HUD Form 50058 Listening Session

Philadelphia| **Jacksonville**| **Kansas City**| Denver| Portland | Washington DC

March 2018

Presentation

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HUD Form 50058
Listening Session

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Section 1:
Welcome & Purpose

March 2018

Welcome

- Welcome and Opening Remarks

- HUD Form 50058 Listening Session
  - Focus for the past 2 years was moving the PIC 50058 module to a new IT solution and platform. <u>No changes were made to current business processes</u>. Emphasis has been on:
    - Need to improve the availability of PIC;
    - Reduce down time in processing PIC data;
    - Reduce PIC data error rates; and
    - Make enhancements to facilitate PIC integration with multiple vendor applications
  - Next Steps: Concentrate on 50058 <u>business process</u> improvements with the goal of improving accuracy and timeliness of data and lessening the reporting burden for PHAs

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What is a Listening Session?

- A meeting to discuss specific topics
  - Where HUD is requesting input on specific topics on the Form 50058
  - Participants are asked to provide information, feedback, and comments on these topics
  - Goal of which is to help HUD better shape future IT solutions and business processes surrounding the Form 50058

- Participant input
  - No intent or expectation to reach agreement or consensus
  - All comments/concerns/alternative ideas are welcomed
  - Sessions do not constitute an agreement of an IT solution or change in business process but the session is designed to share information to help HUD shape future system builds

- Encourage PHA and industry partner engagement throughout future development process

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50058 Listening Session - Roadmap

- Initial 50058 Session – January 12, 2018 (Washington DC)
  - Participants were PHA software vendors and PHA industry representatives
  - Small group break-out sessions to discuss 3 major topics
  - Summary information of participant feedback from all groups was presented to the larger group

- Topics from the January 12th Session:
  - **Topic A (Current Environment):** What changes could be made to the 50058 module to enable it to be more efficient and relevant for data collection for PIH programs and other HUD offices?
  - **Topic B (Near-Future Environment):** What steps should HUD take to ensure that future program changes or initiatives can be easily and seamlessly integrated into PIC 50058?
  - **Topic C (Baseline, Archiving & Migration):** How should PIC handle changes to the collection and archiving of data as part of the new PIC 50058 module data migration and on an ongoing basis?

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50058 Listening Session – Roadmap
(continued)

- Build on conversation with PHA software vendors by convening six (6) PHA listening sessions scheduled across the country (February to April, 2018)

- 1st PHA listening session, held February 21st in Philadelphia already provided valuable insight and has influenced this listening session

- Information from all 50058 listening sessions will be used to hold discussions with HUD program offices that use or are impacted by the PIC 50058. These discussions will impact:
  – PIC 50058 system design;
  – Changes to HUD business processes; and
  – Changes to PHA processes

- HUD will develop list of priority enhancements and 50058 design; implementation schedule; and roll-out of PIC 50058 development timeline

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What to Expect: Agenda

1. Welcome and Purpose (9:00 – 9:30)

2. Overview of 50058 Module & Status of PIC-NG Development (9:30 – 10:30)

4. Defining the 50058 (10:45 – 11:45)

Lunch (11:45 – 12:45)

5. Improving 50058 Business Processing (12:45 – 3:15)

6. Implementing the New 50058 (3:15 – 3:45)

7. Next Steps (3:45 – 4:00)

6

50058 Listening Session Schedule

#	HUD Field Office Location	Date
1	Philadelphia, PA	Wednesday, February 21, 2018
2	Jacksonville, FL	Tuesday, March 20, 2018
3	Kansas City, KS	Thursday, March 22, 2018
4	Denver, CO	Tuesday, April 3, 2018
5	Portland, OR	Monday, April 9, 2018
6	Washington DC	Wednesday, April 25, 2018

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Other Items

- Cell Phones
  - Please remember to turn off cell phones or put your phone on vibrate
  - If you need to leave in the middle of a discussion, please do so quietly

- Valuables and Materials
  - Please take valuables (phones, purses, etc.) with you on break and at lunch

- Lunch
  - Various locations outside of building
  - Will need to come back through security

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HUD Form 50058
Listening Session

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Section 2:
Overview of 50058 Module & Status of
PIC-NG Development

March 2018

Section Focus

- Background and Status of PIC-NG Development

- HUD / Vendor IT Solution and New Platform – 50058 Module

- Initial Release (1.0)

- Next Step – Focus on 50058 Business Process

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IMS/PIC

- Inventory Management System - PIH Information Center
  Receives millions of data points from more than 4,250 PHAs
  - Used by HUD to:
    - Calculate Operating Subsidy / Capital Fund
    - Validate Section 8 HAP and Admin Fees
    - Support program oversight for PHAS and SEMAP
    - Maintain inventory of developments, buildings, and units
    - Maintain household and tenant demographics (50058)
  - One of HUD's most used systems
    - ~4,250 HUD users
    - ~ 44,200 PHA users
    - ~ 10,000 users per week
    - ~ 60 software vendors supporting PHAs
    - ~ 10 million 50058 annual submissions

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Rationale for PIC Next Generation (PIC-NG) Development

- IMS/PIC developed in 1999 – 2000
  - No significant changes since 2007
  - Approximately 400 outstanding enhancement requests
- Availability (CY 2016)
  - Average 96% availability for the data center (M-F, 7am-9pm EST)
  - 10 days below 80% availability
- Integration with PHA applications
  - Difficult/Impossible to integrate PIC information into the PHAs' respective applications
  - Batched data and fatal errors cause heavy administrative burden
  - Many PHAs use multiple vendors applications to manage their developments (e.g. mixed-finance, Rental Assistance Demonstration)

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Issues with IMS/PIC

- Accuracy of 50058 information
  - Multiple OIG audit findings because of inaccurate information
  - 1.3 million of 10 million 50058 submissions rejected annually
    - Average error resolution: 1 hour = *1.3 million hours administrative burden*
    - Equivalent of 625 FTEs nationwide
  - Significant lag between data input and data validation
  - No data validation prior to submission
  - Correcting/voiding records significantly effects PHA accounting software
  - Not all tenants have a social security number
  - Significant risk of Personally Identifiable Information (PII) exposure

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Vision: PIC-NG Development

- Enterprise-ready, government-to-government (G2G) and business-to-government (B2G) solution which:
  - Improves quality, availability, timeliness, and delivery of information supporting HUD's affordable housing programs
    - Fully cloud-based – 24/7, no reliance on legacy data centers
    - Micro services/application programming interfaces to enable full integration of IMS/PIC with PHA applications and facilitate interagency collaboration
  - Flexible to support evolving program changes (i.e., rental reform, HOTMA, RAD, MTW Expansion, FSS, and potential deregulation)
  - Significantly reduce administrative burden for PHAs and HUD staff
  - Integrate collection of housing information
    - Section 8 and 9 Tenant Information (50058, 50059)
    - Abatement, FSS
    - Operating Fund (52722/23)
    - Request for Tenancy Approval (52517)
    - UPCS-V Physical Condition
    - Demolition/Disposition of Public Housing properties
    - Inventory of Public Housing units/buildings
    - Financial Statements, FDS

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PIC-NG Approach

- Stakeholder involvement
  - More than 90% of IMS/PIC information comes from PHAs
  - PHA vendors must update their respective software applications
  - PIC-NG necessary to facilitate business process improvements and regulatory burden relief

