July 29, 2016

TO: State Directors
        Rural Development

ATTN: Multi-Family Housing Directors
        Rural Development Voucher Contacts

FROM: Tony Hernandez   /s/ *David Lipsetz*   *for*
        Administrator
        Housing and Community Facilities Programs

SUBJECT: Rural Development Voucher Program Data Management Transition

The purpose of this Unnumbered Letter (UL) is to advise Servicing Officials about changes in program administration for the Rural Development Voucher Program (RDVP). These changes involve implementation of a new data management system and transition of daily program management from the current contractor, Quadel Consulting, Incorporated, to a new Multi-Family Housing (MFH) unit. This UL will provide guidance on the Voucher Administration Workflow System (VAWS).

Background
The RDVP began in 2006 and provides housing subsidy vouchers to former tenants of Section 515 MFH properties where the Rural Development (RD) mortgage was paid either through prepayment or foreclosure. MFH has been assisted in the delivery of this program by ICF, International (ICF) and their subcontractor, Quadel Consulting Corporation (Quadel) since the program began.

There are currently more than 4,000 active RDVP participants. Rural Development field staff administer about 20 percent of the RDVP. Field staff responsibilities include initiating a tenant meeting to explain the program, performing unit inspections when a tenant has selected a unit or when a tenant moves to another unit where the RD Voucher will be used, and initiating the first payment to the landlord.

EXPIRATION DATE: FILING INSTRUCTIONS:
July 31, 2017   Housing Programs

Quadel is the primary administrator of the RDVP and handles the daily administrative tasks to deliver the program. Since 2010, data management for the program was handled through a system specifically developed by Quadel for the RDVP. Since it is the intention of MFH to bring administration in-house, it was necessary to develop our own data management system.

Voucher Administration Workflow System
Over the past year, MFH has been working with the St. Louis IT staff on a database management system for the program, called the MFH Voucher Administration Workflow System or VAWS. The platform for VAWS is the Enterprise Content Management (ECM). ECM is an integrated document management and workflow processing system that is used throughout the U.S. Department of Agriculture (USDA).

VAWS will provide a system of record for tenant and process data for the RDVP, and support more consistent, timely, and accurate processing. This system will benefit the field staff by eliminating the manual handling of documents. It streamlines Voucher processing and ensures that RDVP regulations and guidance are followed consistently. VAWS will manage the process for issuing and maintaining rental unit Voucher payments for eligible tenants. Staff will be able to identify and track each step in progress on delivering a housing Voucher to tenants. The goals of the VAWS system are:

1. *Makes the Voucher program easier for field staff to administer.*
   a. Guides users through the process so they do not need to be experts.
   b. Assigns the right task to the right person at the right time. Does not require users to monitor status and intervene at the right time.
   c. Provides system-calculated amounts to enter in the Automated Multi-housing Accounting System (AMAS).
2. *Reduces the total effort and cost necessary to process Voucher transactions.*
   a. Automatically generates and mails most documents without requiring any preparation or handling by voucher processors.
   b. Automatically routes scanned documents to the correct work folder and tasks assignee without manual intervention.
3. *Reduces additional work by ensuring AMAS transactions are processed correctly up-front.*
   a. Calculates the amounts to be entered in AMAS for obligation, including the first check and de-obligation.
   b. Assigns AMAS entry tasks to the servicing official at the time they should be entered.
   c. Captures the amount entered in AMAS and stores screen prints of AMAS transactions in the folder.
   d. Includes a review step at end of the process that allows verification of AMAS entries. If there is an error, a task can be assigned to the servicing official to correct it up-front.
4. *Provides a complete view of all Voucher processes executed for a tenant.*
   a. Query screens allow searches on completed or active workflow processes. All key data fields are available as search criteria.
   b. Detailed history makes it easier to answer voucher participant questions as well as research potential appeals and reinstatements.

5. *It is important to note that the tasks completed by the States for RDVP will not change. The current activities include:*
   a. Prepayment and foreclosure activities prior to payoff.
   b. Ordering the Area Market Rent Study.
   c. Preparing the VDS.
   d. All AMAS activities (obligation, payment kickoff and de-obligation).
   e. Unit inspections.
   f. Review of payments for the National Financial and Accounting Operations Center (NFAOC) report.
6. *The workflow application runs in a web browser so field staff can perform work remotely via virtual private network (VPN) connections as necessary. This capability supports telework activities.*

Since August 2015, MFH National Office staff, MFH participants from Missouri and Ohio, St. Louis IT staff, and Quadel, have been testing VAWS. In May, the RDVP began its transition from the current system to VAWS. The move between systems must occur without interruption to ongoing program operations. Voucher holders nor landlords should not be impacted regardless of their place in the RDVP process. This type of system move can be challenging in any environment, but even more so when operations are ongoing and cannot be stopped without affecting the program and its participants.

Before using VAWS, RDVP Contacts will receive training. RDVP Contacts are familiar with RDVP policies and procedures; however, the switch to VAWS will require some changes in the way they conduct their case management. RDVP Contacts need to understand how VAWS functions and the actions they must take in the system to ensure that cases are properly documented and managed. The training plan includes six hours of training that will provide an overview of the ECM workflow platform, and a detailed review of the VAWS system to understand the changes field staff will need to make in their standard procedures. The pilot group of States for the VAWS transition include Florida, Georgia, Iowa, Minnesota, Missouri, Ohio, Tennessee, Virginia and Washington that completed the training in May. We anticipate the transition of the first group from RDQuest to ECM/VAWS will be completed in July.

Drawing from the lessons learned from the pilot training and recognizing the constraints on staff time, the plan includes a series of four webinars, each 1.5 hours in length. We recommend that all staff that work on RDVP should plan to attend the ECM/VAWS training. Participants from the pilot training are welcome to join one of the sessions below for a refresher.

The session dates are: Group 1: August 2, August 4, August 9 and August 11
Group 2: August 16, August 18, August 23 and August 25

Your State's primary Voucher contact should e-mail Joan Atkinson with a list of attendees and their session selection no later than July 26 for Group 1 and August 10 for Group 2. We would like to limit each session to no more than 24 States. If a session fills up you will be automatically place in the other session. Once the session groups are final, meeting invitations and training

materials will be forwarded to all attendees.

Finally, we are in the early stages of the transition of the administrative responsibilities currently performed by Quadel to the new RD Voucher Unit in St. Louis that report to the MFH National Office.

If you have questions concerning ECM, VAWS or the transition, you may contact Stephanie White, Director of Portfolio Management at (202) 720-1615; Janet Stouder, Deputy Director of Portfolio Management at (202) 720-9728 or Joan Atkinson, Team Lead for the Voucher Program and Senior Finance and Loan Analyst, at (813) 752-1474, extension 103.