

# TRACS 2.0.3.A Voucher Changes

Current State of the  
MAT Guide DRAFT



## Purpose of this Call

Review Voucher Changes

With Special Attention Paid to  
52670 Part 6

## Suggestions

Suggestions & Edits

Are Welcome

At this Point

&

Until the MAT Guide is Finalized.

## The Voucher Process

Owner/agents are required to submit a request for the *Housing Assistance Payment (HAP Request)* using *HUD Form 52670*. MAT 30 record.

When voucher is submitted between first and 10<sup>th</sup> of month (*as required*) the owner/agent receives payment as of first business day of following month.

Let's look at some of the changes to the voucher process.



## HSG Notice 2023-01

In HUD HSG Notice 2023-01 Unique Entity Identifier Replaces Dun & Bradstreet Data Universal Numbering System for Identification of Federal Awards

HUD explains that all federal agencies must report information about awards (contracts) to the Office of Management and Budget (OMB).

## Information

Such information includes, but is not limited to, the following data:

1. The name of the entity receiving the award;
2. The amount and purpose of the award; and
3. The unique identifier of the entity.

## The Web Site

Stakeholders can learn more about the transition to UEI at <https://sam.gov>.

## The DUNS Number

Until recently,  
the unique identifier  
was the entity's  
DUNS number.

On April 4, 2022, the  
federal government  
transitioned from  
DUNS to implement  
the Unique Entity  
Identifier (UEI).

## SAM

The UEI is generated and maintained  
by the System for Award Management  
(SAM.gov),  
and is where owner/agents may  
update, renew, or check the status of  
an entity registration  
at no cost.

## The UEI

The UEI is a 12-character alphanumeric ID assigned to an entity at <https://sam.gov>.

## Keep it Current

In addition to being registered in SAM and providing a UEI in its application for a federal funding award, owner/agents maintain an active SAM registration at all times during which the contract remains active.

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## Inclusion of All Units



INFORMATION IS PROPOSED AND BASED ON A  
DRAFT AND IS SUBJECT TO CHANGE AT ANY  
TIME.

## Big, Big, Big

One of the biggest changes owner/agents will notice, in regards to the voucher, is that every unit will be shown on the 52670.

## Comparison

Old 52670



New 52670



## All Units

This will include:

- Total Units in Contract
- Number of Units Receiving Subsidy
- Number of Units Abated
- Number of Units Vacant
- Number of Units Market
- Number of Contract Units Undergoing Rehab

## The Rules

Rules How Units Appear



# Comparison

## New 52670 Part 1



# Questions?



## Miscellaneous Accounting Requests



9

## Misc. Accounting Requests

Resident transactions are  
automatically reported to TRACS on  
*HUD Form 52670 Part 1  
Schedule of Assistance.*

## Adjustments to Regular Billing

In addition to automated transactions created by site software, the voucher may include:

1. Automated adjustments; and/or
2. Transactions that are manually entered by the owner/agent.

## MARs

These are referred to as  
*Miscellaneous Accounting Requests.*



## TRACS 2.0.3.A – New Codes

When HUD releases  
TRACS version 2.0.3.A,  
the following  
new

*Miscellaneous Accounting Request Codes*  
will be available:

### HOTM

HOTM (temporary code) =  
  
Reversal of HOTMA  
Assistance Payment Adjustment.

## RADN

**RADN** = Used by an owner/agent to recover a *Negative Assistance Payment* for a RAD tenant.

The *Negative Assistance Payment* appears on the voucher in the Assistance Payment Detail record and the owner/agent is permitted to retain that money.

## RADZ

**RADZ** =  
Used to zero-out  
the *Voucher Request*  
during the *Contract Year*  
of a PIH to PBRA RAD conversion

## RADR

**RADR** = Used to request Rehab Assistance under a RAD conversion under Component 1 – Public Housing to PBRA RAD.

Each RADR request is for a single month.

The comment field must indicate the Month and Year being billed.

