

Mora, Mari Rosa (AFV)

From: Proto, Patricia A [Patricia.A.Proto@hud.gov]
Sent: Monday, May 09, 2011 5:40 PM
To: Joyner Kelly, George (AFV)
Cc: Berrios Orlandi, Luis O. (AFV); Mora, Mari Rosa (AFV); Deignan, Paul J; Thomas, Tammy R; Reavis, Robert W; Mendez, Magaly; Mendez, Sylvette A; Valentin, Roberto
Subject: PRHFA 2011 Limited Remote ACR
Attachments: PRHFA-2011-REMOTE ACR.PDF

Hello Mr. Joyner,

Attached is the PRHFA 2011 Limited Remote ACR Report and transmittal letter. If you have any questions or need additional information, please contact me at (678) 732-2330, or Ms. Mendez, Director, San Juan Multifamily Program Center at (787) 766-5401.

Best Regards,

Pat Proto
CAOM
Atlanta Multifamily Hub



U.S. Department of Housing and Urban Development

Atlanta Multifamily Hub
Five Points Plaza
40 Marietta St.
Atlanta, Georgia 30303-2806
<http://www.hud.gov/local/atl/index.html>

May 9, 2011

Mr. George Joyner
Executive Director
Puerto Rico Housing Finance Authority
P. O. Box 71361
San Juan, PR 00936-8461

Dear Mr. Joyner:

SUBJECT: Fiscal Year 2011 Limited Remote Annual Compliance Review Report
Puerto Rico Housing Finance Authority
Performance Based Contract Administrator
San Juan, Puerto Rico
ACC Number: PR800CC0001

Enclosed is the Limited Remote Annual Compliance Review Report of the Puerto Rico Housing Finance Authority (PRHFA), Performance Based Contract Administrator (PBCA); which is the result of our remote review covering the period July 1, 2010 through March 31, 2011. The Compliance Review Team (CRT) conducted an Entrance Conference Call with PRHFA staff and an Exit Conference Call to discuss the results of the review. The CRT received copies of PRHFA's contract files submitted electronically and reviewed the documentation provided for the seven IBPS tasks, IBPS 1, 2, 3, 4, 5, 6, and 14.

We found the overall performance of PRHFA during the period July 1, 2010 through March 31, 2011, to be acceptable. However, based upon the results of the review the CRT has identified some weaknesses in PRHFA's internal quality control procedures and we recommend that PRHFA implement improvements. The exceptions identified by the CRT were discussed on the Exit Conference Call and are detailed in the enclosed Limited Remote Annual Compliance Review Report.

We want to thank you and your staff for your courtesy and cooperation in providing the documentation needed for the CRT to conduct the Remote ACR. We look forward to continuing our partnership with PRHFA into the remaining term of the ACC, in order to achieve HUD's goals and mission for the Section 8 Project-Based Program.

Your response to the Limited Remote Annual Compliance Review Report must be submitted to the undersigned within 30 days of the date of this letter. If you have questions or need to discuss the report prior to preparing your response, please contact Ms. Proto, Contract Administrator Oversight Monitor at (678) 732-2330, or Ms. Mendez, Director, San Juan Multifamily Program Center at (787) 766-5401.

Sincerely,

A handwritten signature in black ink that reads "Robert W. Reavis". The signature is written in a cursive style and is followed by a vertical line on the right side.

Robert W. Reavis
Director
Atlanta Multifamily Hub

Enclosure

Cc: Mr. Luis O. Berrios, Assistant Executive Director for Multifamily Programs, PRHFA
Ms. Sylvette A. Mendez, Director, San Juan Multifamily Program Center
Ms. Tammy Thomas, Desk Officer, HUD Headquarters

Annual Compliance Review Summary Report

Name of PBCA: Puerto Rico Housing Finance Authority	Geographic Service Area: Puerto Rico	Name of Subcontractor, if applicable:
Date ACR Conducted: April 11-15, 2011 (Remote Review)	PB-ACC Review Period: July 1, 2010 - March 31, 2011	PBCA Fiscal Year End: June 30, 2011
Total Number of Contracts Assigned to the PBCA at the time of the ACR: 161	Total Number of Units under contract at the time of the ACR:	17,343 units

For each category, assess the performance by checking the appropriate column. A deficient rating is assigned when performance has been determined to be less than the Acceptable Quality Level (AQL) or when there has been a direct violation of the PB- ACC.

