USDA

United States Department of Agriculture
Rural Development

101 South Main Street · Suite 102, Federal Building · Temple, Texas 76501
Voice: (254) 742-9781 · Fax: (254) 742-9754 · TDD: (254) 742-9712

Rural Development Texas AN. No. 578 (1951-K)

SEP 0 5 2003

TO: All Offices
USDA Rural Development, Texas

FROM: Bryan Daniel
State Director
USDA Rural Development, Temple

SUBJECT: Rural Housing (RH) Payment Center
Primary Duties and Responsibilities

PURPOSE/INTENDED OUTCOME:

This Texas Administrative Notice (AN) discusses the duties and responsibilities of the RH Payment Center, and the servicing responsibilities of the Texas Rural Development Local Offices, in relation to the processing of Multi-Family Housing (MFH) payments and tenant data.

COMPARISON WITH PREVIOUS AN:

This AN replaces Texas AN No. 556 which expired August 2, 2002.

IMPLEMENTATION RESPONSIBILITIES:

I. Duties and Responsibilities of the Payment Center

The payment center provides additional support to the field by processing all MFH borrower payments and tenant data. The payment center will utilize the information contained in the Multi-Family Information System (MFIS) and the Automated Multi-Housing Accounting System (AMAS) to accurately process payments and tenant certifications.

The RH Payment Center will be responsible for the following:

- Answers all questions relating to tenant certifications, changes to tenant status, payments and project worksheets.

  EX: This would cover inquiries on tenant actions and project worksheets, requesting copies of forms and industry interface questions.

EXPIRATION DATE: 07/31/2004

FILING INSTRUCTIONS:
Following RD Instruction 1951-K

USDA Rural Development is an Equal Opportunity Lender,
Provider and Employer. Complaints of discrimination should be
sent to: USDA, Director, Office of Civil Rights, Washington, DC 20250-9410

I. Duties and Responsibilities of the Payment Center (Cont'd)

- Advises the local office, within the current month, of a delinquent borrower.

  EX: A borrower fails to submit monthly payment; payment center will call borrower. **If no response within one (1) day, payment center will then call and advise local office.** If borrower or management does not respond or submit payment within the month, account is returned to the local office for servicing.

- Advises the local office of tenant certifications and/or actions that are needed for immediate processing of payment.

  EX: Monthly payment is received and payment center does not have copies of tenant actions (i.e. vacate notices or certifications) needed to correct rent-roll. **Payment center will request copies of tenant actions from borrower and/or management company. If borrower or management does not respond within two days, local office will be contacted on the next day and requested to help obtain information.**

- Keeps the local office aware of continued problems with the site manager and/or management company that may require additional servicing action.

  EX: Tenant certifications that are not completed properly, management failing to provide required tenant certifications and/or information, etc.

- Advises the local office when information from the borrower and/or management does not agree with information contained within the MFIS system.

  EX: Management submits their project worksheet and it reflects different rental rates than those contained in MFIS. Payment center will request copies of approval documents or refer borrower to local office.

- Corrects borrower and project addresses within the AMAS system on the M5A and M5B screens.

- Closes all "new construction" or "rehabilitation" Multi-Family Housing loans within the AMAS system, using the M1F Loan Closing Screen.

- Requests loan checks from the AMAS system, using the M1C Check Request Screen.

- Provides answers to borrowers and management companies, regarding all tenant "servicing" type questions.

  EX: Assignment of rental assistance (RA), tenant eligibility, assets, medical deductions, terminations and evictions, etc.

- Generates and reviews monthly rent-rolls for the following servicing issues and contacts borrowers and/or managers in regards to deficiencies noted:

  proper assignment of RA
  RA usage – unused RA
  vacancies
  tenant turnover ratio
  expired tenant certifications
  ineligible tenants

- Reviews all termination and eviction notices to ensure they comply with Agency regulations and immediately forwards a copy to the payment center.

- Advises local servicing office of any deficiencies noted on the rent-roll and corrective action(s) requested.

II. Duties and Responsibilities of the Local Servicing Office

All local offices will continue to be responsible for providing assistance in servicing of MFH borrowers, with the exception of processing payments, miscellaneous collections, tenant certifications, and servicing questions related to these tasks. The following actions are also to be considered as servicing and will be performed by all local offices:

- Keeps the payment center advised of ALL changes relating to management and their contacts (including address and phone number changes), changes due to servicing actions such as transfers, consolidations, and reamortizations, loan closing dates, etc., which would affect the loan payment.

- Maintains the project and management information within the MFIS system.

  EX: Posts all budgets, rent changes, including notation of manager's rent-free or reduced rent unit, to the MFIS system. (Please note: When posting rent changes, be sure to establish a rent schedule/utility allowance for all sizes (i.e. 2N, 2L, 2S, handicap, etc.).

III. Duties and Responsibilities of the Local Servicing Office (Cont'd)

- Forwards ALL payments received for MFH borrowers, such as credit report fees, cash for selling property, remaining funds from O&M accounts, and/or miscellaneous collections to the payment center for processing.

IV. Contact Persons within Payment Center

The following is a list of the individuals currently working within the payment center and their respective duties and responsibilities:

Susanne Turner – Rural Housing (RH) Loan Specialist – 254-742-9781
Payments, tenant certifications, industry interface/trading partner agreements, electronic funds transfer, rental assistance usage and obligation, servicing issues with borrowers and mangement companies, delinquent and problem cases, foreclosure and inventory properties.

Lucy Hachtel – Payment Processing Clerk – 254-742-9778
Payments, tenant certifications, industry interface and trading partner agreements

Gary Glover – Payment Processing Clerk – 254-742-9748
Payments, tenant certifications, industry interface and trading partner agreements

Kay Brown – Payment Processing Clerk – 254-742-9782
Payments, tenant certifications, industry interface and trading partner agreements

Brenda Lasley – Payment Processing Clerk – 254-742-9762
Tenant certifications, filing and mail

If you should have any questions regarding this AN, please contact Susanne Turner, RH Loan Specialist in the State Office.