Inventory Management System/PIH Information Center (IMS/PIC) Family Self-Sufficiency (FSS) Reporting and FSS Program Portability Provisions

Office of Public and Indian Housing
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1. Applicability, Background, Purpose

Background

- Inventory Management System (IMS)/PIH Information Center (PIC)
- HUD form 50058, Family Report
- Family Self-Sufficiency (FSS) Addendum
- Discrepancies between number of FSS participating families found in PHA's internal records and numbers in participating families in PIC submitted by PHAs.

Purpose of Notice

- Reporting and submission requirements for the FSS Addendum;

- The "business rules" of submitting FSS addendum, and how to address certain error messages that you may encounter when transmitting information;

- Guidance on how to complete FSS reporting in IMS/PIC for certain conditions, such as portability, changes to head of households, families converting to a project-based program through the Rental Assistance Demonstration (RAD) program; and

- Examples of best practices by PHAs to improve accuracy of FSS information reported to HUD.

Applicability

- PHA's that administer a FSS program for either Public housing residents and/or families in the Housing Choice Voucher program.

- Supersedes guidance provided in Section IV (B) of Notice PIH 2011-65 related to FSS reporting requirements only. All other sections of Notice 2011-65 remain in effect.

Reminder

- Obligation to correct any previously submitted information that is not correct.

- Documentation demonstrating compliance with the requirements of this Notice and regulations must be kept on file.

- Incorrect information may lead to lower SEMAP scores, and result in incorrect HUD FSS program evaluations, and reductions in funding.

2. FSS Addendum Reporting Requirements

FSS Addendum Reporting Requirements

An FSS Addendum must be submitted to IMS/PIC:

- Within 60 days of a **FSS Enrollment** in or **Exit** from the program.

- **FSS Progress:** A progress report must be submitted at least once a year for each family. This requirement can be satisfied as part of:
  - 1. FSS progress report submitted with annual reexamination (50058 Action Code 2) or
  - 2. FSS progress report submitted with flat rent update (50058 Action Code 12).

- An updated FSS addendum is required for certain other 50058 actions, as specified in Table 1.

Note: PHAs may – but are not required to – submit FSS progress reports at other times of the year to reflect update to a FSS participant's progress towards goals.

Table 1. Actions Requiring Addendum Submissions

#	50058 Action Code	FSS Submission Required
1	Code 1: New Admissions	FSS submission is required when a family is already participating in the FSS program through another of the PHA's program.
2	Code 2: Annual Reexamination	A FSS report is required regardless of whether the annual reexamination changes the family's monthly FSS credit.
3	Code 3: Interim Reexamination	Same as Action Code 2.
4	Code 4: Portability Move-In	Discussed later in Section 4 of this presentation.
5	Code 5: Portability Move-Out	Discussed later in Section 4 of this presentation.
6	Code 6: End of Participation	An exit report is generally required when: 1) family exits PH or HCV program; and 2) if family continues to participate in FSS program but through a multifamily FSS program (e.g., RAD conversion).
7	Code 12: Flat Rent Annual Update	A FSS report is required regardless of whether the flat rent update changes the family's monthly FSS credit.

3. FSS Addendum: IMS/PIC Business Rules

IMS/PIC Business Rules: Fatal Error and Warning Messages

- For each uploaded 50058 report, an error report is generated from IMS/PIC.
  - For the FSS program, there are <u>2</u> fatal error and <u>4</u> warning messages generated by IMS/PIC.

- **Fatal Error Message:** Record is <u>rejected</u> by IMS/PIC.
  - 1. Fields 17b and 17c must be populated.
  - 2. There is no FSS enrollment record in IMS/PIC but the PHA is trying to submit a progress or an exit record.

- **Warning Message:** Record is <u>accepted</u> but a warning message indicates that there might be an error in the 50058 that needs to be corrected
  - 1. There is no FSS exit report but the enrollment date for the participant was more than 7 years ago.
  - 2. More than 12 months have passed since the last FSS enrollment or progress report.
  - 3. The 50058 record is an EOP record but there is no FSS exit record.
  - 4. The 50058 record is a port-out record but there is no FSS exit record.

