

HUD Form 50058

Listening Session

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



Section 5:

Improving 50058 Business Processing

February 21, 2018

Session Focus

- How should the 50058 Business Model and Business Process 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?

Needed Updates to Business Rules

- **Program Type Codes**

- Do available program type codes need to be updated, are the associated business rules functioning as needed, is there new functionality needed?
 - Possible updates needed for homeownership vouchers, Rental Assistance Demonstration Program (RAD), Family Unification Program, Tenant Protection
 - Mapping of 50058 data elements to VMS data elements
 - Tenant changes from one form of assistance to another or changing voucher type
- With an increase in the number of families participating in HCV Project-based vouchers, does 50058 processing need to emphasize a processing flow that takes into consideration project units versus vouchers rather than PH versus HCV?

Needed Updates to Business Rules (continued)

- **Action Codes**

- Do available action codes need to be updated, are the associated business rules functioning as needed, is there new functionality needed?
 - Consolidate action code 9 – Searching and action code 10 Voucher Issuance
 - Eliminate action code 7 – Unit Change, use action code 3 – Interim
 - Add new action code to indicate the temporary stoppage of HAP payment and nonprogram ending changes and abatements
 - Expand functionality for certain action codes
 - Example: Action Code 6 – End of Participation
 - > Automatic transfer of data to EIV Debt Owed module
 - > 50058 data streamed when changing assistance type (e.g., RAD)

Needed Updates to Business Rules (continued)

- **Action Codes (continued)**

- Certain available 50058 fields are dependent on the action code chosen which causes reporting / analysis difficulties (Action Code 1 / Homeless at Admissions field)
- 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

Needed Updates to Business Rules (continued)

- **Business Edits**

- Do some business edits need to be updated or added?
 - 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
 - 50058 does not handle the ending of a lease but the need for continued HAP payments (normally associated with PBV and occupancy loss)
 - 50058 cannot properly handle home-ownership units (utility reimbursements and HAP payments made to bank)
- Increased flexibility in dates is needed – for example, out of order inspection dates should be accepted

Improving Data Accuracy

- **Data Accuracy**

- What design changes can be made to help ensure data accuracy?
 - Automatically calculate age from DOB
 - Use of standard formats – Owner ID, SSN, Address, etc. (do not use single string)
 - Automatically validate address information with third-party (e.g., 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 (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 database to allow for easy identification of specific 50058 and could be used to link to other data sets

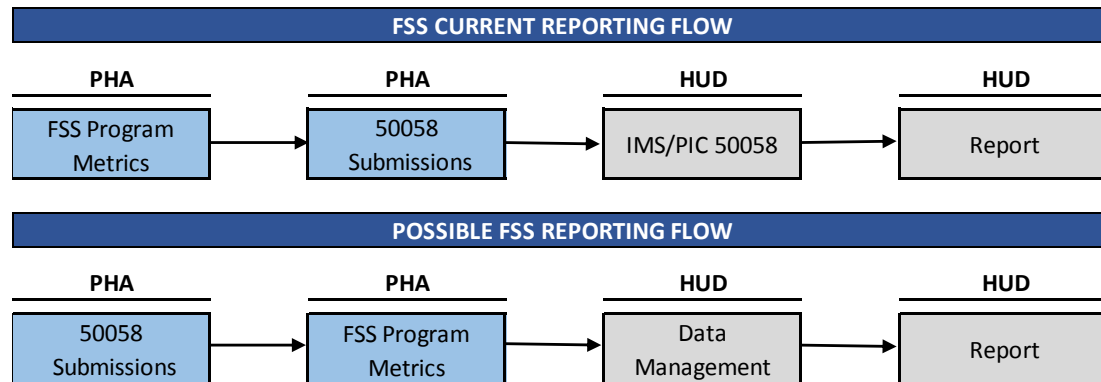
Improving Efficiency

- **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 Webservice – Provide data from EIV
 - Portability Webservice – (1) stream 50058 data from initial PHA electronically to the receiving PHA and (2) automatically generate move-out record for initial PHA
- **Other Possible Efficiencies**
 - What other changes to business processes or policy changes should be considered in 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

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



50058 would only have FSS start and end date

- Action Code 13 – Annual HQS Inspection Only
- Appropriate process / design for new reporting need