- Software development partnership between REAC and OCIO
  - OCIO Infrastructure, Enterprise Architecture, and Information Security
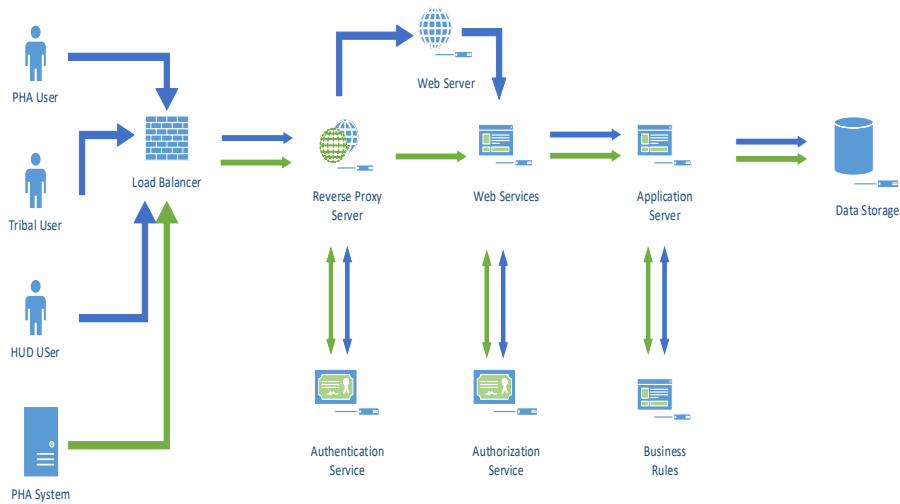 - REAC Federal software development team (35 FTEs)
  - Utilizes HUD's new cloud infrastructure

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PIC-NG Approach

- Development methodology
  - AGILE- Incremental software delivery with increased functionality

- Stakeholder involvement and feedback
  - Monthly industry calls
  - Industry listening sessions
  - Joint development collaboration tools
  - Feedback on development and transition needs

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IMS/PIC - Tomorrow

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Status of PIC-NG Development

Build	Current	Spring 2018	Summer 2018	Fall 2018	Winter 2018
Application Programming Interface (API) Testing	- Fully Supported	- Fully Supported	- Fully Supported	- Fully Supported	- Fully Supported
Security Testing			- Fully Supported	- Fully Supported	- Fully Supported
Tenant Verification	- FCC/USAC - FEMA	- FCC/USAC - FEMA	- FCC/USAC - FEMA	- FCC/USAC - FEMA	- FCC/USAC - FEMA
Tribal VASH 50058		- Fully Supported	- Fully Supported	- Fully Supported	- Fully Supported
Section 8 50058			- Streamed Section 8 Submission - Batch Section 8 Submission (no Low Rent Submission)	- Streamed Section 8 Submission - Batch Section 8 Submission - Batch Low Rent Submission (back-end legacy) - Section 8 MTW	- Fully Supported
Public Housing 50058					- Fully Supported
SEMAP			- Submitting PHAs	- Fully Supported	- Fully Supported
Low Rent Inventory (Building & Unit)					- Fully Supported
Demolition/Disposition					- Fully Supported

FCC/USAC = Federal Communications Commission/Universal Service Administrative Company - USAC is a not-for-profit designated by the FCC to distribute funding to organizations that provide access to high-speed connectivity to rural, underserved, and difficult-to-reach areas (e.g., schools and libraries; rural health care facilities; Lifeline program; and companies working to expand connectivity infrastructure to unserved or underserved areas.

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PIC-NG: 50058 Release 1.0

What Will Change?
- New IT Platform and Solution which allows for greatly enhanced 50058 business processing
- New IT Design includes Micro Services / Application Programming Interface (API)
  (Allows PHA users to work exclusively in their own applications)
- Real time interfaces between PHA systems and PIC-NG
  - Allows for both synchronous and asynchronous processing
- Improvements made to 50058 Submission Process and 50058 Correction Process
- Ability to handle Fatal Errors and Warnings Prior to submission of 50058
- Reduced risk of personally identifiable information (PII) exposure

What Will Not Change?
- No changes to the 50058 – same business rules, fields, edits, etc.
- File layout / field for 50058 submission are still the same (same Technical Reference Guide – TRG, e.g., fatal edits, warnings, batch layout, etc.)

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New IT Platform - Solution
Release 1.0 (continued)

PHA Users to Work Exclusively in their System

Systems
- Business Intelligence (BIMSTR)
- Financial Assessment Submission PHA (FASPHA)
- Financial Assessment Subsystem Multifamily Housing (FASS)
- Mark-to-Market
- Multifamily Delinquency Reporting System (MDDR)
- Public Housing Assessment Scores and Status (NASS)
- Physical Assessment
- PIH Information Center (PIC)
- Test Site for PIH Information Center, PIC Test (PICTST)
- Quality Assurance Subsystem (QASS)
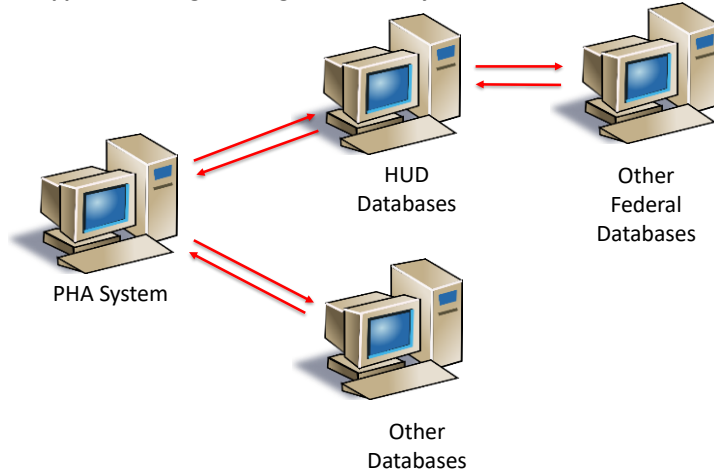- Voucher Management System (VMS)

PHA System

HUD Databases

| HUD Code Release | Software Vendor Modifies their Code | PHA System Updated with New Functionality |
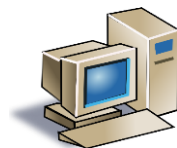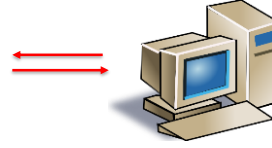
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Expected Benefits of Solution to PHAs
Release 1.0 (continued)

In Your Daily Life

Application Programming Interfaces/ Synchronous

PHA System

HUD Databases

Other Federal Databases
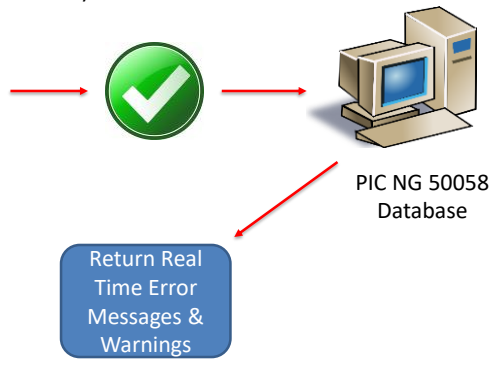
Other Databases

Expected Benefits of Solution to PHAs
Release 1.0 (continued)