Indicate **A** (Acceptable) or **D** (Deficient). Include target completion dates (**TCD**) for all corrective action items.

Category	A	D	TCD
Incentive Based Performance Standard (IBPS)	<input type="checkbox"/>	<input type="checkbox"/>	
1- IBPS #1 Management & Occupancy Review	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2- IBPS #2 Civil Rights Compliance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3- IBPS #3 Rental Adjustments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4/5- IBPS #4/5 Contract Opt-Out and Termination and Resident Data Sent to HUD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6- IBPS #6 Section 8 HAP Vouchers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
14- IBPS #14 Renewal of Expiring Section 8 Contracts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Name of Contract Administration Oversight Monitor (CAOM):
(Please type or print)

Name: Patricia Proto

Signature: *Patricia Proto*

Date: 5-2-2011

Name and Title of Person Approving this Report:
(Please type or print)

Name & Title: Robert W. Reavis, Director, Atlanta Hub

Signature: *Robert W. Reavis*

Date: 5/9/2011

**LIMITED REMOTE ANNUAL COMPLIANCE REVIEW REPORT
 PUERTO RICO HOUSING FINANCE AUTHORITY
 PERFORMANCE BASED CONTRACT ADMINISTRATOR
 SAN JUAN, PUERTO RICO
 April 11-15, 2011**

The Compliance Review Team (CRT) conducted a Limited Remote Annual Compliance Review of Puerto Rico Housing Finance Authority (PRHFA), Performance Based Contract Administrator (PBCA), and reviewed seven of the Incentive Based Performance Standards (IBPS): IBPS 1, 2, 3, 4, 5, 6, and 14. In addition, the CRT conducted Telephone Interviews with the owners/agents of three (3) properties. The CRT conducted an Entrance Conference Call with PRHFA on April 11, 2011, and an Exit Conference Call on April 15, 2011, to discuss the results of the review. The Compliance Review Team found PRHFA's overall performance for the period July 1, 2010 through March 31, 2011, to be acceptable. Puerto Rico Housing Finance Authority accomplished the responsibilities required under the Performance Based Annual Contributions Contract (PB-ACC).

We look forward to continuing our close working relationship with PRHFA through the remainder of the current PB-ACC. HUD staff will continue to assist with unresponsive owners and continue to meet with PRHFA management to resolve issues.

Although the overall performance of PRHFA has been found acceptable, the Compliance Review Team identified some weaknesses in the internal controls over PRHFA's processes. The exceptions noted and recommendations for improvement are included in the following Report.

PERFORMANCE OF ACC CORE TASKS

FINDING: Generally, the Puerto Rico Housing Finance Authority (PRHFA) meets the requirements under the Performance Based Contract Administration Annual Contributions Contract (PBCA ACC). However, it needs to improve controls over its processes. This is in part, because transitions in political leadership in Puerto Rico result in significant turnover among agency staff – including among the professionals who understand program requirements and are responsible for implementing them effectively. This results in resources not being utilized in an efficient way.

Overall Summary:

	Project Name	IBPS					
		IBPS 1	IBPS 2	IBPS 3	4/5	IBPS 6	IBPS 14
1	The Alamo Court						
	Altergarten Las Teresas						
2	II	X	X	X		X	
3	Jardines de Caparra	X	X			X	
	La Estancia						
4	Development	X	X			X	

5	Monserate Tower I	X					
6	Nurses Elderly	X	X	X			
7	Mirador Las Casas			X		X	X
8	El Lago						
9	Sol 413						
10	Torre de Tokio						
	Deficiency %	100%	80%	60%	0%	80%	25%

NOTE: Three (3) properties were selected for remote interviews with the owner/agent. No main issues were addressed by the interviewed persons. One (1) project administrator indicated that it would be nice to receive the monthly voucher reconciliation report prior the voucher is submitted to HUD for payment. This way any corrections needed could be performed on time.

