



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

Special Attention:

Public Housing Agencies; Public
Housing Directors

NOTICE PIH 2008-11(HA)

Issued: February 6, 2008

Expires: February 28, 2009
(Revised February 7, 2008 to change the
minimum reporting rate from 97 percent
to 95 percent.)

Cross References:
Notice PIH 2006-24 (HA)

Subject: Reporting Requirements and Sanctions Policy under the Public Housing Program for the Family Report (Form HUD-50058) to the Office of Public and Indian Housing (PIH) Information Center (PIC)

1. **Purpose.** This Notice renews the Form HUD-50058 assessment and sanctions process implemented under Notice PIH 2006-24 with four key changes:

- (1) This Notice does not apply to a Public Housing Agency's (PHA) Housing Choice Voucher (HCV) program. The reporting requirements and sanctions policy for the HCV program are covered under Notice PIH-2007-29 issued October 10, 2007.
- (2) The initial assessment will be based on the March 31, 2008, Delinquency Report instead of the June 30, 2007, Delinquency Report. Thereafter, all PHAs will be assessed quarterly instead of annually based on the June 30th, September 30th, December 31st and March 31st Delinquency Reports.
- (3) Three new scenarios under which PHAs can submit Demonstrations of Compliance were added. See scenarios (2) – (4) in Section 6 of this Notice.
- (4) PHAs affected by Hurricanes Katrina, Rita and Wilma are no longer exempt from the Form HUD-50058 reporting requirements and assessment process. This Notice applies to these PHAs.

The Department places great importance on the data it receives from PHAs. The Department relies on PHAs to submit accurate, complete and timely data in order to administer, monitor and report on the management of the public housing program. In order to fully justify its budget requests to Congress, the Department requires full cooperation from all PHAs in meeting their reporting requirements. The Form HUD-50058 data will also assist the Department in responding to future natural disasters and emergency situations.

2. **Applicability.** This Notice applies to PHAs administering the public housing program. For PHAs that participate partially in the Moving to Work (MTW) program, this Notice applies to those households that are not part of the MTW program. This Notice does not apply to a PHA's HCV program, Moderate Rehabilitation program, PHAs that participate fully in the MTW program, or Tribally Designated Housing Entities.
3. **Background.** The Department implemented the Form HUD-50058 assessment and sanctions process to improve Form HUD-50058 reporting rates. It is critical to improve reporting rates so the Department has complete Form HUD-50058 data to conduct performance assessments of PHAs, assess PHA compliance with regulations and analyze the impact of proposed program changes.
4. **Minimum Reporting Rate.** PHAs that administer the public housing program must submit 100 percent of family records to the Department's PIC Form-50058 module. As stated in 24 CFR 990.200(c), PHAs must also submit the Form HUD-50058 in a timely manner. Form HUD-50058 records must be transmitted electronically to PIC as set forth by 24 CFR Part 908. The PIC Form-50058 module is the Department's official system to track and account for public housing and family characteristics, income, rent and other occupancy factors. PHAs must submit accurate records with no fatal edits (edits that cause PIC to reject records in order to maintain the integrity of the PIC data) for the Department to consider the records successfully submitted. PHAs must have a minimum 95 percent reporting rate (or 94.5 percent before rounding) for public housing families at the time of their quarterly Form HUD-50058 reporting rate assessment or be subject to sanctions. For additional information pertaining to the PIC Form-50058 fatal edits, see the Form-50058 Technical Reference Guide available at: <http://www.hud.gov/offices/pih/systems/pic/50058/pubs/trg/index.cfm>.

PHAs are encouraged to monitor their own reporting rates available on the Form-50058 Delinquency Report in PIC. The Department requires PHAs to continuously update PIC by accurately reporting Form HUD-50058 data on time, and to keep their public housing unit status data current in the PIC Development Sub-module.

5. **Sanctions.** Pursuant to 24 CFR 990.215(a), a PHA must be in compliance with all reexamination requirements in order to be eligible to receive full operating subsidy, and its calculations of rent and utility allowances shall be accurate and timely. Further, pursuant to 24 CFR 990.215(b), a PHA must certify that it is in compliance with the annual income reexamination requirements, and that its rent and utility allowance calculations have been or will be adjusted in accordance with current HUD requirements and regulations. For a PHA not in compliance with 24 CFR 990.215(b), sanctions will be applied against the monthly scheduled operating subsidy.

Pursuant to Section 6(j)(4)(A)(ii) of the U.S. Housing Act of 1937 and 24 CFR 990.215(c), a PHA not in compliance with annual income reexamination requirements may have a percentage of its monthly operating subsidy withheld equal to HUD's estimate of the loss of rental income to the PHA resulting from its failure to comply with these requirements. All public housing funds withheld will be returned once HUD determines the PHA is in compliance with reexamination requirements.

- 6 **Assessment Process.** Starting in April of Calendar Year (CY) 2008, the Department will assess all PHAs quarterly in April, based on the March 31st Delinquency Report, in July, based on the June 30th Delinquency Report, in October, based on the September 30th Delinquency Report, and in January, based on the December 31st Delinquency Report.

The Department will notify all PHAs with reporting rates under 95 percent when the March 31st, June 30th, September 30th and December 31st Delinquency Reports are available by email. Because the Department increasingly notifies PHAs via email, PHAs are encouraged to keep their contact information in the PIC Executive Summary Module current.