Pre-submission Edit Checks

- Completed 50058 data can be bounced against all the 50058 business rules **prior to** actual submission of the 50058 data (i.e., no more fatal errors)

PIC NG 50058 Database

Return Real Time Error Messages & Warnings

Expected Benefits of Solution to PHAs
Release 1.0 (continued)

Improvement 50058 Submission Error Correction Process

- To correct errors, PHAs no longer have to use **void / resubmission** process. Instead, PHAs will be able to re-submit the 50058 that needs to be corrected with the same effective date. All records are retained

PIC NG 50058
Database

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Expected Benefits of Solution to PHAs
Release 1.0 (continued)

Reduced Risk of PII Exposure

PHA System

PIC NG 50058
Database

1. PHA provides SSN Information once
2. HUD creates, stores and provides PHA a unique identifier
3. Unique identifier is used instead of SSN

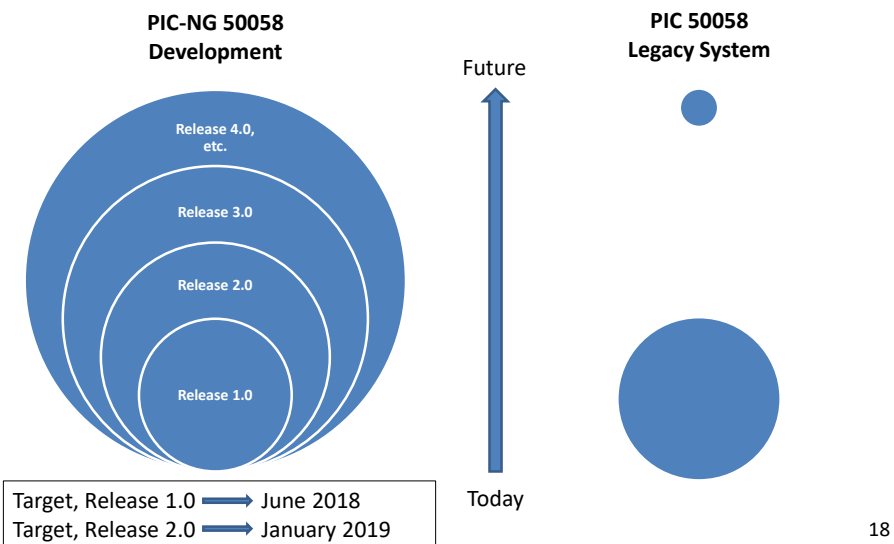**Note:** SSN, TIN, EIN are all treated equally

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Next Steps – Focus on 50058 Business Process

- With the new design and platform in place, the emphasis shifts to:
  - Improvements & possible changes to Form 50058 data fields submitted
  - Continue to relax fatal errors to absolute minimum
  - Added efficiencies
  - Reduction of reporting burden
  - Enhanced Business Intelligence
  - Geocoding, mapping
  - Accurate information for accurate program funding
  - Phase out of batch processing and legacy system

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PIC-NG: 50058 vs Legacy System

PIC-NG 50058
Development

PIC 50058
Legacy System

Future

Release 4.0, etc.

Release 3.0

Release 2.0

Release 1.0

Today

Target, Release 1.0 ➡ June 2018
Target, Release 2.0 ➡ January 2019

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Shaping Release 2.0 and Future Releases

- The focus of this listening session is to help HUD understand:
  - What <u>overall</u> business processing changes do PHAs feel are needed?
  - What <u>specific</u> business processing changes do PHAs feel are needed?
  - What should be the priority of the changes (i.e., understanding pain points)?

- Future releases will focus on changes to the 50058 Business Process:
  - How can 50058 business processing be improved?
  - How do PHAs and HUD use the 50058?
  - What are PHAs and HUD reporting needs?
  - How should changes be implemented?
    - What is the strategy and schedule for implementation?

- The next few slides provide examples of how 50058 business processing could possibly change due to the new IT environment

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Possible Functionality
Example 1 – Real-Time New Admission Validation

Example of Benefits
(1) Is this a valid SS#?
(2) Is the SS# currently in PH or HCV unit in any other PHA in the nation?
(3) Does this person owe funds to another PHA (EIV)?

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Possible Functionality (continued)
Example 2 – Enhanced Data Edits

Country*
United States

City*
94123

State*
California

Phone number
434-343-3423

This entry can only contain numbers.

deliveries

☐ Cell phone

Example of Benefits
Real-Time Data Entry Edits

Possible Functionality (continued)
Example 3 – Increased Usage of API / Web-services

2. Action

2a.	Type of action	2a.
2b.	Effective date (mm/dd/yyyy) of action	2b.

Edits

Example of Benefits
2 - Annual Reexamination: EIV Income Information
4/5 - Port Move In/Out:
- Has the Initial PHA completed the Move-out Action
- Initial PHA contact information
- Transfer of program participant data

6 - End of Participation: Amount owed in EIV Debts Owed Module

Possible Functionality (continued)
Example 4 – Expanded / Efficient Reporting

Example - HUD to PHA FSS Participant Reconciliation Report

	PHA/HUD Name			**HUD 50058 Data**					**PIC vs. PHA List**
#	First Initial	Middle Initial	Last Name	FSS Participant	FSS report category	FSS effective date of action	Contract Start Date	Contract End Date	Exit Date	Reconciliation Results
1	F	L	MacIntosh	Y	P	9/9/17	12/1/14	11/30/19		No Issue - Current Progress Report
2	S	M	Sitter	Y	P	10/7/17	12/1/14	11/30/19		No Issue - Current Progress Report
3	R	M	Goss	Y	P	11/13/17	9/1/13	8/31/18		No Issue - Current Progress Report
4	R	M	Grehouse	Y	P	1/5/18	12/1/14	11/30/19		No Issue - Current Progress Report
5	N	M	Jerry	N	*	*	11/1/14	10/31/19		Issue - No FSS addendum for Participant in PIC
6	L	N	Callaham	N	*	*	8/1/14	7/31/19		Issue - No FSS addendum for Participant in PIC
7	B	A	Adbi	Y	P	8/1/2016	9/1/14	8/31/19	02/28/17	Issue - Need FSS Exit Record in PIC
8	H	A	Sills	*	*	*	7/1/2017	6/30/22		Issue - Not in PIC
9	K	A	Floyd	Y	*	*	3/1/2018	2/28/2023		Issue - New FSS Participant not in PIC
	HUD FSS Count	6								
	PHA FSS Count	8								

Example of Benefits
- Expanded reporting allowing for comparison of data between PHA system and HUD databases
- Access to historical 50058 data (versus just current record)

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Possible Functionality (continued)
Example 5 – PHA Enhanced Reporting

Example – PHA Level of Education Statistics

Highest Level of Education	Non Elderly / Disabled Head of Households	
	Count	%
None	50	10%
High School/GED	275	55%
College Courses w/ No Degree	50	10%
Vocational Technical	75	15%
2-year College	20	4%
Bachelors	20	4%
Masters	10	2%
Total	**500**	**100%**

Example of Benefits
- Ability to combine 50058 information with other data to address PHA reporting needs

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HUD Form 50058
Listening Session

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Section 4:
Defining the 50058

March 2018

Section Focus

- PHA Data System vs the 50058

- Deficiencies with Current 50058 Form

- PHA Business Process and 50058

- HUD and PHA Reporting Needs

2

PHA Data System vs the 50058

- PHAs' systems are typically organized by programs and activities:

Programs	Activities
• Public Housing • HCV • Section 8 Mod Rehab • Section Project-Based • Multifamily • Tax Credit Properties • Rural Development	• Application/Waitlist • Occupancy (Move In/Out) • Rent Calculation • Rent Collection (Tenant Accounts Receivable)

- PHAs' systems also have the following modules:
  - **Public Housing Modules:** PH Inspections; Work Orders; Inventory; PHAS Reporting
  - **HCV Modules:** HQS Inspections, Rent Reasonableness; SEMAP
  - **PH and HCV:** Family Self-Sufficiency (FSS)

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PHA Data System vs the 50058

- Data from the respective program and activity are used to populate the official 50058 that is transmitted to PIC and for multifamily properties the official 50059 form, that is transmitted to TRACS

PHA System
Modules

Application

Occupancy

Rent Calculation

FSS

Batch 50058 files

PIC NG 50058
Database
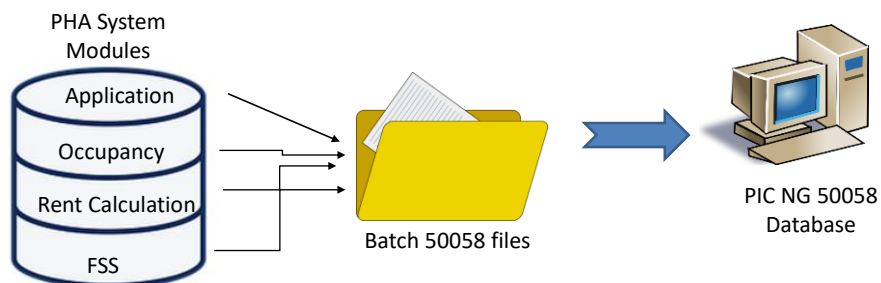
4

PHA Data System vs the 50058
(continued)

#	Section Name	PH	HCV	S8 Mod Rehab	MTW
	50058 Family Report				
1	Agency	x	x	x	x
2	Action	x	x	x	x
3	Household	x	x	x	x
4	Background at Admission	x	x	x	x
5	Unit to be Occupied on Effective Date of Action	x	x	x	x
6	Assets	x	x	x	x
7	Income	x	x	x	x
8	Expected Income Per Year	x	x	x	
9	Total Tenant Payment (TTP)	x	x	x	
10	Public Housing and Turnkey III	x			x
11	Project-Based Certificates and Vouchers	N/A	N/A	N/A	N/A
12	HCV: Tenant Based Vouchers (MTW: includes Project-based)		x		x
13	Section 8: Moderate Rehabilitation			x	
14	[Skipped]				
15	Homeownership Vouchers		x		x
16	[Skipped]				
17	FSS/Welfare to Work Addendum	x	x		x

- The 50058 must be completed for tenant in the following programs: Public Housing, HCV, and S8 Mod Rehab
- **Section 2 – Action.** Type of action; correction to a submission; FSS participant; Special vouchers or programs; PHA use only fields
- **Sections 6-9.** Household data used to determine rent calculation
- **Sections 10-15.** Rent calculation based on program type
- **Section 17 – FSS.** A progress report is required to be completed annually

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Rent Calculation & Current 50058

- PHA Rent Calculation and the 50058: The tenant rent shown on the 50058 does not necessarily mean that this amount should be the rent that the tenant pays
  - Indicates that the math is correct
  - Does not mean that the underlying tenant information (e.g., medical deductions, income, number of dependents, etc.) is correct

- For the following programs, detail rent calculations are not available in the 50058; instead work-arounds are used:
  - RAD - HUD guidance is to provide the tenant rent on field "2q – PHA use only"
  - Project-Based Vouchers – Vendors are applying different work-arounds to calculate rent for PBV within their vendor system
  - Manufactured housing and homeownership for low or no income participants – current 50058 does not adequately capture HAP payment to landlord/bank vs payment to family (i.e., utility reimbursement)

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Other Deficiencies with Current 50058

- Other Fatal Errors that Require Work-arounds:
  - Biennial HQS Inspection
  - Portability and VASH Vouchers
  - Family Self-Sufficiency (FSS)

- Future Program Changes that Impact the 50058:
  - HOTMA Provisions
  - FSS Program Metrics
 - MTW Expansion
  - Rent Reform

OBSTACLE

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Current PHA Business Process & 50058

- **Who at the PHA enters the "50058" data into the PHA's system?**
  - Clerk for PHAs with centralized intake enter the application information in the PHA's system?
  - Property managers or HCV specialists?

- **Who at the PHA reviews the 50058 prior to submission?**
  - Property managers or HCV specialists?
  - Compliance or Quality Control Reviewer?
  - PH or HCV Supervisor?
  - IT?

Data is entered into PHA's system
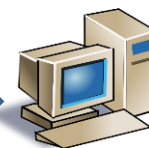
REVIEW

PIC NG 50058 Database

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Current PHA Business Process & 50058
(continued)

- **Who at the batches the 50058s and submit to PIC?**
  - Same person that performs the review?
  - IT?
  - For combined PHAs, is it the same person for both Low Rent and HCV?

- **How frequently do PHA batch and submit the 50058s to PIC?**
  - Weekly?
  - Twice a month?
  - Monthly?

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Current PHA Business Process & 50058
(continued)

- **Who at the PHA is responsible for correcting warnings? Fatal errors?**
  - Do Property managers and HCV specialists correct their own warnings/fatal errors?
  - Compliance or Quality Control specialist?
  - PH or HCV Supervisor?

- **How easy is it for the PHA to correct warnings and fatal errors?**
  - Is there information that HUD can provide to help PHAs make the corrections?

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New PHA Business Process & 50058

- **Decision Point 1: Would PHA submit 50058s via streaming or batching?**
  - Would PHAs change frequency of submission to PIC?
  - Would PHAs use a combination of both streaming and batching?

- **Decision Point 2: Who at the PHA is responsible for reviewing 50058 prior to submission?**
  - Would intake clerk or property managers/HCV specialists perform pre-submission edit checks **prior to** actual submission of 50058?

- **Decision Point 3: Who at the PHA is responsible for submitting the 50058s to PIC?**
  - Would property managers or HCV specialists submit their own 50058s to PIC?

