U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Special Attention:	NOTICE: PIH 2016-08 (HA)
Public Housing Agencies; Public Housing Directors	Issued: May 6, 2016
	Expires: Effective until Amended, Superseded, or Rescinded
	Cross References:
	Notice PIH 2011-65 (HA)

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

1. **Applicability.** This notice applies to public housing agencies (PHAs) that administer a Family Self-Sufficiency (FSS) program for the public housing and/or the Housing Choice Voucher (HCV) program. Further guidance on IMS/PIC FSS reporting requirements for Moving to Work (MTW) agencies may be provided under a separate notice.

This notice supersedes the guidance provided in Section 4(B) of Notice PIH 2011-65 related to FSS Reporting Requirements. All other sections of Notice PIH 2011-65 remain in effect.

2. **Background.** The FSS addendum data submitted as part of Form HUD-50058 (50058) into IMS/PIC is used by HUD to make funding decisions and monitor outcomes of the FSS program. This Notice is prompted by discrepancies that have been reported between the counts of FSS participants submitted by PHAs into IMS/PIC and separate counts submitted by PHAs based on their own internal records.

3. **Purpose.** The purpose of this notice is to provide information to PHAs on how to improve the accuracy of the FSS information submitted into IMS/PIC. Specifically, this Notice provides:
   - Reporting and transmission requirements for the FSS addendum (i.e., when must a FSS addendum be completed and submitted into IMS/PIC);
   - Guidance on how to overcome challenges in submitting FSS addendums to IMS/PIC;
   - Guidance on how to complete the FSS reporting in IMS/PIC for certain situations such as portability, changes to head of household, and families in the FSS program that are converting to a project-based program through the Rental Assistance Demonstration (RAD) program; and
   - Examples of best practices used by PHAs to improve the accuracy of FSS information reported to HUD.

This notice also provides clarity on specific portability provisions under the FSS program. Section 6 of this notice focuses on FSS-specific portability provisions, including IMS/PIC reporting requirements for FSS families that move under portability.

PHAs are reminded of an obligation to correct any previously submitted information that is not correct. Incorrect information may result in lower SEMAP scores, improper results in HUD FSS program evaluations, and reductions in funding. Additionally, PHAs are reminded that documentation demonstrating compliance with the requirements of this notice and regulation must be kept on file. HUD may request this documentation at any time.

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4. FSS Addendum Reporting Requirements[1]. The following guidelines describe when an FSS Addendum must be submitted to IMS/PIC:

a. FSS Enrollment or Exit: An FSS Addendum must be submitted within 60 days of the effective date of an enrollment or exit from the FSS program.

b. FSS Progress: After the family's FSS enrollment, an FSS Addendum must be submitted *at least once per year for every family participating in FSS* to report on the participant's progress. For most families, this requirement will be satisfied through the submission of an FSS progress report as part of the 50058 record of an annual examination (50058 Action Code 2) or flat rent update (50058 Action Code 12). Sections 4.c and 4.d below detail the actions that require submission of an FSS addendum.

Note that PHAs are still required to submit an FSS addendum at least annually for every FSS family regardless of whether the annual examination (or other non-FSS 50058 action that requires submission of an FSS addendum) has been completed.

c. PHAs are required to update and include an FSS addendum whenever they submit a 50058 form in connection with an annual reexamination (50058 Action Code 2), interim reexamination (50058 Action Code 3) or flat rent update (50058 Action Code 12) of a family enrolled in FSS. To reduce the possibility of error, PHAs are cautioned to calculate the monthly FSS escrow credit only *after* the family's income has been updated and/or confirmed.

d. PHAs are also required to submit an updated FSS addendum for certain other 50058 actions for families enrolled in FSS. Table 1, "Actions Requiring Submission of FSS Addendum into IMS/PIC," provides a complete list of the 50058 actions that would trigger the requirement for an updated FSS addendum.

e. PHAs may – but are not required to – submit FSS progress reports at other times of the year to reflect updates to a FSS participant's progress.

Table 1. Actions Requiring Submission of FSS Addendum to IMS/PIC

#	50058 Action Code
1	**Code 1: New Admissions**. Ordinarily, a new admission will not already be enrolled in FSS so no FSS Addendum will be required. However, an FSS Addendum will be required when the family is already participating in the FSS program through another of the PHA's programs (e.g., the FSS family moved from the Public Housing Program to the Housing Choice Voucher program). (See Sections 7, 8, and 9 of this notice).
2	**Code 2: Annual Reexamination**. A FSS progress report is required, regardless of whether the annual reexamination changes the family's monthly FSS credit. (See Section 4.b and 4.c of this notice).
3	**Code 3: Interim Reexamination.** A FSS progress report is required, regardless of whether the interim examination changes the family's monthly FSS credit. (See Section 4.b and 4c of this notice).

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[1] This section of the notice supersedes and clarifies the reporting requirements issued in the Introduction (under the "General Information for Completing Form HUD-50058" sub-section) of the Form HUD-50058 Instruction Booklet dated June 28, 2004. The Instruction Booklet required a PHA to submit a FSS report for any 50058 action code other than a FSS action only (action code 8).

4	**Code 4: Portability Move-In.** If the receiving PHA will administer the FSS program, the receiving PHA must submit an FSS Enrollment record which should match the information on the initial PHA's exit record, with the exception of the enrollment date. The effective date of the addendum and the enrollment (initial start) date must be the same. If needed, the receiving PHA will then submit a FSS progress report immediately following the FSS enrollment to reflect further changes (i.e., change in participant goals) as a result of the FSS contract now being administered by the receiving PHA Using two addendum reports helps clearly identify changes / action taken by the receiving PHA. If the initial PHA will continue to administer the FSS program for the participant, the receiving PHA must submit a FSS progress report. (See Section 6 of this notice for more information).
5	**Code 5: Portability Move-out.** If the family will leave the FSS program or the receiving PHA will administer the FSS program, the initial PHA must submit an FSS Exit report. If the initial PHA will continue to administer the FSS contract, the initial PHA must submit an FSS progress report. The FSS submission must be made before a portability move-out or portability move-in submission is made. (See Section 6 of this notice for more information).
6	**Code 6: End of Participation**. If the family will be exiting the Public Housing or HCV program and no longer participating in FSS, submit an FSS Exit report. An FSS Exit report is also needed if the family's continued participation in FSS will be through a multifamily FSS program (e.g., RAD conversion). When a family will continue to participate in a PHA FSS program (e.g., after moving from public housing to an HCV program), submit an FSS progress report instead. The FSS submission must be made prior to the End of Participation submission. (See Sections 7, 8, and 9 of this notice).
7	**Code 12: Flat Rent Annual Update**. A FSS report is required, regardless of whether the annual reexamination changes the family's monthly FSS credit. (See Section 4.b and 4.c of this notice).

When submitting an FSS addendum, all FSS addendum report fields that are applicable to that report type (i.e., enrollment, progress, or exit) must be updated and completed. Ensuring that the information being submitted is correct is crucial. Incorrect information may result in lower SEMAP scores, improper results in HUD FSS program evaluations, and reductions in funding. See Section 5 for more information on correction of previously submitted information that is incorrect.

Regardless of the timing of the submissions of the FSS addendum into IMS/PIC, PHAs are still required to maintain their own internal records of all necessary actions and events in order to properly administer and meet all reporting requirements of the FSS program.

5. **FSS Addendum: IMS/PIC Business Rules.** This section provides guidance on how to address certain errors that may be encountered in submitting FSS Addendums into IMS/PIC.

When PHAs upload 50058 data into IMS/PIC, the system validates each 50058 record at the time of upload to ensure that the record meets basic validity tests and business logic. For each uploaded 50058 record, PHAs receive an error report from IMS/PIC. The error report identifies the records containing any fatal errors (i.e., record is **rejected** by IMS/PIC) or warnings (record is accepted by IMS/PIC but a **warning** message indicates that there might be an error in the 50058 that needs to be corrected) and a description of the error associated with each record.

This section provides information on the three (3) major IMS/PIC system business rules related to the FSS addendum and guidance on how to resolve the errors that are sometimes encountered in submitting FSS addendums to IMS/PIC. PHAs are reminded that they are responsible for the accuracy and timeliness of all IMS/PIC 50058 data.

Limitation for correcting certain errors: If a PHA needs to correct an enrollment or exit record (for example the initial start date of the contract is incorrect) or if the PHA needs to remove the enrollment or exit record altogether, the PHA generally must void all 50058 submissions for that family starting with the most recently submitted 50058 records and voiding each previous record up to and including the erroneous enrollment or exit record. Once all needed record(s) have been voided, the PHA should then correct / resubmit all the previously voided 50058 records.

> **Note: The PHA should contact their PIC Coaches in their local HUD Field Office before taking actions to correct an FSS addendum error using the void and resubmit 50058 records process. Depending on the circumstances, HUD may be able to offer a PHA a less time-consuming means of correcting the error(s).**

a. (Fatal Error) Fields 17b and 17c Must Be Populated. The IMS/PIC system requires that any FSS addendum record contain a valid date in the FSS effective date field (17c) and that the FSS report category field (17b) contain an "E" for enrollment; "P" for progress; or "X" for exit. If these two conditions are not met, the record is marked as a fatal error and is not accepted into IMS/PIC. To correct this error, PHAs simply need to enter a valid and correct date and report type and then re-upload the file into IMS/PIC.

b. FSS Addendum: Edit Checks (May 2014). To improve FSS reporting in IMS/PIC, in May 2014, the IMS/PIC system was updated to include five (5) new edit checks on FSS addendum information. Four of the five edits checks are warnings, meaning the data is accepted into IMS/PIC. These edits were coded as warnings as there could be possible exceptions to the business rule. However, in the majority of cases, when PHAs receive the warning message, there is in fact an error in that family's 50058 data that needs to be corrected.

The table below provides the actual error message shown in IMS/PIC; an explanation of the error message; and steps that PHAs should take to resolve the error message.

ID	IMS/PIC Action	Edit Check
1	*Warning*	*There is no FSS exit report but the enrollment date for the participant was more than seven years ago.*

		Explanation: The IMS/PIC system shows an FSS enrollment record for the participant that is over seven years old, which is normally the maximum length the participant can be in the FSS program. This warning message is typically a result of one of the three following cases:
		1. The participant was erroneously enrolled in the FSS program.
		  PHA Action Needed This warning is intended at making the user aware that the tenant has been enrolled in FSS but no FSS activity has been recorded for at least 7 years. If this particular scenario applies (i.e. the participant was erroneously enrolled in FSS) then no further action is needed.
		2. The participant left the FSS program but no FSS Exit addendum record was submitted into IMS/PIC.
		  PHA Action Needed – Transmit Exit Record.
		3. The date of enrollment was entered incorrectly on the FSS enrollment addendum report.
		  PHA Action Needed – Correct FSS enrollment record for the participant and submit the addendum into IMS/PIC.