PHAs with reporting rates under 95 percent may avoid sanctions by demonstrating that their reporting rates are 95 percent or above after adjusting for one or more of the Demonstration of Compliance scenarios.

Demonstration of Compliance Scenarios:

- (1) PHA submitted Form HUD-50058 End of Participation record (2a=6) for a public housing family with a December 31st effective date, or the end of any month thereafter. PIC considers this unit as not reported while it was actually occupied through the end of the month. This would affect the numerator of the PHA's reporting rate.
- (2) PHA has units approved for demolition/disposition, but because the Department has not updated the status of the units in the Inventory Removal Module the units still appear in the PHA's "Number of 50058's Required" value in the Delinquency Report. This would affect the denominator of the PHA's reporting rate.
- (3) PHA made unit status changes in the Development Sub-module prior to the end of the month requiring field office approval and the field office did not approve the changes in time to be reflected in the applicable month's Delinquency Report. This would affect the denominator of the PHA's reporting rate.
- (4) PHA submitted Form HUD-50058 record for a household that was rejected because a household member's Social Security Number (SSN) and/or name differs from what is on record with the Social Security Administration (SSA). This would affect the numerator of the PHA's reporting rate.

PHAs that believe that their reporting rates are 95 percent or above after making one or more of the adjustments described in scenarios (1) – (4) must provide sufficient documentation to avoid or to remove sanctions no later than 10 calendar days from the date the Department notified PHAs with reporting rates under 95 percent. PHAs must submit their data via email to PIH_50058_Assessments@hud.gov and copy their respective field offices. The following table lists the required documentation for scenarios (1) – (4).

Scenario	Documentation PHA must submit for the scenario(s) claimed in its Demonstration of Compliance:
1	The head of household's full name for the family the PHA submitted Form HUD-50058 End of Participation record (2a=6) that is effective the last day of the applicable month (i.e., December 31, 2007, for the January 2008 assessment period and June 30, 2008, for the July 2008 assessment).
2	The number of units approved for demolition/disposition for which the Department has not yet updated the status of the units in the Inventory Removal Module, the PIC demolition/disposition application number (DDA*****) and the application date.
3	The list of units the PHA made status changes to requiring field office approval that the field office did not approve in time to be reflected in the applicable month's Delinquency Report. The list must include the project number, building number, building entrance number and unit number for each unit the PHA made status changes to requiring field office approval and the date the PHA made the changes.
4	Number of households with discrepancies between a household member's name and/or SSN and the name and/or SSN on record with the SSA. PHAs must first notify the Department of this scenario via email to PIH_50058_Assessments@hud.gov within the 10-calendar day deadline. The Department will respond to the email with instructions on how to securely submit the required documentation containing SSNs. PHAs must not transmit tenant SSNs or other sensitive data via email to the Department.

HUD Headquarters will review the documentation and determine whether it increases the PHA's reporting rate to 95 percent or above. Once the reviews are complete, HUD Headquarters will notify each PHA and their FO of the outcome of the assessment process. The FO shall release withheld funds after notification from Headquarters that the PHA has reached the required 95 percent reporting rate. Section 7 of this Notice lists key dates for each month's assessment, including the dates sanctions will be implemented for PHAs not in compliance.

The Department will reassess the reporting rates of just the PHAs that are found to be noncompliant in January, April, July and October in the following months (February, May, August and November respectively) and notify the PHAs with reporting rates that are still under 95 percent. PHAs have 10 calendar days from the date notified to submit a Demonstration of Compliance. HUD Headquarters will review submitted documentation and determine whether the documentation increases each PHA's reporting rate to 95 percent or above. Once the reviews are complete, HUD Headquarters will notify each PHA of the outcome of the assessment process. This process is repeated each month until the reporting rates of all of the PHAs that were part of the January, April, July and October assessments are in compliance.

7. **Key Dates.** The table provides the key dates for the quarterly assessment process. Starting in April of Calendar Year (CY) 2008, all PHAs are assessed in April, July, October and January. These periods are indicated in bold. PHAs that are not in compliance in January, April, July and October are assessed in subsequent months until they reach compliance.

Assessment Period	Delinquency Report Used	Approximate Date Delinquency Report available	Sanction Effective Date
April	March 31st	April 10th	May 1st
May	April 30 th	May 10 th	June 1 st
June	May 31 st	June 10 th	July 1 st
July	June 30th	July 10th	August 1st
August	July 31 st	August 10 th	September 1 st
September	August 31 st	September 10 th	October 1 st
October	September 30th	October 10th	November 1st
November	October 31 st	November 10 th	December 1 st
December	November 30 th	December 10 th	January 1 st
January	December 31st	January 10th	February 1st
February	January 31 st	February 10 th	March 1 st
March	February 28 th	March 10 th	April 1 st

8. **PHAs Sanctioned under Notice PIH 2006-24.** The Department will continue to assess monthly PHAs sanctioned under Notice PIH 2006-24 that have not yet reached compliance with the 95 percent reporting rate.
9. **PIC Reporting and Public Housing Assessment System (PHAS).** Form HUD-50058 reporting rates do not impact PHA PHAS scores.
10. **Information Contact.** For inquiries about this Notice, please contact: Nicole Faison, Director of the Office of Public Housing Programs at (202) 708-0744, your local HUD field office or PIH_50058_Assessments@hud.gov.
11. **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 of 1997 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0083. In accordance with the Paperwork Reduction Act, 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.

Paula O. Blunt, General Deputy Assistant Secretary
for Public and Indian Housing