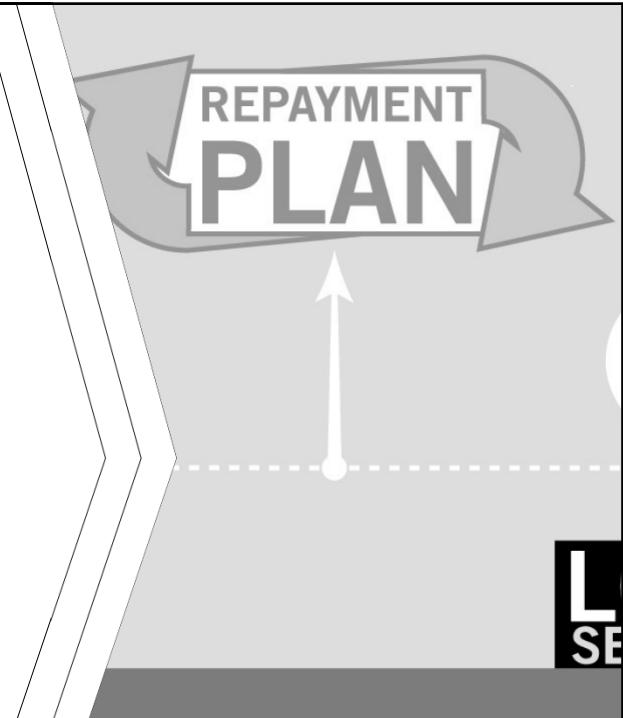
## RDRV

**RDRV** =  
Used to reverse  
the portion of a unit/tenant  
net adjustment attributable to  
the Year of Conversion.

## Questions?



## HUD-52670-A Part 6 - Repayment Agreements for Schedule of Tenant Assistance Payments Due



## Repayment Agreements

When resident or an owner/agent receives too much housing assistance, overpayment must be returned to HUD



Guidance is provided in

- HH 4350.3 Paragraph 8-21 and
- HUD Notice 13-06

Common to see such assistance returned to HUD via *Repayment Agreements*.

## Reporting Improper Payments

TRACS version 202D  
*HUD-52670-A Part 6 - Repayment Agreements for Schedule of Tenant Assistance Payments Due*  
used to track repayments.

## 2.0.3.A Changes to Part 6

When you implement TRACS 2.0.3.A, you will notice that the HUD Form 52670 Part 6 was completely redesigned for two reasons:

### Reason 1

HUD has determined that information currently submitted for *Repayment Agreement* transactions is not sufficient.

HUD will incorporate the following changes to *HUD Form 52670 Part 6* to provide additional information.

## Reason 2

Since participation in FSS program will require owner/agents to adjust the amount of the *Housing Assistance Payment (HAP) Request*,

HUD has decided to use the  
*HUD Form 52670 Part 6*

As the means to track FSS Escrow Account balances.

## New Name

*HUD Form 52670 Part 6*  
will now be entitled  
*Repayment Agreements and FSS Escrows for  
Schedule of Assistance Payments Due.*

# Repayment Agreements

This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## No Rule Changes

The rules surrounding repayment agreements, modified in HSG Notice 2013-06 and explained in HH 4350.3 Chapter 8 have not changed.

## The Lease

The HUD leases require residents to return, to HUD, any improper payment.

If a resident opts to pay back subsidy, immediately and in full, there is no requirement to create a Repayment Agreement.

## When Repayment Applies

If the resident cannot return the entire improper payment, immediately and in full, the owner/agent and the resident enter in to a Repayment Agreement.

## The CA Role

As long as the adjusting transaction is correct, Contract Administrators have no role in the Repayment Agreement negotiations other than to monitor the owner/agent's compliance when conducting the Management & Occupancy Review.

## Owner Repayment Agreements

When the improper payment is caused by owner/agent action, and when returning the entire improper payment at once could create a financial hardship for the property, the CA and/or HUD can negotiate an Owner Repayment Agreement.

## Something New

The initial Owner Repayment Agreement is recorded on the voucher but will eventually be transferred to LOCCS.