How to Correct Fatal Errors

- **Fatal Error Message 1:** Fields 17b and 17c must be populated
  - Explanation: Field 17b is FSS report category field and must be populated with an E (enrollment); P (progress); or X (exit). Field 17c is the FSS effective date.

- **Fatal Error Message 2:** There is no FSS enrollment record in IMS/PIC but the PHA is trying to submit a progress or exit record.
  - Explanation: IMS/PIC does not show that the family was ever enrolled in the FSS program.

Scenario	PHA Action Needed
1. Participant enrolled but no Enrollment report was sent to IMS/PIC.	Transmit enrollment and re-submit progress or exit record (use Action Code 8 – FSS Addendum only).
2. Participant did not exit the FSS program.	Remove exit record using the void process; resubmit progress report.
3. A record was created but participant is not in FSS program.	Correct internal PHA records. No action is needed for IMS/PIC because no record was accepted.

How to Correct Warning Messages

- **Warning Message 1:** There is no FSS exit report but the enrollment date for the participant was more than 7 years ago.
  - Explanation: IMS/PIC shows an FSS enrollment record that is over 7 years old, which is normally the maximum length of participation in the FSS program.

Scenario	PHA Action Needed
1. Participant was enrolled in the FSS program in error.	No action needed.
2. Participant left the FSS program but there is no exit record.	Transmit exit record.
3. FSS enrollment date was entered incorrectly.	Correct enrollment date; re-submit record.

How to Correct Warning Messages

- **Warning Message 2:** More than 12 months have passed since the last FSS enrollment or progress report.
  - Explanation: One (1) FSS addendum record per participant must be submitted annually. PHAs who comply with reporting requirements (Section 4 of Notice) will avoid warning.

Scenario	PHA Action Needed
1. PHA is not complying with reporting requirements.	Review Section 4 of Notice and develop procedures to implement the reporting requirements.
2. Participant enrolled in FSS program in error; therefore, IMS/PIC is expecting a FSS addendum.	Use void procedures to remove the enrollment record and re-submit corrected 50058 if submitted with other than Action Code 8 (FSS Addendum only).
3. Participant left the program but no exit record was submitted to IMS/PIC.	Transmit FSS exit addendum.
4. PHA's 50058 record is not transmitted to IMS/PIC successfully.	Review PHA 50058 upload protocols to correct for IMS/PIC submission errors.

How to Correct Warning Messages

- **Warning Message 3:** The 50058 record is an EOP record but there is no FSS exit record.
  - ▫ Explanation: An "End of Participation" (EOP) record was submitted but there is no corresponding FSS exit record.
- **Note:** While this error is coded as a warning message; the error should be considered a fatal error because an exit record must be submitted **before** the EOP record. <u>Exceptions</u>: When a EOP record is for a participant where: 1) family is moving from one assistance program to another program; 2) continuing in the program; **and** 3) FSS addendums must still be reported in IMS/PIC (for example, moving from public housing to the HCV program).

Scenario	PHA Action Needed
EOP record was submitted but there is no exit record.	1. Void EOP record and transmit FSS exit report as a separate submission (Action Code 8) and then submit EOP record after the exit record is accepted. 2. FSS exit record must have an effective date/time before the EOP date/time.

How to Correct Warning Messages

- **Warning Message 4:** The 50058 record is a port-out record but there is no FSS exit record.
  - ▫ Explanation: When the family leaves the initial PHA's FSS program or enrolls into the FSS program of the receiving PHA, the initial PHA must submit an FSS exit addendum record into IMS/PIC. **Note:** Warning message will only be received by the initial PHA.

Scenario	PHA Action Needed
1. A 50058 submission was submitted to IMS/PIC in error using action code 5 (Portability move-out).	PHA should void the 50058.
2. Participant had port-out and is under the FSS program of the receiving PHA.	In these cases, receiving PHA's port in (action code 4) has been accepted. The receiving and initial PHA will need to void move-in and move-out records (in this order) so that the initial PHA can submit an FSS exit record. Contact PIC Coach for assistance.
3. Participant had port-out but remains in the initial PHA's FSS program.	Initial PHA should do nothing because no FSS exit addendum should be submitted.

IMS/PIC Business Rules: Sequencing of 50058 and FSS Effective Dates

- A common IMS/PIC submission relates to the order or sequence of the 50058 and FSS records that are submitted based on the 50058 and FSS effective dates.

