North Carolina Transition Guide

As of

February 1, 2019

(MARCH 2019 Vouchers)

TRACS and Voucher Information Packet

EPS, Inc. has been reviewing Owners' monthly TRACS HAP vouchers and tenant data in the PBCA program and for Traditional Contract Administrators since the beginning of the PBCA program in the year 2000. We work with many properties each month and look forward to working with you too. Our work begins with the March 2019 voucher, which you typically submit at the end of January or early February.

Our goal is to provide excellent service to you, resulting in accurate and timely monthly voucher payments. To achieve that goal, we try to work cooperatively, and to offer as much assistance as we can.

We are very impressed by, and appreciative of Site Voucher Staff, who have great knowledge and skill preparing tenant certifications and vouchers, and who understand TRACS. As you know, that's not always easy!

ICAP and EPS have worked very hard to make the transition as easy as possible. You will not need to change your TRACS transmission settings, and will not have to file new Form 1199 banking information, the two most common and troublesome aspect of most transitions. You can continue your transmission of TRACS vouchers and tenant files, just as you are doing now.

It is important to note that you will need to send documents which support your Vouchers and Special Claims to a different email address than you now use (see below). Additionally, our contact information is different: see our web site address and mailing address below.

To send Special Claims:

Please email Special Claims to: special.claims@TRACSExperts.com

When sending Special Claims, please check off and return the attached Special Claims checklists as part of your packet.

To send documents supporting a Voucher:

Please email other documentation which is needed for voucher review, such as approved Rent Schedules, Repayment Agreements and such, to:

vouchers@TRACSExperts.com

If for some reason you cannot email the special claims packets or supporting documentation, we have provided our mailing address below.

To contact EPS:

The EPS Web site URL is www.TRACSExperts.com; on it, you will find information we hope you find useful, including our contacts and information from trainings on the new TRACS Version 203A.

As of January, 2019, the TRACS 203A release is on hold. The current plan is to implement 203A two months after the OMB approves the forms associated with that release. We will post any new news to our web site, and will also give you a heads up in the monthly memos we send when your voucher review is complete.

Our mailing address is:

EPS, Inc.
19 Gregory Drive, Suite 200
South Burlington, VT 05403

Our phone number is:

802-660-2800. Specific departments and individuals can be found in the "Contacts" region of our web site.

The first month

Towards the end of January, the Data Analyst you will be working with for your March, 2019 voucher, will contact you with her or his name, email address and phone number. The email subject will be "**Your contact at EPS**" and the email will be will be from your Data Analyst's name @TRACSExperts.com If you have any questions, please let your Data Analyst know!

As previously mentioned, transmit the TRACS files for your March 2019 voucher as you normally would, and send any supporting documents to the email addresses provided above. The monthly reporting deadline remains the 10^{th} of the month or the next business day thereafter if the 10^{th} is a weekend or holiday. You will hear back from your Data Analyst shortly thereafter.

If we are missing tenant certifications, we will let you know with an email or a call. When the monthly review process is complete, we will email you our version of the Voucher Reconciliation, which we refer to as our "Close-out Memo".

Process overview

EPS always processes vouchers on a first-received, first reviewed basis. In future months, please keep in mind that many properties which transmit their information to us on, or before the first of the month, get their information reviewed first.

Many properties transmit their TRACS information early, about a week before the first of each month. For example, many properties sent their January 1, 2019 TRACS files on November 29th and 30th, 2018.

Our goal for the monthly voucher review is to get you paid the correct amount in a timely manner, whether that amount is the same as, more than, or less than the amount of the voucher you submit.

Your monthly reporting deadline is the 10th of month, or the next business day thereafter if the 10th is a weekend or holiday. Late submission may result in late payment.

The earlier you transmit files to EPS, the sooner your monthly voucher will be reviewed. It's okay -- in fact, we encourage you -- to transmit your information as soon as you have closed out your prior month, even if that is a few days before the first of the month.

Each month, we will check the electronic voucher to ensure all changes are accurate, timely and consistent with the HUD 4350.3 Handbook, the TRACS MAT Guide and HUD notices.

If all of the monthly changes on your voucher are supported by the electronic certifications you transmitted, and we do not find any other problems with the information, we will submit the voucher to TRACS, in the amount you requested on your voucher.

If there are some problems with the voucher that cannot be corrected, we may ask you to submit a corrected TRACS MAT 30 voucher file (a voucher with a different amount or with corrected information), or we will create a voucher reflecting the corrections. Please only transmit one voucher, unless we request a replacement!

Typically, most problems can be corrected very quickly (within a day or two), which will not delay your current month's voucher payment. If all discrepancies are corrected, you will receive an amount which matches the amount of assistance you requested, less any offsets such as mortgages, etc. ***If we notify you of a discrepancy, it is critical that you respond promptly!***

After you submit your electronic information to us, please hold further changes we have not discussed with you, until you receive the Close-out memo. If you feel you need to change your current voucher after you have submitted it to us, please call us before you make the changes.