2	Warning	More than 12 months have passed since the last FSS enrollment or progress report.

Explanation: As noted above, PHAs need to submit at least one FSS addendum record for each participant at least annually. PHAs who comply with the reporting requirements listed in Section 4 of this Notice will normally meet this requirement and avoid this warning message. This warning message is typically a result of one of the four following cases:

1. The PHA is unaware of the reporting requirements and therefore is not submitting FSS addendums into IMS/PIC as required.
   PHA Action Needed – Review reporting requirements in Section 4 of this Notice and develop PHA protocols to implement the requirements.
2. The participant was enrolled in the FSS program in error; therefore, the IMS/PIC system is expecting a FSS progress addendum.
   PHA Action Needed – Remove the FSS enrollment record for the participant by voiding the incorrect 50058 which contained the FSS enrollment record and resubmitting the corrected 50058 if the FSS enrollment was created under an action code other than 8.
3. The participant left the FSS program but no FSS Exit addendum record was submitted. Therefore, the IMS/PIC system views that participant as an active FSS participant and is expecting FSS progress addendums.
   PHA Action Needed – Transmit FSS Exit Addendum.
4. The PHA's internal 50058 submission upload processing is failing to upload the FSS addendum or fatal errors are being returned to the PHA, which have not been corrected and re-uploaded.
   PHA Action Needed – Review PHA 50058 upload protocols and modify procedures to ensure fatal errors and FSS addendums are submitted and accepted into IMS/PIC.

3	Warning	The 50058 record is an end of participation record but there is no FSS exit record.

Explanation: A 50058 action code 6 "End of Participation" was submitted and accepted into IMS/PIC for a FSS participant but there is no corresponding FSS exit record. An FSS exit addendum report must be submitted with an effective date as of the End of Participation date or before. While this error is coded as a warning message, the error should be considered a fatal error. The only exception would be an end of participation record for a FSS participant where (1) the family is moving from one assistance program to another program, (2) continuing in the FSS program and (3) FSS addendums still must be reported in IMS/PIC (such as moving from the Public Housing program to the Housing Choice Voucher program).

PHA Action Needed – Void End of Participation record and transmit FSS exit addendum report as a separate submission using action code 8 and then submit the End of Participation record after the exit record has been accepted. The FSS exit record will need to have an effective date/time before the End of Participation date/time.

4	Warning	The 50058 record is a port-out record but there is no FSS exit record.

Explanation: This warning message will only be received by the initial PHA. When a FSS participant moves to another PHA's jurisdiction using portability, the participant may leave the FSS program, remain in the initial PHA's FSS program, or enroll in the receiving PHA's FSS program.

If the participant leaves the FSS program altogether or enrolls in the FSS Program of the receiving PHA, the initial PHA must submit an FSS Exit addendum into IMS/PIC. To reflect that the participant has moved to another PHA's jurisdiction under the portability provision, the initial PHA will then process a 50058 using action code 5 (Portability - Move-out). Section 6 of this Notice provides a complete list of 50058 and addendum submission requirements for FSS participants who have moved under portability. This warning message would typically result from one of the following (3) three cases:

1. A 50058 submission was erroneously uploaded into PIC using an action code of 5 "Portability Move-out".
   PHA Action Needed – The PHA should void the erroneous 50058.
2. The participant had port-out and is under the FSS program of the receiving PHA or left the FSS program altogether.
   PHA Action Needed – Generally, in these cases the receiving PHA's port-in (action code 4) has been accepted by the system and the receiving and initial PHA will need to void the move-in and move-out records (in that order) so that the initial PHA can submit an FSS exit record. *Please contact the PIC coach at your local HUD field office for further assistance*.
3. The participant had port-out but remains in the initial PHA's FSS program.
   PHA Action Needed – The initial PHA should do nothing as no FSS Exit addendum should be submitted.

5	Fatal Error	There is no FSS enrollment record in IMS/PIC but the PHA is trying to submit a progress or an exit record.

Explanation: The PHA is trying to upload FSS progress or exit reports into IMS/PIC but the IMS/PIC data does not show that the family was ever enrolled into the FSS program. The fatal error message is typically a result of one of the three following cases:

1. The participant was enrolled in the program but an FSS addendum "Enrollment" report was never transmitted or accepted into IMS/PIC.
   PHA Action Needed – Transmit FSS Enrollment Addendum report using action code 8, FSS Addendum Only and then re-transmit Progress or Exit reports as needed using an action code of 8.
2. The participant was erroneously exited from the FSS program prematurely.
   PHA Action Needed – Remove the FSS exit record for the participant through the void process.
3. A FSS addendum was erroneously created and transmitted to IMS/PIC for a participant that is not in the PHA's FSS program.
   PHA Action Needed – Correct internal PHA records; no action is needed in IMS/PIC as this error is a fatal error and therefore the record was not accepted into IMS/PIC.

c. IMS/PIC Business Rule – Sequencing of Effective Date. A common problem encountered by PHAs in submitting FSS addendum reports is related to the order or sequence in which 50058 and FSS addendum records are submitted to IMS/PIC based on the effective dates. This section explains how to address this problem to ensure the successful submission of FSS addendum reports.

1. **The 50058 form for a FSS participant contains two (2) effective dates: 1) 50058 effective date; and 2) FSS effective date. Descriptions of both effective dates are provided below:**

   a. *50058 Effective Date*. The overall 50058 effective date (field 2b) is the date that the reported 50058 action becomes effective, not the date that the record was entered into the system. For example, for a new admissions record the effective date would be the start date of the lease. For an annual reexamination record, the effective date would be the date the new total tenant payment takes effect. This date must be completed for all 50058 submissions, including action code 8 (FSS addendum only).

   b. *FSS Addendum Effective Date*. For the FSS addendum, the effective date (field17c) refers to the date that enrollment started or the date that the participant exited from the program. To determine the effective date of a FSS progress report, follow the rules listed below:

      i. For FSS progress reports submitted in connection with 50058 Action codes 2 (annual reexamination), 3 (interim reexamination), 4 (portability move-in), 5 (portability move-out), and 12 (flat rent annual update), the FSS addendum effective date must be the same as the 50058 effective date.

      ii. For FSS progress reports submitted to correct incorrect information in a previously submitted FSS addendum, the FSS addendum effective date should reflect the effective date of the corrected progress report, resubmitting using a 50058 Action code of 8. (FSS addendum only). A PHA does not need to void the erroneous addendum.

      iii. For any other FSS progress reports, the FSS effective date should reflect the date of the meeting with the FSS participant that generated the updated information included in the progress report.

2. **The IMS/PIC business rules for the sequencing of 50058 and FSS addendum records are as follows:**

   a. IMS/PIC will only accept a 50058 record if the effective date of the 50058 (field 2b) record that is uploaded is a later date than the most current 50058 effective date of the family already in IMS/PIC. In other words, a 50058 record that is being submitted must have an effective date that is **later** than the current 50058 record in IMS/PIC.

   b. Notwithstanding previous guidance on this topic, the FSS effective date does not always need to be the same as the 50058 effective date.

   c. The IMS/PIC system 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).

Some PHAs have experienced errors trying to submit FSS Addendums that have effective dates that are older than the most recently filed 50058 report (for example, the FSS addendum effective date is 1/1/2016 but the 50058 effective date for the current record is 2/1/2016). This problem can be fixed in one of two ways.

IMS/PIC always allows a PHA to correct an error in the sequencing of 50058 effective dates by voiding the records with the later effective date in IMS/PIC and resubmitting the 50058 records in correct order of effective date. This would mean that the PHA would need to void the current record (with the later effective date), submit the FSS record with the earlier effective date, and resubmit the voided record.

A PHA is allowed to submit a FSS addendum with an earlier FSS effective date than the 50058 effective date. Therefore, the PHA could also correct the sequencing error by resubmitting just the FSS enrollment record using an action code 8 (FSS addendum only) with a 50058 effective date after the effective date of the last 50058 record but with the correct FSS effective date.

While the effective date in field 2b on the 50058 will not reflect the actual date of any substantive action involving the family, HUD allows for this procedure as a corrective measure so long as it is applied only to action code 8 "FSS addendum only" and the FSS effective date (field 17c) contains the accurate effective date. The benefit of this correction methodology is that a PHA does not need to void and resubmit previous records. This method, as opposed to voiding records, is preferred by HUD.

Note: This method cannot be used if the last 50058 effective date is associated with an end of participation code action. If the last 50058 record is an end of participation or a portability move-out action, the PHA will need to void the record and then resubmit in correct date order.

Appendix 1 of this Notice provides examples that illustrate how the 50058 sequencing rules are applied and guidance on how to correct for the sequencing error. Please see Examples 2 and 3 of Appendix 1.

6. FSS-Specific Portability Provisions. This section provides clarity on specific portability provisions under the FSS program. It also provides guidance on when and what FSS addendum reports and 50058 records should be submitted into IMS/PIC for FSS participants that move under portability.

One of the key features of the HCV program is the mobility of the assistance. Regulations at 24 CFR § 982.353 provide that HCV participants may choose a unit that meets program requirements anywhere in the United States, provided that a PHA administering the tenant-based program has jurisdiction over the area in which the unit is located. Moves with continued assistance can occur both inside and outside of the PHA's jurisdiction. The term "portability" refers to the process of leasing a dwelling unit with tenant-based HCV assistance outside of the jurisdiction of the PHA that initially issues the family its voucher (the initial PHA). The PHA that receives the family that has ported from the initial PHA's jurisdiction is called the receiving PHA. When a family moves under portability, the receiving PHA may choose to absorb the family into its own program or bill the initial PHA.

This section focuses on FSS portability provisions covered in regulations at 24 CFR § 984.306. More information about the portability process in general can be found in HCV regulations at 24 CFR § 982.353 through § 982.355 and in PIH Notice 2012-42 (HA). Updates to PIH Notice 2012-42 (HA) are forthcoming.

    A. Portability Provisions Under the FSS Program. A family participating in the FSS program 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. Initial PHAs may allow a move during this 12 month period. After this 12 month period, FSS families may move under portability as long as they are eligible to move under regular HCV program regulations and requirements. The PHA may not adopt policies to restrict or prohibit FSS families from moving under portability if they are otherwise eligible.

FSS regulations allow an FSS family that ports to continue participation in the initial PHA's FSS program, if the FSS family demonstrates to the satisfaction of the initial PHA that the family will be able to fulfill its responsibilities under the initial or a modified contract of participation. At the receiving PHA's discretion, FSS families that port may be admitted into the FSS program of the receiving PHA. In certain cases, participation in FSS for a family that moves under portability will not be possible. Table 1 "Portability Scenarios and FSS Impact" below specifies whether participation in FSS is possible for a family that moves under portability. It also specifies why FSS participation is or is not possible.

PHAs must clearly explain to FSS families that are requesting to move under portability how such a move may impact the family's participation in FSS. For example, if continued participation in FSS will not be possible nor is modification of the FSS contract to allow the family to graduate prior to the move, the PHA must explain to the family that this may result in forfeiture of their FSS escrow funds. In cases where a portability move would result in forfeiture of the FSS escrow funds, PHAs may request a waiver of 24 CFR 984.305(c) for good cause so that the escrow funds in the family's escrow account at the time of the move can be disbursed to the family regardless of completion of

the FSS contract of participation. Such requests will be processed under normal waiver procedures as specified in PIH Notice 2013-20, provided that there is good cause for the move and that the family has complied with its responsibilities under the contract of participation. Good cause for a move includes, but is not limited to, moving to achieve self-sufficiency goals as established under the FSS contract of participation.

The escrow account for an FSS family that ports is maintained by the PHA whose ACC funds the escrow. That is, if the portability move is under a billing arrangement, the initial PHA maintains the escrow account. If the family's voucher is absorbed into the receiving PHA's own voucher program, the receiving PHA maintains the escrow account. Also, there will only be one FSS contract of participation. The PHA that administers the family's participation in FSS will administer 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. However, 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. Tables 2 and 3 below show the FSS responsibilities of initial and receiving PHAs by type of portability scenario (billing or absorption).