- **50058 Effective Date:** The 50058 effective date (field 2b) should reflect the date that the reported 50058 action becomes effective and not the date the record was entered into the system. For example, for an annual reexamination record, field 2b reflect the date the new rent takes effect.
  - The 50058 effective date must be completed for all 50058 submissions, including action code 8 (FSS addendum only).

- **FSS Addendum Effective Date:** The FSS effective date (field 17c) should reflect the date of enrollment or the date that the participant exited from the program. For progress reports the FSS effective date should reflect the effective date of the action.

IMS/PIC Business Rules: FSS Addendum Effective Date for Progress Reports

- **The following business rules apply to the effective date for a FSS progress report:**

#	Event	FSS Addendum Effective Date
1	FSS progress reports submitted with: 1) Annual reexamination; 2) interim reexamination; and 3) flat rent annual update.	FSS addendum effective date and 50058 effective date should be the same.
2	FSS progress reports submitted to correct incorrect information on prior FSS addendum submission.	FSS addendum effective date should reflect the effective date of the corrected progress report, resubmitted using action code 8.
3	Any other FSS progress reports.	FSS addendum effective date should reflect the date of the meeting with the FSS participant that is the reason for the update.

IMS/PIC Business Rules: "Sequencing" Business Rules

- **Rule 1:** Contrary to previous guidance, the FSS effective date does not need to be the same as the 50058 effective date.

- **Rule 2:** IMS/PIC only compares the order or sequence of the 50058 effective date (field 2b) and does not take into consideration the effective date of the FSS addendum (field 17c).

- **Rule 3:** A 50058 record that is being submitted must have a 50058 effective date (field 2b) that is **later** than the current 50058 record's effective date (field 2b) in IMS/PIC.

IMS/PIC Business Rules: Options for Correcting "Sequencing" Errors

- **Option 1:** PHA can void the record(s) with the later effective date in IMS/PIC and re-submit the 50058 record(s) in the correct order based on each record(s) effective date.

- **Option 2:** PHA could resubmit only the FSS record using action code 8 (FSS addendum only) with a 50058 effective date that is later than the effective date of the last 50058 record submitted to IMS/PIC but with the correct FSS effective date.
  - Option 2 should only be used with action code 8 (FSS addendum only) and when the FSS effective date (field 17c) contains the accurate effective date. However, the 50058 effective date (field 2b) will not reflect the actual date of any substantive action for the family
  - Option 2 as opposed to voiding records, is preferred by HUD.

- **Note:** Option 2 cannot be used if the last 50058 effective date is associated with an end of participation (EOP) code action. Instead, the PHA will need to void the record and resubmit in correct date order.

IMS/PIC Sequencing Rules: Appendix 1 Examples

Example 1

- Event 1 – Family entered HCV program on 3/1/2015 and an IMS/PIC record was submitted with an effective date of 3/1/2015;
- Event 2 – Participant had an interim reexamination with an effective date of 10/1/2015.

Event 1: HCV Admission			Event 2: Interim Re-exam		
IMS/PIC Edit Check	50058 Field	Effective Date	IMS/PIC Edit Check	50058 Field	Effective Date
Accept Record	2b.	3/1/2015	Accept Record	2b.	10/1/2015

- Both records would be accepted by IMS/PIC because the second record (interim reexamination) had an effective date after/later than the previous current record date of 3/1/2015.

IMS/PIC Sequencing Rules: Appendix 1 Examples

Example 2

- Event 3 – Family was enrolled in FSS program on 9/1/2015 but the FSS enrollment record was not submitted to PIC until 10/1/2015. If the PHA entered the record with a 50058 effective date of 9/1/2015, a fatal error would occur. Since IMS/PIC already contains a 50058 record with an effective date of 10/1/2015, no 50058 record would be accepted with an earlier 50058 effective date.

Event 1: HCV Admission			Event 2: Interim Re-exam			Event 3: FSS Enrollment		
IMS/PIC Edit Check	50058 Field	Effective Date	IMS/PIC Edit Check	50058 Field	Effective Date	IMS/PIC Edit Check	50058 Field	Effective Date
Accept Record	2b.	3/1/2015	Accept Record	2b.	10/1/2015	Fatal Error	2b.	9/1/2015
							17c.	9/1/2015

- Correcting the Fatal Error Using Option 1: Void. The PHA would need to void Event 2 with an effective date of 10/1/2015, next submit Event 3 with an effective date of 9/1/2015, and then re-submit Event 2.