Example: Reason for End of Participation

Improving Program Oversight

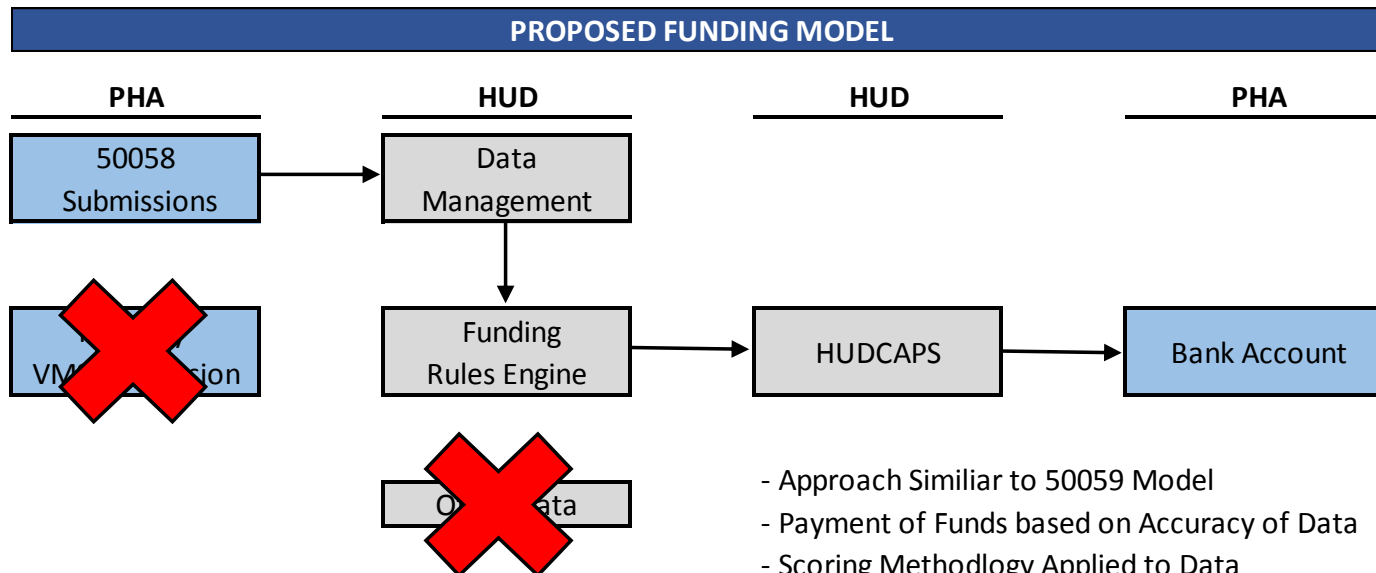
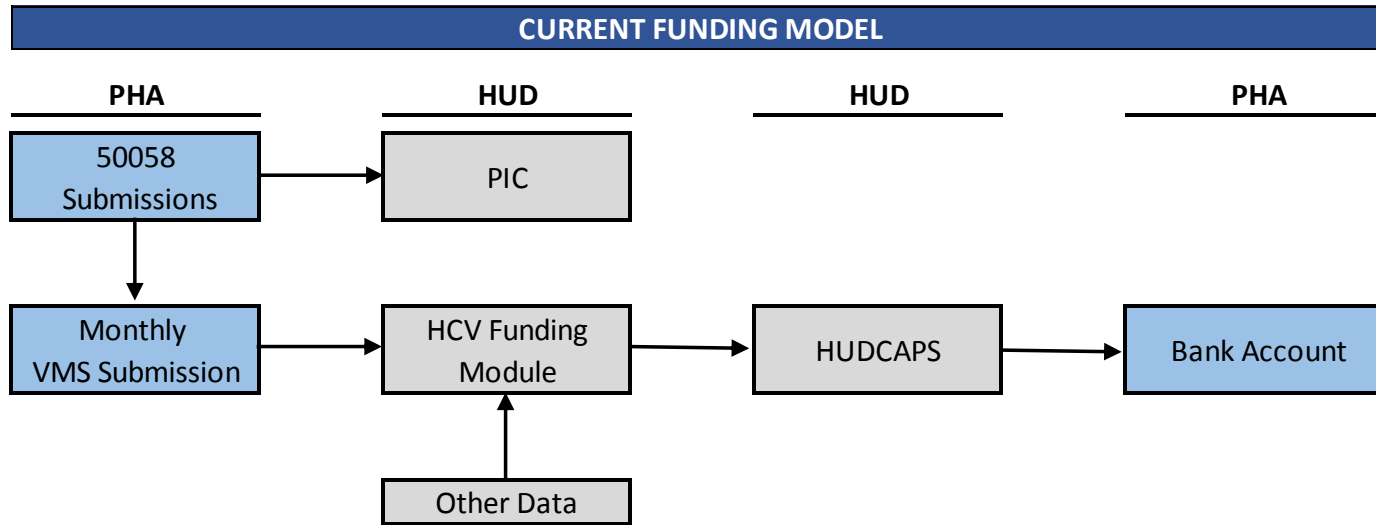
- **Business Intelligence / Reporting**