Table 1. Portability Scenarios and FSS Impact

	FSS Participation Status:	*PHA's FSS Status:*	*Port Scenario:*	*FSS Impact:*
1.	FSS family ports	Receiving PHA administers FSS Initial PHA administers FSS	Billed	Family may continue participation in initial PHA's FSS program, as determined by the initial PHA, **or** Family may enroll in receiving PHA's FSS program as determined by the receiving PHA.
2.	FSS family ports	Receiving PHA administers FSS Initial PHA administers FSS	Absorbed	Family may enroll in receiving PHA's FSS program as determined by the receiving PHA, **or** Receiving PHA may agree to the family's continued participation at initial PHA's FSS program. Agreement from the receiving PHA is needed because they would be responsible for most of the FSS tasks under this scenario.

	FSS Participation Status:	PHA's FSS Status:	Port Scenario:	FSS Impact:
3.	FSS family ports	Receiving PHA does not administer FSS Initial PHA administers FSS	Billed	Family may continue participation in initial PHA's FSS program, as determined by the initial PHA, if the receiving PHA agrees to continued participation. In this case, the receiving PHA would be responsible for submitting the FSS information for the family into IMS/PIC. The receiving PHA's determination must be based on an undue financial or administrative hardship to the PHA. For example, a receiving PHA may disagree with continued participation based on the cost of adding an FSS module to their existing systems. If continued participation is agreed to by the PHAs, the initial PHA must provide the receiving PHA with timely and complete FSS addendum information and the receiving PHA is responsible for timely and accurate submission of the FSS information into IMS/PIC.

	FSS Participation Status:	PHA's FSS Status:	Port Scenario:	FSS Impact:
4.	FSS family ports	Receiving PHA does not administer FSS Initial PHA administers FSS	Absorbed	Family may not continue participation in initial PHA's FSS program because the receiving PHA would be responsible for managing escrow and the receiving PHA does not administer an FSS program.
5.	Non-FSS family ports	Initial PHA administers FSS Receiving PHA administers FSS	Billed	Family may enroll in receiving PHA's FSS program if the initial PHA agrees. Initial PHA agreement is needed because they would be responsible for managing the FSS escrow account.
6.	Non-FSS family ports	Initial PHA administers FSS Receiving PHA administers FSS	Absorbed	Family may enroll in receiving PHA's FSS program as determined by the receiving PHA.
7.	Non-FSS family ports	Initial PHA does not administer FSS Receiving PHA administers FSS	Billed	Family may not enroll in receiving PHA's FSS program because the initial PHA would be responsible for managing the FSS escrow account and the initial PHA does not administer an FSS program.
8.	Non-FSS family ports	Initial PHA does not administer FSS Receiving PHA administers FSS	Absorbed	Family may enroll in receiving PHA's FSS program as determined by the receiving PHA.

Table 2. PHA responsibilities under an FSS Port-Billing

FSS Responsibility:	PHA:
Maintain the escrow account	Initial PHA
IMS/PIC reporting	Receiving PHA
Voucher Management System (VMS) reporting	Initial PHA
Financial Data Schedule (FDS)/financial records	Escrow reporting: Initial PHA Grant reporting: Whichever PHA manages the FSS contract (receiving or initial PHA)
Maintain the FSS contract	Initial or receiving PHA (depending on who administers FSS participation)

Table 3. PHA responsibilities under an FSS Port-Absorption

FSS Responsibility:	PHA:
Maintain the escrow account	Receiving PHA
IMS/PIC reporting	Receiving PHA
VMS reporting	Receiving PHA
FDS/financial records	Escrow reporting: Receiving PHA Grant reporting: Whichever PHA manages the FSS contract (typically, the receiving PHA)
Maintain the FSS contract	Typically, the receiving PHA

B. 50058 and FSS Addendum Processing for Portability. When an HCV family moves to another PHA's jurisdiction, two 50058 submissions are required. One 50058 submission is from the initial PHA and one 50058 submission is from the receiving PHA using 50058 action codes 5 (Portability – Move Out) and 4 (Portability – Move In), respectively. For a portability action involving current HCV participants, PHAs should not use action 1 (New Admissions) or 6 (End of Participation), even if the family is absorbed.

For families participating in FSS, an FSS addendum must be processed by both the initial and the receiving PHA. The initial and receiving PHAs should work closely together to ensure that the FSS submissions surrounding the portability action are completed in the required sequence and accurately reflect the contract. The initial PHA needs to submit into IMS/PIC the required FSS submission prior to the submission of the portability move-out 50058 or the portability move-in 50058 submission. 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.

To ensure the information in the FSS addendums match, the initial and receiving PHAs should review the FSS Addendums for accuracy prior to the addendums being submitted. Reviewing and reconciling the FSS addendums for any inconsistencies in the information about the family's FSS participation is much easier to do before they are submitted to IMS/PIC than later on in the process. The FSS contract information entered into the FSS addendum as part of the FSS submission will vary depending on which PHA will continue to administer the FSS contract; the initial or the receiving PHA.

 1. If the initial PHA continues to administer the FSS contract, the enrollment (initial start date) and expiration (end date) date will remain the same as only FSS progress reports are submitted by the initial and receiving PHA. All other baseline information included in the FSS contract also remains the same.

 2. As explained in Section 6.A above, if the receiving PHA will administer the FSS contract, the participant will have entered into a new FSS contract with the receiving PHA, with a new enrollment (initial start date) date. However, the expiration date of the new contract will reflect the same expiration (end date) date as in the initial PHA's contract. Therefore, the enrollment date will not be the same in both addendums, but the expiration date will be the same. All other baseline information included in the FSS contract will remain the same.

C. Type of FSS Submissions. The type of FSS submission under a portability move will depend on how the FSS family's participation is impacted by the portability move. The following details (by type of FSS impact) the reporting requirements for an FSS family that moves under portability and for which the receiving PHA is billing.

1.   *The FSS family leaves the FSS program.*   This would require the initial PHA to process FSS exit addendum under action code 8 prior to the submission of the move-out 50058 record.

2.   The FSS family enrolls in the FSS program of the receiving PHA.   Once the Portability Move-in action has been processed and is effective, only the receiving PHA will have access to the IMS/PIC 50058 record. For a receiving PHA that is administering the FSS contract on behalf of a port-in family, the receiving PHA will have the responsibility for the FSS contract and will need access to update the participant's FSS record properly. In this case, Field 17D (PHA code of PHA administering FSS contract of the FSS addendum) should reflect the receiving PHA's PHA code.

Shown in the table below are the FSS addendum processing requirements based on the receiving PHA administering the FSS contract.

Table 2. FSS Processing Requirements: Receiving PHA Administering FSS Contract

Seq	Responsible PHA	Event	Type of 50058 / FSS Submission
1	Initial PHA	Family leaves the initial PHA's FSS program via portability	Submission 1 - FSS Exit (action code 8)
2	Initial PHA	Family ports out from the initial PHA	Submission 2 – Move-out (action code 5)
3	Receiving PHA	Family ports in to the receiving PHA	Submission 3 – Move-in (action code 4)
4	Receiving PHA	Receiving PHA will administer the family's FSS contract.	Submission 4 - FSS Enrollment (action code 8)
5	Receiving PHA	Immediately following the FSS enrollment update the FSS information, if needed.	Submission 5 - FSS Progress (action code 8) (if needed)

Note: the 50058 / FSS submissions shown in the table above need to be submitted in the order shown on the table. The one exception is that IMS/PIC will allow the receiving PHA to submit the FSS enrollment addendum as part of the Move-in action (submission 3 in the table above).

As a reminder, the initial PHA should also process an FSS Exit addendum for the participant if as a result of the move, the participant will leave the FSS program altogether.

3. The FSS Family Continues to Participate in the Initial PHA's FSS Program. When the initial PHA continues to administer the FSS contract, the initial PHA will not have IMS/PIC access to the participant's 50058/FSS addendum record to properly update the FSS addendum. The initial PHA will need to provide the FSS addendum information to the receiving PHA and the receiving PHA will need to input and submit the information into IMS/PIC. When the initial PHA continues to

administer the program, the receiving and initial PHA will need to coordinate the transfer of information so the receiving PHA can update the FSS addendum at the proper times in accordance with section 4 of this Notice. In this case, Field 17D (PHA code of PHA administering FSS contract) of the FSS addendum should reflect the Initial PHA's PHA code.

Shown in the table below are the FSS addendum processing requirements based on the initial PHA continuing to administer the FSS contract.

Table 3. FSS Processing Requirements: Initial PHA Continues to Administering FSS Contract

Seq	Responsible PHA	Event	Type of 50058 Submission
1	Initial PHA	Family remains in initial PHA's FSS program via portability	Submission 1 - FSS Progress (action code 8)
2	Initial PHA	Family ports out from the initial PHA	Submission 2 – Move-out (action code 5)
3	Receiving PHA	Family ports in to the receiving PHA	Submission 3 – Move-in (action code 4)
4	Receiving PHA	Initial PHA will continue to administer the family's FSS contract.	Submission 4 - FSS Progress (action code 8)

Note: The 50058 / FSS submission shown in the table above need to be submitted in the order shown on the table. The one exception is that IMS/PIC will allow the receiving PHA to submit the FSS progress addendum as part of the Move-in action (submission 3 in the table above).

Under FSS program administration options 2 and 3 above, the receiving PHA will continue to enter progress reports and the FSS exit record for the participant as needed.

7. RAD Conversion and IMS/PIC Processing of FSS Addendum Records. This section provides general reporting guidance for the FSS Addendum into IMS/PIC for FSS participants that are converting to a new form of housing subsidy under the RAD program.

The reporting requirements as described in Section 4 of this Notice do not change in any way for FSS participants who reside in a development that is part of a RAD conversion until the actual time of conversion. At the time of project conversion to a new form of housing assistance (placed under a housing assistance payment (HAP) contract), there are additional 50058 / FSS Addendum reporting requirements. The following provides guidance on IMS/PIC reporting of FSS participants when the project has converted from public housing and the family is now under the HCV project-based program also known as Project Based Vouchers (PBV) or multifamily housing program also known as Project Based Rental Assistance (PBRA).

  A. General RAD Conversion Reporting Requirements. Once the project has converted (left the public housing program and entered the PBV or PBRA program, but before the units have been moved from the PH stock to PBV or PBRA, the PHA needs to submit an FSS exit report and an end of participation record for Public Housing (in the case of PBRA) or an FSS progress report (in the case of PBV) for the former public housing family, even if the family plans to continue in the FSS program under the new form of assistance. PHA's should ensure that the proper FSS addendum information is present in IMS/PIC prior to the removal transaction(s) being submitted and approved in the Inventory Removals sub module since this will remove the units from the PHA's inventory.

These program requirements result in the following FSS processing requirements:

1. The PHA must submit either the FSS exit report or progress report prior to the end of end of participation record using an action code of 8 (FSS addendum). IMS/PIC ignores any FSS addendum transmitted with an end of participation record.

2. If the PHA submits the end of participation record prior to the FSS exit or progress record, the PHA will receive a fatal error message with the submission of the FSS addendum. To correct this error, the PHA will need to void the end of participation record, then submit the FSS addendum record and finally resubmit the end of participation record in order to correct the error. Once the unit is removed from the PHAs inventory in IMS/PIC, the PHA may no longer be able to void the needed record.

B. **Conversion to PBV Program.** If the family entered the PBV program under a RAD conversion, the PHA must submit an FSS progress report reflecting the family's progress as of the conversion date and then an end of participation record under public housing. Next, the PHA must create a new admission record, followed by an FSS progress record under the HCV program. The participant will continue under the same FSS contract and is essentially held harmless due to the conversion. Table 7 below shows the record 50058 submissions and sequencing.