IMS/PIC Sequencing Rules: Appendix 1 Examples

Example 3

- If the sequencing error is related to the FSS addendum, a PHA can submit a FSS addendum with an earlier FSS effective date than the 50058 effective date.

Event 1: HCV Admission			Event 2: Interim Re-exam			Event 3: FSS Enrollment		
IMS/PIC Edit Check	50058 Field	Effective Date	IMS/PIC Edit Check	50058 Field	Effective Date	IMS/PIC Edit Check	50058 Field	Effective Date
Accept Record	2.	3/1/2015	Accept Record	2b.	10/1/2015	Accept Record	2b.	10/2/2015
							17c.	9/1/2015

- Correcting the Fatal Error Using Option 2: FSS addendum only (Action Code 8). Event 3 – The PHA could correct the sequencing error by resubmitting just the FSS enrollment record (action code 8) with a 50058 effective date after 10/1/2015 (for example 10/2/2015) but with a FSS effective date of 9/1/2015.
- **Note:** This option (Option 2) cannot be used if the last 50058 effective date is an EOP record.

4. FSS Portability Provisions (Section 6 of Notice)

FSS Portability Provisions

Can an FSS family port to another jurisdiction?

- Yes. But, an FSS family is generally required to lease a unit in the initial PHA's jurisdiction for a minimum of 12 months after the effective date of the contract of participation.

- The family must also be eligible to move under regular HCV program regulations and requirements.

FSS Portability Provisions

Can my agency allow a portability move within this 12 month period?

- Yes. The initial PHA may allow a move during this period.

FSS Portability Provisions

What happens to the family's FSS participation when they port?

- In certain cases, the family may continue to participate in the initial PHA's FSS program.

- Or, the family may enroll in the FSS program at the receiving PHA.

- In other cases, continued participation in FSS will not be possible.

FSS Portability Provisions

When will continued participation not be possible?

• When the FSS family ports to a receiving PHA that does **not** administer FSS and the family is absorbed by the receiving PHA.

FSS Portability Provisions

Is agreement from the receiving PHA necessary for continued participation in the initial PHA's FSS program?

- It depends on the FSS portability scenario.

- For example, the receiving PHA must agree to continued participation in the initial PHA's FSS program if the FSS family will be absorbed into the receiving PHA's HCV program but for whatever reason is not enrolling in the receiving PHA's FSS program.

FSS Portability Provisions

What happens if the receiving PHA does not agree to continued participation in the initial PHA's FSS program?

- If receiving PHA agreement is required and the receiving PHA does not agree, continued FSS participation will not be possible.

FSS Portability Provisions

What happens if continued participation is not possible?

- The PHA may assess whether modification of the FSS contract to allow the family to graduate from FSS prior to the move is possible.

- If modification is not possible, the family's participation in FSS is terminated.

FSS Portability Provisions

What happens to a family's escrow if FSS participation is terminated as a result of a portability move?

- The escrow will be forfeited, unless:
    - There is good cause for the move (e.g. moving to achieve self-sufficiency goals as established under the FSS contract of participation),
    - The family has met its responsibilities under the FSS contract, and
    - The PHA requests a waiver of 24 CFR 984.305(c).

FSS Portability Provisions

Can a ported family that was not participating in FSS prior to the move enroll in the receiving PHA's FSS program?

- Generally, yes. But the family may not enroll in the receiving PHA's program if the initial PHA does **not** administer FSS and the receiving PHA is billing for the family.

- Also, the initial PHA must agree to participation in cases where the initial PHA does administer FSS but the receiving PHA is billing.

FSS Portability Provisions

- Further information on the FSS portability scenarios and impact can be found in Section 6, Table 1 of PIH 2016-08.

FSS Portability Provisions

Who maintains the FSS escrow?

- The escrow account for an FSS family that ports is maintained by the PHA whose ACC funds the escrow.

FSS Portability Provisions

Who maintains the FSS contract?

- The PHA that is administering the family's participation in FSS.

- There will only be one contract.