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New PHA Business Process & 50058
(continued)

- **Scenario 1** – PHA Staff Perform Pre-Submission Check of 50058 and Individually Stream 50058s

1. PH/HCV Staff enter data

Jane Q. Public 50058

2. Individual 58 file is created

3. PH/HCV Staff Perform Pre-Submission check of 58

4. 58 file PASS pre-submission check

5. PH/HCV Staff Streams 58 file to PIC

PIC NG 50058 Database
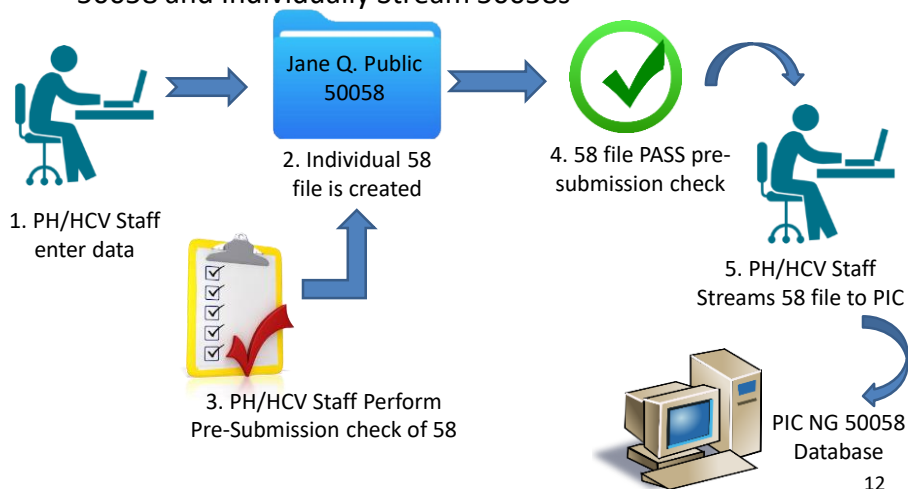
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New PHA Business Process & 50058
(continued)

- **Scenario 2** – PHA Staff Perform Pre-Submission Check of 50058, Supervisor Review Submissions, 50058s are Batched 50058s

Jane Q. Public 50058

1. PH/HCV Staff enter data

2. Individual 58 file is created

3. PH/HCV Staff Perform Pre-Submission check of 58

4. 58 file PASS pre-submission check

5. Supervisor performs secondary review on 58s and batch submission

PIC NG 50058 Database

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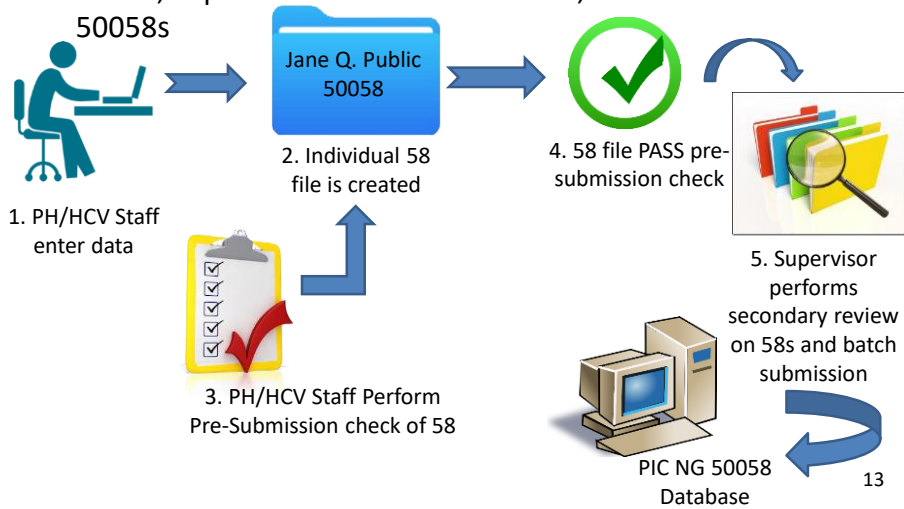
Top 10 – 50058 Fatal Errors

#	Error Code	Error Description	Total	Error Category	% of Total
1	4080	A record with a later Effective Date exists in the database. Either remove the later record or change this effective date to a later date	74,390	Sequence	17.3%
2	4174	This is a new tenant in IMS-PIC. No 50058 data for this Head of Household exists. At least one New Admission or Historical Adjustment record must be submitted first	50,461	HoH	11.7%
3	4042	For this action type, HOH or Former HOH SSN should be same as the one existing for this Building Number, Building Entrance Number & Unit Number	20,852	HoH	4.9%
4	4044	Unit must be vacant in case of New Admission, Historical Adjustment, or Other Change of Unit	18,695		4.4%
5	4182	This tenant already exists at this PHA in the IMS-PIC database. New admission cannot be accepted	17,608		4.1%
6	4006	PHA Code for tenant does not match with existing PHA Code in database	16,219		3.8%
7	5332	The SSN or AID in this household was previously found to appear in other households. Please refer to Chapter 5 of Technical Reference Guide (TRG) for instructions to submit Form 50058 for this SSN	10,713		2.5%
8	4176	A different unit is already occupied by this Head of Household. Use action 7 to change a unit	9,153	HoH	2.1%
9	5348	The SSN is an active record in another agency and there is no overlapping date situation. Port Out cannot be accepted and is not necessary	8,862	Portability	2.1%
10		All Other (473 different fatal error message types)	202,607		47.2%
		Total	**429,560**		**100%**

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Top 10 – 50058 Warnings

#	Error Code	Error Description	Total	Error Category	% of Total
1	4126	Last Modified Date should not be more than 120 days earlier or 2 days later than the transmission date	105,688		37.2%
2	5355	In the future, you will no longer be able to submit a record for a new tenancy or move-in unless there is an action code 10 (issuance of voucher) for the family	38,110		13.4%
3	5295	This SSN/AID in this household appears in other households. Check the Possible Dup Tenant Report	27,253		9.6%
4	4666	Payment Standard to Family is less than 50 or greater than 3000	17,241		6.1%
5	5359	More than 12 months have passed since last FSS enrollment or progress submission. FSS progress reports must be completed at least annually during each family's participation in the FSS program.	7,657	FSS	2.7%
6	5359	More than 12 months have passed since last FSS enrollment or progress submission. FSS progress reports must be completed at least annually during each family's participation in the FSS program.	7,416	FSS	2.6%
7	4670	Rent To Owner is less than 5 or greater than 3000	7,314		2.6%
8	5304	TTP is normally not greater than 2250	6,895		2.4%
9	4506	Utility Allowance is greater than 400	6,620		2.3%
10		All Other (58 different warning message types)	59,641		21.0%
		Total	**283,835**		**100%**

15

HUD and PHA Reporting Needs

- **HUD Reporting Needs.** HUD uses the 50058 data for the following purpose:
  - PHA's compliance with program regulations
  - Reporting to oversight agencies on program performance and tenant characteristics: tenant household composition; sources of income, rent charged, etc.
  - Funding (Current > FSS Service Coordinators NOFA)
  - Funding (Future > Calculate HAP and Administrative Fee)
  - Program performance (Future > Program metrics for FSS, MTW, and new initiatives)

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HUD and PHA Reporting Needs
(continued)

- **PHA Reporting Needs:**
  - **What data do PHAs use from the PHA's system?**
    - How do PHAs use the data?

  - **What data do PHAs use from HUD's 500588 system?**
    - Do PHAs check to see if data in the PHA's system match the data in HUD's 50058? For example, do PHAs reconcile the data in their system with HUD's 50058 for count of FSS participants?

  - **Is there other data that HUD should collect on the 50058 that would be useful for PHAs?**
    - Education level
    - Language spoken
    - Household is working/Source of Income
    - Report of household members by age (school-aged children for city/county)

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HUD Form 50058
Listening Session

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Section 5:
Improving 50058 Business Processing

March 2018

Session Focus

- How should the 50058 Business Model and Business Processes be Redesigned to Improve Efficiency and Effectiveness?
    - Where are there current problems with the 50058 which cause inefficiencies in how your PHA complete its work?
    - What enhancements can be made to 50058 processing to improve the accuracy of the data?
    - How should the 50058 be redesigned to lessen reporting burden or improve quality of reporting?
    - How can 50058 data be better used to improve program oversight?
    - How can 50058 data be used to provide for more accurate and timely funding?
    - How should HUD re-design the 50058 for both HUD and PHAs to be able to change their business process and IT systems to implement needed changes in a timely manner?