IBPS 1 and 2 – Management and Occupancy Review/Civil Rights Compliance

SAMPLE:

CONDUCT MANAGEMENT AND OCCUPANCY REVIEWS CIVIL RIGHTS COMPLIANCE		Section 8 Contract	MOE Date
IBPS 1	IBPS 2		
Property Name			
1	Altergarten Las Teresas II	RQ462543203	11/09/2010
2	Jardines de Caparra	RQ460005037	10/06/2010
3	La Estancia Development	RQ460007134	12/08/2010
4	Monserate Towers I	RQ460005016	11/16/2010
5	Nurses Elderly	RQ46T781002	08/05/2010

According to the PBCA ACC, each **property** must be reviewed at least annually. PRHFA must comprehensively assess the owner/management agent's policies and procedures for directing and overseeing property operations, and their adequacy for carrying out daily, front-line activities. If PRHFA identifies areas of noncompliance with HUD regulations and requirements, the management review report must outline and support any proposed enforcement actions that will be taken.

The Form HUD-9834, *Management Reviews for Multifamily Housing Projects* has been developed to ensure compliance with the terms and conditions of HUD business agreements. The on-site review of project operations also includes up-front civil rights monitoring for HUD's Office of Fair Housing and Equal Opportunity (FHEO).

Information must be entered in Integrated Real Estate Management System (iREMS) which serves as Housing's centralized database for maintaining and tracking multifamily property information.

All five (5) contracts (100%) were reviewed resulting one or more deficiencies as listed below. This occurred because PRHFA staff overlooked or misinterpreted the policies and procedures that were in place.

Given that the amount of rental assistance paid on behalf of the family is calculated using the family's annual income, less allowable deductions, it is critical that PRHFA staff properly verify and document their on-site reviews. This is fundamental to obtain the correct information needed for accurate rent determination and assistance payments.

Conditions & Causes:

1. Altergarten Las Teresas II:

- ***PRHFA's input into HUD's Integrated Real estate Management System (iREMS) did not always reflect the actual events as supported by PRHFA's records.***

→ MOR performed date did not coincide with the date on the transmittal letter; Also, incorrect entries were made for "EC Concurrence" and "EC Concurrence Date" in iREMS (Project Action Screen). PRHFA staff corrected this information on April 14, 2011, after explanation was requested by HUD.

→ Addendum B: indicates "Exclusively Elderly" while entry in Integrated Real Estate Management System says "Elderly & Disabled".

2. Jardines de Caparra:

- ***PRHFA's input into HUD's Integrated Real estate Management System (iREMS) did not always reflect the actual events as supported by PRHFA's records.***

→ Incorrect entries were made for "EC Concurrence" and "EC Concurrence Date" in iREMS (Project Action Screen). Information corrected by PBCA on 04/14/2011.

→ **Addendum B** keyed in twice the checklist with different "Survey Fiscal Year" date.

- ***Contrary to requirements, PRHFA did not comply with current EIV procedures.***

→ PRHFA failed to clarify that the Owner's debt notification letter is not considered a repayment Agreement under current EIV guidelines.

- ***Contrary to requirements, PRHFA did not comply with current guidance on MORs.***

→ Several follow ups were sent to the owner. PRHFA should have referred the noncompliance to HUD to evaluate if sanctions are applicable. Moreover, PRHFA staff did not properly inform the owner the correct process to repay rental subsidies paid by HUD on behalf of tenants. Mailing checks to HUD is incorrect on these situations.

3. La Estancia Development:

- ***PRHFA's input into HUD's Integrated Real estate Management System (iREMS) did not always reflect the actual events as supported by PRHFA's records.***

→ Several Addendum B entries with same "Survey Fiscal Year" . Survey for 2011 was incorrectly keyed in as 2010. This last data entry was corrected by PRHFA as per request from HUD on April 7, 2011.

