

North Carolina Properties Assigned to NCHFA/NC QUADEL

As of

August 1, 2021

TRACS Information Packet

NCHFA/NC QUADEL Baseline Checklist
&
Baseline Transmission Confirmation Form

Baseline Checklist

EPS, Inc. has been reviewing Owners' monthly TRACS HAP vouchers and tenant data for NCHFA/NC QUADEL for years, and we were the first service bureau to work with a CA to get the first payment ever received for a PBCA property 21+ years ago. EPS works with many other North Carolina properties, and we look forward to working with you too!

Your property has been reporting their HAP vouchers and tenant information directly to the HUD TRACS system. Now that NCHFA/NC QUADEL has been appointed your Contract Administrator as part of the PBCA (Performance-Based Contract Administration) program, you will report your electronic tenant data and HAP vouchers to us each month, and we will review them as required in the program. We hope the following information and instructions are helpful, and we look forward to discussing the transition with you.

In order to review your monthly HUD - 52670 HAP vouchers, we will need your assistance to receive an electronic certification or certifications for each of the tenants, which currently appear on your HAP voucher. The goal of the process is for us to build a database of tenants, which exactly matches your database of tenants with current and active 50059 forms. That is the "baseline" process referred to in this document. Thousands of properties have completed the baseline process successfully. You can too, and reading these instructions carefully, will help!

The baseline TRACS files must contain a certification for each tenant appearing on the HAP voucher you closed most recently. For example, if you prepare your baseline transmission on June 15th, 2021, the TRACS file or files should contain certifications for all tenants appearing on your July 1, 2021, HAP voucher.

It is very important to prepare and send your baseline files no later than June 15th. Completing the baseline reconciliation can be very difficult and time consuming for both you and us. However, it is important to complete the process in a timely manner because it is likely that your August 1, 2021, monthly HAP payment will be delayed, if you have not completed the baseline process. And we do need to mention that in most cases, the baseline process has been very quick and easy – best for all of us!

As soon as you transmit your baseline files to EPS, please email to Richard Crowell at EPS, richard.c@TRACSExperts.com, the Baseline transmission confirmation form, which is attached to this document, indicating that you transmitted your baseline files. When we receive the form, we can confirm that the files arrived, or contact you if they have not.

After you have sent your baseline transmissions, please make sure that all future transmissions of Tenant files and other related information goes to EPS.

Contact your software vendor's Tech Support staff, or contact your service bureau. You (or your service bureau) will need to know the following:

1. How to prepare a baseline file.
2. How to change your iMAX address so EPS receives your files.

• Your vendor should help you with the following:

- How to change the settings for the project(s) which are switching from HUD to NCHFA/NC QUADEL, so that you can transmit through iMAX to TRACM23471 (two-three-four-seven-one).

Please note -- the only thing you will have to change is the address you send your files to, from TRACMPROD to TRACM23471. You will not have to change your iMAX ID or your password. It's the same idea as changing an email address – the only thing which needs to change is the address, and in this case, the new address is TRACM23471.

- Please also note that you will not have to change your Secure System (WASS) ID or password.

3. If you are reporting for more than one contract from the same computer, tell your software vendor because you will need to know how to change only the contract or contracts, which are switching to NCHFA/NC QUADEL.

The Baseline Process

Begin this process only **after** you have transmitted your July 1, 2021 voucher and tenant TRACS files to **HUD**, and after you have spoken with your software vendor.