2

Rethinking Relationship of Program Type Codes, Action Codes, and Business Rules

Program: Sub-program
Public Housing
Conventional
RAD Conversion
Mixed-Finance
MTW
…

Voucher
MTW
RAD Conversion
Litigation
Tenant Protection
VASH
Homeownership
FUP - 08 / 09
All Other
…

Available Action	Program
General Actions	
New Admission	PH/VO
Annual Reexamination	PH/VO
Interim Reexamination	PH/VO
End of Participation	PH/VO
…	PH/VO
Program Specific	
Flat Rent Annual Update	PH
Portability - Move In	VO
Portability - Move Out	VO
Issuance of Voucher	VO
Expiration of Voucher	VO
Annual HQS Inspection	VO
…	…
New Actions?	
Moving	PH/VO
Lease Ending / HAP Continue	VO
New Admission - Mid Month	PH/VO
End of Participation - Mid Month	PH/VO
…	…

50058
Bussiness Rule 1
Bussiness Rule 2
Bussiness Rule 3
Bussiness Rule 4
Bussiness Rule 5
Bussiness Rule 6
Bussiness Rule 7
Bussiness Rule 8
Bussiness Rule 9
Bussiness Rule 10
Bussiness Rule 11
Bussiness Rule 12
Bussiness Rule 13
Bussiness Rule 14
Bussiness Rule 15
Bussiness Rule 16
Bussiness Rule 17
Bussiness Rule 18
Bussiness Rule 19
Bussiness Rule 20
…

3

Needed Updates to Business Rules

- **Program (and Sub-program)-Type Codes**
  - Do program type codes need to be updated, are the associated business rules functioning as needed, is there new functionality needed?
    - Need for 50058 to identify all voucher types (FUP, TP, Hope VI, MTW, etc. -similar to VMS)
    - Need to identify certain voucher / unit type assistance program as business rules are different:
      1. RAD – Phase-in of rent increase
      2. Homeownership – Total HAP greater than HUD payment to mortgage company (need to split payment to mortgage company and tenant)
      3. Manufactured Housing – Similar to Homeownership
  - What other information needs to be associated with a 50058, to ensure proper rent calculation or oversight and reporting requirements?
    - Project identifier to associate PBV participant with project information
    - FSS Identifier
    - PHA Managing Voucher

4

Needed Updates to Business Rules (continued)

- **Action Codes – Portability Move-in (4) / Move-out (5)**
  - Known Issues with Portability Processing
    - Administratively very burdensome as both PHAs most coordinate 50058 processing in order to move the family out and in to the other PHA's jurisdiction
    - Data integrity Issues – Identifying and Processing Ports associated with:
      1. VASH vouchers (receiving PHA has to submit record as new admission)
      2. PBV vouchers
  - Possible Efficiencies
    - Webservices:
      1. Query 50058 data from respective PHA for port in family
      2. Transfer of 50058 data from initial PHA
      3. Generate move-out record for initial PHA
    - PIC-NG re-design to properly support port activity regardless of voucher type

5

Needed Updates to Business Rules (continued)

- **Limitation of Current Action Codes**
  - Certain available 50058 fields are dependent on the action code chosen which causes reporting / analysis difficulties (i.e., Action Code 1 / Homeless at Admissions field, FSS contract start and end dates)
  - Cumbersome processing of certain transaction
    - Tenant changes from one form of assistance to another or changing voucher type
    - Changes to Head of Household results in errors, loss of data, improper history of family
    - PH FSS addendum not available in current 50058 system
    - Need for PBV and PH Mixed finance project data to be associated with the unit, including needing of better process for reporting floating units
  - No action code for change of ownership of unit but is necessary part for processing HAP payments
  - Add new action code to indicate the temporary stoppage of HAP payment and nonprogram ending changes and abatements
  - Allow for coding of PHA wide policy to minimize HUD questioning of PHA submitted data (i.e., interim re-examination policy, inspection policy, etc.)

6

Needed Updates to Business Rules (continued)

- **Limitation of Current Action Codes (continued)**
  - Need ability to reset recertification date (bring back old functionality)
  - Need action code:
    - For family that is somewhere between on wait-list and in PH program or voucher issuance stage
    - For unleased applicant (displaced family, litigation unit, etc.)
    - To absorb port-in family (versus new admission)
  - Expand functionality for certain action codes

    Example: Action Code 6: End Of Participation - 50058 data streamed when changing assistance type (i.e., RAD)
  - Defining use of action codes

    Example: Action Code 10 – Voucher Issuance: Contradictory Notices and Guidance

    Example: VASH voucher to HCV voucher

      > Is there a voucher issuance or interim 50058 needed?

      > Generates reconciliation problems with VMS and VMS guidance

7

Needed Updates to Business Rules (continued)

- **Business Edits**
  - Known Changes Needed to Business Edits?
    1. Rental Assistance Demonstration – 50058 does not allow for proper rent calculation for phase in of rent increase or identifies the HAP payment as part of the initial CY conversion
    2. Overlapping Subsidy - 50058 does not allow a participant to be in two units at the same time, affects rent – HAP calculations. However, can be a common occurrences when program participants are moving
    3. PBV Vacancy Loss - 50058 does not handle the ending of a lease but the need for continued HAP payments (normally associated with PBV, family lease ending mid-month, PHA policy)
    4. Homeownership (Participants with Low or No Income) - 50058 cannot properly reflect HAP payment (no detail line items to identify utility reimbursements and HAP payments made to bank)
    5. Manufactured Home Space (Participants with Low or No Income) – Similar to homeownership
    6. Gaps in Occupancy – Family displaced from unit and therefore no HAP or rent payments are actually made
    7. Reasonable Accommodations - Need to allow for situations where a tenant with reasonable accommodation requires a higher utility allowance

8

Improving Data Accuracy

- **Data Accuracy**
  - What design changes can be made to help ensure data accuracy?
    - Automatically calculation of age based on DOB
    - Use of standard formats – Owner ID, SSN, Address, etc.
      1. Do not use single string
      2. Vendor to apply data entry mask but to comply with HUD standard in transmission of data
    - Automatically validate address information with third-party (i.e., US Postal Service)

  - What changes to functionality can be made to help ensure data accuracy?
    - Single unit information table with unique identifier that links to 50058 and all other reports (e.g., inspectors, tax credit reporting, etc.), including single federal standards used to classify the characteristics of the unit
    - Unique 50058 identifier which would be stored in the both the PHA and HUD databases to allow for easy identification of specific 50058 and could be used to link to other data sets

9

Improving Efficiency

- **Enterprise Income Verification (EIV)system**
  - New EIV tool available to all PHAs – **Target:** June 2018
  - EIV tool available via web-service call – **Target:** Fall/Winter 2018

10

Improving Efficiency

- **Efficiency through Webservices / Application Programming Interface (API)**
  - What data contained in HUD systems can be made available to PHAs in the processing of a 50058?
    - EIV Debt Owed Module Webservice – 1) Automatically transfer owed funds to Debt Owed module; 2) Allow for adjustment to debt amount; and 3) Automatically display debt owed information for a new admission