## When O Repayment Transferred

When That Happens  
The Status Should be  
Changed to  
LC - Transferred to LOCCS  
(new)

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## FSS Escrow Accounts

This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## FSS Escrow Account

Information about  
any existing *FSS Escrow Account*  
and balances available  
at time of implementation  
of TRACS 2.0.3.A  
are to be transmitted to TRACS.



## OARQs

In TRACS 2.0.2.D,  
FSS transactions  
continue to be recorded as  
*OARQ Miscellaneous Accounting Requests.*



## TRACS 2.0.3.A

With the release of TRACS 2.0.3.A,  
the 52670 Part 6  
will now be used to transmit information  
about FSS Escrow Account transactions  
as called for by the  
FSS Contract of Participation (CoP).

## Start Preparing

When  
preparing to implement  
TRACS 2.0.3.A,  
owner/agents gather information  
about existing  
FSS participants.

## 2.0.3.A

Will allow the owner/agent to:

- Include appropriate information on the next 50059
- Create and send an FSS Escrow Account Baseline
- Send subsequent FSS Escrow Account changes

## Take A Look

New 52670 Part 6



## Questions?



## Repayment and FSS Status Codes



## Status Codes

With 2.0.3.A,  
*Repayment Agreements and  
FSS Escrow Accounts must  
include  
a Status Code.*

## RA/FSS Status Codes

*Status Codes determine whether a Repayment Agreement or FSS Record appears on the voucher:*

- Once,
- Periodically based on *Repayment Agreement* activity,  
or
- Every month – regardless of whether resident makes  
a payment.

## AV - Active (R & F)

Resident Is on Target with Repayment Agreement/Escrow Account Requirements:

Appears on the voucher each month even if resident does not submit a payment.

After three consecutive missed payments, status must change to IA (Inactive) on the fourth voucher

## CO - Completed (R & F)

Resident successfully completed  
*Repayment Agreement /FSS Agreement*  
requirements.

## Rules – CO - Completed

Resident fulfilled terms of *Repayment Agreement* and *Balance Due* is 0.00.

Resident fulfilled terms of *FSS Agreement* and *FSS Escrow Funds* have been Disbursed.

## Rules – CO - Completed

Once Status is Completed, it is assumed there will be no future transactions for this Agreement ID.

However, transactions are not forbidden in order to allow for additional transactions such as those required if the final payment check bounces.

## IA - Inactive (R only)

Resident has missed 3 or more consecutive payments.



Set on month 4.

Appears on the voucher each month even if resident does not submit a payment.

## LC - Transferred to LOCCS (R)

NEW

Used only for Owner Repayment.

Used when HUD negotiates an agreement that is recorded in LOCCS.

## LC - Adjustments

The Balance Should be  
Reduced to Zero.

The  
Amount  
Requested  
Is \$0

**Repayment Agreements and FSS Escrows for  
Schedule of Tenant Assistance Payments Due**

**U.S. Department of Housing  
and Urban Development  
Office of Housing**

OMB Approval No. 2502-0182  
(exp. mm/dd/yyyy)

Before completing this form, read and follow the instructions in the Monthly Activity Transmission (MAT) User's Guide. See the statements on form HUD-52670 for Tenant Assistance Payments for information on public burden. Warning: Anyone who knowingly submits a false claim or makes a false statement is subject to confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §§ 3729, 3802).

1. Asst. Pymts Due for (mm/yyyy):	2. Project Name:	3. Project Number:	4. Contract N	5. Type of Subsidy:									
6. Head of Household Name (Last, First)	8. Record Type	10. Agreement Date	12. Trans Type	13. Status	14. Beginning Agreement Amount	15. Agreement Change Amount	16. Ending Agreement Amount	17. Beginning Balance	18. Total Payment	19. Ending Balance	20. Amount Retained	21. Amount Requested	22. Other
7. Unit Number	9. Agreement ID	11. Agreement End Date											

## MO - Moved-out (R & F)

Used to be only Repayment

Former resident.

Used when residents  
moves out and no participants continue to live  
on the property.