Each month, we will transmit your Voucher and Tenant files to TRACS. We return all TRACS messages and errors to you, and request that you investigate and make any necessary corrections. Please pay particular attention to "Fatal Errors" and any "Action Required 1" error messages. Fatal Errors almost always result in discrepancies and Action Required errors must be corrected within the 45 day period specified by HUD. The EPS Data Analysts are a helpful resource if you have questions about errors.

There will be no change in the payment process. Payments occur when HUD provides the funds. Typically, this happens on the first of the month or the next business day. Because HUD transfers the funds on or about the first business day of each month, your payments will be deposited on or about the second business day each month.

The Review Process

If we notice problems with your data, we will be in touch with you, and will provide you with information concerning the nature of the problem. ***It is very important to respond right away!*** We may ask you to prepare corrected certifications, correct the voucher, provide verification, or all of the above, and transmit the information to us promptly.

If we have received no response within two business days, we may go ahead and produce a voucher in the amount which is supported by the TRACS Tenant files you have successfully sent, and any other accepted changes such as approved Special Claims. However, we would rather not approve a voucher for an amount different than your original request. We will work with you to reconcile any differences if you respond promptly.

If any of the follow-up actions change the assistance amount you requested, EPS will prepare a corrected voucher. For example, if there was an incorrect reported date (voucher date) on a TRACS file that was submitted to EPS, and this mistake is noticed during the review process, we would correct the mistake and run the voucher with the correct adjustment pay period for that certification. When you receive a copy of the corrected voucher via your TRACS/occupancy software, keep the revised copy for your records.

At the completion of each monthly review, we will send you a memo summarizing the review, any actions you need to take on the next voucher and providing other information. ***It's important that you read the memo and note any necessary future changes!***

Errors requiring immediate response

The following errors will likely lead to payments different than the amounts you originally request, unless corrected. We will contact you when we notice any of the following. Please note that other conditions not listed may have the same result:

- Missing Certifications
- Late Annual Recertifications

- Incorrect calculations on 50059's.
- Inaccurate Contract Rents and Utility Allowances
- Claims for any units that have been abated
- Billing for the incorrect number of subsidized units
- Incorrect calculations on your TRACS MAT30 HAP voucher
- Unresolved issues from prior periods

If these conditions are not corrected, your payment may differ, or in extreme circumstances be held up until the problem is resolved. We will notify you as soon as we discover any of these issues, and will work with you to get the problems resolved.

Many of the errors we have noticed have to do with missing information. Make sure your monthly reporting is complete! For each change to tenant information from last month’s voucher, it’s a great idea to check to see that there’s a TRACS record in the file or files you send us.

In other words, if you have five changes on your HAP voucher, consisting of three annual re-certifications, one move-out and one termination, make sure each action, which causes a change, is included in a TRACS file.

In the following months

Our Data Analysts all have many years of experience and have successfully worked with hundreds of Property Managers and property TRACS staff. Our goals are the same as yours: to request accurate payment each month and to resolve problems as quickly and efficiently as possible. Many Property Managers and property TRACS staff have found that we have been able to demystify much of the TRACS process for them, and we hope that is your experience as well!

In the more than 18 years we have reviewed vouchers in the PBCA program and for Traditional Contract Administrators, we have developed enormous respect for those of you who manage to navigate the complexities of TRACS, your occupancy software and the ever-changing circumstances of the tenants in your properties, with such skill. We very much look forward to working with you!

EPS, Inc.

Service Bureau to the Subsidized Housing Industry

Checklist for Regular Vacancy

Property Name:____**Contract#:**__________________

Resident Name:____**Unit#:**______________________

Special Claims for Regular Vacancy MUST include the following documents in accordance with HUD Handbook 4350.3 and the HUD Special Claims Processing Guide effective 8/1/06. Please indicate with a checkmark the items you are enclosing. Submissions without **ALL** documentation may be returned unprocessed. Thank you for your cooperation.

Note: Special Claims may only be requested for a unit that was occupied by a Section 8 household receiving subsidy. If assistance was terminated based on increased income causing the tenant to no longer qualify for assistance, owners cannot submit a claim

