

**ERIE COUNTY DEPARTMENT OF
MENTAL HEALTH (ECDMH)**

HUD CONTINUUM OF CARE (CoC)

**GRANT POLICY
AND
PROCEDURES**

TABLE OF CONTENTS

SECTION NO.:	PAGE NO.:
1.0 Guidelines for Admission Eligibility Documentation	5 – 7
HUD definition of homelessness	5
List of qualified professionals	6
2.0 Guidance for Income Verification and Rent Calculations	8 – 9
2.1 Guidelines for Utility Allowances	10 – 11
3.0 Guidelines for Rent Reasonableness Determinations	12 – 13
Rent Reasonableness Checklist and Certification	13
4.0 Service Planning	14 – 15
5.0 Lead Based Paint Disclosure	16 – 20
Certification of Lead-Based Paint Training Completion	18
Disclosure of Information Form	19 – 20
6.0 Guidelines for Housing Inspections	21
Housing Inspection (Short Form)	
7.0 Guidelines for Eligible Costs	22 – 28
7.1 Spending Threshold	29 – 30
7.2 Procurement, Management & Disposition of Equipment/Inventory	31 – 33
7.3 Guidelines for Record Retention Policy	34
7.4 Documentation of Personnel Expenses	35 – 36
7.5 Suspension & Debarment	37
7.6 Risk Assessment	38
8.0 Guidelines for Housing First Implementation	39 – 40
9.0 Requirements for Matching Dollars and Memoranda of Understanding	41 – 42
10.0 Fair Housing Notification	43 – 44
11.0 Site Review Policies	45 - 47
12.0 Emergency Procedures for Site Visits	48 – 49
13.0 Client Non-Payment of Rent Policy	50 – 51
14.0 Other Emergency Circumstances and Use of Waivers	52 – 53

15.0	Protecting Client Confidentiality	54
16.0	Facilitating Educational Access	55

Updated 9/25/2023

Erie County Department of Mental Health HUD CoC Grant Policy and Procedures

MAINTENANCE OF THIS MANUAL

This manual provides specific guidance on the minimum requirements and expectations for the operation of ECDMH Continuum of Care funded - supportive housing programs. ECDMH will review this manual annually and issue periodic updates and revisions based on system needs, evolving expectations and regulatory changes. Providers are encouraged to remain current on these policies and procedures. Updates will be communicated to Subrecipients through emailed updates and be discussed at the monthly ECDMH Supportive Housing Meeting.

For additional clarification and procedural issues, it is recommended that each provider access and retain a copy of the HUD Desk Guides for Continuum of Care Programs. The HUD Exchange website also includes additional guides for enhancing and monitoring HUD grant program operations that may be helpful for providers.

Any questions regarding the policies and procedures in this manual may be directed to Christine Slocum, Housing Coordinator, by phone at direct dial: (716) 858-8539 or by email at: Christine.Slocum@erie.gov.

PURPOSE AND SCOPE OF THIS MANUAL

While this manual is intended to provide direction and guidance to local Subrecipients and answer common questions and concerns, it is not a comprehensive document. Agencies must work to remain aware of evolving HUD guidance. Agencies should further be aware that during a site review of ECDMH, or at any time, HUD may issue additional guidance to ECDMH, which will cause ECDMH guidance to Subrecipients to change and new requirements to be issued.

SECTION 1.0

Title: Guidelines for Admission Eligibility Documentation

Applicability: Continuum of Care (CoC) Providers

Date Issued: Nov. 1, 2017

Reference: CoC Desk Guide

PURPOSE

To ensure that all admissions meet the appropriate eligibility guidelines and that each tenant record contains the required documentation.

PROCEDURE:

1. Per HUD regulations each grantee must maintain documentation to determine the eligibility of persons being admitted to Continuum of Care programs. **All admitted persons must be shown to have a disability, meet the HUD definition of homelessness, and also must have verification from the local Coordinated Entry Lead and a Single Point Of Access (SPOA) referral.**
2. Per HUD regulations, agencies should try to obtain third-party documentation whenever possible. The order of priority for evidence is as follows:
 - **Preferred:** Third-party documentation
 - **Second:** Intake worker observations
 - **Third:** Certification from the person seeking assistance.
3. **Homeless** status may be established with the following:
 - Documentation of applicant exiting a shelter or place not meant for human habitation.
 - This can include a letter from Coordinated Entry or the enrollment record on the Homeless Management Information System in our community (BAS-Net).
 - If the above is not obtainable, a written record of the intake worker's attempts to obtain the above along with a certification from the individual seeking assistance. This includes a self-certification that an individual is fleeing domestic violence or human trafficking.
 - For further information, HUD's definition of homeless can be found on the following website, www.hudexchange.com.
 - Documentation must be obtained within 45 days of enrollment. If it cannot be obtained, the provider must contact either the Housing Coordinator or the Assistant Housing Coordinator and seek guidance.