- ***MORS were not always as comprehensive as required by its annual contributions contract.***

→ EIV finding cited under **G-22 General Management Operations** does not contain enough information to determine what is actually missing/incorrect at the property level nor proper corrective action to be taken.

- ***MOR Report did not always reflect the actual facts events as supported by PRHFAs records.***

→ MOR cites a finding indicating the owner did not process correctly a **move-out** in TRACS. Allegedly, the correct move-out date is **07/30/2010** and the owner used **07/31/2010**. It would appear that the owner's working papers were used to cite the finding. PRHFA was unable to provide supporting information from TRACS to maintain the statement that the owner processed incorrectly this action in the system.

4. Monserate Towers I:

- ***Incomplete, Missing, and Improperly Completed Checklists.***

→ HUD 9834 14(e) Verification of required elements; 19(h)(i) missing deficiency to validate the report; 21(g) not addressed; **Addendum A** (Tenant File Review Worksheet) : Units 1204 incorrectly identified as move-out.

5. Nurses Elderly:

- ***PRHFA's input into HUD's Integrated Real estate Management System (iREMS) did not always reflect the actual events as supported by PRHFA's records.***

→ Report date keyed in Integrated Real Estate Management System before actual submission of report.

→ Data on Addendum B is different from the information keyed in the system.

Criteria:

- PBCA ACC Exhibit A , page 9: "Enter required information into HUD data systems."
- Section 6-16 of HUD Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, states: "...After the CA has performed due diligence to obtain owner/agent compliance and the owner/agent remains nonresponsive, the CA must refer the owner/agent to the HUD field office for appropriate administrative action. "
- Section 6-4 of *The HUD Desk Monitoring Guide: Policies and Procedures for Program Oversight (HUD Desk Guide)* states: "Conclusions reached in the monitoring report or letter must be supported by the monitoring notes, monitoring guides, and any support materials obtained. " and "...the letter must provide sufficient detail to the program participant and clearly describe the areas that were covered and the basis for the conclusions reached."
- Section 8 of *The HUD Desk Monitoring Guide: Policies and Procedures for Program Oversight (HUD Desk Guide)* states: "...each program and field office should ensure that the data are relevant, reliable, and timely."
- Section F.1 of the *Rent and Income Determination Quality Control Monitoring Guide for Multifamily Housing Programs*, states: "...it is imperative that the findings, causes, corrective actions, errors, and other conclusions are clear, persuasive, and well documented. This final report is HUD's mechanism for ensuring that all deficiencies are corrected and errors are reduced."
- Section F.2, et al, of the *Rent and Income Determination Quality Control Monitoring Guide for Multifamily Housing Programs* states: "...The review report should include a detailed list of errors and findings, as well as information needed

to enable the O/A to identify the error or finding, understand the required corrective action, and know what documentation or completed corrective actions must be provided to the reviewer.”

Section F.2.b.: “The reviewer will cite the regulatory or statutory requirement that was not followed or the exact wording of any HUD regulatory agreement, assistance contract, handbook, memorandum, or notice that was breached.”

Section F.2.c.: “The reviewer will detail corrective actions for all errors and findings. Be specific when reporting what the owner must do to be compliant with established HUD criteria.”

- Housing NOTICE: H 2010-10, *Enterprise Income Verification (EIV) System*, Issued July 1, 2010, Paragraph IX.C.3.b. states: “...new repayment agreements must:
 - (1) Include the total retroactive rent amount owed, the amount of lump sum paid at time of execution of the agreement, if applicable, and the monthly payment amount.
 - (2) Reference the paragraphs in the lease whereby the tenant is in non-compliance and may be subject to termination of their lease.
 - (3) Contain a clause whereby the terms of the agreement will be renegotiated if there is a decrease or increase in the family’s income of \$200 or more per month.
 - (4) Include a statement that the monthly retroactive rent repayment amount is in addition to the family’s monthly rent payment and is payable to the O/A.
 - (5) Late and missed payments constitute default of the repayment agreement and may result in termination of assistance and/or tenancy.
 - (6) Be signed and dated by the tenant and the O/A.”
- Paragraph 4.9 of the *Monthly transmission Activity (MAT) User Guide, TRACS Release 2.0.2.C*, states: “The proper way to deal with retroactive adjustments that result in repayment agreements is as follows: Allow the full amount of the adjustment(s) due to the retroactive action(s) to appear on the voucher. Do not prevent the adjustments from appearing on the voucher. Reverse the amount of the adjustment subject to the repayment agreement by submitting an OARQ Miscellaneous Accounting Request noting that the amount is subject to a repayment agreement and giving the tenant name and unit.

