### Vouchering

2.0.2.C Changes Certification Issues Understanding Reconciliation Reports

NORTH TAMPA HOUSING DEVELOPMENT CORPORATION

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### **Session Instructors**

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### 2.0.2.C Changes



### **Appendix H Guidelines**

•Appendix H is a supplement to the 2.0.2.C MAT User Guide. It sets the timeline for processing certifications.

Certification	RAP	/ Rent Sup	Other	Other Subsidies		
Effective	Aug First	Aug 2-31	Aug First	Aug 2-31		
	First Po	ssible Voucher N	Month			
AR	Aug	NA	Aug	NA		
IR	Aug	Sep	Aug	Oct	7	
IC	Aug	Sep	Aug	Oct		
MI	Aug	Sep	Sep	Oct	1	
MO	Sep	Sep	Sep	Oct	7	
TM	Sep	Sep	Sep	Oct	7	
GR	Aug	Sep	Sep	Oct		
UT	Aug	Sep	Sep	Oct		

### **Appendix H Guidelines**

AR, IR, IC

•Under the new guidelines, these cert types will be processed in the month they take effect. ONLY IF they are effective on the 1st of the month:



### **Appendix H Guidelines**

AR, IR, IC

Certification	RAP	/ Rent Sup	Other Subsidies		
Effective	Aug First	Aug 2-31	Aug First	Aug 2-31	
	First Po	ssible Voucher N	Month	18	
AR	Aug	NA	Aug	NA	
IR	Aug	Sep	Aug	Oct	
IC	Aug	Sep	Aug	Oct	
MI	Aug	Sep	Sep	Oct	
MO	Sep	Sep	Sep	Oct	
TM	Sep	Sep	Sep	Oct	
GR	Aug	Sep	Sep	Oct	
UT	Aug	Sep	Sep	Oct	



### **Appendix H Guidelines**

MI, MO, TM, GR, UT

•Under the new guidelines, these cert types will be processed in the month AFTER they take effect. ONLY IF they are effective on the 1st of the month:



### **Appendix H Guidelines**

MI, MO, TM, GR, UT

Certification	RAP	/ Rent Sup	Other Subsidies		
Effective	Aug First	Aug 2-31	Aug First	Aug 2-31	
	First Po	ssible Voucher N	Month	18	
AR	Aug	NA	Aug	NA	
IR	Aug	Sep	Aug	Oct	
IC	Aug	Sep	Aug	Oct	
MI	Aug	Sep	Sep	Oct	
MO	Sep	Sep	Sep	Oct	
TM	Sep	Sep	Sep	Oct	
GR	Aug	Sep	Sep	Oct	
UT	Aug	Sep	Sep	Oct	



### **Appendix H Guidelines**

All Certs (except AR's)

•Under the new guidelines, all cert types (except AR) will be processed two months AFTER they take effect. IF they are effective after the 1st of the month.



### **Appendix H Guidelines** All Certs (except AR's) This chart shows the first month that a given cert may appear on a voucher Certification RAP / Rent Sup Other Subsidies Aug 2-31 Aug 2-31 First Possible Voucher Month g NA A IR IC MI MO TM Aug Sep Aug Oct Oct Aug Sep Aug Sep Oct Sep Sep Sep Sep Sep Oct Aug Sep Sep

### **Appendix H Guidelines**

One Final Point:

- •You may <u>submit</u> certifications in advance (no greater than 60 days) of their effective date.
- •Appendix H only states that you may not <u>claim subsidy</u> on them until the proper date.

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### **Appendix H Guidelines**

- •If your software is 2.0.2.C compliant (and it should be) you should not worry about taking manual action to follow Appendix H guidelines. Submit all certs like you normally would and your software will handle the rest.
- •The full Appendix H can be downloaded from: http://www.hud.gov/offices/hsg/mfh/trx/pdf/appdxh.pdf

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### **Unit Totals**

Unit totals are validated on two levels.

- Subsidized + Abated + Vacant + Market Units must = Total Units in Contract
   On HUD-52670: 6a = 6b + 6c + 6d + 6e
- 2. Number of tenants paying 1BR rent must match total 1BR units on Exhibit A (2/3/4 BR etc.)

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### Unit Totals 1. Subsidized + Abated + Vacant + Market Units must = Total Units in Contract On HUD-52670: 6a = 6b + 6c + 6d + 6e Part II - Occupancy & Income Eligibility Information G. General Occupancy information (context specific): a. Total Units in contract b. Number of Units receiving substitute abated under this contract c. Number of Units receiving substitute abated under this contract d. Number of Units vacant under this contract a. Number occupied by Number occupied by

### **Unit Totals**

Note: 6a must equal 6b + 6c + 6d + 6e

2. Number of tenants paying 1BR rent must match total 1BR units on Exhibit A (2/3/4 BR etc.)

### Exhibit A

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
(12)	1 BR	\$577	\$81	\$658
24	2 BR	\$633	\$93	\$726
24	3 BR	\$675	\$121	\$796
4	4 BR	\$701	\$137	\$838

### Name Validation

•Head of Household names and Social Security Numbers must match previous certs. Names are not case sensitive, but the characters must match.