4. **Disability:** The applicant’s eligibility must be verified by inclusion of one of the following:
- Written verification by a licensed professional, certifying the disability is long term and that it substantially impedes the individual’s ability to live independently, and that the disability is a serious mental illness (SMI). A list of qualifying professionals is provided below in the table.
 - Written verification from the Social Security Administration or receipt of a Disability check.
 - Initial observation by intake staff with confirmation by professional no later than 45 days after client is accepted.

Be advised that PSYCKES printouts are not adequate Disability verifications.

The below table lists accepted licensed credentials and whether they are authorized to confirm diagnosis:

Credential	Title	Diagnosis Mental Health Disability
Psy. D	Psychiatrist	Yes
MD	Medical Doctor	Yes
NP	Nurse Practitioner	Yes
PA	Physician Assistant	Yes
PNP	Psychiatric Nurse Practitioner	Yes
PMHN	Psychiatric Mental Health Nurse	Yes
APRN	Advance Practice Registered Nurse	Yes
RN	Registered Nurse (assignments directed by MD)	No
LPN	Licensed Practical Nurse (operated under direction of RN, MD)	No
LCSW	Licensed Clinical Social Worker	Yes
LMSW	Licensed Master Social Worker	No/Yes only under the supervision of a LCSW, MD
LMHC	Licensed Mental Health Counselor	Yes
BSW	Bachelors Social Worker	No
CRC	Certified Rehabilitation Counselor	Yes
CASAC	Credentialed Alcohol and Substance Abuse Counselor	No
CATC	Certified Addictions Treatment Counselor	No

Coordinated Entry – Each applicant’s file should have a letter from the local Coordinated Entry Lead agency that states the applicant’s VI-SPDAT score (which can be printed from the homeless management information system, or HMIS) and verifies they were referred for assistance by the Coordinated Entry Lead. Applicants with a VI-SPDAT score above 8 are considered to be eligible for permanent supportive housing. Lower scores can be admitted if Coordinated Entry directs us to admit someone on the basis that there are no people who are eligible for the program with a higher score in our community. There must be a letter in the file that details this circumstance.

5. **Single Point of Access** – The file for each applicant for assistance must contain a Single Point of Access (SPOA) referral from the Erie County Department of Mental Health. If you require assistance with this requirement, please contact the Housing Coordinator or the Assistant Housing Coordinator

6. **Domestic Violence** – If the individual or family qualifies as homeless due to fleeing domestic violence and other related conditions such as stalking or sexual assault, acceptable evidence includes an oral statement by the individual or head of household that they are fleeing the situation, that no subsequent residence has been identified, and that they lack the resources or support networks needed to obtain housing. The person making the statement must certify that the statement is true or complete and when it is safe to do so, the condition must be verified by a written observation by the intake worker, or a written referral by a housing agency or service provider should be included.

SECTION 2.0

Title: Guidelines for Income Verification and Rent Calculations

Applicability: Continuum of Care Programs

Date: Nov. 1, 2017

Reference: 24 CFR 578.77

PURPOSE

To ensure accurate and HUD-compliant calculation, documentation, and verification of program participant income, rent and project stipend payments.

Fair Market Rent (FMR): The FMR is the upper limit on the contract rent that can be paid using Federal grant dollars. An exception can be made when the unit is determined to be rent reasonable; providers should be cautious that the grant is only funded at the rate of fair market rents and going over fair market rent too frequently may compromise the financial sustainability of the program. *See Section 3.0 of this manual for the instance when contract rent can exceed FMR.*

The FMR is updated and published annually by HUD located at:

<https://www.huduser.gov/portal/datasets/fmr.html>.

- Select Buffalo-Cheektowaga-Niagara Falls, NY for the HUD Metropolitan Fair Market Rent Area.
- The applicable FMR for each grant is the FMR in publication at the time of the program participant's enrollment.

IMPLEMENTATION:

1. All HUD projects will utilize a tenant rent and project stipend calculation format that complies with the above noted regulations.
2. All HUD projects will maintain written documentation/verification of each resident's income to be updated annually.
3. The rental calculation determines the tenant's rent obligation and the project's obligation or rental stipend.
4. Rental calculations must be updated annually and at the following events:
 - a. Change in family composition
 - b. Change in family/resident income
 - c. Change in residence
 - d. Tenant request for re-examination
5. Tenant income decreases must result in an immediate adjustment to the tenant rental obligation and subsequent increase to the program rental obligation.