As the tenant makes payments, enter them on the voucher as OARQ Miscellaneous Accounting Requests. Enter one OARQ request for each tenant making a payment in the voucher month. In the Comment field indicate the tenant and unit and the fact that this is money from a repayment agreement. In cases of fraud, the amount entered can be the amount collected less allowed collection expenses per handbook guidance.”

Corrective Action Required:

1. Enhance the knowledge and skill levels of PRHFA staff performing MORs as well as management staff who oversee this process. Staff should understand and apply HUD’s occupancy rules and regulations and PRHFA’s internal policies and procedures. This will help the reviewer to detect and understand income and rent determination errors and their underlying causes.
2. Improve internal quality control systems developed by PRHFA on data entry and producing written reports.

IBPS 3 – Rental Adjustments

SAMPLE:

RENTAL ADJUSTMENTS			
IBPS 3	Property Name	Section 8 Contract	Effective Date
1	Altergarten Las Teresas II	RQ462543203	03/16/2011
2	Jardines de Caparra	RQ460005037	04/01/2011
3	Mirador Las Casas	RQ46L000034	11/01/2010
4	Monserate Towers I	RQ460005016	05/01/2011
5	Nurses Elderly	RQ46T781002	01/15/2011

According to the PBCA ACC, contract rent under each Section 8 HAP contract must be adjusted during the HAP contract term in accordance with the HAP contract and HUD requirements; PRHFA must process contract rent adjustments correctly; if applicable, PRHFA must analyze adjustments of the owner utility allowance schedule; and information must be

entered in Integrated Real Estate Management System which serves as Housing's centralized database for maintaining and tracking multifamily property information.

Three (3) of the five (5) files (60%) reviewed showed one or more of the deficiencies noted below. This occurred because PRHFA staff overlooked or misinterpreted the policies and procedures that were in place.

Conditions and Causes:

1. Mirador Las Casas:

- ***Contrary to requirements, PRHFA did not verify that a rent schedule was complete/accurate and processed an incomplete/inaccurate rent schedule.***

→ **Rent schedule** did not include the **rental rate per square feet** under the Commercial Space Section; square footage on that same area seems to be incorrect since it shows "1 square feet". Also, on the **type of entity**: owner checked "Other – Non-profit organization" Correct type of entity: Corporation

2. Nurses Elderly:

- ***Contrary to requirements, PRHFA did not verify that a rent schedule was complete/accurate and processed an incomplete/inaccurate rent schedule.***

→ Rent schedule did not include Name of Entity on Part G – Information on Mortgagor Entity.

- ***PRHFA's input into HUD's Integrated Real estate Management System (iREMS) did not always reflect the actual events as supported by PRHFA's records.***

→ PRHFA's records show that the OCAF adjusted rent was \$728 while the amount keyed in the system is \$704 which is the budget-based rent adjustment.

- ***PRHFA did not provide the owner with complete appeal process information for budget-based rent adjustments.***

→ Letter to owner dated January 20, 2011, did not include timeframe to appeal budget-based rent adjustment to HUD (2nd Level). It only stated: "If you do not agree with this determination, you may appeal to HUD Field Office."

3. Altergarten Las Teresas II:

✓ *PRHFA's input into HUD's Integrated Real estate Management System (iREMS) did not always reflect the actual events as supported by PRHFA's records.*

Criteria:

- Paragraph 7-56.A. of HUD Handbook 4350.1, *Multifamily Asset Management and Project Servicing*, states: "The final appeal must be in writing and postmarked within 30 days of the date of the initial appeal decision letter."
- Section 3-1 of *Guidebook for Section 8 Contract Administration Initiative*, states: "...CAs are responsible for ensuring that:... REMS is updated."