- **Other Possible Efficiencies**
  - What other changes to business processes or policy changes should be considered for improving 50058 processing?
    - Need for EIV data to be more timely
    - Increase re-certification timeframe for elderly / disabled families to three years
    - Remove interim rent calculation field so when future rent profiles are added, there is no form change

11

Balancing 50058 with HUD Reporting Needs

- **Accurate Reporting**
  - Data from the 50058 is used by both PHAs and HUD for various reporting needs. What considerations are needed to ensure reports based on the 50058 are accurate and timely
    - Collection of program performance metrics / goal data
    - ~~Action Code 13 – Annual HQS Inspection Only~~ – UPCSV Corrects Issues
    - Appropriate process / design for new reporting need
      - Example: Reason for End of Participation

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Improving Reporting – FSS Program Example

- **Example FSS - Accurate Reporting**
  - Current Process

FSS CURRENT REPORTING FLOW			
PHA	**PHA**	**HUD**	**HUD**
FSS Program Metrics	50058 Submissions	IMS/PIC 50058	Report

POSSIBLE FSS REPORTING FLOW			
PHA	**PHA**	**HUD**	**HUD**
50058 Submissions	FSS Program Metrics	Data Management	Report
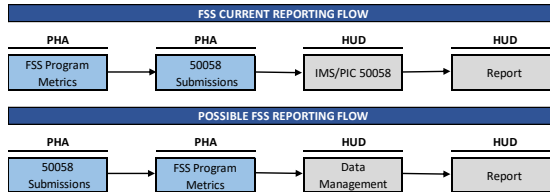
  - Improvements to Reporting:
    - Proper identification/link to FSS participant and associated data (both head of household and non-head of household, regardless of program)
    - Improve variance reporting between PHA FSS program records and PHA & HUD systems data

13

Improving Program Oversight

- **Business Intelligence / Reporting**
  - What Information and /or reports are needed by PHAs so the PHA can provide better program oversight?
    - Easier association of project, unit, and PBV
    - Income targeting
    - Utility allowances

14

Rent Calculation & HUD Funding Formulas

- **50058 and HUD Funding Formulas**
  - Should 50058 data be the primary database used in place of different funding formulas?
    - HCV: HAP and administrative fee funding
    - Operating Subsidy: Project Rental Revenue

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Example HCV Funding Model
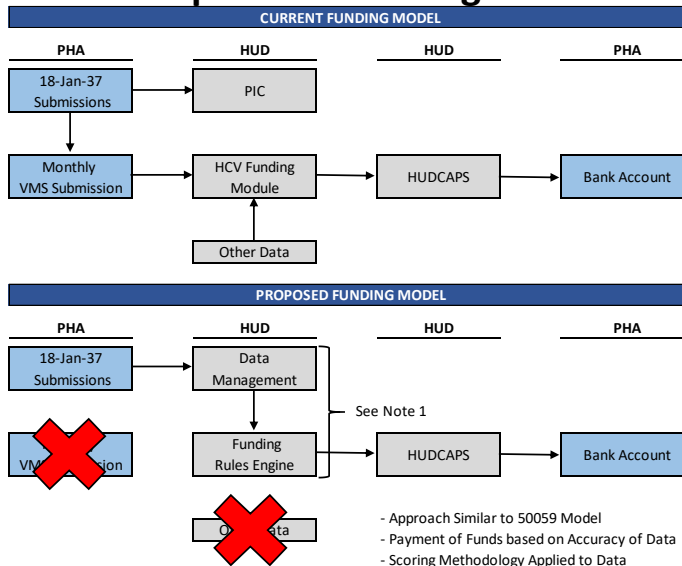
16

Example HCV Funding Model (continued)

```
50058 Data ──→   New 50058 Data
                 Needed for Funding

                 Common Data
                 Elements in
                 50058 & VMS

VMS Data ──→     VMS Data Not Needed for
                 Funding
```
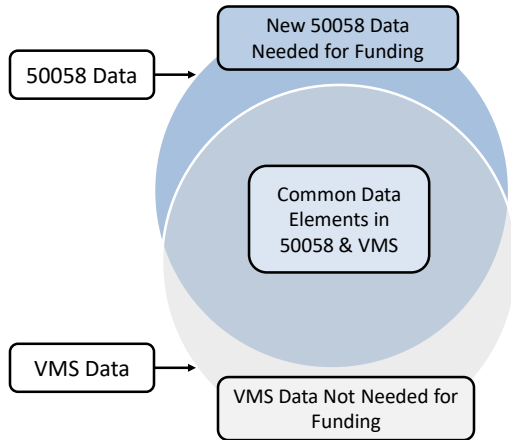
Benefits
- Reduces HUD Reporting Burden
- One source of data (50058)
- No substantive change to PHA business process

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HCV Funding and 50058 Data

- Know issues that will require special processing / handling in order to provide accurate funding (includes funding adjustment to prior month data)
  - Abatements
  - Tenant / Owner / PHA Corrections and Retroactive Activity
  - Move-in Proration
  - Move-out Proration
  - Contract Termination
  - Port-outs Administered by Another Agency
  - PBV Vacancy Loss
  - Overlapping Subsidy
  - Holds
  - Gaps in Occupancy
  - Homeownership - Participants with Low or No Income
  - Manufactured Home Space - Participants with Low or No Income
  - Rental Assistance Demonstration (RAD) Program
  - No Fatal Errors

18

New 50058 Requirements

- **Implementing 50058 Business Process Changes**
  - What should be the design policy of the 50058 in order for 50058 data to be "accepted" in HUD's database when HUD business rules / edits do not reflect the current environment?
    - Core data and optional/required appendix data

9. Total Tenant Payment (TTP)

9a.	Total monthly income: 8a ÷ 12	$	9a.
9c.	TTP if based on annual income: 9a X 0.10	$	9c.
9d.	Adjusted monthly income: 8y ÷ 12	$	9d.
9e.	Percentage of adjusted monthly income: use 30% for Section 8		9e.
9f.	TTP if based on adjusted annual income: (9d X 9e) ÷ 100	$	9f.
9g.	Welfare rent per month (if none, put 0)	$	9g.
9h.	Minimum rent (if waived, put 0)	$	9h.
9i.	Enhanced Voucher minimum rent	$	9i.
9j.	TTP, highest of lines 9c, 9f, 9g, 9h, or 9i	$	9j.

New 50058 Requirements

- **Changes to Law and Regulations**
  - Has HUD's handling of the 50058 submission process due to recent program changes in law and regulations affected your PHA?
    - PHA Use Only fields
      1. HUD is now requiring the use of these fields to be used, most notably RAD
      2. Is PHA software sufficiently flexible to accommodate a PHA's individual need for data and reports for program oversight?
    - While HUD has not updated the PIC 50058 system for some time, the 50058 should have a version control number that can be tied to individual 50058
    - Expanded MTW Program – Family Reporting System (FRS) Tool will need to be modified to handle MTW 50058

HUD Form 50058
Listening Session

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Section 6:
Implementing the New 50058

March 2018

Session Focus

- How should the new 50058 Business Model and Process be Implemented to help ensure a smooth implementation?
  - How should HUD and PHAs transition to PIC-NG: 50058?
  - What is an appropriate schedule / timeframe for such a implementation?
  - What are important items to consider in the implementation?
  - How should HUD handle the migration of 50058 data from the PIC legacy system to PIC-NG?

