

Chapter 16

Billing and Reporting to HUD

1. Billing Procedure

AHFC may bill HUD for reimbursement of unpaid rents, charges, tenant damages, vacancy payments, or debt-service vacancy claims. (24 CFR 880.501 and Handbook 4350.3, Change 17)

1. AHFC must submit billing to HUD to be received by HUD in Seattle no later than the 10th day of the previous month. In order to meet this deadline, it is necessary that

AHFC field offices have the following reports in the PHD Central Office on the last day of the month previous to billing. These forms must be complete and correct. For example, February billing must be received by Central Office by the last day of December. If AHFC does not submit the billing to the Seattle HUD Office by the 10th of each month, AHFC is penalized. The penalization will delay funds for this program.

The following HUD forms are to be submitted as part of the billing packet to Central Office:

- Housing Owner's Certification & Application for Housing Assistance Payments (HUD Form 52670 (6/91)): This is a summary of the number of units receiving subsidy, the number of units vacant, the number of units occupied by market rent tenants, and a total subsidy authorized which may include special claims.
 - Schedule of Tenant Assistance Payments Due (HUD Form 52670-A Part I): This is an itemized schedule of units under lease for tenant assistance payments that are due. Regular payments are listed first and then adjustments.
2. A HUD Form 50059 and 50059 E must be submitted with each recertification. Interim rent changes, unit transfers, and move-ins must accompany the forms listed above. The 50059 forms must be signed and dated by the tenant and AHFC staff.
 3. This billing packet is mailed to PHD Central Office for review. A cover letter is signed by the Director of Housing Operations and the Director of Public Housing Division, accompanied by forms mentioned in A and B above to HUD for approval.
 4. HUD reviews the billing packet (known as vouchers) that AHFC submits for completeness and compliance. If errors are found or a tenant has submitted information fraudulently AHFC will be required to make retroactive adjustments.

2. Adjustments to HUD 52670-A Part I

Billings are based on current circumstances and everything as of that date will freeze. AHFC will not anticipate move-ins, move-outs, or other changes, even if notice has been given.

2.A Partial Month Occupancy

Subsidy may be claimed only for the actual number of days the tenant lived in the unit. AHFC will calculate HUD's portion for partial payment as follows:

- Divide the monthly assistance payment (amount of subsidy) by 30 days; and
- Multiply the result by the actual number of days the tenant lived in the unit.

This results in the earned rent figure to be entered on the adjustment slip.

Example: Mr. Smith moves in on 2/8/94 with a rent of \$150.
\$150 divided by 30 equals \$5.
\$5 x 26 days = \$130 earned rent.

2.B Units Vacated and Reoccupied on Same Day

AHFC may not request assistance from HUD for the vacating tenant and the new tenant. The assistance payment for that day is either the assistance due for the former tenant or the new tenant.

2.C Move-out

Divide monthly rent by 30 which will give you the amount of rent per day. Take the result per day and multiply it times actual number of days in the month of which the tenant lived in the unit.

Subtract figure from monthly rent the tenant paid. This figure is the unearned rent figure to be entered on the adjustment slip.

Example: Mr. Smith moves out on 2/2/94 with rent at \$210.
\$210 divided by 30 equals \$7. $\$7 \times 2 = \14 .
Tenant monthly rent is \$210 minus \$14 = \$196 unearned rent.

2.D Deceased Tenants

No assistance payments may be requested from HUD for any period after the **earlier** of:

- the date the tenant's possessions are moved; or
- 14 days after the tenant died.

The family or estate must pay market rent to keep possessions in the unit more than 14 days after the tenant dies.

2.E Delayed Annual and Late Retroactive Payments

If there is an annual anniversary due prior to the monthly billing, an adjustment must be done.

2.F Unit Transfers

If there is no change in subsidy, record "unit out" and "unit in" on the adjustment page. If there is a change in subsidy, conduct a prorate on both units as a move-out and a move-in.

3. Claims

Claims can be sent in to Central Office and submitted to HUD at anytime. The claims packet is sent intact (all pages and carbons) to Central Office for review and appropriate signatures. The packet is sent intact to HUD. Special claims are submitted first to HUD for approval. When HUD has approved the claim they are then resubmitted with the voucher.

The following forms must be submitted to Central Office intact as a part of the claims packet:

- Schedule of Section 8 Special Claims (HUD Form 52670-A Part 2). This is an itemized schedule of special claims that are due. This is a summary of claims for one or more tenants and acts as the cover sheet to submit parts A & C to HUD.
- Section 8 Special Claims for Unpaid Rent/Damages (HUD Form 52671-A). This form is used if AHFC has taken all reasonable steps collect unpaid rent and/or damages that exceed the security deposit collected. It also can be used for any damages caused by tenant's negligence or abuse and amount of damages that exceed security deposit collected. HUD reserves a maximum liability for repayment on claims.
- Section 8 Special Claims for Regular Vacancies (HUD Form 52671-C). This is a claim made to HUD for vacancy loss which has justifiably occurred during the time a tenant moves out and before a new tenant moves in (e.g. no waiting list, extensive damage requiring a longer time to turnover).

When HUD approves the claim, HUD returns all copies of the original claim. Central Office will submit HUD Form 52670 for final payment on the next billing cycle.