Corrective Action required:

- Improve internal quality control systems developed by PRHFA on data entry and producing written correspondence.

IBPS 4/5 – Section 8 Contract Opt-Outs and Terminations

SAMPLE:

IBPS 4 OPT-OUT & CONTRACT TERMINATION

1 The Alamo Court RQ460007055

PRHFA generally met requirements for the Opt-Out process.

IBPS 6 – Review/Pay Monthly Vouchers¹

SAMPLE:

IBPS 6 SECTION 8 VOUCHERS/SPECIAL CLAIMS			

¹ According to replies to former ACRs and past meetings with PRHFA staff, software was obtained to improve processes in this area. Final implementation has been delayed several times. HUD was informed at the entrance conference call that final implementation is now expected for May 2011.

1	Altergarten Las Teresas II	RQ462543203	Mar-11
2	Jardines de Caparra	RQ460005037	Feb-11
3	La Estancia Development	RQ460007134	Feb-11
4	Mirador Las Casas	RQ46L000034	Nov-10
5	Monserate Towers I	RQ460005016	Nov-10

According to the PBCA ACC, PRHFA is required to verify and certify the accuracy of monthly Section 8 voucher payments to owners. This verification and certification includes but is not limited to the following:

- ☞ Verify, through HUD's tenant rental assistance certification system, that the amount of the housing assistance payment paid on behalf of each resident family is accurate.
- ☞ Verify that the owner's payment request does not include covered units for which Section 8 assistance has been abated.
- ☞ Determine whether authorized rent or utility allowance adjustments have been implemented accurately and in a timely manner.
- ☞ Analyze required adjustments to the prior month's vouchers to determine accuracy and validity.

Four (4) of the five (5) contracts (80%) reviewed showed one or more deficiencies as listed below. This occurred because PRHFA staff overlooked or misinterpreted policies and procedures that were in place.

If monthly assistance payments are not properly and timely monitored, the owners may be at risk of defaulting on the mortgage and risking the physical condition of the property due to insufficient cash flow. HUD could also face negative publicity if residents are displaced or living in inadequate housing. The Department also risks that owners/agents could knowingly or unknowingly abuse voucher funds.

Conditions and Causes:

1. Jardines de Caparra:
 - ***PRHFA's input into Reconciliation Report Provided to Owners/Agents did not always reflect the actual events as supported by PRHFA's records.***
 - Information provided on the adjustment section does not concur with voucher faxed by the owner or with **final voucher** transmitted by PRHFA to HUD for payment.

Unit Number	Owner's Voucher	Reconciliation Report - Site	Reconciliation Report - CA	Approved Voucher
-------------	-----------------	------------------------------	----------------------------	------------------

705	\$2,418.00	\$0.00	(\$2,145.00)	\$273.00
1004	\$2,448.00	\$0.00	(\$2,400.00)	\$48.00

2. Altergarten Las Teresas II:

- *PRHFA's input into Reconciliation Report Provided to Owners/Agents did not always reflect the actual events as supported by PRHFA's records.*

→ The adjustment section does not concur with voucher faxed by the owner nor with final voucher transmitted by PRHFA to HUD for payment.

Unit Number	Owner's Voucher	Reconciliation Report - Site	Reconciliation Report - CA	Approved Voucher
2-A	\$2,872.00	(\$2,872.00)	\$0.00	\$2,872.00
3-E	\$2,744.00	(\$2,744.00)	\$0.00	\$2,744.00
3-H	\$1,932.00	(\$1,932.00)	\$0.00	\$1,932.00
6-C	\$2,172.00	(\$2,172.00)	\$0.00	\$2,172.00
8-F	\$2,260.00	(\$2,260.00)	\$0.00	\$2,260.00
9-F	\$1,872.00	(\$1,872.00)	\$0.00	\$1,872.00
10-C	\$1,772.00	(\$1,772.00)	\$0.00	\$1,772.00

3. La Estancia Development:

- *PRHFA's input into Reconciliation Report Provided to Owners/Agents did not always reflect the actual events as supported by PRHFA's records.*

→ Reconciliation report included undisputed information from owner as a discrepancy.