## MO - FSS

For FSS, treated like TE.

Owner/agent remains  
in possession of Escrow Account funds.

Balance reduced to zero with no  
adjustment?????

## Rules - MO - Moved-out Repayment

Once  
Repayment Agreement  
is set up with  
Status Code of MO,  
assumed there will be  
no future transactions  
for this Agreement ID.

If a former resident  
begins making  
payments,  
they are applied to this  
Repayment  
Agreement.

## Rules – MO - Moved-out Repayment

Tenant Name  
Not included.

MO, MO  
Moved-out, Moved-out

## RV – Reversed (R & F)

*Repayment Agreement/FSS  
Agreement  
entered in error*

## RV - Reversed - Example

Use if Repayment  
Agreement  
was entered for  
Rose Garcia  
instead of  
Jose Garcia

Use if  
OA entered  
in error.

## Rules - RV - Reversed (R & F)

Once a repayment or FSS record  
has been reversed,  
it is assumed  
there will be no future transactions  
for this Agreement ID.

## SU – Suspended (R only)

Resident unable to make payments due to reduced income

This code is used when household income is so low that it is not reasonable to expect payment.

Appears on voucher each month.

## TE = Terminated (R & F)

For Repayment  
Used when OA is no longer able to enforce repayment.

(Court Order)

## TE = Terminated Repayment ???

Can be used to reduce Repayment Amount but is best to create new Repayment when balance is still due.

Does not usually create an adjustment to the voucher.

## TE = Terminated (R & F)

For FSS  
Current resident has withdrawn or been removed from the FSS Agreement/program.

Per the FSS Final Rule the escrow money stays with the owner.

## TE = Terminated

Does not usually create  
an adjustment to the voucher.

## TE = Terminated

Appears on  
voucher once.

Not expected  
to appear on  
subsequent vouchers

## Questions?



Repayment  
Agreement Baseline  
Submission

selin

## The Baseline

The first voucher submitted, after applying the TRACS 2.0.3.A update to site software, will include both the

- FSS baseline record and the normal record for that Status Code; and the
- Repayment Agreement baseline record and the normal record for that Status Code.

## Contract Administrators

OA should work with CA to ensure that all active *Repayment Agreements* have been submitted and recorded.

OA should also make sure that the site balances and CA balances match.

Beginning Agreement Amount	Ending Agreement Amount
Beginning Balance	Ending Balance



## Get in Sync

If there is *Repayment Agreement*,  
but the amounts do not match  
the CA amounts,  
then OA will need to work with the CA  
to correct appropriate certifications  
and adjust the *Agreement Amounts*  
so that they are correct.

## RA Not Reported

If OA reports to a CA and  
if the owner/agent never created  
*Repayment Agreement* voucher transactions  
for existing residents  
who received an improper payment,  
and if the there is still a balance due,  
CAs need to provide guidance to owner/agents  
to determine what steps need to be taken  
in order to report this information to HUD.

# Let's Take a Look at a Baseline

# Take a Look

This material is part of a DRAFT and is subject to change at any time

7/24/2023 - Voucher  
Presentation Industry  
Working Group

INFORMATION IS PROPOSED AND BASED ON A DRAFT AND IS SUBJECT TO CHANGE AT ANY TIME.

## Questions?



## Repayment Agreements & PBRA RAD



**RAD**

## Repayment Agreements & RAD

Special Rules Apply to RAD

## Year of Conversion & Before

For Component 1 PH to PBRA RAD, Repayment Agreement transactions, or portions thereof, related to PIH funding are never to appear on the PBRA RAD voucher.

## Year of Conversion & Before

There are five scenarios to consider  
when addressing  
Repayment Agreements for  
Component 1 PH to PBRA RAD.

### Scenario 1 – Component 1

Repayment Agreements executed  
prior to conversion to PBRA RAD.

## Scenario 2 Component 1

Repayment Agreements executed  
after conversion to PBRA RAD  
but affecting YOC or housing assistance  
paid before conversion.