6. Tenant income increases need not result in an increase to their rental obligation until the next scheduled annual re-examination; the program can also elect to give sixty (60) days' notice.
7. The basic tenant rent calculation involves the following 4 step process:
 - a. Calculate 10% of the monthly gross income. Subtract all exclusions and allowances as noted in the attached reference sheet, divide by 12 months and multiply by .10.
 - b. Calculate 30% of the monthly adjusted income by deducting the additional allowances listed in the attached reference sheet, divide by 12 months and multiply by .30.
 - c. Determine whether a welfare rent is applicable. If so, determine the amount.
 - d. The tenant's rent is the highest of the above three calculations.
8. The calculation format used by each project may vary according to agency practices and needs but must, at a minimum, display the following elements, in accordance with [24 CFR 5.609](#):
 - a. Tenant Income
 - b. Income Exclusions
 - c. Annual Gross Income
 - d. Income Adjustments
 - e. Income Allowances
 - f. Amount of Contract Rent
 - g. Utility Allowances (if applicable)
 - h. Resident Rent Obligation
 - i. Program Rent Obligation
9. **Utility Payments:** In some circumstances the cost of utilities is not included in the resident rent but is the responsibility of the tenant. In these circumstances, the tenant rent will equal the calculated rent payment less an allowance for reasonable utility consumption.

If the reasonable utility consumption cost exceeds the amount the tenant is to pay for rent, the tenant must be reimbursed for the difference. *For more info, see 2.1.*

10. **Rent Reasonableness:** It is the local practice that a rent reasonableness survey be conducted for all potential rental properties whether or not the contract rent exceeds the Fair Market Rent (FMR). Documentation must include a comparison of similar properties in the same geographic area, usually offered by the same landlord. (*See related policy on Rent Reasonableness*)

The HUD Rental Stipend Worksheet for Rent Calculation was updated in 2017. **Please contact ECDMH for a copy if you do not already have one.**

SECTION 2.1

Title: Guidelines for Utility Allowances

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

Reference: Continuum of Care Regulation

PURPOSE

To describe the process for determining utility cost allowances when contract rent does not include utility payments.

PROCEDURE:

1. When utilities are not included as part of the contract rent, a utility allowance must be calculated.
2. Subrecipients should consult one of the following to obtain a reasonable estimate of the monthly utility cost for the property in question:
 - a. The Utility allowance from the local Public Housing Authority.
 - b. Local utility companies -- ECDMH recommends calling the utility provider for an estimate once an inspection has been scheduled, if utilities are not included in the rent.
 - c. Landlord records.
3. The utility estimate is then deducted from the tenant's rental obligation, thereby increasing the Subrecipient's stipend. (Therefore, the resident's rent payment equals the required rent payment less a reasonable allowance for utility consumption.)
4. When utilities are not included, the rental obligation should be calculated based on the contract rent only, with the utility allowance being deducted afterwards.
For more information on calculating the amount of rent program participants should pay, see Guidelines for Income Verification and Rent Calculations, 2.0 in this manual.
5. If the reasonable utility expense alone exceeds the tenant rental obligation, the amount the program participant pays every month may be in the negative. For example, if the participant is determined to be able to pay \$30 per month and a reasonable utility allowance is \$50 per month, the participant should be receiving \$20 per month. This "negative rent" can be paid to the participant and the participant can be responsible for paying utilities. Or, Subrecipients can charge the participant the \$30 per month and pay the utilities directly to the company, at the subrecipients' discretion.
6. If the Subrecipient pays the utility company directly, receipts or other proof of payment must be kept on file.

7. The cost of telephone service is not included as a utility expense.

SECTION 3.0

Title: Guidelines for Rent Reasonableness Determinations

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

Reference: 24 CFR 582.305(b)

PURPOSE

To establish the requirements for the determination and certification of Rent Reasonableness.

PROCEDURE:

1. The portion of rent paid with grant funds may only exceed HUD-determined fair market rents (FMRs) if the unit is determined to be rent reasonable. FMRs are gross rent estimates and include the cost of shelter and utilities. FMRs are also published annually and should be used in estimating leasing costs <https://www.huduser.gov/portal/datasets/fmr.html>. Subrecipient agencies must also consider budgetary limitations given that grant allocations are based on the FMR at the time of application and modified only when a grant is renewed.
2. The rent paid must be reasonable in relation to rents being charged in the area for comparable space. The rent may not exceed rents being charged for comparable space.
3. In the event that an apartment's contract rent exceeds the FMR, the Subrecipient must document and certify that the rent is reasonable before entering into an agreement with the landlord.
4. Using the Rent Reasonableness Checklist below, the Subrecipient must document a comparison of the selected unit with 3 units that are comparable in terms of size, location, and amenities, whether or not the unit rent exceeds the FMR. If evidence exists that comparable units are charged the same contract rent, then the Subrecipient may certify that the rent is reasonable.
5. The "Rent Reasonableness Certification Worksheet" form must be kept on file.
6. Rent Reasonableness Certification should be updated annually along with the income verification and rental stipend calculations. It must also be updated upon move in and whenever rent is increased.