Unit Number	Owner's Voucher	Reconciliation Report - Site	Reconciliation Report - CA	Approved Voucher
-------------	-----------------	------------------------------	----------------------------	------------------

Windows Internet Explorer
 https://hudapps.hud.gov/Query-Web/tenantDetailOptionsSearch.dsp?history

HUD web

U.S. Department of Housing and Urban Development TRACS Certification History List

Head Tenant Name: VELAZQUEZ, W. L. Project/Contract Number: RQ46L0001
 Head Tenant SSN: XXXX3543 Sorted By: Effective Date

Select a Head Tenant Name to view additional certification details.

Head Tenant Name	Head SSN	Unit Number	Effective Date	Seq Num	Cert Type	Action Code	Action Effect Date	TRACS Process Date	AP	TTP	Annual Income	Adjusted Income	Gross Rent	Assist Status Code	Project/Contract Number	Subsit Type
VELAZQUEZ, W. L.	XXXX3543	5D2	08-01-2010	2	-R	GR	11-01-2010	12-08-2011	497	31	2184	1224	528	E	05655010	1
VELAZQUEZ, W. L.	XXXX3543	5D2	08-01-2010	1	-R			12-08-2010	504	31	2184	1224	535	E	05655010	1
VELAZQUEZ, W. L.	XXXX3543	5D2	08-01-2009	2	-R	GR	11-01-2009	12-09-2009	504	31	2184	1224	535	E	05655010	1
VELAZQUEZ, W. L.	XXXX3543	5D2	08-01-2009	1	-R			07-22-2009	484	31	2184	1224	525	E	05655010	1
VELAZQUEZ, W. L.	XXXX3543	5D2	08-17-2006	1	MI			09-28-2006	385	24	3120	2160	448	E	05655010	1

Interpreting and printing this page

[Back to Query](#) [Back to Certification Detail Options](#)

Criteria:

BCA ACC, Exhibit A, Section 3.5.A.: "...Monitor compliance by owners with requirements for entry of all resident certification and recertification data in TRACS..... Verify through TRACS that the amount of the housing assistance payment paid on behalf of each resident family is accurate..... Notify the owner, in writing, of any corrections required and track corrections."

Section 5-4 of the *Guidebook for Section 8 Contract Administration Initiative*, states: "The CA monitors the owner's data in TRACS, including all Form HUD-50059s, Owner's Certification of Compliance with Tenant Eligibility, and Rent Procedures.

Section 9-6.E of HUD Handbook 4350.3, REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, states: "Contract Administrators should submit to HUD throughout the month, certifications/re-certifications that the contract administrator has reviewed and approved."

Corrective Action Required:

- Provide PRHFA staff with training in the Section 8 performance contract administration program to enhance its ability to assess contract requirements.
- Improve the knowledge and skill levels of the staff reviewing Section 8 vouchers. Staff should understand and apply HUD's occupancy rules and regulations and the PRHFA internal policies and procedures. This is important to understand how activities are interrelated.
- Enhance quality control systems developed by the PRHFA on Section 8 voucher reviews and Housing Assistance Payments.

IBPS 14 – Renewal of Expiring HAP Contracts

SAMPLE:

IBPS 14 HAP RENEWALS			
	Property Name	Section 8 Contract	Expiration Date
1	El Lago	RQ46R000007	03/19/2011
2	Mirador Las Casas	RQ46L000034	10/31/2010
3	Nurses Elderly Tower	RQ46T781002	01/14/2011
4	Sol 413	RQ46A001005	10/31/2010
5	Torre de Tokio	RQ460005076	10/23/2010

PRHFA generally met requirements for the renewal of expiring HAP contracts. There was one (1) instance where the file did not show that the owner issued the required tenant notification.