## Scenario 3 Component 1

Repayment Agreements executed  
after conversion to PBRA RAD and  
after YOC but  
affecting only Year of Conversion or  
housing assistance paid  
before conversion.

## Scenario 4 Component 1

Repayment Agreements executed  
after conversion to PBRA RAD and  
after Year of Conversion and  
affecting housing assistance paid  
during Year of Conversion and  
housing assistance paid  
after Year of Conversion.

## Scenario 5 Component 1

Repayment Agreements executed  
after conversion to PBRA RAD and  
after Year of Conversion and  
affecting housing assistance paid  
after Year of Conversion.

## The Rules for Component 1

For Component 1 PH to PBRA RAD, owner/agents must treat Repayment Agreement transactions, created to address improper payments made prior to conversion or during the Year of Conversion (YOC) (PIH funds), separate from Repayment Agreement transactions, created to address improper payments made after YOC (MFH funds).

## Existing Repayment Agreements

No Repayment Agreements transactions for any Repayment Agreement executed prior to the PBRA RAD Contract Effective Date are ever reported on a PBRA RAD voucher.

## Repayment Agreements YOC

No Repayment Agreements transactions  
for any Repayment Agreement  
executed after PBRA RAD  
Contract Effective Date  
and during YOC  
are ever reported on  
a PBRA RAD voucher.

## It Goes On...

No Repayment Agreements transactions  
for any Repayment Agreement  
executed after the Year of Conversion  
are ever reported on a PBRA RAD voucher  
if all of the improper payments were made  
before conversion to PBRA RAD and/or  
during the YOC  
but no improper payments  
were made after YOC.

## Mixed PIH and MFH

If a Repayment Agreement is executed after the Year of Conversion and the Repayment Agreement addresses improper payments made before conversion to PBRA RAD and/or during YOC and also addresses improper payments made after YOC, only Repayment Agreement transactions amounts attributable to improper payments made after YOC may be included on the PBRA RAD voucher.

## MFH Funds

If a Repayment Agreement is executed after the Year of Conversion and the Repayment Agreement addresses only improper payments made after YOC all Repayment Agreement transactions may be included on the PBRA RAD voucher.

## Negative AP

For Component 1 PH to PBRA RAD,  
after the YOC and in cases  
where a Repayment Agreement  
includes certifications that have negative HAP,  
the Repayment Agreement is calculated  
as the amount of overpaid subsidy.

It does not include the amount of underpaid  
Tenant Rent in excess of Contract Rent.

## Owner/agent's Money

Owners/Agents may enter into a  
separate agreement with the household  
to collect amounts due in excess of  
Contract Rent.

## Example:

In July of 2023, the O/A discovers tenant misreporting that dates back to 03/2023.

A 04/2023 IR is created

## The Numbers

Month/Year	Gross Rent	UA	Original HAP	New HAP	Original TTP	New TTP	Repayment Agreement Total	Excess owed to O/A
07/2023	\$1,000	\$0	\$200	-\$300	\$800	\$1,300	\$200	\$300
06/2023	\$1,000	\$0	\$200	-\$300	\$800	\$1,300	\$200	\$300
05/2023	\$1,000	\$0	\$200	-\$300	\$800	\$1,300	\$200	\$300
04/2023	\$1,000	\$0	\$200	-\$300	\$800	\$1,300	\$200	\$300
<b>TOTALS:</b>							<b>\$800</b>	<b>\$1,200</b>

## As Stated

The adjustments created by the certifications would create a RADN Miscellaneous Accounting Request of \$1200 to offset the portion of the adjustments in excess of Gross Rent.

The Repayment Agreement total – equal to the overpaid subsidy – is \$800.

The Owner Agent may enter into a separate agreement for \$1,200 which is the total Tenant Rent in excess of the Gross Rent.

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## Repayment Agreements & Component 2 Mod Rehab to PBRA RAD



## C2 Mod Rehab to PBRA RAD

For Component 2  
Mod Rehab to PBRA RAD,  
Repayment Agreement transactions,  
or portions thereof,  
related to PIH funding  
are never to appear  
on the PBRA RAD voucher.