RENT REASONABLENESS CHECKLIST AND CERTIFICATION

	Proposed Unit	Unit #1	Unit #2	Unit #3
Address				
Number of Bedrooms				
Square Feet				
Type of Unit/Construction				
Housing Condition				
Location/Accessibility				
Amenities				
Unit:				
Site:				
Neighborhood:				
Age in Years				
Utilities (type)				
Unit Rent Utility Allowance Gross Rent				
Handicap Accessible?				

CERTIFICATION:

A. Compliance with Payment Standard

$$\underline{\hspace{2cm}} + \underline{\hspace{2cm}} = \underline{\hspace{2cm}}$$

Proposed Contract Rent + Utility Allowance = Proposed Gross Rent

Approved rent does not exceed applicable Payment Standard of

\$_____.

B. Rent Reasonableness

Based upon a comparison with rents for comparable units, I have determined that the proposed rent for the unit [] is OR [] is **not** reasonable.

Name:	Signature:	Date:
--------------	-------------------	--------------

SECTION 4.0

Title: Service Planning

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

Reference: NYS Office of Mental Health 2019 Guidelines

PURPOSE

To establish the minimum requirements for COC participant's Service Plan documentation.

PROCEDURE:

1. Each program participant's file will include a service plan that is established within the first 30 days of admission.
2. The Subrecipient will enter into an agreement with the program participant that outlines the minimum requirements of supported housing. This includes the development of a support plan, a monthly face-to-face meeting, a home visit as needed based on the support plan or emergent needs, and annual income verification. The program participant should be made aware that failure to provide access to his or her apartment or annual income verification may jeopardize his or her ability to remain in the program.
3. Each service plan must be person centered, with the consumer choosing the goals with support from the caseworker. The plan should describe the consumer-identified goals of participation in the program, the date established and the target date for completion. Each plan should also include the signature of the consumer indicating participation in the service planning process. Family/significant others and additional service provider participation should also be indicated on the service plan where applicable.
4. Each goal should delineate the objectives and tasks required. Goals should include target dates for completion.
5. Goals and objectives should be revised and modified as needed and as progress is made toward goal achievement
6. Each service plan must be reviewed no less than annually.
7. While there is no one requirement for what must be in services plans, as they are specific to the program participant, common goals concern:
 - a. Housing/Community Living
 - b. Mental Health/Substance Abuse Services
 - c. Wellness Management
 - d. Self-Sufficiency (i.e. Employment/Education, access to mainstream resources).

8. Goals and objectives should be coordinated with other service providers where applicable. Coordination with third-party service providers should be documented and kept on file.

SECTION 5.0

Title: Lead-Based Paint Policy

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

**Reference: 24 CFR 578.75
24 CFR 982.401 (j)**

PURPOSE

To describe the process for compliance with the lead-safe housing rule requirements established by HUD for all Federally assisted housing programs.

PROCEDURE:

Required online training: Each provider agency/Subrecipient will designate at least one direct service staff member to complete the web-based HUD training presentation on lead-based paint found at the link below. All staff who conduct inspections must complete the training. <https://apps.hud.gov/offices/lead/training/visualassessment/h00101.htm>.

- A Certification of lead-based paint training completion is below. The Certification should be signed annually and kept on file. *See Sample Certification below.*
- **Pamphlet distribution:** All tenants/program participants considering leasing of a property constructed prior to 1978 must be supplied with an EPA-approved pamphlet (“Protect your family from lead in your home”) informing them of their rights, responsibilities and risks associated with lead-based paint. If not provided by the landlord, program staff will be responsible for supplying this notification.
- **Disclosure of known hazards:** Landlords wishing to lease to a tenant of an ECDMH Continuum of Care program must comply with the HUD requirements for paint stabilization and maintenance according to [24 CFR Part 35](#). This includes disclosure of the location of any lead-based paint and/or lead-based paint hazards, the condition of painted surfaces, and records or reports on any corrective action. This notification or declination of any lead-based paint hazard will be documented via the Disclosure of Information form below.
- **Certification of disclosure:** For identified properties, the landlord must provide a Lead Warning Statement as an attachment to the contract or lease that includes a statement confirming compliance with all notification requirements. *See below Disclosure of Information form to be filed with a copy of the lease in the case record.*

