised…

Security Deposits on Unpaid Rent/ Damage Claims

- You must collect both a Security Deposit and any interest that was received on that deposit.
- What you may not know is that the whopping .03 cents that was in that interest bearing account, also must appear on the Unpaid Damages form.
- For example, if the Security Deposit amount is $50, and they have earned the .03 cents over the last 30 years in that account, that .03 must appear on Item #4 on the HUD Form 52971-A.

Add Security Deposit interest to Item 4 on 52671-A



Special Claims for Unpaid Rent / Damages

U. S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

(Exp. 06/30/2016)

Instructions
Follow guidelines in HUD Handbook 4350.3, Rev. 1 Chapter 9

Total amount collected from tenant

1.	Enter the security deposit amount required.	
2.	Enter the security deposit amount collected	
3.	Enter the greater of lines 1 and 2	
4.	Enter the interest earned on the security deposit	.03
5.	Enter the money collected for unpaid rents and damages (from tenant insurance, etc.).	
6.	Total amount collected. Add lines 3 through 5.	

HUD's maximum liability

7.	Enter the monthly contract rent at move-out for Section 8 or PAC units, or the monthly operating rent for Section 202/811 PRAC.	
8.	Subtract line 6 from line 7 (equals maximum HUD liability). **If this amount is 0 or negative, stop!** This exceeds HUD's maximum and no claim is allowed.	

Unpaid rent claim

9.	Enter the rent and any other allowable charges due under the lease that were charged but unpaid at move-out.	
10.	Subtract line 6 from line 9 (not less than 0).	
11.	Enter the lesser of lines 8 and 10. Round to the whole dollar. Also, enter in column 3 on HUD 52670-A Part 2.	

HUD's remaining liability applicable to damages

12.	Subtract line 11 from line 8. **If this amount is 0 or negative, stop!** This exceeds HUD's maximum and no claim for damages is allowed.	
13.	Enter cost to repair damage	
14.	Enter the remaining amount of the security deposit (line 6 minus line 9). This cannot be less than 0.	
15.	Amount of damage exceeding the remaining security deposit (line 13 minus line 14). This cannot be less than 0.	
16.	Enter the lesser of lines 12 and 15. Round to the whole dollar. Also, enter in column 4 on HUD 52670-A Part 2.	

I certify: (a) I billed tenants for unpaid rent or damages and took all reasonable steps to collect the debt; (b) I determined the damage claim was due to the tenant's negligence or abuse; (c) All documentation will be retained in the project's file for 3 years.

Owner's printed na

Ichabod Crane
11/2/22

HUD will prosecu
criminal and/or civil penalties (18 U.S.C. Sections 1001, 1010, 1012, 31

HUD/Contract Administration Review
- ☐ Claim approved
- ☐ Claim adjusted. Reason:
- ☐ Claim denied. Reason

Official's name, signature, and date

For MI Special Claims

- Send your paperwork to: mi.special.claims@tracsexperts.com

- We don't need a copy of your approved MI Special Claims, so no need to send with your monthly submissions
- Remember you only get two denials, and paperwork should not be one of them
- Add your approved claim to your HAP Voucher within 90 days from the date at the top of your approval letter

Once you have double checked that you have EVERYTHING required for your claim, then submit it to EPS,
After that, here are some options for you:

Special Claim References:

EPS' Checklists - www.TRACSEXPERTS.com –

Special Claims Processing Guide :

https://www.hud.gov/program_offices/administration/hudclips/guidebooks/HSG-06-01

Special Claims Processing Guide FAQs:

https://www.hud.gov/sites/documents/DOC_14970.PDF

Multifamily TRACS on Secure System:

https://www.hud.gov/program_offices/housing/mfh/trx/trxsum

Multiamily Help Desk:

tracs@HUD.gov

800-767-7588

QUESTIONS?

EPS, Inc. : 1-802-660-2800
Hilary Crowell: hilary.c@ttracsexperts.com 802-800-1871
Richard Crowell: richard.c@tracsexperts.com 802-800-1849
Check out our website for important information, and our Messages of the Month!
http://www.tracsexperts.com