## Four Scenarios Mod Rehab to PBRA RAD

There are four scenarios to consider when addressing Repayment Agreements for Component 2 Mod Rehab to PBRA RAD.

### Scenario 1 Mod Rehab to PBRA RAD

1. Repayment agreements executed prior to conversion to PBRA RAD.

## Scenario 2 Mod Rehab to PBRA RAD

2. Repayment agreements executed after conversion to PBRA RAD but affecting only housing assistance paid before conversion.

## Scenario 3 Mod Rehab to PBRA RAD

3. Repayment agreements executed after conversion to PBRA RAD and affecting housing assistance paid before conversion to PBRA RAD and housing assistance paid after conversion to PBRA RAD.

## Scenario 4 Mod Rehab to PBRA RAD

4. Repayment agreements executed after conversion to PBRA RAD and affecting housing assistance paid after conversion to PBRA RAD.

## PIH Funds & MFH Funds

For Component 2 Mod Rehab to PBRA RAD, owner/agents must treat Repayment Agreement transactions, created to address improper payments made prior to conversion to PBRA RAD (PIH funds) separate from Repayment Agreement transactions, created to address improper payments made after conversion to PBRA RAD (MFH funds)

## Rule 1 Mod Rehab to PBRA RAD

1. No Repayment Agreements transactions (debit/credit) for any Repayment Agreement executed prior to the PBRA RAD Contract Effective Date are ever reported on a PBRA RAD voucher.

## Rule 2 Mod Rehab to PBRA RAD

2. No Repayment Agreements transactions (debit/credit) for any Repayment Agreement executed after conversion to PBRA RAD are ever reported on a PBRA RAD voucher if all of the improper payments were made before conversion to PBRA RAD but no improper payment were made after conversion to PBRA RAD.

## Rule 3 Mod Rehab to PBRA RAD

3. If a Repayment Agreement is executed after conversion to PBRA RAD and the Repayment Agreement addresses improper payments made before conversion to PBRA RAD and also addresses improper payments made after conversion to PBRA RAD, only Repayment Agreement transactions amounts attributable to improper payments made after conversion to PBRA RAD may be included on the PBRA RAD voucher.

## Rule 4 Mod Rehab to PBRA RAD

4. If a Repayment Agreement is executed after conversion to PBRA RAD and the Repayment Agreement addresses only improper payments made after conversion to PBRA RAD all Repayment Agreement transactions may be included on the PBRA RAD voucher.

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

Repayment  
Agreements &  
Component 2 Rent  
Supp/RAP to PBRA  
RAD & RAD for  
PRAC

**RAD**

## Component 2 MFH Repayments

For Component 2 RENT SUPP/RAP to PBRA RAD & RAD FOR PRAC, owner/agents will transfer the Repayment Agreement transactions to the PBRA RAD Contract.

## All Repayment Agreements

Repayment Agreement transactions stemming from misreporting occurring both prior to and after the PBRA RAD Contract Effective Date are reported on the PBRA RAD voucher following the standard Repayment Agreement rules.

## Four Scenarios

There are four scenarios to consider when addressing Repayment Agreements for Component 2 Rent Supp/RAP to PBRA RAD and RAD for PRAC.

### Scenario 1 C2 Rent Supp/RAP/RAD

1. Repayment agreements executed prior to conversion to PBRA RAD.

## Scenario 2 C2 Rent Supp/RAP/RAD

2. Repayment agreements executed after conversion to PBRA RAD but affecting only housing assistance paid before conversion.

## Scenario 3 C2 Rent Supp/RAP/RAD

3. Repayment agreements executed after conversion to PBRA RAD and affecting housing assistance paid before conversion to PBRA RAD and housing assistance paid after conversion to PBRA RAD.

## Scenario 4 C2 Rent Supp/RAP/RAD

4. Repayment agreements executed after conversion to PBRA RAD and affecting housing assistance paid after conversion to PBRA RAD

## MFH Funds

Because the improper payment on the former contract and the new contract represent funds provided through HUD's Multifamily Housing programs, these Repayment Agreements appear on the PBRA RAD voucher.