2

Transitioning to PIC-NG 50058

PIC-NG 50058 Releases

HUD Release 1.0	→	New PHA System Functionality

Vendor Build Time

HUD Release 2.0	→	New PHA System Functionality

Vendor Build Time

HUD Release 3.0	→	New PHA System Functionality

Vendor Build Time

Release 1.0 (option. 1)	Optional Transition Period ?	Mandatory Transition Period ?		
Release 1.0 (option. 2)	Optional Transition Period ?		Mandatory Transition Period ?	
Release 2.0		Optional Transition Period ?	Mandatory Transition Period ?	
Release 3.0			Optional Transition Period ?	Mandatory Transition Period ?

IMS / PIC 50058 Legacy System - No Longer Supported ?

- 100% Transition to PIC-NG will occur over a period of time
- There will be a series of releases to accomplish the transition
- HUD, PHAs, and software vendors should be better off transitioning sooner rather than later

3

Transitioning to PIC-NG 50058 (continued)

- **Transition Items to Consider**
    1. What are the pros and cons of optional and mandatory transition periods on releases?
        - How can HUD hold a PHA responsible to a transition timeline, if the software vendor will not make the necessary changes?
        - Adopt HUD's multifamily model for TRACs system changes which provides for an optional implementation time frame and a required implementation date (normally six months after guidance is issued)
    2. What incentives could HUD consider in order for PHAs to transition more quickly?
    3. What are constraints / events that could impact a transition?
        - Funding cuts have reduced PHA staffing levels making it difficult to support essential operations and taking on new efforts (such as major system changes)
        - HUD needs to ensure they can provide both business and IT support to PHAs (help desk, informed PIC coaches, ability to answer questions and resolve problems quickly)
        - Data migration cannot occur during the first part of the month due to rent collection / HAP processing
        - No retroactive changes – Many PHAs schedule their work 3 months out and therefore annual reexamination, interims, etc. already may be completed
    4. What are problems in running parallel systems?
        - PHAs do not have resources to support parallel systems
        - HUD also has limited resources to support parallel efforts

4

Steps in Integrating New Code

| HUD Release | → | Software Vendor Modifies their Code (Items 1 & 2) | → | PHA System Updated with New Functionality (Item 3) | → | PHA begins to use Updated Version of Software |

- What items should be considered to help ensure an appropriate roll-out schedule and timeframe for implementation?
  1. Need time / forum for vendors and PHAs to ask questions to and receive answers from HUD on issued guidance
  2. Need for sufficient lead time after requirements are finalized and issued for vendors to make system changes, including notification of issuance to both PHAs and vendors
  3. Need sufficient time for PHA staff training – IT system training and business process training (i.e., need to provide real examples to show intent of how HUD guidance is supposed to be implemented (i.e., the why / thought process behind the screens)
     - Vendors have stated that one of their goals is to minimize front-end changes as much as possible in order to minimize learning curve
     - HUD is not adding requirements but is correcting problems and looking to streamline and add efficiencies

5

Necessary Implementation Considerations

- **Need for Timely Business Requirements**
  - Are there other items HUD needs to provide to PHAs and their software vendors to ensure that the PHA can make appropriate changes in their IT and business process?
    1. Business
       - Non-technical guidance for 50058 system users and industry trainers
       - Expanded field definitions with examples and guidance on how to apply the definition
       - HUD to provide a plain English list of changes/enhancements that the vendor system should have incorporated as part of the vendor's system upgrade
    2. Information Technology
       - API code (IT –speak in order to code)
       - Test data with answers
       - Timely, accurate, up-to-date requirements
    3. Need for centralized HUD 50058 Business Manager and support staff to answer business and IT questions / report problems /coordinate – prioritize changes

6

Data Migration

- **HUD 50058 Data**
  1. How and when do PHAs use 50058 data held in HUD's database?
     - HUD 50058 reports
     - SEMAP indicator reports
     - FSS participant counts
     - Quality control of their own 50058 data (ensure PHA data matches HUD system data)
  2. What is the baseline of data from the legacy system that should be brought over into PIC-NG data tables?
     - Current Record & Select Fields vs. Everything
  3. If only limited data is brought forward into the new system, is there a PHA need to still be able to access HUD legacy data? What would be the extent of legacy data that is most likely needed?
  4. Should PHAs submit older data into new 50058 PIC-NG tables, thereby allowing data to be submitted under new business rules?
  5. If legacy data is brought over what and how much data needs to be validated?

7

Data Migration (continued)

- **PHA Lessons Learned**
  - For PHAs that have changed software vendors and completed major software upgrades what lessons did you learn?
    1. How much of the 50058 data from you legacy system was transferred into your new system and was this the correct amount?
    2. How did your PHA validate the 50058 data in the new system?
    3. Were you able to access all or some of your legacy 50058 data and was it efficient?
    4. What were some of the implementation process that you expected to be troublesome but went smoothly, expected to go bad and went badly, etc.?
    5. When your PHA implemented the software change did the implementation timeline hold to the expected schedule? Why?
    6. How quickly did users of the 50058 system adopt and become proficient in the new system?
    7. How was staff training provided and did staff need more or less training, etc.?

8

HUD Form 50058
Listening Session

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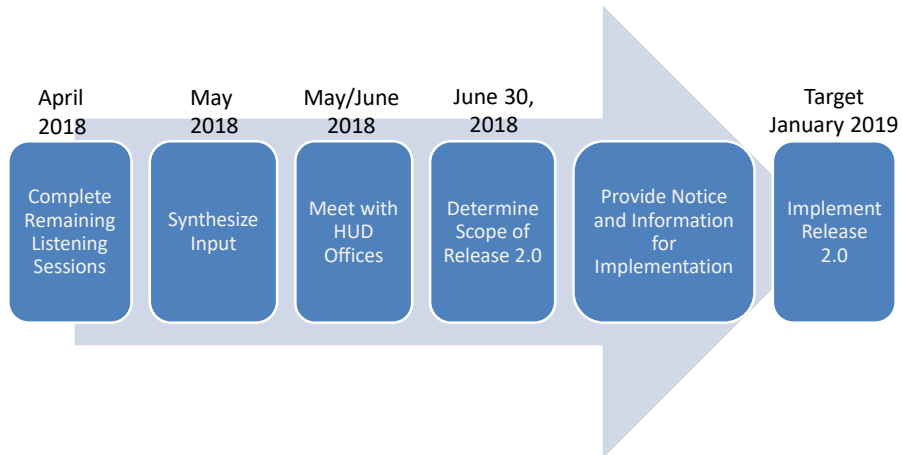
Section 7:
Next Steps

March 2018

Other Items for Consideration

- What items have not be covered that still need to be discussed?
  - PIC 50058
    - Annual PIC-NG Industry Day (similar to TRACS Industry Day)
    - Security – What vendor / PHA security requirements must be in place in order to transmit data to a federal portal?
  - Other Items

2

Next Steps – Target Timeframe

April 2018	May 2018	May/June 2018	June 30, 2018		Target January 2019
Complete Remaining Listening Sessions	Synthesize Input	Meet with HUD Offices	Determine Scope of Release 2.0	Provide Notice and Information for Implementation	Implement Release 2.0

3

Listening Session Conclusion

- Final Thoughts

- Please complete your evaluations

- Continue to provide your thoughts at 58sessions@hud.gov

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