Table 7. FSS Processing Requirements: RAD Conversion to HCV Project-based

Seq	Event	Type of 50058 Submission
1	Family continues in FSS program	Submission 1 - FSS Progress (action code 8)
2	Family converts from Public Housing to the HCV program	Submission 2 – End of Participation (PH) (action code 6)
3	Family converts from Public Housing to the HCV program	Submission 3 – New Admissions (HCV) (action code 1)
4	Family continues in FSS program	Submission 4 - FSS Progress (action code 8)

C. **Conversion to PBRA Program.** The 50058 module in IMS/PIC tracks family information primarily for the Public Housing and HCV programs and does not track families in the PBRA program. Therefore, at this time there is no reporting requirement in IMS/PIC for FSS participants that have converted to HUD's PBRA program. As part of the conversion process, the PHA must submit an FSS exit addendum under action code 8 prior to the submission of the end of participation 50058 record. At this time IMS/PIC does not have an exit reason that specifically captures a conversion to PBRA. Until further guidance is provided, PHAs should select the exit reason "Portability Move-out" (on the FSS addendum, line 17m(3), if (1) is "No", primary reason for exit) for an FSS family that, through a RAD conversion, will continue in the FSS program but under PBRA.

While there are no IMS/PIC reporting requirements for these families after conversion, PHAs that are still administering the FSS program for a family must continue to keep all necessary internal records and administer the FSS program according to appropriate

regulations, notices and other official guidance. Further guidance on FSS participant reporting as part of a RAD conversion to PBRA is forthcoming.

8. Admissions to Another PHA Federally Assisted Housing Program (e.g., PH to HCV; or HCV to PH). When a family will convert from one housing subsidy type to another housing subsidy type that is administered by the same PHA and remains in the PHA's FSS program, the 50058 and addendum reporting requirements are the same as outlined in section 7b "Conversion to HCV Project-based Program" of this notice. The PHA should use end of participation and new enrollment records along with progress reports (do not use exit and enrollments), with the only possible difference being the programs involved.

However, if the family elects to leave the FSS program when converting from one housing program to another or the family will continue in the FSS program but the family will no longer be tracked under IMS/PIC's 50058 module the PHAs reporting requirement should follow the instructions provided under section 7c. "Conversion to Multifamily Housing Program". This means the PHA should submit both a FSS exit record and an end of participation record with the only difference being the reason for exit ("Portability move-out" if the family will stay in the FSS program but will no longer be tracked in IMS/PIC or "Left voluntarily", if the family decided not continue in the FSS program).

9. Changes to Head of Household and PIC Processing of FSS Addendum Records. To change the Head of Household, PHAs must submit an exit report for the previous head of household. Once this 50058 submission is completed with no fatal errors, the PHA can submit the 50058 with the new head of household and an FSS enrollment report for that new head of household if they remain an FSS participant.

10. Accurate Reporting of FSS Escrow Balances. To improve the accuracy of FSS escrow transactions and balances, the following provides information on reporting requirements of FSS escrow balances and monthly FSS credits to IMS/PIC. Information on best practices that PHAs should consider adopting as part of their procedures to ensure the accuracy of FSS escrow balances are included in Appendix 2 of this notice.

   A. Requirements Applicable to Reporting Escrow Balances and Escrow Credits in IMS/PIC. The following are the FSS processing requirements related to escrow balances:
      1. *Reporting of FSS Escrow Information in Enrollments and Progress Addendums*. For all enrollment and progress FSS addendums, the FSS monthly credit and balance should represent the monthly credit and balance as of the FSS effective date associated with the addendum report. When the FSS effective date has been forward dated to coincide with the 50058 effective date – as will likely take place, for example, for progress reports submitted in connection with Annual and Interim reexaminations – the PHA will need to estimate the FSS escrow balance to take into consideration the current monthly escrow credit, likely interest accrual, and any known withdrawals that are not reflected in the current escrow balance. The other addendum information that will be submitted, such as the family services table, can reflect the participant's status at the time the addendum is completed.

2. *Reporting of FSS Escrow Information for Participant that Graduate or Exit the FSS Program.* When reporting an exit addendum for a participant that has either graduated the program or has left the FSS program, the PHA should report:
- "Current FSS account monthly credit" (field 17k (1)) at zero;
- "Current FSS account balance" (field 17k (2)) at zero (regardless of whether the PHA has disbursed all the escrow the participant has earned at that time); and

- "FSS account amount disbursed to the family (Cumulative as of the end of the reporting period)" (field 17k (3)) at the total amount disbursed under the contract, including any amount yet to be disbursed due to needed processing time for contract close-out and accounting.

These reporting requirements will ensure the exit report reflects the final status of the escrow balances and disbursements, notwithstanding any final processing time, and ensure consistency in reporting across PHAs.

3. *Reporting of FSS Escrow for Participant that Ports-Out or Converts Program.* When reporting an exit addendum for a participant that will continue the FSS contract under a different PHA (portability) or program (PH to HCV, or vice versa), the PHA should report:
- "Current FSS account monthly credit" (field 17k (1)) in the amount of the FSS monthly credit as of the effective date of the exit addendum;
- "Current FSS account balance" (field 17k (2)) in the amount of the actual FSS escrow balance as of the effective date of the exit addendum; and
- "FSS account amount disbursed to the family (Cumulative as of end of reporting period)" (field 17k (3)) in the amount of the cumulative actual FSS escrow disbursed under the contract as of the effective date of the exit addendum.

B. <u>Effect of PHA's Admissions and Continued Occupancy Policy (ACOP) and HCV Administrative Plan on FSS Escrow</u>. Some of the differences in escrow accounts result from the PHA not adjusting the FSS participant's monthly credit in accordance with the PHA's ACOP and Administrative Plan. PHAs are reminded that a participant of the FSS program abides by the same annual and interim reexamination policy as reflected in the PHA's ACOP and Administrative Plan with the associated changes in income reflected and effective in the participant's monthly FSS escrow credit at the same time.

For example, assume that a FSS participant was provided new duties at her current job that resulted in an increase in wages. This increase in wages would result in the participant's monthly rent payment and FSS credit to increase from $50 to $150 if calculated based on the new income information. Also assume that the PHA's administrative plan holds the family "harmless" from any increases in income until their next annual reexamination (PHA does not process 50058 interim reexaminations for any increases in income during the year.) Under this example, the participant would not have their rent increased as the PHA's policy would require the increase to become effective with the next annual reexamination. In addition, the increase in the family's monthly FSS credit would also take effect at the same time (i.e., effective with the next annual reexamination).

By contrast, if the administrative plan or ACOP requires this income information to be reported as part of an interim reexamination, the family' rent and FSS monthly accrual must be recalculated based on the new income information and go into effect as of the effective date of the interim reexamination.

11. Best Practices for Ensuring Accurate FSS Submissions to IMS/PIC. Appendix 2 of this notice provides a description of practices and procedures used by some PHAs that appear to produce more accurate FSS addendum information submitted into IMS/PIC. These practices and procedures are informational only and PHAs are not required to use the described practices. However, PHAs should take into consideration these best practices and make administrative changes as the PHA believes is warranted based on their specific conditions.

12. Reconciling PHA FSS Participants with Information Submitted into IMS/PIC. Many PHAs do not reconcile their internal FSS participant counts to the counts of FSS participants recorded in IMS/PIC on a regular basis. Appendix 3 of this notice provides step-by-step instruction by which a PHA can create an FSS report from the data contained in IMS/PIC. The PHA can use the IMS/PIC report to compare and reconcile participants to their own internal records. While PHAs are responsible for accurate information in IMS/PIC, the creation and use of such a report is not required but is considered to be a best practice. It is recommended that all PHAs create and use the report to reconcile their FSS count data at least twice a year.

13. Information Contact. Inquiries about this Notice should be directed to FSS@hud.gov.

14. Paperwork Reduction Act. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. The following active information collection contained in this notice has been approved under OMB Control Number 2577-0083.

_____/s/_____

Lourdes Castro Ramirez
Principal Deputy Assistant Secretary
Office of Public and Indian Housing

APPENDIX 1: Examples of IMS/PIC 50058 "Sequencing" Business Rule

The IMS/PIC business rules for the sequencing of 50058 and FSS addendum records are:
  a. The IMS/PIC system 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 (17c).
  b. IMS/PIC will only accept a 50058 record if the effective date of the 50058 (field 2b) record that is uploaded is a later date than the most current 50058 effective date of the family already in IMS/PIC. In other words, a 50058 record that is being submitted must have an effective date that is **later** than the current 50058 record in IMS/PIC.

This appendix provides examples on how the 50058 sequencing rules are applied and how to correct for the sequencing error starting with a basic example and then adds an example that includes the submission of an FSS addendum.

Example 1:

  • (Event 1) If the family recently entered the HCV program on 03/01/2015 and the PHA submitted a IMS/PIC record at that time (50058 new admission record with effective date of 03/01/2015); and
  • (Event 2) then the participant came in for an interim reexamination which was effective on 10/01/2015 and the PHA submitted a IMS/PIC record at that time (50058 interim reexamination record with an effective date of 10/01/2015).

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

The IMS/PIC system would have accepted both records as the second record (interim reexamination) had an effective date after/later than the previous (i.e. current) record.)

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Example 2: Building on Example 1

- (Event 3) The FSS coordinator enrolled the same participant into the FSS program on 09/01/2015 but did not enter the FSS enrollment addendum report into IMS/PIC until 10/01/2015. If the PHA entered the record with a 50058 effective date of 9/01/2015 this would cause a fatal error. IMS/PIC already contains a 50058 record with a 50058 effective date of 10/01/2015, no 50058 record will be accepted into IMS/PIC with an earlier 50058 effective date.

Event 1:			**Event 2:**			**Event 3:**		
HCV Admission			**Interim Re-exam**			**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. A PHA can correct this type of sequencing error in two ways. One way is by voiding the later record in IMS/PIC and resubmitting the 50058 records in correct date effective order. In this example, the PHA would need to first void the IMS/PIC interim reexamination record with an effective date of 10/01/2015 (Event 2) and then submit the FSS enrollment record with an effective date of 09/01/2015 (Event 3) and then re-submit the IMS/PIC interim reexamination record with an effective date of 10/01/2015 (Event 2).

A second, simpler option to correcting the error is shown in Example 3 and is the preferred option.

Example 3: Building on Example 2

If the sequencing error is related to the FSS addendum, as in this example, the IMS/PIC system also allows some further flexibility in correcting the issue. A PHA is allowed to submit a FSS addendum with an earlier FSS effective date than the 50058 effective date. The PHA could correct the sequencing error by resubmitting just the FSS enrollment record with a 50058 effective date after 10/01/2015 (for example 10/02/2015) but with an FSS effective date of 09/01/2015. Since the effective date in field 2b on the 50058 will not reflect the timing of any substantive action involving the family, HUD allows for this procedure as a corrective measure so long as it is applied only to action code 8 "FSS addendum only" and the FSS effective date (field 17c) contains the accurate effective date. The benefit of this correction methodology is that a PHA does not need to void and resubmit previous records.

Note: A PHA cannot use this method if the last 50058 effective date is associated with an end of participation code action. If the last 50058 record is an end of participation, the PHA will need to void the record and then resubmit in correct date order.

APPENDIX 2: Best Practices for Accurate Reporting of FSS Information to IMS/PIC

As part of a review of PHAs' reporting of FSS information into IMS/PIC, HUD sought information on PHAs' best practices and procedures that would help improve the accuracy of the FSS data submitted to IMS/PIC. The information provided in this appendix is informational only. PHAs can make their own decisions on whether to adopt these best practices based on the PHA's organizational structure and specific conditions.