## Transfer Existing Repayment Agreements

For Component 2 PBRA RAD, owner/agents will transfer the Repayment Agreement Transactions to the New Contract.

## Existing Repayment Agreements

Repayment Agreements transactions (debit/credit) for any Repayment Agreement executed prior to the PBRA RAD contract Effective Date are reported on the PBRA RAD voucher when the balance due is greater than zero and the resident still resides on the property.

## Already Reported

If the Repayment Agreement has already been reported to HUD either using an OARQ (202C) or the HUD 52670-A Part 6 (2.0.2.D) the Repayment Agreement must be entered as an existing Repayment Agreement or a baseline to ensure that the requested amount reflects only any new change to the Repayment Agreement amount or any payment made by the resident or owner/agent.

## After Conversion

Repayment Agreements transactions (debit/credit) for any Repayment Agreement executed after conversion to PBRA RAD are reported on the PBRA RAD voucher even if all of the improper payments were made before conversion to PBRA RAD and no improper payments were made after conversion to PBRA RAD.

## Pay Attention!!!

If a Repayment Agreement is executed after conversion to PBRA RAD and the Repayment Agreement addresses improper payments made before conversion to PBRA RAD and also addresses improper payments made after conversion to PBRA RAD, all Repayment Agreement transactions may be included on the PBRA RAD voucher.

These Repayment Agreements require special attention.

## Special Attention - Old Contract

The owner must calculate the amount due from the tenant under the old contract either manually or using owner/agent software.

## Special Attention OARQ

The owner/agent  
must enter an  
OARQ Misc. Accounting Request  
reflecting the improper payment  
received by the resident prior to  
conversion to PBRA RAD.

## Special Attention OARQ

The description should be something similar  
to - Ross Unit 101 - Adjustment for  
Improper Payment Prior to Conversion to  
PBRA RAD

and the amount should be entered as a  
negative amount when the resident received  
too much housing assistance due to  
misreporting.

## Correction to Prior

The owner/agent must correct existing certifications – effective on or after the PBRA RAD Contract Effective Date or, if appropriate, insert new certifications – effective on or after the PBRA RAD Contract Effective Date – thus generating correlating adjustments on the voucher.

## Ending Agreement Amount

For the new Repayment Agreement, the Ending Agreement Amount (on the first voucher) is equal to the entire improper payment (from both the old and new contracts) less any payments made by the resident.

## Amount Requested

Adding this new Repayment Agreement will cause a positive request on the HUD 52670-A Part 6 (assuming the resident received too much housing assistance due to misreporting).

## The OARQ Rules

The OARQ Miscellaneous Accounting Request added to the total adjustments for the resident/unit may not reflect the total of the Repayment Agreement amount because of timing issues, but will create the appropriate “offset” for the requested amount for the new Repayment Agreement transaction on the HUD 52670-A Part 6.

## Improper Payment – All RAD

If a Repayment Agreement is executed after conversion to PBRA RAD and the Repayment Agreement addresses only improper payments made after conversion to PBRA RAD all Repayment Agreement transactions may be included on the PBRA RAD voucher

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

FSS Provisions That  
Will Affect the Voucher  
After Conversion -  
Component 1 PH to  
PBRA RAD &  
Component 2 Mod  
Rehab to PBRA RAD



## At Time of Conversion

At the time of conversion,  
the owner/agent is required  
to continue to service all active FSS CoPs.

## Self-manage or Partner

All Project Owners will be required to administer the FSS program or partner with another agency to administer the FSS program in accordance with the requirements of 24 CFR part 984, the participants' contracts of participation (CoP), and future guidance published by HUD.

## Under PBRA RAD

The owner is not required to enroll new participants, but may choose to do so in accordance with HSG Notice 2016-08 Family Self Sufficiency Program in Multifamily.

## Current Guidance

Current guidance can be found in  
HSG Notice 2016-08 Family Self  
Sufficiency Program in Multifamily.

