



Tenant Rental
Assistance
Certification
System (TRACS)

811 PRA

August 13 & 20, 2014

TRACS, IMAX AND MAT

- **TRACS: Tenant Rental Assistance Certification System** is a HUD computer system developed to help improve financial controls over assisted housing programs by automating manual procedures and incorporating automated controls.
- **IMAX: Integrated Multifamily Access eXchange** is the program HUD has in place for electronic transmission of data using a TRACSmail ID (similar to an email address).
- **TRACS' MAT: Monthly Activity Transmission** All items sent through TRACS become a MAT, e.g. MAT15; MAT40; MAT31.

PROPERTY'S ROLE

All Residents in subsidized properties must disclose their income and assets each year. This is referred to as Annual Certification.

If income changes during the course of the year (whether up or down) in the sum of \$200 or more a month, or there is a change in family composition, an Interim Certification will be processed.

All such certifications are transmitted via the Tenant Rental Assistance Certification System (TRACS) to be included in the HUD TRACS database.

PROPERTY'S ROLE (continued)

There is a web based program, which was implemented in 2009, that HUD and property management agents/ owners use for income verification. It is called Enterprise Income Verification (EIV) which is a highly restricted database. CalHFA Compliance Specialists also have access to this program. EIV provides information such as New Hires, Social Security Income, Unemployment benefits, W2 data etc. It can also be used prior to move-in to ensure there is no double subsidy.

Once the income and assets have been verified, all adult household members and Management sign the Certification, which is called a HUD50059, certifying the accuracy of the information (see sample HUD50059 on slides 6, 7 & 8).

The HUD50059 is used to calculate the amount each tenant pays by way of rent (30% of their adjusted income). The balance of the gross rent is paid by HUD as Housing Assistance Payment (HAP).

Adjustments

Back-dated HUD 50059 certifications can create “adjustments”.

This means that, for a period of time, HUD may have been paying an incorrect amount of HAP and those funds need to be requested from, or returned to, HUD to reconcile the HAP payments.

Sometimes a resident has been underpaying their portion of the rent and a repayment agreement can be created so that HAP can be repaid to HUD over a period of time.

Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures

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

NOT for submission to the Federal Government
Landlord's Official Record of Certification

OMB Approval Number 2502-0204
(Exp. 03/31/2014)

**SAMPLE FORM
HUD 50059**

Section A. Acknowledgements

Read this before you complete and sign this form HUD-50059

Public Reporting Burden. The reporting burden for this collection of information is estimated to average 55 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (2502-0204), Washington, DC 20503. The information is being collected by HUD to determine an applicant's eligibility, the recommended unit size, and the amount the tenant(s) must pay toward rent and utilities. HUD uses this information to assist in managing certain HUD properties, to protect the Government's financial interest, and to verify the accuracy of the information furnished. HUD or a Public Housing Authority (PHA) may conduct a computer match to verify the information you provide. This information may be released in accordance with HUD's Computer Matching Agreement (CMA) between the Social Security Administration and the Department of Health and Human Services. You must provide all of the information requested, including the Social Security Numbers (SSNs), unless exempted by 24 CFR 5.216, you, and all other household members, have and use. Giving the SSNs of all household members, unless exempted by 24 CFR 5.216, is mandatory; not providing the SSNs will affect your eligibility approval. Failure to provide any information may result in a delay or rejection of your eligibility approval.

Privacy Act Statement. The Department of Housing and Urban Development (HUD) is authorized to collect this information by the U.S. Housing Act of 1937, as amended (42 U.S.C. 1437 et. seq.); the Housing and Urban-Rural Recovery Act of 1983 (P.L. 98-181); the Housing and Community Development Technical Amendments of 1984 (P.L. 98-479); and by the Housing and Community Development Act of 1987 (42 U.S.C. 3543).

Tenant(s)' Certification - I/We certify that the information in Sections C, D, and E of this form are true and complete to the best of my/our knowledge and belief, I/We understand that I/we can be fined up to \$10,000, or imprisoned up to five years, or lose the subsidy HUD pays and have my/our rent increased, if I/we furnish false or incomplete information.

Owner's Certification - I certify that this Tenant's eligibility, rent and assistance payments have been computed in accordance with HUD's regulations and administrative procedures and that all required verifications were obtained.