Smith = SMITH

Sanchez, Jr. ≠ Sanchez Jr

Jones-Drew ≠ Jones Drew

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### **MAT User Guide**

- •Any and all questions you have about 2.0.2.C guidelines can be answered by the HUD MAT User Guide. If you are a vouchering specialist, this is a MUST READ.
- •Please take time to download the guide or browse chapters at the link below.

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

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### **Vouchering and Certification Issues**

### **Head of Household Changes**

- •A Head of Household change must be done on a full cert: AR or IR
- •HoH changes do not need to be done for information changing on non-head family members

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### **Head of Household Changes**

•To perform a successful Head of Household change, all 6 'Previous HoH' fields must be filled out on a certification.

Previous Head ID
Previous MAT 10 Effective Date
Previous Head Last Name
Previous Head First Name
Previous Head Middle Initial
Previous Head Birth Date

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MAT Field 4 MAT Field 5

MAT Field 6

MAT Field 7

MAT Field 8

MAT Field 9



### **Head of Household Changes**

•Even information that is not changing (DoB) must be filled. Middle Initial is the only field that can be left blank - if the tenant does not have one.

Previous Head ID MAT Field 4
Previous MAT 10 Effective Date MAT Field 5
Previous Head Last Name MAT Field 6
Previous Head First Name MAT Field 7
Previous Head Middle Initial MAT Field 8
Previous Head Birth Date MAT Field 9

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### **Tenant Repayment Agreements**

- •Always verify a tenant's income and information using the EIV system.
- •When it is discovered that a tenant misreported income, a Repayment Agreement is an easy way to handle the discrepancy in subsidy.
- •When you make the first repayment, submit a copy of the signed agreement to NTHDC accompanying your monthly voucher.



### **Tenant Repayment Agreements**

Three easy steps to repayment on vouchers:

- 1. Make corrections to past certifications and submit to NTHDC - this will create a large negative adjustment
- 2. Make a positive adjustment under 'Miscellaneous Adjustments' to offset the loss
- 3. Make small negative adjustments in the amount of repayment each month

NOTE: According to HUD 4350.1, a property may keep 20% of each repayment as a processing fee.



### **Understanding Reconciliation Reports**

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### **Tenant Repayment Agreements**

Example: It is discovered that John Doe has collected \$1000 too much since 2008.

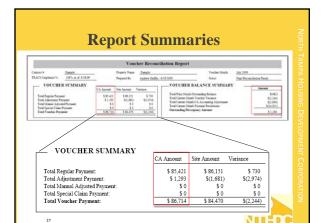
- 1. Correct tenant income on certs since 1/1/08 and submit this results in (\$1000) in the 'Adjustments' section of our HAP
- 2. Make a positive adjustment for \$1000 in the 'Miscellaneous Adjustments' section
- Make (\$40) miscellaneous adj. each month until repaid Tenant agrees to pay \$50: subtract \$10 (20%) for processing fee

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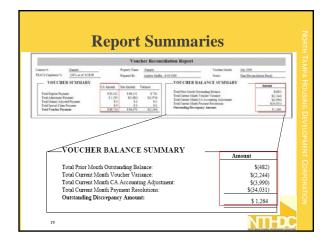
### **Vouchering Timeline**

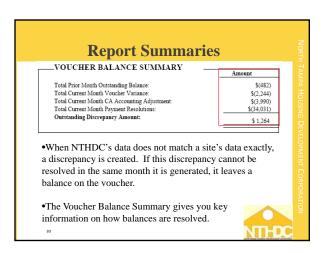
- ✓ Submit MAT 30 electronic & hardcopy to NTHDC by  $10^{th}$  of the month
- ✓ Receive Draft Reconciliation Report within 3 days of complete submission
- ✓ Forward missing certs and corrections to NTHDC within 3 days of Draft receipt
- ✓ Receive Final Reconciliation Report once voucher data is deemed complete



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### **Report Summaries** VOUCHER SUMMARY \$ 85,421 \$ 86,151 Total Regular Payment: Total Adjustment Payment: Total Manual Adjusted Payment: Total Special Claim Payment: Total Voucher Payment: \$ 1,293 \$(1,681) \$(2,974) \$ 0 \$ 0 \$ 0 \$ 86,714 \$ 0 \$ 0 •The CA (Contract Administrator) column is the amount that NTHDC approves for payment based on the certification data submitted. •This is the amount that will be paid in a given month – even if it does not match the Site Amount.





## Report Summaries VOUCHER BALANCE SUMMARY Total Prior Month Outstanding Balance: Total Current Month Payment Resolutions: Outstanding Discrepancy Amount: \*Total Prior Month Outstanding Balance: Total Current Month A caccuming Adjustment: S(3,990) Total Current Month Payment Resolutions: S(3,990) Total Prior Month Outstanding Balance: This is the sum of all balances from previous months. \*Total Current Month Voucher Variance: This is the sum of all variances on the current voucher.