## **Existing FSS Funds for FSS Transactions Made Prior to and During the Year of Conversion - Component 1 PH to PBRA RAD**

This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## At Conversion

Upon conversion, funds escrowed under the Public Housing program for FSS participants shall be transferred into the PBRA escrow account and be considered PBRA funds, thus reverting to PBRA if forfeited by the FSS participant.

## The Deposit

The owner/agent shall deposit the FSS account funds of all participating families into a single depository account.

## The Regulations

The Escrow Accounts  
for households participating  
in the program  
must be calculated in accordance  
with the PIH regulations  
at 24 CFR Part 984.

## Notification to HUD

To ensure that HAP payments  
are processed correctly,  
and until TRACS 2.0.3.A  
is fully implemented,  
the owner/agent must notify  
[MF\\_FSS@hud.gov](mailto:MF_FSS@hud.gov)  
that there are current FSS participants  
residing in the Covered Project.

## CoP Goals

The owner/agent has latitude in rewriting interim and final goals.

The statutory requirement remains that the HOH seek and maintain appropriate employment; and that all participant family members be free of welfare for a year.

## Servicing the CoP to the End

Until the goals are met and the participant graduates, or the participant voluntarily leaves the program, the owner must continue to service the active CoP.

The term of the CoP is up to five years from the Effective Date of the CoP.

<p>The owner/agent may make the determination that the FSS family is not in compliance with the CoP.</p>	<p>If the FSS family fails to comply (without good cause) with the terms and conditions of the contract, the owner may terminate the family's participation in the FSS program.</p>
--	---

<p>202D &amp; 2.0.3.A</p> <p>Under TRACS 2.0.2.D, owner/agents used the OARQ Miscellaneous Accounting Request to create an offset to the Assistance Payment requests for those residents participating in the FSS program.</p>	<p>With the release of TRACS 2.0.3.A, these transactions must be recorded on the HUD 52670-A Part 6.</p>
--	--

## Existing FSS

Existing FSS Escrow Accounts must be set up with a baseline record on conversion to 2.0.3.A software.

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## **FSS Transactions Made During the Year of Conversion - Component 1 PH to PBRA RAD**

This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

### **During YOC - Component 1**

During the Year of Conversion,  
owner/agent will  
continue to deposit appropriate funds  
into the FSS Escrow Accounts.

## FSS Transactions & the Voucher YOC

These FSS transactions are created before the voucher is reduced to zero.

The funds used to make these deposits are PIH funds and the PHA provides FSS Escrow Account deposit funds.

## Tracking the Funds

Owner/agents of Component 1 PH to PBRA RAD properties should be sure to track the contributions to the FSS Escrow Account prior to submission of the first Year 1 Voucher.

The owner/agent must arrange with the PHA to provide funds accrued for the FSS Escrow Account.

## Funded by PIH During YOC

The FSS Escrow Account is not funded by MFH during the Year of Conversion, but these amounts must be deposited and included in the FSS annual review with the resident.

## Once CoP is Complete

If the resident successfully achieves the goals of the FSS CoP, funds are distributed to the resident based on the guidance provided by HUD.

## If CoP is Terminated

If the FSS agreement is Terminated because the resident opts out or fails to achieve documented targets, the owner/agent may keep the funds, but use of those funds is directed by HUD.

## Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

## **FSS Transactions Made Prior to the Year of Conversion - Component 2 Mod Rehab to PBRA RAD**

This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group

### **Transfer of FSS Balances Mod Rehab**

**PHAs must transfer  
any FSS Balances  
at the time of conversion  
to PBRA RAD.**

## Completed Mod Rehab

If the resident successfully achieves the goals of the FSS CoP, funds are distributed to the resident.

## Terminated Mod Rehab

If the FSS agreement is Terminated because the resident opts out or fails to achieve documented targets, the owner/agent may keep the funds, but use of those funds is directed by HUD.

# Questions?



This material is part of a DRAFT and is subject to change at any time.

7/24/2023 - Voucher  
Presentation Industry  
Working Group