1. **FSS Coordinators Access to IMS/PIC System**. Several PHAs have noted that the FSS Coordinators do not have access to IMS/PIC and are therefore reliant on other PHA staff to upload the FSS information into IMS/PIC and to provide confirmation that the FSS data in IMS/PIC is up to date and accurate. In these situations, it was often the case that the FSS Coordinators did not receive feedback on the results of the upload and had no way of reviewing the submitted FSS data to confirm its accuracy. PHAs should consider providing FSS Coordinators, read-only access to the following Form 50058 submodules within the IMS/PIC system, as well as in-house training on how to view individual FSS family data and run applicable IMS/PIC reports.
   a. **Form 50058 Viewer Submodule** – Provides the ability to search for a specific participant for whom a PHA submitted a Form HUD-50058 and to view the data on the form.
   b. **Form 50058 Reports Submodule –** Provides standard reports containing information derived from Form-50058 data.
c. **Form 50058 Adhoc Report Submodule –** Allows the user to create customized reports derived from Form-50058 data.

   To obtain IMS/PIC system access for the FSS Coordinators, the FSS Coordinator should apply for their own Secure Systems User ID and password. The links below provide information on how to request this information.

   1. Below is the link to the Secure Systems registration:
   https://hudapps.hud.gov/public/wass/public/pha/phareg_page.jsp

   2. Below is the link to general information on Secure Systems registration:
   http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/reac/online/regis_instrc

   Once the FSS Coordinator obtains their User ID and password, the FSS Coordinator should contact the PHA's Security Administrator for the IMS/PIC system to request access to the necessary Form 50058 submodules. The PHA's IMS/PIC Security Administrator is responsible for ensuring that the user has access to the IMS/PIC system under User Maintenance in HUD's Web Access Security System (WASS) and that the user has been added to IMS/PIC and roles have been assigned as needed according to the user's job duties.

2. **Development of Written Procedures and Training**. The adoption of formal written policies and procedures on the preparation and submission of the FSS addendum can help ensure that both HUD and the PHA's requirements are met. The written procedures are also helpful in the

transfer of knowledge as staff changes occur. Therefore, such written procedures are likely to result in more accurate IMS/PIC data on FSS. It was also noted that FSS coordinators that recently attended FSS training were more aware of program changes and requirements than FSS coordinators who have not recently attended any training. To the extent possible, PHAs should train their FSS coordinators.

3. **Accurate Reporting of FSS Escrow Balances.** PHAs should consider adopting the following best practices to improve the accuracy of FSS escrow transactions and balances.

   a. <u>PHA Management Information Systems (MIS)</u>. A number of PHAs have reported that problems with their MIS system may be responsible for inaccurate FSS escrow balances. To the extent that the PHA's MIS system is not calculating and maintaining the correct escrow credits and balances, PHAs must contact their software providers, informing them of the processing issues, and request that the software be fixed.

      HUD is also aware that some problems are related to the complexity of the MIS systems and related system training needs for PHA staff. For example, HUD is aware that some MIS systems have a number of steps that need to be followed in a strict sequence in order for the correct FSS monthly to accrue in the participant's FSS escrow account. If PHA staff members have not received adequate training to ensure these steps are followed, the correct FSS credit may not be applied. For example, some systems generate prompts that lead some users to generate FSS addendums before the income information has been updated in connection with an annual reexamination; if this takes place, the escrow credit will reflect the old income information and not the newly verified amount.

      If the issue appears to be system-related and not related to staff training needs, PHAs should review system manuals and documents and work with their software vendor to ensure that PHAs' 50058, FSS credit worksheet and addendum processing procedures are in agreement with the vendor's processing specifications/requirements.

   b. <u>PHA Reconciliation of Internal Escrow Balances</u>. A number of PHAs maintain multiple calculations/ listings of escrow balances by different staff (i.e., FSS coordinators, accounting, etc.) and systems (i.e., manual calculations, MIS system, Excel worksheets, etc.) for a variety of reasons such as quality control. Sometimes these different lists do not balance (for example the escrow balances calculated by FSS coordinators do not reflect the same balances as shown in the PHA's MIS, which may not reflect the balance on a separate file maintained by accounting). PHAs that maintain multiple escrow balance calculations and listings must reconcile these different lists periodically but at least annually and at the time of any withdrawal for that given participant. Any needed reconciling adjustments must be made to each listing/system as necessary to bring all the multiple lists into balance with each other. FSS coordinators, PHA accountants, and rent specialists may all be involved in this reconciliation process.

4. **Reconciliation of PHA FSS Participant Data to IMS/PIC System**. PHAs that compare or reconcile their FSS records to IMS/PIC on a periodic basis appear to have much lower differences between the FSS participant counts in IMS/PIC and the PHA's own records. PHAs can use the IMS/PIC 50058 Form-50058 Ad-Hoc Report Submodule to generate a IMS/PIC report of FSS participants and status and compare this report to the data in the PHA's system. PHAs that routinely reconciled their FSS data to the IMS/PIC data typically did so as part of the reconciliation of the PHA's SEMAP data 30-60 days prior to the PHA's fiscal year end. PHAs are also encouraged to reconcile their FSS data to IMS/PIC prior to the issuance of the annual FSS Coordinators Notice of Funding Availability (NOFA). Appendix 3 of this notice provides instructions on how PHAs can reconcile their FSS participant data to IMS/PIC.

5. **Timely Submission of FSS Addendum to IMS/PIC System**. Some FSS Coordinators maintain updates on FSS participants in the case files and complete the FSS addendum and submit the addendum to IMS/PIC at a much later date. PHAs with more accurate FSS records routinely complete the FSS addendum and submit the record to IMS/PIC as soon as possible after contact is made with the FSS participant.

6. **50058 Fatal Errors and Warning Messages**. PHAs with more accurate FSS records ensured that any 50058 record that was not accepted into IMS/PIC due to a fatal error was corrected and resubmitted into IMS/PIC within a short-time frame of the initial upload. In addition, since many of the FSS addendum warning messages are normally associated with actual reporting errors, these PHAs treated these warning messages seriously and researched and resubmitted a corrected 50058 record as necessary. PHAs are strongly encouraged to initially treat all FSS addendum warning messages as they would a fatal error and research the family/addendum and update and resubmit corrected information where the warning messages did in fact reflect an error in reporting.

APPENDIX 3: Reconciling PHA FSS Participant Data with IMS/PIC

This appendix provides instructions on how PHAs can reconcile FSS participant data in their management information system (MIS) with the data submitted to IMS/PIC. The instructions are organized by the following topics.

A. IMS/PIC System FSS Data – Provides instructions on how to obtain a FSS participant list from the IMS/PIC system and how to format the report.

B. PHA FSS Data – Provides instructions on the PHA data file that should be created from the PHA's system.

C. Comparing IMS/PIC with PHA Data – Provides instructions on how to merge the IMS/PIC data with the PHA FSS data and helpful tips on how to work with the merged data file.

D. FSS Reconciliation Analyses – Discusses the four (4) different analyses that can be performed to improve PHA FSS reporting to HUD.

Notes:

1. All data used in the examples provided in this appendix are fictitious and do not reflect actual information for any PHA or tenant.

2. References to MS Excel are made throughout this appendix. The experience and level of expertise with Excel or similar spreadsheet applications varies with each person. This document is not intended to teach Excel. This document is intended to show how a user can use Excel to compare the data in IMS/PIC to similar data in their own system and make necessary corrections. The Excel functions used in order to complete the analysis are considered basic to advanced (e.g., VLOOKUP function). If the user does not currently have the needed Excel skill to complete the steps, it is likely that someone in the PHA office possess the required Excel skills.

A. IMS/PIC System Data

1. How to Obtain a FSS Participant List from IMS/PIC System

1. Open IMS/PIC system, and select the **Form 50058 Ad Hoc Report Submodule**.
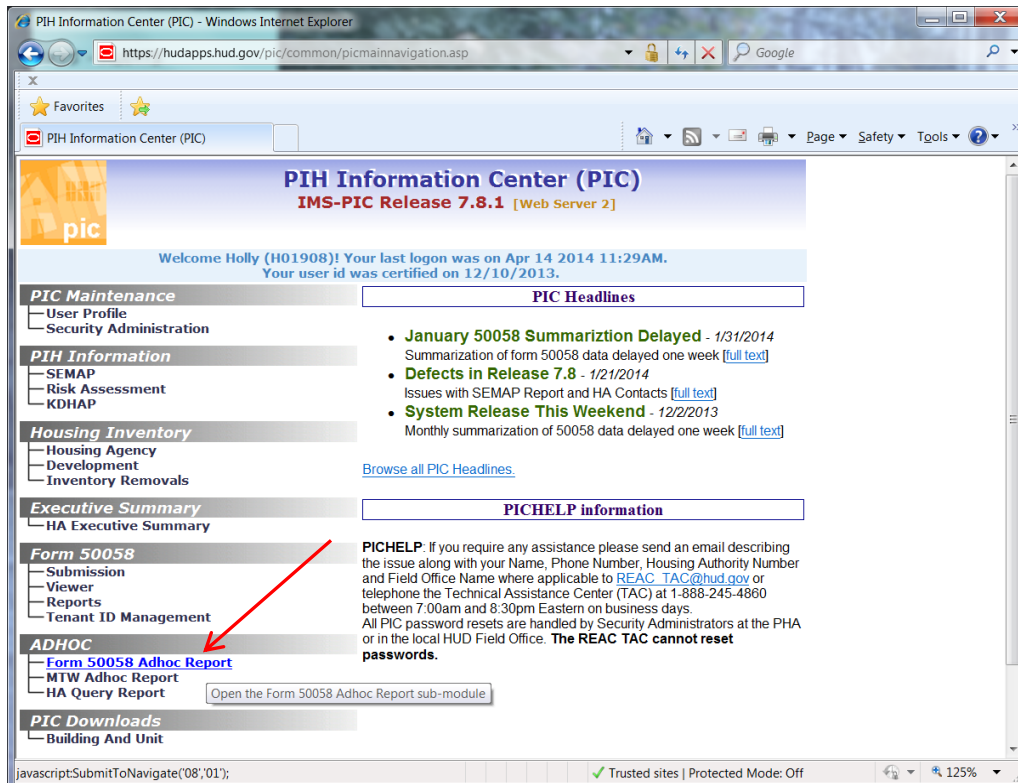
The screenshot above is the homepage of the PIH Information Center. On this page, users are prompted to the "Form 50058 Adhoc Report" link, which is found in the ADHOC section.

Note: If the Form 50058 Ad Hoc Report Submodule is not displayed on the user's screen, please contact the PHA's designated IMS/PIC Security Administrator to request access to the sub module. The PHA's **IMS/PIC Security Administrator** is responsible for ensuring that the user has access to the IMS/PIC system under User Maintenance in HUD's Web Access Security System (WASS) and that the user has been added to IMS/PIC and roles have been assigned as needed according to the user's job duties.

If the PHA's IMS/PIC Security Administrator does not have access to this submodule, the PHA's IMS/PIC Security Administrator should contact the PHA's designated PIC Coach in the local HUD field office to request access.

IMS/PIC Coaches are field office personnel that specialize in helping IMS/PIC users. The IMS/PIC Coaches train users, distributes information to users, answer questions, and keep a watch for systematic problems. A current list of IMS/PIC Coaches by HUD field office can be accessed at the following link:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/systems/pic/help

If the PHA employee does not have a Secure Systems User ID and password, the PHA employee will first need to submit a request to HUD's Secure Systems to request this information. Once the User ID request has been processed, the employee should contact the PHA's IMS/PIC Security Administrator who will retrieve the User ID and grant access to IMS/PIC.