# Report Summaries VOUCHER BALANCE SUMMARY Total Prior Mouth Outstanding Balance: Total Current Month CA Accounting Adjustment: Outstanding Discrepancy Amount: St. 254 \*Total Current Month CA Accounting Adjustment: Total Current Month CA Accounting Adjustment: This is the sum of all "write offs" on the current voucher. These are balances that have been resolved in concept. NTHDC writes these sums off to remove the discrepancy from the voucher.

### Report Summaries VOUCHER BALANCE SUMMARY Total Prior Month Outstanding Balance:

Total Prior Month Outstanding Balance: Total Current Month Voucher Variance: Total Current Month CA Accounting Adjustment: Total Current Month Payment Resolutions: Outstanding Discrepancy Amount: \$(482) \$(2,244) \$(3,990) \$(34,031) \$ 1,264

•Total Current Month Payment Resolutions: This is the sum of all resolved balances. This total comes from: certs that recapture prior month balances & write offs.

This number is not used in any significant calculations that the site should be concerned with.

### **Report Summaries**

### VOUCHER BALANCE SUMMARY

Total Prior Month Outstanding Balance: Total Current Month Voucher Variance: Total Current Month CA Accounting Adjustment: Total Current Month Payment Resolutions: Outstanding Discrepancy Amount: \$(482) \$(2,244) \$(3,990) \$(34,031) \$ 1,264

•Outstanding Discrepancy Amount: This is the balance remaining for the current month. This is the single most important balance metric for the site.

Prior Balance + Current Balance - CA Adjustments (482) + (2244) - (3990) = \$1264

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### **Report Summaries**

### \_VOUCHER BALANCE SUMMARY

Total Prior Month Outstanding Balance: Total Current Month Voucher Variance: Total Current Month CA Accounting Adjustment: Total Current Month Payment Resolutions: Outstanding Discrepancy Amount: \$(482) \$(2,244) \$(3,990) \$(34,031) \$ 1,264

•Outstanding Discrepancy Amount: If the discrepancy amount is > 10% of the total HAP payment (in a given month), the voucher may be suspended.



### **Report Sections**

Regular Payment

Adjustment Payments

Manual Adjustment Payments

Special Claim Payments

CA Accounting Adjustment Detail

Past Due Certifications

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### **Regular Payments**

- •This is the section where regular subsidy payments are recorded.
- •Only units with discrepancies between NTHDC data & site's subsidy request will show up here.
- •On Draft Reports, this section will contain comments on what actions are needed to correct discrepancies.

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# Regular Payments VOUCHER DETAIL No. Nead of Household Unit CA Account Site Account Variance CA Comments I Tenset 102 \$ 0 \$ 5 0 \$ 500 CM; place related North Cort Payment C

### **Adjustment Payments**

- •This is the section where adjustments to subsidy payments from prior months are recorded.
- •Only units with discrepancies between NTHDC data & site's subsidy request will show up here.
- •On Draft Reports, this section may contain comments on what actions are needed to correct discrepancies, but most will be resolved by correcting certs listed in the Regular Payment section.

### **Adjustment Payments**

	migrant rayment number of						
djustn	nent Payments						
1	Tenant	D25	5	1,355	-3	Ľ	\$1355 is correct IC eff 811509 began \$875 subsidy. \$875(31*17=\$480(Aug) + \$875(Sep)=\$\$1355. NTHDC matches site.
2	Teaser	D25	s	0	\$ (2,004)	5	No adj. necessary. Site submitted Md & TM+ff7/Q3/09. Attempting to pay back \$2003 from MI. MI was never processed - no subsidy to repay. Oil please make corrective adj. on Nov BAP.

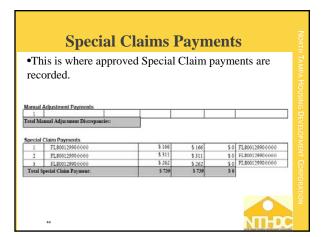
### **Manual Adjustment Payments**

- •This is the section where miscellaneous (not generated by certs) adjustments are recorded.
- •This section will not be utilized most months. It is most commonly used to refund money from tenant repayment agreements.

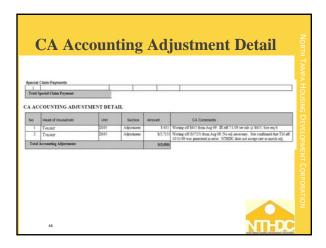




Manual A	djustr	nent	P	ayments	
Adjustment Payments					
Total Manual Adjustment Discrepancies:					
Manual Adjustment Payments	-				
1 Tenont	\$(20)	\$(20)	50	Per tenant reproment agreement, \$25*80%=\$20.	
Total Special Claim Payment:	5(28)	5(20)	5.0		
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CA Accounting Adjustment Detail	
•This is the section where NTHDC makes internal adjustments, or "write offs".	
•When a balance is resolved in concept, NTHDC writes it off to remove the discrepancy from the voucher.	
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### **Past Due Certifications**

- •This section will list tenants who are due for annual recertification. A tenant will show up here the first month after their AR is due.
- •If an AR is overdue by 3 months, subsidy on the unit will be suspended until the recertification is done and a corresponding cert is submitted properly.





Questions & Open Discussion	
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