Warning to Owners and Tenants. By signing this form, you are indicating that you have read the above Privacy Act Statement and are agreeing with the applicable Certification.

False Claim Statement. Warning: U.S. Code, Title 31, Section 3729, False Claims, provides a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages for any person who knowingly presents, or causes to be presented, a false or fraudulent claim; or who knowingly makes, or causes to be used, a false record or statement; or conspires to defraud the Government by getting a false or fraudulent claim allowed or paid.

Certification Summary from Page 2

Name of Project	Unit Number	Effective Date	Certification Type
Head of Household	Total Tenant Payment	Assistance Payment	Tenant Rent

Tenant Signatures

Head of Household	Date	Other Adult	Date
Spouse / Co-Head	Date	Other Adult	Date
Other Adult	Date	Other Adult	Date
Other Adult	Date	Other Adult	Date
Other Adult	Date	Other Adult	Date
Other Adult	Date	Other Adult	Date
Other Adult	Date	Other Adult	Date

Owner/Agent Signature

Owner/Agent	Date
<input type="checkbox"/> Check this box if Tenant is unable to sign for a legitimate reason	Anticipated Voucher Date

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U. S. Department of Housing And Urban Development
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For Personal Records ONLY - not for Submission to the Federal Government

Record for Landlords
 (Exp. 03/31/2014)

Section B. Summary Information

1. Project Name	13. Effective Date	23. Unit Number
2. Subsidy Type	14. Anticipated Voucher Date	24. No. of Bedrooms
3. Secondary Subsidy Type	15. Next Recertification Date	25. Building ID
4. Property ID		26. Unit Transfer Code
5. Project Number		27. Previous Unit No.
6. Contract Number	16. Project Move-In Date	28. Security Deposit
7. Telecom Address	17. Unit Move-In Date	29. Basic Rent
8. Plan of Action Code	18. Certification Type	30. Market Rent
9. HUD-Owned Project?	19. Action Processed	31. Contract Rent
10. FIPS County Code	20. Correction Type	32. Utility Allowance
11. Previous Housing Code	21. Cert. Correction Date	33. Gross Rent
12. Displacement Status	22. Prev. Subsidy Type	

Section C. Household Information

34. No.	35. Last Name	36. First Name	37. MI	38. Rel.	39. Sex	40. Race	41. Eth.	42. Birth Date	43. Special Status	44. Student Status	45. ID Code (SSN)	46. Elig. Code	47. Alien Reg. Number	48. Age at Cert.	49. Work Codes
01															
02															
03															
04															
05															
06															
07															
08															

50. Family is Mobility Impaired?	53. Number of Family Members	57. Expected Family Addition - Adoption
51. Family is Hearing Impaired?	54. Number of Non-Family Members	58. Expected Family Addition - Pregnancy
52. Family is Visually Impaired?	55. Number of Dependents	59. Expected Family Addition - Foster Children
	56. Number of Eligible Members	
60. Previous Head Last Name	63. Previous Effective Date	
61. Previous Head First Name	64. Previous Head ID	
62. Previous Head Middle Initial	65. Previous Head Birth Date	

Section D. Income Information

Section E. Asset Information

66. Mbr. No.	67. Income Type Code	68. Amount	69. SSN Benefits Claim No.	75. Mbr. No.	76. Description	77. Status	78. Cash Value	79. Actual Yearly Income	80. Date Divested

70. Total Employment Income	81. Cash Value of Assets
71. Total Pension Income	82. Actual Income from Assets
72. Total Public Assistance Income	83. HUD Passbook Rate
73. Total Other Income	84. Imputed Income from Assets
74. Total Non-Asset Income	85. Asset Income

Section F. Allowances & Rent Calculations

86. Total Annual Income	87. Deduction for Dependents	108. Total Tenant Payment
87. Low Income Limit	88. Child Care Expense (work)	109. Tenant Rent
88. Very Low Income Limit	89. Child Care Expense (school)	110. Utility Reimbursement
89. Extremely Low Income Limit	100. 3% of Income	111. Assistance Payment
90. Current Income Status	101. Disability Expense	112. Welfare Rent
91. Eligibility Universe Code	102. Disability Deduction	113. Hardship Exemption
92. Sec. 8 Assist. 1984 Indicator	103. Medical Expense	114. Waiver Type Code
93. Income Exception Code	104. Medical Deduction	
94. Police / Security Tenant?	105. Elderly Family Deduction	
95. Survivor of Qualifier?	106. Total Deductions	
96. Household Assistance Status	107. Adjusted Annual Income	

Previous versions of this form are obsolete.
 This form also replaces HUD-50059-D, -E, -F, & -G.