1. Change your transmission settings to TRACM23471 -- that is, two-three-four-seven-one. **This is the only change! Do not change your TRACS ID, or your password!** The only thing you are changing is the address to which the files are sent to.
2. Prepare the baseline TRACS file using your Occupancy Software's menu option or options for baseline files.
3. Check the baseline TRACS file against the most recently completed voucher. For example, check your baseline files against your July 1, 2021 HAP voucher.
 - a. For each tenant listed on the HAP voucher, there should be one (and only one) of the following certification types: an Interim certification, an Annual certification, a Move-in certification, or an Initial certification.
 - b. If any tenants have had a Unit Transfer, a Gross Rent Change, or a Termination to their assistance, since their last full certification, that action should appear in the baseline file along with the last full certification, or should appear in a second file.
 - c. The most recent certification that is included in the baseline file, or a second file, should match the assistance amount shown on your HAP voucher.
4. If necessary, make another TRACS file with any certifications that appear on the HAP voucher, but do not appear in the baseline file or files. Please note: some software will require you to transmit the baseline file before you create a second file.
5. Transmit the baseline file or files to EPS, and check your TRACS responses in two days to make sure EPS received your files. Call EPS if you do not receive a response!!
6. Leave your transmission settings at the new values you just changed them to. In future months, you will continue to transmit to EPS.

7. As soon as you transmit your baseline files to EPS, fill out and email EPS the Baseline transmission confirmation form attached to this document, indicating that you transmitted your baseline files. When we receive the form, we can confirm that the files arrived, or contact you if they have not.

If you have any questions about the procedures on this checklist, please call:

Richard Crowell: 802-660-2800, ext. 118

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 are transmitting their TRACS information and sending their HAP vouchers early, about a week before the first of each month. For example, some properties sent their July 1, 2021, TRACS files on May 25th, 2021.

Process overview

The goal of 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 is due (in our office) by the 10th of month. Late submission may result in late payment.

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

Each month, we will be checking the electronic voucher to ensure all changes are accurate, timely and consistent with the 4350.3 HUD Handbook.

If all of the monthly changes that show up on your voucher are supported by the electronic certifications you have transmitted, and we do not find any other problems with the information, we will recommend that NCHFA/NC QUADEL pay the amount on your voucher.

If there are some problems with the voucher that cannot be corrected, we may ask you to submit a corrected voucher (a voucher with a different amount), or we will create a voucher reflecting the corrections.

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, NCHFA/NC QUADEL will pay 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, for your next month's voucher. 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 HAP and Tenant files to TRACS. We will return all TRACS messages to you, and request that you investigate and correct all TRACS "Fatal Errors" and any "Action Required 1 and 2" error messages within the 45-day period or by the next certification, as specified by HUD. You will also receive back any Action 3 or information errors that you will need to remedy or update your system to fix.

Payments will be made by NCHFA/NC QUADEL as soon as HUD provides the funds to NCHFA/NC QUADEL. Since HUD gives the funds to NCHFA/NC QUADEL on or about the first business day of each month, NCHFA/NC QUADEL will make payments to you 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 no response within two business days, we may go ahead and produce a voucher in the amount we believe to be correct. However, we would rather not do so, and will not do so automatically, if you respond promptly.

If any of the follow-up actions change the assistance amount you requested, EPS, Inc. will prepare a corrected voucher. For example, if there was an incorrect Anticipated Voucher date (Item 13 on the 50059 or Item 16 on the 50059A) 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 electronic voucher from iMAX, 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 definitely 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
- Outdated Income Limits
- Claims for any units that have been abated by HUD
- Claiming for the incorrect number of subsidized units
- Incorrect calculations on your 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!

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 you have included all 5 changes in a TRACS file.

We work hard to establish good relationships with properties, which report to us, and do try to be as helpful, as possible. 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!

Baseline transmission confirmation form

The purpose of this form is to notify EPS, Inc. that you have transmitted your baseline TRACS files to EPS. The form helps us identify if there are problems with the TRACSMail addresses being used to transmit the information.

Property Name
(as it appears on your HAP voucher)

HUD Section 8 Contract Number NC _____

TRACSMail ID TRACM _____

Date files transmitted ___/___/___ For voucher Month ___/___ (6/2021, for example)

TRACS Contact Information

Name: _____

Address: _____

City, State, Zip: _____

Phone: _____

Fax: _____

E-Mail address: _____

TRACS Software: _____

(Classic, RealPage, Yardi, etc.)

Return to EPS, Inc. by email immediately after transmitting your baseline files to Richard Crowell <richard.c@tracsexperts.com>