***Must be received by PBCA within 180 Days from the date the unit became available for occupancy*(Pg15, Sec 3-4 A)**

1._____Form HUD-52670-A Part 2 with **Signature** (Pg12, Sec 3-3 A)
2._____Form HUD-52671-C with **Signature** (Pg12, Sec 3-3 A)
3._____A copy of the signed form HUD 50059 completed at move in for the former tenant, which shows the amount of the security deposit required. (Pg13, Sec 3-3 C2)
4._____Documentaion that the appropriate security deposit was collected from the tenant: e.g. a copy of the original lease, copy of the tenant ledger or copy of the receipt(s) for security deposits. (Pg13 Sec 3-3 C3; Pg15 Sec 3-5 A)
5._____A copy of the security deposit disposition notice provided to the tenant, which indicates the move-out date, amount of security deposit collected, amount of security deposit returned, and any charges withheld from the deposit for unpaid rent, tenant damages or other charges due under the lease. (Pg13, Sec 3-3 C4)
6_____TRACS **print out** from HUD Secure-System. For a MI/MO **print** the MI/MO Query. For a UT **print** the certification query for unit. **MI/MO and/or UT must be viewable in TRACS or claim will be denied.** (Pg14, Sec 3-3 E2)
7._____Copy of current waiting list showing date and time the applications were received and processed. If a waiting list is not available, then current advertising efforts must be included. (Pg13, Sec 3-3 C6)
8._____Copy of the reconditioning unit log showing the move-out date, start/finish dates of unit repair, date unit ready for occupancy, and date unit was re-rented. (Pg13, Sec C5: Pg15, Sec 3-5 C, Appendix 3-C) **Date unit ready for occupancy is the first full day after all work was completed.**
9._____If the MI or MO was UT, documentation to validate the reason for the transfer, and evidence that security deposit was transferred, or a new one was secured.
10.____A checklist of required documentation must be submitted for **each unit** included in claim. (Pg3, Sec 1-5 B)

Name, phone number and email address of the person to contact for questions concerning the claim.

Name of Contact Person:________________________________Phone Number:______________

Email Address:____Fax Number:________________

19 Gregory Drive, Suite 200 • South Burlington, VT 05403
• 800-660-2800 ext. 118 • 802-846-2726 (fax)
North Carolina Claims: special.claims@TRACSExperts.com
Michigan Claims: mi.special.claims@tracsexperts.com

EPS, Inc.

Service Bureau to the Subsidized Housing Industry

Checklist for Unpaid Rent and Tenant Damages

Property Name:____**Contract#:**____________________

Resident Name:____**Unit#:**______________________

Special Claims for Unpaid Rent and Tenant Damages must include the following documents in accordance with HUD Handbook 4350.3 and the HUD Special Claims Processing Guide effective 8/01/06. Please indicate with a checkmark the items you are enclosing. Submissions without **ALL** documentation may be returned unprocessed.

Note: Special Claims may only be requested for a unit that was occupied by a Section 8 household receiving subsidy. If assistance was terminated based on increased income causing the tenant to no longer qualify for assistance, owners cannot submit a claim

***Must be received by PBCA within 180 Days from the date the unit became available for occupancy*(Pg15, Sec 3-4 A)**

1._____Form HUD-52670-A Part 2 with **Signature** (Pg25, Sec 5-3 A)
2._____Form HUD-52671-A with **Signature** (Pg27, Sec 5-3 A) Unpaid rents and tenant damages must be filed on the same form.
3._____A copy of the signed form HUD 50059 completed at move in for the former tenant, which shows the amount of the security deposit required. (Pg25, Sec 5-3 C2a)
4._____Documentaion that the appropriate security deposit was collected from the tenant: e.g. a copy of the original lease, copy of the tenant ledger or copy of the receipt(s) for security deposits. (Pg25 Sec 5-3 C2b)
5._____A copy of the security deposit disposition notice provided to the tenant, which indicates the move-out date, amount of security deposit collected, amount of security deposit returned, and any charges withheld from the deposit for unpaid rent, tenant damages or other charges due under the lease. (Pg26, Sec 3-3 G)
6_____Copies of ALL Move-In and Move-Out inspection forms for the unit and resident the claim is being submitted. (Pg26, Sec 5-3 D3)
7._____Documentaion that the matter was turned over to a Collection Agency and Agency has attempted to collect the debt. (i.e. copy of agency's 1st demand letter or confirmation statement (Pg23, Sec 5-2 D2a: Pg25, 5-3 C2 c & d)
8._____Copy of certified letter/demand for payment to tenant detailing damages and related charges, demand payment, and notice that failure to pay will result in the hiring of a collection agency (Pg23, Sec 5-2 D2a: Pg25 Sec 5- 3 C2 c &d)
9._____ TRACS **print out** from HUD Secure-System. For a MI/MO **print** the MI/MO Query. For a UT **print** the certification query for unit. **MI/MO and/or UT must be viewable in TRACS or claim will be denied.** (Pg14, Sec 3-3 E2)
10.____Itemized list of damages and breakdown of costs to repair the damages. **(Damage Claims Only)** (Pg26, Sec 5-3 D5)
11.____A checklist of required documentation must be submitted for **each unit** included in claim. (Pg3, Sec 1-5 B)

Name, phone number and email address of the person to contact for questions concerning the claim.

Name of Contact Person:_______________________________Phone Number:______________

Email Address:____Fax Number:________________

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