FSS Portability Provisions

Who maintains the FSS contract?

- If the receiving PHA will maintain the FSS contract, the initial PHA must terminate the FSS contract with the family and the participant will enter into a new FSS contract with the receiving PHA, with a new enrollment date.

- The expiration date of the new contract will reflect the same expiration date as in the initial PHA's contract.

- All other baseline information included in the FSS contract (i.e. the initial annual income, family rent, and earned income information) will remain the same.

FSS Portability Provisions

- Further information regarding FSS responsibilities under a portability scenario is found in Section 6, Tables 2 and 3 of PIH 2016-08.

50058 & FSS Addendum: Portability Processing

- Two (2) 50058 submissions are required when a family moves to another PHA's jurisdiction.
  - A 50058 submission from the initial PHA using action code 5 (Portability Move Out).
  - A 50058 submission from the receiving PHA using action code 4 (Portability Move In).
  - Action code 1 (New Admission) and Action code 6 (End of Participation) should not be used, even if the family is absorbed.

- **Note:** Once the move-out or move in 50058 is processed, the initial PHA will no longer be able to make any updates to the FSS information.

50058 & FSS Addendum: FSS for Receiving PHA

- **1. FSS Family Leaves the FSS Program:** 1) Initial PHA would transmit a FSS exit record under action code 8; 2) Initial PHA submit move out record (action code 5).

- **2. FSS Family Enrolls in FSS Program of Receiving PHA:**

#	Responsible PHA	Event	Type of 50058/FSS Submission
1	Initial PHA	Family leaves initial PHA's FSS program.	1. FSS Exit (Action Code 8)
2	Initial PHA	Family ports out from initial PHA.	2. Move –out (action code 5)
3	Receiving PHA	Family ports in to the receiving PHA.	3. Move-in (action code 4)
4	Receiving PHA	Receiving PHA administers family's FSS contract.	4. FSS enrollment (action code 8)
5	Receiving PHA	Update FSS information as needed.	5. FSS progress (action code 8)

50058 & FSS Addendum: FSS for Receiving PHA

- **3. FSS Family Continues in Initial PHA's FSS Program:**

#	Responsible PHA	Event	Type of 50058/FSS Submission
1	Initial PHA	Family stays in initial PHA's FSS program.	1. FSS Progress (Action Code 8)
2	Initial PHA	Family ports out from initial PHA.	2. Move –out (action code 5)
3	Receiving PHA	Family ports in to the receiving PHA.	3. Move-in (action code 4)
4	Receiving PHA	Initial PHA administers family's FSS contract.	4. FSS Progress (action code 8)

- Whether the family leaves or stays in the initial PHA's FSS program, the receiving PHA is responsible for entering the progress report and exit record for the participant.

5. RAD Conversion, Admissions to Another PHA Administered Housing Program & Change to Head of Household (HoH)

1. RAD Conversion and FSS Processing

- FSS reporting requirements are the same for FSS participants that live in a development that is part of a RAD conversion until the actual time of conversion.

- **General Reporting Requirements:** Once the project has converted, the PHA will need to:
  - (If converting to PBRA), submit FSS exit report.
  - (If converting to PBV), submit a FSS progress report.
  - Submit an EOP record for Public Housing.

- If PHA submits a EOP record prior to the FSS exit or progress report, the PHA will receive a fatal error message and the PHA will need to void EOP and re-submit.

- **Note:** PHA will not be able to void the record once unit is removed from PHA's inventory. In this situation, contact PIC Coach for guidance.

1. RAD Conversion & FSS Processing: Conversion to PBV Program

- Participant will continue under the same FSS contract; is held harmless due to the conversion.

- **FSS Processing Requirements for Conversion to PBV Program:**

#	Event	Type of 50058/FSS Submission
1	Family continues in FSS program.	1. FSS Progress (action code 8)
2	Family converts from PH to HCV program.	2. End of Participation (PH) (action code 6)
3	Family coverts from PH to HCV program.	3. New Admissions (HCV) (action code 1)
4	Family continues in FSS program.	4. FSS Progress (HCV) (action code 8)

1. RAD Conversion & FSS Processing: Conversion to PBRA Program

- IMS/PIC only tracks family information for Public Housing and HCV.