2. From this screen, select the jurisdiction, if needed, and program type.
   a. Select applicable HUB office, field office, and housing agency. The drop down menus shown in the screen shot below will vary depending on the user's access rights.

   b. Select the program type for the program. **Note:** The report only allows one program to be selected at a time.
      1. For reports related to HCV FSS participants, select "All Voucher Funded Assistance" which will return records associated with all voucher types; or.
      2. For reports related to public housing FSS participants, select "Public Housing" which will return records associated with Public Housing.

   c. Click "Continue"

3. The screenshot above is of the first page of the Form 50058 AdHoc Report screen. This screen users are directed to select appropriate HUB office, field office, and housing agency as noted above in 2a-2c .

On the next screen, select the type of 50058 actions and the data range to be queried. In order to cast the widest net, we would suggest the following settings:
   a. **Type of Action Selection** – To view only "active" households, select all action types except: 1) End of Participation and 2) Portability Move-out;

   b. Select **Effective Date of Action**; and

   c. **Date Range** – Select a date range from 01/01/1900 to today's date or to a date in the future if the PHA has submitted future dated data. **Note:** The IMS/PIC system allows PHAs to submit information up to 4 months in the future. This date range should find any outlying records that are in IMS/PIC that the HA may believe to have been closed out.

   d. Click "Go To Field Selection".

Note: Only the latest available 50058 record and the latest FSS Addendum in the current database for each family will be available using the Ad Hoc Reporting Submodule. The user of the report can think of this report as two separate reports that are merged into one singular 50058 record; the first report is the last submitted 50058 record and the second report is the last submitted FSS addendum. For example, assume that the last submitted 50058 record was an annual reexamination effective 11/1/2015 and the last submitted FSS addendum was an Exit as of 02/31/2014. The Ad Hoc Reporting Submodule will return one report that shows the data from both records even though the 50058 and FSS addendum records were submitted at different times.

In the screenshot below, users are instructed to select the appropriate "Type of Action", the appropriate "Effective Date of Action", "Date Range" and click "Go to Field Selection".

4. The screenshot below is an example of the available data fields in the 50058 report. **Note:** The data fields available for selection are shown on two separate pages.

The screenshot above is an example of the available fields in the 50058 report. In this example, "Head of household first name", "Head of household middle initial", "Head of household last name", "Type of Action" (2a), "Effective Date of Action" (2b) and "FSS participant now or in the last year" (2k) are selected.

    a. For FSS reconciliation purposes, the screenshot below is prompting users to select only the fields shown in the table below.

ID	Section	Description
General Participant Information		
1	N/A	Head of household first name
2	N/A	Head of household middle initial
3	N/A	Head of household last name
4	2a	Type of action
5	2b	Effective date (mm/dd/yyyy) of action
6	2k	FSS participant now or in the last year (Y/N)
FSS Addendum Information		
7	17b	FSS report category (E, P, X)
8	17c	FSS effective date (mm/dd/yy) of action
9	17d	PHA code of administering FSS contract
19	17j (1)	Initial Start Date (mm/yyyy) of contract of participation (FSS enrollment report only)
11	17j (2)	Initial End Date (mm/yyyy) of contract of participation

		(FSS enrollment report only)
12	17j (3)	Contract date extended to (mm/yyyy) (if applicable)
FSS Escrow Information		
13	17k (1)	Current FSS account monthly credit
14	17k (2)	Current FSS account balance
15	17k (3)	FSS account amount disbursed to the family (cumulative as of end of reporting period)

b. Click on "Continue" at the bottom of the screen to go to the FSS Addendum section (Section 17).
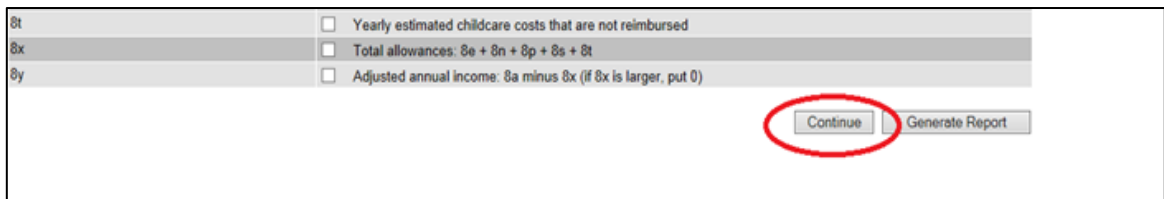
The screenshot above is prompting users to select "Continue" which is displayed at the bottom right of the screen.

c. Once all fields have been selected, click "Generate Report".

5. Depending on the PHA's browser settings pertaining to pop up windows, the PHA will either be prompted to allow a pop-up window or one will automatically be opened for the user showing the results of the ad hoc report. The report will need to be pulled into Microsoft Excel to sort and filter.

a. At both the top right and bottom right of the screen, there are links to download the report into Excel. Select the link at the bottom right of the screen to start the download process. **Note:** The link at the top right takes the user to the link at the bottom right of the screen. Again, depending on the PHA's browser settings, the user may be prompted or open a file of type csv (comma separated value). Choose Open to open the data file in Excel.
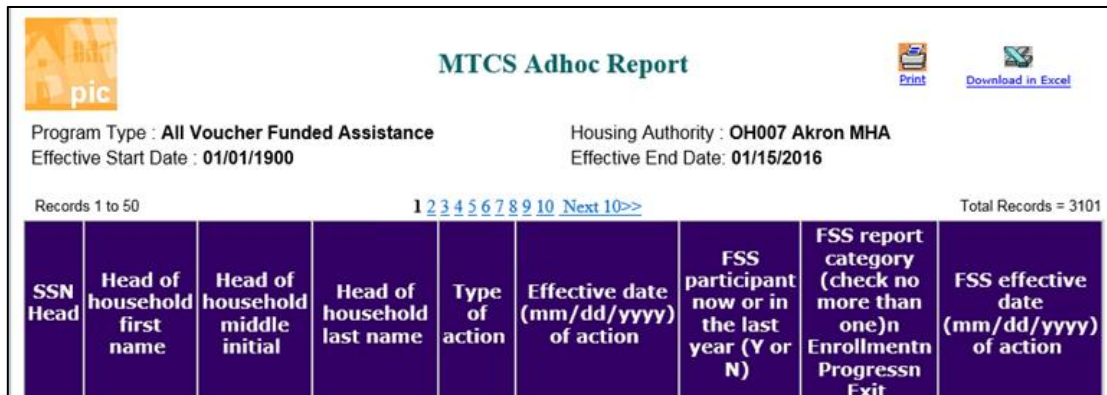
The screenshot above is of the "MTCS Adhoc Report". In the screenshot, users are being prompted to select "Download in Excel".

6. A data file of the FSS data in IMS/PIC has now been created.

2. Viewing and Formatting IMS/PIC Adhoc Report

1. Open the IMS/PIC Excel data file that was just created[2]. An example of a data file is shown below. Note the data in this example and the rest of the examples has been made up for a fictitious housing authority (DC999). For this example, the report is as of 01/1/5/2016.

SSN Head	Head of h	Head of	Head of hc	Type of action	Effective date	FSS partic	FSS repc	FSS effective d	PHA code	Initial start	Initial end c	Contract d	Current FSS	Current FS	FSS account an
xxx-xx-990;	M	L	ADDISON	2	6/1/2015	Y	E	8/1/2015	DC999	201508	202007		0	0	0
xxx-xx-992	M	A	BANKS	2	9/1/2015	N	*	*	*	*	*	*	*	*	*
xxx-xx-991;	S	A	VICK	3	1/1/2016	Y	P	1/1/2016	DC999	*	*		128	2782	0
xxx-xx-993(	S	A	DIXSON	2	4/1/2015	N	*	*	*	*	*	*	*	*	*
xxx-xx-990(	M	B	HARRIS	2	7/1/2015	Y	P	7/1/2015	CA999	*	*		22	640	0
xxx-xx-992	A	C	SANDERS	3	9/1/2015	N	*	*	*	*	*	*	*	*	*
xxx-xx-991	L	C	WARREN	2	4/1/2015	Y	X	11/17/2015	DC999	*	*		137	3442	520
xxx-xx-991(	M	F	SCOTT	2	4/1/2015	Y	P	10/1/2015	DC999				68	1160	0
xxx-xx-992;	R	F	MILLER	2	2/1/2015	N	*	*	*	*	*	*	*	*	*
xxx-xx-991	N	J	VENEY	2	12/1/2015	Y	P	12/1/2015	DC999	*	*		77	1860	402
xxx-xx-991;	Q	J	TOLER	3	11/1/2015	N	X	12/31/2015	DC999	*	*		102	1619	1108
xxx-xx-990	L	K	SANDERS	2	7/1/2015	Y	P	4/10/2015	DC999				63	1007	75

The screenshot above (page 32) is of a data file that was just created. Screenshot contains fictitious names and/or social security numbers.

If a PHA is administering both a FSS public housing and HCV program and the PHA wants a single report with information on both programs, the PHA should create separate Excel files for each program and then simply copy and paste one of the files to the bottom of the other file.

2. While the data in the above opened file is correct and can be used as is, it is recommended that the user take a little time to format the file. The following shows one possible formatting of the same data with the Excel filter functionality turned on. **Note:** In the example below, a blank row was inserted immediately after the column names and the auto filters are shown on the blank line rather than on the column names so that the column names are readable when the auto filters are turned on.

> The Excel filter functionality allows the users to easily sort and view only records of interest.

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
#	SSN	Initial First Name	Initial Middle Name	Last Name	Action	50058 Effective Date	FSS Participant Now or in the Last Year	FSS Report Category	FSS Effective date	PHA Administering FSS Contract	Contract Start Date	Contract End Date	Extended Contract End Date	FSS Monthly Credit	FSS Balance	FSS Disbursed
1	xxx-xx-9901	M	L	ADDISON	2	6/1/2015	Y	E	8/1/2015	DC999	08/2015	07/2020		$0	$0	$0
2	xxx-xx-9929	M	A	BANKS	2	9/1/2015	N	*	*	*	*	*	*	*	*	*
3	xxx-xx-9913	S	A	VICK	3	1/1/2016	Y	P	1/1/2016	DC999	*	*		$128	$2,782	$0
4	xxx-xx-9930	S	A	DIXSON	2	4/1/2015	N	*	*	*	*	*	*	*	*	*
5	xxx-xx-9906	M	B	HARRIS	2	7/1/2015	Y	P	7/1/2015	CA999	*	*		$22	$640	$0
6	xxx-xx-9928	A	C	SANDERS	3	9/1/2015	N	*	*	*	*	*	*	*	*	*
7	xxx-xx-9914	L	C	WARREN	2	4/1/2015	Y	X	11/17/2015	DC999	*	*		$137	$3,442	$520
8	xxx-xx-9910	M	F	SCOTT	2	4/1/2015	Y	P	10/1/2015	DC999	*	*		$68	$1,160	$0
9	xxx-xx-9927	R	F	MILLER	2	2/1/2015	N	*	*	*	*	*	*	*	*	*
10	xxx-xx-9912	N	J	VENEY	2	12/1/2015	Y	P	12/1/2015	DC999	*	*		$77	$1,860	$402
11	xxx-xx-9911	Q	J	TOLER	3	11/1/2015	N	X	12/31/2015	DC999	*	*		$102	$1,619	$1,108
12	xxx-xx-9909	L	K	SANDERS	2	7/1/2015	Y	P	4/10/2015	DC999	*	*		$63	$1,007	$75

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[2] Technically, the file is a comma separated value file (CSV) file that has been opened or can be opened by Excel. The user should ensure that when initially saving the file, to rename the file using a naming convention more meaningful to the user and as an excel file. In addition, the example of the initially opened data does not show the first ten rows of the file which contains report header information that can be deleted.