- 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

Rent Calculation & HUD Funding Formulas

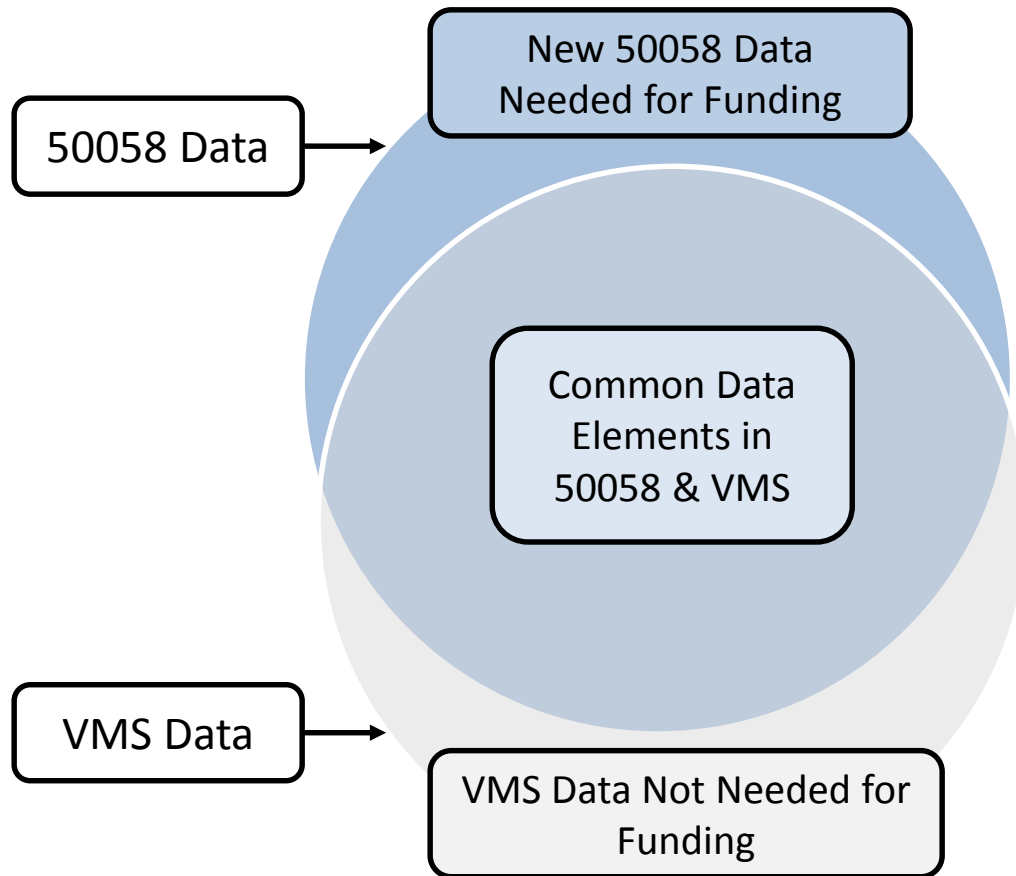
- Should 50058 data be the primary database used in place of different funding formulas?
 - HCV: HAP and administrative fee funding
 - Operating Subsidy: Project Rental Revenue
- What new data would need to be collected or what new functionally would need to be added to 50058?
 - HCV: Partial month HAP payments
 - > Current fatal errors - RAD transition period
 - > Current fatal errors - Unit inspections (codes 5h, 5l)
 - Operating Subsidy: partial month rent

Example HCV Funding Model



- Approach Similar to 50059 Model
- Payment of Funds based on Accuracy of Data
- Scoring Methodology Applied to Data

Example HCV Funding Model (continued)



Benefits

- Reduces HUD Reporting Burden
- One source of data (50058)
- No substantive change to PHA business process

New 50058 Requirements

- **Changes to Law and Regulations**


- There is a need to update the 50058 business rules / processes due to recent changes in law and regulations. What currently needs to be updated for 50058 processing to properly implement the changes?
 - RAD Participants - (1) Income calculation and (2) Need to be associated with PBV project not just unit
 - HOTMA - 50058 impact to PBV and Manufactured Housing
 - Expanded MTW Program – Family Reporting System (FRS) Tool will need to be modified to handle MTW 50058

New 50058 Requirements

- **Implementing 50058 Business Process Changes**

- What should be the design policy of the 50058 be 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: $9a \times 0.10$ 	\$	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: $(9d \times 9e) + 100$	\$	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 – HUD is now requiring the use of these fields to be used, most notably RAD
 - 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