- Therefore, there is no reporting requirements in IMS/PIC for FSS participants that converted to multifamily housing's Project Based Rental Assistance (PBRA) program.

- **FSS Processing Requirements for Conversion to PBRA Program:** IMS/PIC does not have exit reason to reflect conversion to PBRA. For now, use as the exit reason "Portability Move out".

#	Event	Type of 50058/FSS Submission
1	Family converts from PH to PBRA program.	1. 50058, Line 2a (action code 8); and FSS Addendum, line 17m(3), Portability Move-out.
		2. End of Participation (PH) (action code 6).

2. FSS Processing: Conversion to Other Program Managed by Same PHA

- Family stays in FSS program when converting from one housing program to another housing program that is managed by the same PHA, FSS processing requirements are the same as conversion to PBV (Section 7b of the Notice).

- Family leaves FSS program when converting from one housing program to another housing program, FSS processing requirements are the same as conversion to PBRA (Section 7c of the Notice).

- Family stays in FSS program when converting but family is no longer tracked in IMS/PIC, FSS processing requirements are the same as conversion to PBRA (Section 7c of the Notice).

3. FSS Processing: Change to Head of Household

- Submit an FSS exit report for the previous head of household.

- Submit 50058 for new head of household and FSS enrollment report (if the new HoH remains in the FSS program).

6. Accurate Reporting of Escrow Balances

Escrow Information Collected on 50058

- Reporting of FSS Escrow Information is shown on Line 17k (FSS Account Information) of the 50058.

50058 Action Code	50058 Action Code Description
17k(1)	Current FSS account monthly credit.
17k(2)	Current FSS account balance.
17k(3)	FSS account amount disbursed to the family (cumulate as of end of reporting period).

Reporting of Escrow Balances: Enrollment & Progress Addendums

- For enrollment and progress addendums, the FSS monthly credit and balance should represent the monthly credit and balance as of the FSS effective date for the addendum report.

- When FSS effective date has been forward dated to coincide with the 50058 effective date (i.e., to coincide with annual or interim reexamination), the FSS monthly credit balance should be *estimated*.

- The estimate should take into account:
  - Monthly escrow credit;
  - Interest accrual; and
  - Known withdrawals that are not reflected in current escrow balance.

Reporting of Escrow Balances: Graduate or Exit FSS Program

- **Reporting of FSS Escrow Information for Participants that Graduate or Exit FSS Program.**

50058 Action Code	50058 Action Code Description	PHA Action
17k(1)	Current FSS account monthly credit.	= 0
17k(2)	Current FSS account balance.	= 0 (regardless of whether the PHA has disbursed all the escrow).
17k(3)	FSS account amount disbursed to the family (cumulate as of end of reporting period).	= Cumulative amount as of the end of the reporting period, including amount yet to be disbursed.

Reporting of Escrow Balances: Port-Outs or Convert to Another Program

- **Reporting of FSS Escrow Information for Participants that Port-Out or Convert to Another Program.**

50058 Action Code	50058 Action Code Description	PHA Action
17k(1)	Current FSS account monthly credit.	= Amount of monthly credit as of the effective date of exit record.
17k(2)	Current FSS account balance.	= Amount of monthly credit as of the effective date of exit record.
17k(3)	FSS account amount disbursed to the family (cumulate as of end of reporting period).	= Cumulative amount as of the end of the reporting period, including amount yet to be disbursed as of effective date of exit record.

Reporting of Escrow Balances: ACOP & Annual Plan

- Differences in escrow balances may be the result of a PHA not adjusting the FSS participant's monthly credit in accordance with the PHA's ACOP or Administrative Plan.

- A PHA's policy on annual and interim reexaminations as stated in the PHA's ACOP or Administrative Plan applies to a FSS participant.
  - Any changes in income must be reflected in the participant's monthly FSS escrow credit at the same time.

Accounting for FSS Escrow Balances

- The FSS Coordinator grant can be used to fund coordinator activity related to both HCV and PH families.

- However, the monies used to fund the escrow must come from either the PH or HCV program under which the family participates (i.e., HAP funding (HCV) or Subsidy / Rents (PH)).

Accounting for FSS Escrow Balances

- The escrow account(s) must be reported as part of the HCV or PH program financial statements.
  - The escrow balance and associated transactions are not to be reported as part of the FSS Coordinator Grant (CFDA #14.896).