The screenshot above is of the data file that was just created in step #1, with the Microsoft Excel "filter" feature turned on. Screenshot contains fictitious names and/or social security numbers

3. The data fields for the contract start date, contract end date and extended contract end date need to be reformatted as the IMS/PIC ad-hoc report treats these fields as a number (i.e., 201508). The date fields need to be reformatted into a mm/yyyy format (i.e., 08/2015).

   Other formatting applied to this example report included re-labeling column names, alignment of data in cells, formatting of numbers to reflect currency (e.g., FSS Escrow information). These changes should be based on user preference only.

4. Save the file as an Excel file.

B. PHA FSS DATA

1. How to Create PHA FSS Data File

1. In order to compare the PHA's internal FSS records with similar data contained in IMS/PIC, the user will need to create a file of data from the PHA's system. How and what fields are included is based on the PHA's management information system and what the user is trying to compare. In this example, it is assumed that the PHA wants to compare their current list of FSS participants and FSS escrow information with the information in IMS/PIC.

   The example below provides a formatted file from the PHA's system of current FSS participants and their escrow information as of 01/15/2016.

a	b	c	d	e	f	g	h	i	j
#	SSN	First Name	Initial Middle Name	Last Name	Contract Start Date	Contract End Date	FSS Monthly Credit	FSS Balance	FSS Disbursed
1	xxx-xx-9901	Myra	L	Addison	8/1/2015	7/31/2020	$0	$0	$0
2	xxx-xx-9902	Felicia	V	Davis	5/1/2015	4/30/2020	$0	$0	$0
3	xxx-xx-9903	Angela	M	Davis	11/1/2014	10/31/2019	$0	$0	$0
4	xxx-xx-9904	Ronald	V	Gunn	5/1/2014	4/30/2021	$20	$537	$118
5	xxx-xx-9905	Celcia	M	Hall	11/1/2014	10/31/2019	$49	$569	$0
6	xxx-xx-9906	Mary	B	Harris	8/1/2013	7/31/2018	$22	$640	$0
7	xxx-xx-9907	Angela	T	Richardson	10/1/2010	9/30/2017	$73	$1,099	$0
8	xxx-xx-9908	Rhonda	P	Robinson	11/1/2015	10/30/2020	$0	$0	$0
9	xxx-xx-9909	Louise	K	Sanders	7/1/2012	6/30/2017	$63	$1,574	$75
10	xxx-xx-9910	Marcella	F	Scott	4/1/2015	3/31/2020	$0	$0	$0
11	xxx-xx-9911	Quanisha	J	Toller	11/1/2013	10/31/2018	$102	$1,721	$1,108
12	xxx-xx-9912	Nakita	J	Veney	11/1/2014	10/31/2019	$77	$1,937	$402
13	xxx-xx-9913	Sally	A	Vick	3/1/2013	2/28/2018	$128	$2,782	$0
14	xxx-xx-9914	Latonya	C	Warren	11/1/2014	10/31/2019	$137	$3,442	$520
15	xxx-xx-9915	Valerie	L	Whiteside	11/1/2013	10/31/2018	$0	$0	$0
16	xxx-xx-9917	Julie	S	Lee	9/1/2015	8/1/2020	$0	$0	$0

The screenshot above is of the fields that are included in a PHAs management information system and what users are trying to compare in IMS/PIC. Screenshot contains fictitious names and/or social security numbers

2. Save this file.

C. COMPARING IMS/PIC WITH PHA DATA

1. Merging IMS/PIC Adhoc Report with PHA FSS Data

1. To begin the actual comparison process, the two files (IMS/PIC adhoc report and PHA FSS file) need to be merged into one report, so that the participants' information from the two different reports are on the same line. If the PHA has a very small FSS program, the files can be merged by simply copying the information from one file, locating the participant in the other file and pasting the data. Sorting the two files in the same order can also be used to help aid in this process.

2. PHAs with a larger FSS program may want to accomplish the same action by using Excel's VLOOKUP function. This function basically searches one of the files and adds selected data fields from the other file when a match is found. The two files as currently displayed will likely not contain a unique identifier that can be used to ensure a proper match. Normally the participant's last name will likely not be unique enough to ensure the data from the two files align properly. For example, the FSS program could have multiple participants with the last name of "Smith".

The VLOOKUP function limits matching to only one column, such as Last Name. In order to improve the accuracy of the match using the VLOOKUP function, the user should consider creating a temporary column in both files and populate the temporary column with a combination of fields / information contained in both files. Matching on the newly created column will greatly improve the accuracy of the match. The following table illustrates the concept.

Key	SSN	First Name	Last Name
xxx-xx-9901SSmith	xxx-xx-9901	Sally	Smith
xxx-xx-9902Smith	xxx-xx-9902	Sam	Smith
xxx-xx-9901MSmith	xxx-xx-9901	Myra	Smith

The screenshot above is an example of a PHA's attempt to match using a Last Name, using the VLOOKUP function in Microsoft Excel. Users are prompted to a problem, as there are three (3) "Smiths"- Sally, Sam and Myra.

   a. In this example, if the PHA tried to match only on last name there would be a problem as there are three Smiths – Sally, Sam and Myra. Similarly, the last four digits of a SSN can also be the same. For example, both Sally and Myra share the same last four digits in the SSN "9901".

   b. By creating the column "Key" and populating the column with SSN, initial of First Name and Last Name, a column has been created and populated with information that

makes it unique. In this case, matching on this column will guarantee that the data from the two files are properly merged.

   c. This temporary "key" column concept will not always work 100% of the time for PHAs with larger programs but duplicate keys at this point will be the exception and can be addressed manually.

3. Save this File.

2. Working with Initial Merged Data

1. The following table shows the two files after the two files have been merged into one file. The blue columns (columns b through q) is the data from IMS/PIC and the green columns (columns u through z) are from the PHA's internal records. Various columns have been hidden (not shown on the table below) but are available for analysis when needed.

a	b	c	e	f	g	i	j	o	p	q	u	v	w	x	y	z
#	SSN	Initial First Name	Last Name	Action	50058 Effective Date	FSS Report Category	FSS Effective date	FSS Monthly Credit	FSS Balance	FSS Disbursed	Last Name	Contract Start Date	Contract End Date	FSS Monthly Credit	FSS Balance	FSS Disbursed
1	xxx-xx-9901	M	ADDISON	2	6/1/2015	E	8/1/2015	$0	$0	$0	Addison	8/1/2015	7/31/2020	$0	$0	$0
2	xxx-xx-9902	F	DAVIS	2	10/1/2015	P	10/1/2015	$0	$0	$0	Davis	5/1/2015	4/30/2020	$0	$0	$0
3	xxx-xx-9903	A	DAVIS	2	2/1/2015	E	11/1/2014	$0	$0	$0	Davis	11/1/2014	10/31/2019	$0	$0	$0
4	xxx-xx-9904	R	GUNN	7	10/21/2015	P	6/1/2015	$20	$397	$118	Gunn	5/1/2014	4/30/2021	$20	$537	$118
5	xxx-xx-9905	C	HALL	2	12/1/2015	P	12/1/2105	$49	$520	$0	Hall	11/1/2014	10/31/2019	$49	$569	$0
6	xxx-xx-9906	M	HARRIS	2	7/1/2015	P	7/1/2015	$22	$640	$0	Harris	8/1/2013	7/31/2018	$22	$640	$0
7	xxx-xx-9907	A	RICHARDSON	2	8/1/2015	P	8/1/2015	$73	$734	$0	ichardso	10/1/2010	9/30/2017	$73	$1,099	$0
8	xxx-xx-9908	R	ROBINSON	1	8/18/2015	E	11/1/2015	$181	$761	$0	Robinson	11/1/2015	10/30/2020	$0	$0	$0
9	xxx-xx-9909	L	SANDERS	2	7/1/2015	P	4/10/2015	$63	$1,007	$75	Sanders	7/1/2012	6/30/2017	$63	$1,574	$75
10	xxx-xx-9910	M	SCOTT	2	4/1/2015	P	10/1/2015	$68	$1,160	$0	Scott	4/1/2015	3/31/2020	$0	$0	$0
11	xxx-xx-9911	Q	TOLER	3	11/1/2015	X	12/31/2015	$102	$1,619	$1,108	Toller	11/1/2013	10/31/2018	$102	$1,721	$1,108
12	xxx-xx-9912	N	VENEY	2	12/1/2015	P	12/1/2015	$77	$1,860	$402	Veney	11/1/2014	10/31/2019	$77	$1,937	$402
13	xxx-xx-9913	S	VICK	3	1/1/2016	P	1/1/2016	$128	$2,782	$0	Vick	3/1/2013	2/28/2018	$128	$2,782	$0
14	xxx-xx-9914	L	WARREN	2	4/1/2015	X	11/17/2015	$137	$3,442	$520	Warren	11/1/2014	10/31/2019	$137	$3,442	$520
15	xxx-xx-9915	V	WHITESIDE	2	12/1/2015	P	3/12/2014	$232	$5,276	$0	Whiteside	11/1/2013	10/31/2018	$0	$0	$0
16	xxx-xx-9916	D	JONES	2	5/1/2015	X	8/5/2014	*	*	*				*	*	*
17	xxx-xx-9917	J	LEE	2	1/1/2016	*	*	*	*	*	Lee	9/1/2015	8/1/2020	$0	$0	$0
18	xxx-xx-9918	D	MOODY	2	12/1/2015	*	*	*	*	*						
19	xxx-xx-9919	L	PARKER	2	11/1/2015	*	*	*	*	*						
20	xxx-xx-9920	B	ALLEN	3	1/1/2016	*	*	*	*	*						
21	xxx-xx-9921	V	WOOD	2	9/1/2015	*	*	*	*	*						
22	xxx-xx-9922	L	GREENE	2	1/1/2016	*	*	*	*	*						
23	xxx-xx-9923	T	GUEST	2	12/1/2015	*	*	*	*	*						
24	xxx-xx-9924	S	COWAN	2	11/1/2015	*	*	*	*	*						
25	xxx-xx-9925	D	HELLER	3	10/1/2015	*	*	*	*	*						
26	xxx-xx-9926	P	WALLACE	3	1/1/2016	*	*	*	*	*						
27	xxx-xx-9927	R	MILLER	2	2/1/2015	*	*	*	*	*						
28	xxx-xx-9928	A	SANDERS	3	9/1/2015	*	*	*	*	*						
29	xxx-xx-9929	M	BANKS	2	9/1/2015	*	*	*	*	*						
30	xxx-xx-9930	S	DIXSON	2	4/1/2015	*	*	*	*	*						

The screenshot above shows the two files after they have been merged into one file. The screenshot is differentiating the source by color coding the column headers. Screenshot contains fictitious names and/or social security numbers

In this view of the table (which groups the participants by FSS Report Category – column i at the top) and at a macro level the two data sets seem to match pretty well.

    a. Rows 1 through 15 show that both IMS/PIC and the PHA's current FSS participant list have some type of FSS report for the participant in IMS/PIC.

    b. Row 16 (D. Jones) shows an FSS Exit report with an effective date of 08/5/2014. This record also seems correct as this participant would not be currently in the PHA's FSS program, which explains why the columns from the PHA's report is blank.

    c. Row 17 (J. Lee) indicates a problem in that the PHA's records shows that the participant was enrolled in the program on 09/01/2015 but there is no corresponding FSS addendum in IMS/PIC.

    d. Rows 18 through 30 shows that IMS/PIC has never received a FSS addendum of any type (indicated by the * in columns j through q) and the PHA's current FSS participant list shows no activity also.