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Record for Landlords (Exp. 03/31/2014)

Name of Project	Unit Number	Effective Date	Certification Type
Head of Household	Total Tenant Payment	Assistance Payment	Tenant Rent

Continuation Page: Use only when household members, income or asset items exceed the space allowed on page 2

Section C. Household Information

34. No.	35. Last Name	36. First Name	37. MI	38. Rel.	39. Sex	40. Race	41. Eth.	42. Birth Date	43. Special Status	44. Student Status	45. ID Code (SSN)	46. Elig. Code	47. Alien Reg. Number	48. Age at Cert.	49. Work Codes

Section D. Income Information

Section E. Asset Information

66. Mbr. No.	67. Income Type Code	68. Amount	69. SSN Benefits Claim No.	75. Mbr. No.	76. Description	77. Status	78. Cash Value	79. Actual Yearly Income	80. Date Divested

HUD Tenant Rental Assistance Certification System (TRACS)

Once the property has completed all the applicable certifications, the data is electronically transmitted to CalHFA via IMAX using a TRACSmail ID.

Provided the certifications do not have any errors, CalHFA will process and accept the data. The CalHFA voucher specialist will contact the property to rectify any failed certifications.

After the property has dealt with any new certifications needed, a monthly requisition will be processed. This will include all current certification data and will create a total HAP request (“voucher”).

TRACS (cont)

Similar to the Section 8 program the monthly PRA Child RAC (Rental Assistance Contract) “Voucher” request will be processed one month in advance; i.e. in July, certifications and vouchers for August are transmitted.

The monthly PRA Child RAC “Voucher” request is the total monthly request by the property for HAP based on the current HUD50059s for each resident.

The HUD MAT users guide can be found at:

<http://www.hud.gov/offices/hsg/mfh/trx/trxmatg.cfm>

and is guidance from HUD to eliminate errors in TRACS transmissions.

CalHFA Voucher Specialist

Once the property has transmitted the monthly certifications and the PRA Child RAC “Voucher”, the data will be downloaded by the CalHFA Voucher Specialist.

The CalHFA Voucher Specialist will then check the transmissions for fatal errors and will liaise with the property to make any necessary corrections to the HUD50059s so that the voucher can be reconciled.

Any Repayment plans and vacancies are also reviewed during the reconciliation process.

CalHFA Voucher Specialist

If all the necessary certifications have been successfully transmitted and the figures on the property's monthly voucher requisition match the CalHFA voucher calculation, including any adjustments for back-dated certifications, the PRA Child RAC "Vouchers" can be approved.

After all investigations have been conducted including, vacancies, gross rent changes, repayment plans and back-dated certifications, the PRA Parent RAC "Voucher" will be processed.

Transmit to HUD for payment

- Once the Voucher is approved for payment, it is transmitted to HUD via IMAX
- Similar to the Section 8 process, copies of the vouchers will be emailed to the project for signature and return.
- A signed copy of the approved and reconciled voucher is to be returned to CalHFA by the property on or around the 20th of each month in order to transmit the HAP funds to the respective properties in a timely manner.
- The Voucher period will be closed and the vouchers and tenant data transmitted to HUD on or before the 15th of each month.

HUD wires monies to CalHFA

- The signed PRA Child RAC “Voucher” will be returned to CalHFA as evidence of concurrence with the figures and authorization for release of the appropriate funds received from HUD.
- Similar to the Section 8 process, accounting will receive the HAP monies from HUD through LOCCS (Line of Credit Control System) on the 1st of each month.
- The HAP funds will be sent to the property (using direct deposit) as soon as possible after the first of the month.