- PHAs must deposit the FSS escrow funds into a separate single depository account that is completely separate from any other PHA held funds (i.e., separate bank account).

Accounting for FSS Escrow Balances

- The PHA must maintain a separate subsidiary ledger, which shows the individual escrow balance and transactions that support the balance by individual participant (i.e., monthly escrow credit, withdrawal, interest earned).

- Interest earned must be credited to the participant's account at least annually.

Accounting for FSS Escrow Balances

- If an escrow balance is forfeited, the funds become program income based on the source of the funds that was initially used to fund the escrow account.

  - For example, if an escrow account was funded through the HCV program and then forfeited, the funds would be considered HAP funds and limited in use to allowable HAP payments.

Accounting for FSS Escrow Balances

- Further accounting and financial reporting guidance on escrow balances and the FSS coordinator grant can be found in HUD Accounting Brief #23: "Financial Reporting for the Family Self Sufficiency Program" issued May 2015.

7. Best Practices
(Appendix 2 of Notice)

Best Practices for Accurate FSS Reporting

- PHAs should provide FSS Coordinators with read-only access to IMS/PIC System.
  - Access should be granted to IMS/PIC submodules: 1) Form 50058 Viewer; and 2) Form 50058 AdHoc Report.

- PHAs should develop written procedure for FSS processing and provide training to staff.

- For more accurate reporting of escrow balances, PHAs should perform reconciliation of internal escrow balances on a periodic basis.
  - Some PHAs have reported that some of the inaccurate reporting may be due to problems with the PHA's MIS systems. PHAs should discuss issues with their software providers.

Best Practices for Accurate FSS Reporting

- PHAs should reconcile their FSS participant data with data submitted to IMS/PIC.
  - PHAs may reconcile data as part of SEMAP data reconciliation 30-60 days prior to the PHA's fiscal year end.
  - Reconciliation should also be performed prior to issuance of annual FSS Coordinators NOFA.

- PHAs should submit FSS Addendum on a timely basis. Some FSS Coordinators maintain updates to FSS records in case files and transfer the updates to the addendum later. Updates to FSS addendum should be made and submitted soon after contact is made with FSS participant.

- PHAs should correct warning messages along with fatal error messages.

8. Reconciling PHA FSS Data with IMS/PIC (Appendix 3 of Notice)

Excel Tips: MID

An Excel function that returns a string of characters from a cell containing a specified number of characters starting at a specific location within the cell from a string.

Syntax: Mid(*string, start* [*, length*])

Example formula: =mid(A2, 5, 7)

   if A2 contained the words Ms. Johnson,

   the result would be Johnson as the formula start in the 5th position, which is J and then goes 7 places; (starting its count in the 5th position).

Term	Definition
string	Required. String expression from which characters are returned. If *string* contains Null, Null is returned.
start	Required. Long. Character position in *string* at which the part to be taken begins. If *start* is greater than the number of characters in *string*, Mid returns a zero-length string ("").
length	Optional. Variant (Long). Number of characters to return. If omitted or if there are fewer than *length* characters in the text (including the character at *start*), all characters from the *start* position to the end of the string are returned.

Excel Tips: VLOOKUP

An Excel function that lookup ups and retrieve data from a table.

Syntax: VLOOKUP(lookup_value, table_array, col_index_num, [range_lookup])

Example formula: =vlookup(A2,'sheet2'!A1:E50,4,false)

Term	Definition
lookup_value	The value that you want to search for.
table_array	The array of data that is to be searched for the lookup_value. The Vlookup function searches in the left-most column of this array.
col_index_num	An integer, specifying the column number of the supplied table_array, that you want to return a value from.
[range_lookup]	An optional logical argument, which describes what the function should return in the event that it does not find an exact match to the lookup_value. The [range_lookup] can be set to TRUE or FALSE, meaning: True - Find the closest match below the lookup_value if the exact value is not found. False - Find an exact match to the lookup_value - if an exact is not found, the function returns an error. If the [range_lookup] value is omitted, it takes the default value of TRUE.

Tip: Add dollar signs before for cell reference of table lookup value an table array before copying the formula (i.e., $A2 and =$A$1..$E$50). The dollar signs locks the cell reference from changing.