2. At this point further detailed analysis can be completed. It is recommended that the user makes a copy of this merged file as a back-up. This way if the user deletes a record or column by mistake or the records no longer line-up properly due to a sorting mistake, the user still has a file that has not been altered.

3. Since rows 18 through 30 represent families that are not currently enrolled and have not been in the FSS program, these rows can be deleted as no further analysis is needed.

4. The remainder of this document is intended to show how the file can be sorted and filtered for different FSS data reconciliations. Due to space limitations only relevant columns are shown.

D. FSS RECONCILIATION ANALYSES

1. Analysis 1 – Reconciliation of IMS/ PIC Count

HUD determines a PHA's FSS coordinator funding by the number of participants that were enrolled/active in the FSS program during a given time period. HUD determines this count by looking for any addendum record during the given time period.

a	b	e	i	j	v	w
#	SSN	Last Name	FSS Report Category	FSS Effective Date	Contract Start Date	Contract End Date
15	xxx-xx-9915	WHITESIDE	P	3/12/2014	11/1/2013	**10/31/2018**
3	xxx-xx-9903	DAVIS	E	11/1/2014	11/1/2014	**10/31/2019**
9	xxx-xx-9909	SANDERS	P	**4/10/2015**	7/1/2012	**6/30/2017**
4	xxx-xx-9904	GUNN	P	**6/1/2015**	5/1/2014	**4/30/2021**
6	xxx-xx-9906	HARRIS	P	**7/1/2015**	8/1/2013	**7/31/2018**
1	xxx-xx-9901	ADDISON	E	**8/1/2015**	8/1/2015	**7/31/2020**
7	xxx-xx-9907	RICHARDSON	P	**8/1/2015**	10/1/2010	**9/30/2017**
2	xxx-xx-9902	DAVIS	P	**10/1/2015**	5/1/2015	**4/30/2020**
10	xxx-xx-9910	SCOTT	P	**10/1/2015**	4/1/2015	**3/31/2020**
8	xxx-xx-9908	ROBINSON	E	**11/1/2015**	11/1/2015	**10/30/2020**
14	xxx-xx-9914	WARREN	X	**11/17/2015**	11/1/2014	**10/31/2019**
12	xxx-xx-9912	VENEY	P	**12/1/2015**	11/1/2014	**10/31/2019**
5	xxx-xx-9905	HALL	P	**12/1/2015**	11/1/2014	**10/31/2019**
11	xxx-xx-9911	TOLER	X	**12/31/2015**	11/1/2013	**10/31/2018**
13	xxx-xx-9913	VICK	P	**1/1/2016**	3/1/2013	**2/28/2018**
17	xxx-xx-9917	LEE	*	*	9/1/2015	**8/1/2020**

In the screenshot above, by sorting by FSS effective date (column j), the PHA can quickly determine differences between HUD's count and the PHA's count of active participants. The difference are highlighted in red – Whiteside, Davis and Lee.

1. In this example, by sorting by FSS effective date (column j), the PHA can quickly determine differences between HUD's count and the PHA's count of active participants. This same analysis can also be used to ensure that each FSS participant has met the requirement that at least one FSS addendum has been submitted annually. Since the report is as of 01/15/2016, there should be an FSS addendum record of some type for the time period 01/16/2015 – 01/15/2016.

2. Result of Analysis:
    a. Column W "Contract End" shows a current count of 16 participants from the PHA's records (contract end date has not been reached).
    b. Column J "FSS Effective Date" shows that HUD would have a count of only 13 participants as the first two records (Whiteside and Davis) have FSS addendums with an effective date outside of the expected range (01/16/2015 – 01/15/2016) and no FSS addendum exists in IMS/PIC for the last record (Lee).
    c. To correct this difference in count, the PHA would need to submit updated FSS progress reports for Whiteside and Davis and a FSS Enrollment record for Lee.

2. Analysis 2 – Enrollment Analysis

1. Refine the report to look only at enrollment records. The IMS/PIC records for Progress and Exit reports do not show the contract start and end dates as these dates are only available in the Enrollment record. The IMS/PIC Ad-hoc reports always brings back the last addendum. The table below limits the records to FSS Report Category matching an "E" or "*" and is sorted by FSS Effective Date.

a	b	e	i	j	v
#	SSN	Last Name	FSS Report Category	FSS Effective Date	Contract Start Date
3	xxx-xx-9903	DAVIS	E	11/1/2014	11/1/2014
1	xxx-xx-9901	ADDISON	E	8/1/2015	8/1/2015
8	xxx-xx-9908	ROBINSON	E	11/1/2015	11/1/2015
17	xxx-xx-9917	LEE	*	*	9/1/2015

In the screenshot above, the records to FSS Report Category matching an "E" or "*" (an asterisk) and is sorted by FSS Effective Date.

2. Result of Analysis: Again the information associated with both Davis and Lee seem problematic for the reasons given in the prior analysis, however:
    a. In the case of Davis, the issue may also be that an Exit record needs to be processed instead of a progress report.
    b. In the case of Lee, the issue may also be that the FSS coordinator erroneously enrolled the participant in the PHA's system but has yet to correct the error.

3. This type of outlier analysis can be applied to any FSS addendum type (Progress and Exit) by simply selecting only the addendum of interest and sorting. Normally by reviewing the data in some simple sorted fashion, most FSS coordinators can quickly determine the reason for the reporting discrepancies.

4. PHAs need to also consider how they query their own data when completing the analysis. For example, most PHA systems have a separate date field to store the actual Exit date from the FSS program. However, if the PHA queried their "currently enrolled in the FSS program" report based on contract end dates that are in the future, the report would show the FSS participant as active when in fact the participant has exited the program years ago.

3. Analysis 3 – Other General Analysis

1. Similarly, other fields in IMS/PIC can be analyzed to improve the accuracy of the PHA's submitted data and reporting compliance. The following table shows three (3) other non-FSS escrow fields that can be quickly analyzed.

#	IMS/PIC Field	Description of Possible Analysis
1	50058 Effective Date & Action Code	Now that PHAs are required to submit FSS addendum records with certain 50058 actions, such as annual reexamination, the PHA can sort and filter by certain type of 50058 actions codes and compare the effective date with the FSS addendum type and effective date. Similarly, the PHA could review 50058 end of participation dates to make sure Exit addendums were properly submitted.
2	FSS Participant Now or in the Last Year	This Y/N (Yes / No) field can be analyzed to determine if the family has been properly marked as being in the FSS program now or in the last year.
3	PHA Administering FSS Contract	This field can be analyzed to ensure that the field contains the PHA's PHA code in all instance except where the participant's FSS program is still being administered by the initial PHA under a portability agreement.

4. Analysis 4 – FSS Escrow Balance Analysis

1. The same merged file can be used to review the accuracy of participant escrow information. The following outlines a general procedure that can be used to test the accuracy of a participant's FSS escrow information using "Richardson" as an example.
   a. The latest information in IMS/PIC shows that the annual reexamination was completed and effective on 8/1/2015 (columns f and g).
   b. The IMS/PIC data also shows that the PHA properly submitted a FSS progress report with the same effective date (columns i and j) as required by this notice.
   c. As of 8/1/2015 the PHA reported the following escrow information for Richardson in IMS/PIC:
      1. FSS Monthly Credit of $73 per month (column o);
      2. FSS Escrow Balance of $734 (column p); and
      3. $0 have been disbursed from the FSS Escrow account (column q).
   d. The PHA's internal records shows the following as of 01/15/2016:
      1. FSS Monthly Credit of $73 per month (column x);
      2. FSS Escrow Balance of $1,109 (column y); and
      3. $0 have been disbursed from the FSS Escrow account (column z).

c	e	f	g	i	j	o	p	q	x	y	z
Initial First Name	Last Name	Action	50058 Effective Date	FSS Report Category	FSS Effective date	FSS Monthly Credit	FSS Balance	FSS Disbursed	FSS Monthly Credit	FSS Balance	FSS Disbursed
A	RICHARDSON	2	8/1/2015	P	8/1/2015	$73	$734	$0	$73	$1,109	$0

In the screenshot above, users are provided an example of the merged file which can be used to review the accuracy of participant escrow information.

   e. Escrow Account Analysis
      1. The FSS Monthly Credit match - Under current reporting requirements, it is expected that these two amounts match as the PHA is required to provide a new FSS addendum with most 50058 action codes. Therefore, the FSS escrow amount reported in IMS/PIC should be current with internal PHA records.

      2. The FSS disbursement amount match, however PHAs are not required to provide an updated FSS addendum for simply a change to escrow, such as an interim disbursement. Except for erroneous reporting error in IMS/PIC, the FSS disbursed amount in the PHA records should only be greater than reported in IMS/PIC; reflecting a disbursement after the FSS effective date.

The FSS Escrow Balance does not match ($734 IMS/PIC vs. $1,109 PHA). Unless the participant is not earning a monthly credit, these amounts should not match. The escrow balance in IMS/PIC reflects the data as submitted on the addendum and does not reflect the additional five (5) months of FSS monthly credit that the participant has earned since 8/01/2015. IMS/PIC would also not reflect any other escrow adjustment that happened since the effective date such as interest credited to the escrow account.

The following table shows the reconciling transactions that should be applied to the beginning escrow balance (IMS/PIC) in order to make the amount comparable to the PHA current escrow balance records.

Example of FSS Escrow Balance Reconciliation		Reconciling Steps
8/1/2015 IMS/PIC Escrow Balance	$734	1. Start with Escrow Balance as reported in IMS/PIC.
Reconciling Adjustments		
9/1/2015 Monthly FSS Credit	$73	2. Add monthly FSS credit since the effective date of addendum record from IMS/PIC until report date.
10/1/2015 Monthly FSS Credit	$73	
11/1/2015 Monthly FSS Credit	$73	
12/1/2015 Monthly FSS Credit	$73	3. Add any interest earned since the effective date of addendum record until report date.
1/1/2016 Monthly FSS Credit	$73	
Interest Earned (8/2/2015 - 1/15/2016)	$10	
Disbursements (8/2/2015 - 1/15/2016)	$0	4. Similarly adjust for any other escrow action not already considered.
Other Adjustments (8/2/2015 - 1/15/2016)	$0	
Sub-total Reconciling Adjustments	$375	5. Add the IMS/PIC Escrow to the Reconciling Adjustments for a Calculated Escrow Balance.
01/15/2016 Calculated Escrow Balance	$1,109	
01/15/2016 PHA Escrow Balance	$1,109	6. Compare to PHA Escrow Balance.

2. If the calculated escrow balance does not agree with the PHA's current escrow balance, there are likely other reporting and escrow calculation problems. The reason for these issues would vary from PHA to PHA but will likely have as a root cause: the PHA has multiple FSS escrow reporting / tracking systems that are not reconciled, changes to the escrow accounts are not being communicated to all concerned parties, system coding and training issues, and/or improper IMS/PIC reporting problems.

As the PHA identifies the underlying reason(s) for the data discrepancy, the PHA should update their standard operating and reporting procedures as needed.