CalHFA

Project Transmits tenant data and Child contract voucher through TRACS before the 10th of each month

CalHFA receives tenant data and voucher via TRACS/IMAX. The data is processed. Any errors are corrected (Vouchers finalized by 15th of each month)

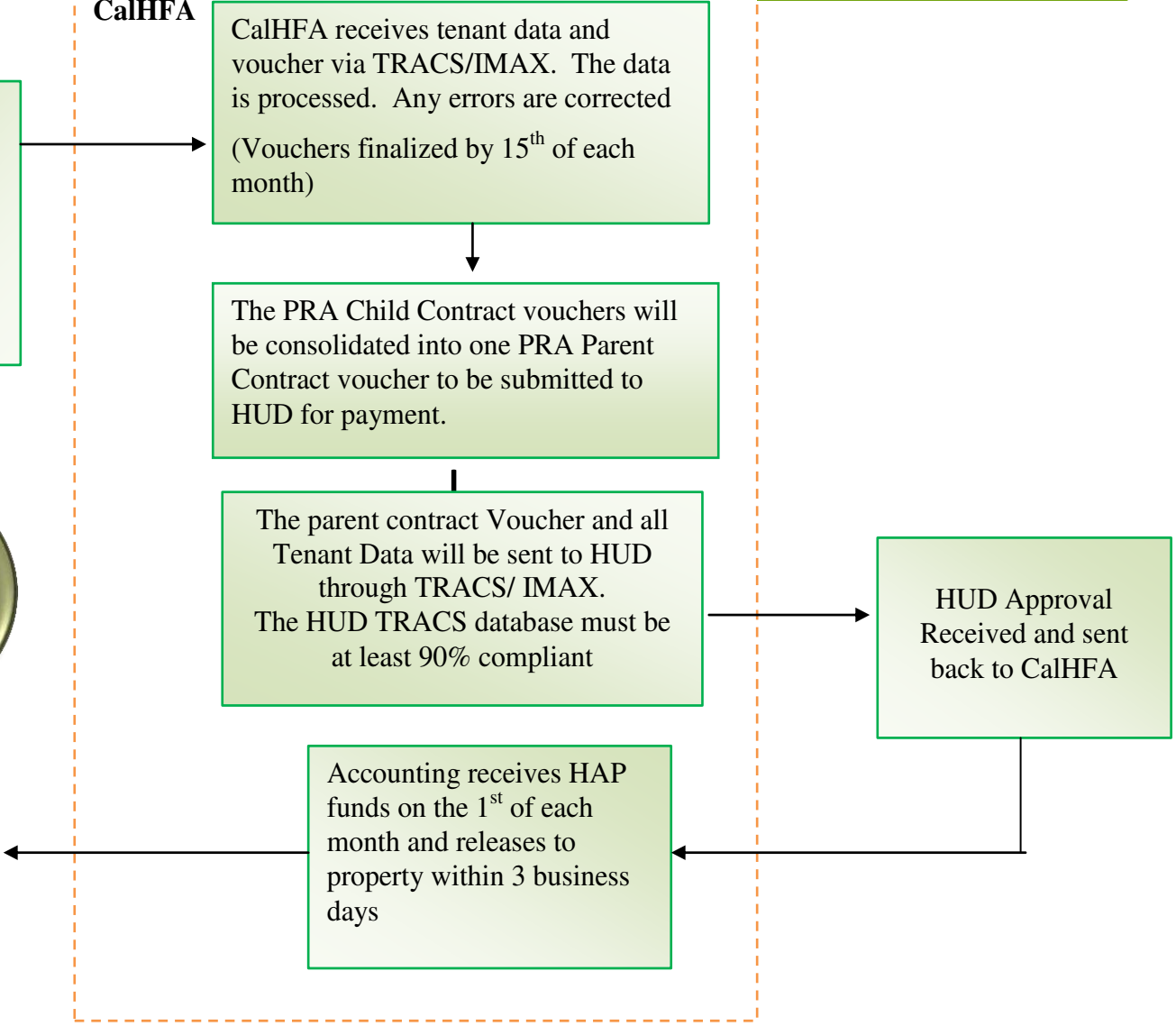
The PRA Child Contract vouchers will be consolidated into one PRA Parent Contract voucher to be submitted to HUD for payment.

The parent contract Voucher and all Tenant Data will be sent to HUD through TRACS/ IMAX. The HUD TRACS database must be at least 90% compliant

HUD Approval Received and sent back to CalHFA

Accounting receives HAP funds on the 1st of each month and releases to property within 3 business days

Money sent to Project





CONTACTS

Any Questions? Please e-mail or call us

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THANK YOU!