- **Inspection procedure:** Once a unit for the program participant has been identified and determined to have been constructed prior to 1978, Subrecipients should proceed as follows:
 - An inspector trained in visual assessment as per the online training above will inspect the property for deteriorated paint surfaces.
 - If deteriorated paint surfaces are found, the owner/landlord must stabilize the surfaces in accordance with 35.1330 (a) and (b) before the program participant can move into the property.
 - For families with children age six and under, it is required that full abatement occurs prior to occupancy. If program participants do not have young children, while they may move in before full paint stabilization is completed, payments cannot be made to the landlord until the unit fully complies.
 - Paint stabilization must meet the standards described in 135.1340. It should be completed within 30 days of the Subrecipient notifying the owner/landlord of the needed work. If needed, an extension to up to 90 days from notification can be granted for reasonable cause, but the Subrecipient cannot pay out assisted funds to the owner/landlord during that time period.
 - When the owner/landlord notifies the Subrecipient that stabilization has been completed, the Subrecipient must verify that the deficiencies have been corrected.
- **De Minimus vs Full Abatement Needed:** As per HUD regulations found at 35.1330, and as per the training linked in Part 1 of this policy, deteriorated paint that is found to be at “de minimus” levels, meaning less than 10 percent of an interior surface or 20 percent of an exterior surface, can be abated by the landlord by simply removing any loose paint and applying a protective coating or paint. However, deteriorated paint that exceeds de minimus levels must be abated by a professional who is certified as per regulations. Following the full abatement, a certified professional who is independent of the firm that performed the abatement work must then perform the clearance examination.

Certification of Lead-Based Paint Training Completion

This will certify that as of ___/___/___, _____, a direct services staff member at _____ has completed the web-based HUD training on lead-based paint.

Direct Services Staff Member:

Print name: _____

Title: _____

Sign name: _____

Date: _____

Staff Supervisor:

Print name: _____

Title: _____

Sign name: _____

Date: _____

HUD Grant Program

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a Federally approved pamphlet on lead poisoning prevention.

Landlord's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) ___ Landlord has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Landlord (check (i) or (ii) below):

(i) ___ Landlord has provided the Tenant with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) ___ Landlord has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Tenant's Acknowledgment (initial)

(c) ___ Tenant has received copies of the information listed above.

(d) ___ Tenant has received the pamphlet *Protect Your Family from Lead in Your Home*.

Agent's Acknowledgment (initial)

(e) ___ Agent has informed the Landlord of the Landlord' obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate. Penalties for failure to comply with Federal Lead-Based Paint Disclosure Laws include treble (3 times) damages, attorney fees, costs, and a penalty up to \$10,000 for each violation.

Date Tenant's Name (Printed)

Tenant's Signature

Date Landlord's Name (Printed)

Landlord's Signature

Date Agent's Name (Printed)

Agent's Signature

SECTION 6.0

Title: Guidelines for Housing Inspections
Applicability: Continuum of Care Programs
Date Issued: Nov. 1, 2017
Reference: 24 CFR 578.75

PURPOSE

To describe the required process for ensuring each Continuum of Care program housing unit meets HUD Housing Quality Standards.

PROCEDURE:

1. Subrecipients must ensure that a Housing Quality Standards, or HQS, inspection (either your form or the HUD form) is completed at each housing unit:

- a. Upon initial move-in;
- b. Annually thereafter:

An abbreviated/short format is attached to this procedure; updated long and short forms can be obtained directly from HUD at

https://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/forms/hud5, where they are listed as [HUD-52580](#) and [HUD-52580-A](#).

Subrecipients may use the shorter form, but a copy of the longer form should be available for staff reference during all housing inspections.

2. Before rental assistance can be provided, Subrecipients must inspect each unit to assure that the unit meets HQS. For initial inspections, number/gender of household occupants should be noted along with number of bedrooms in order to verify suitable dwelling size as per [24 CFR 578.75 \(c\)](#).
3. As per [24 CFR 578.75\(b\)](#), no assistance will be given for units that fail inspection unless violations are corrected by the landlord and verified corrected by the participating agency within 30 days.
4. Each inspection must document that the housing unit is in satisfactory condition and any criteria failing inspection must include documentation as to the corrective action taken to remedy the problem.
5. It is required that documentation be kept of any landlord notification regarding any deficiencies.
6. All documentation related to housing inspections must be maintained in the tenant's file.

For HUD Short Inspection Form, please retrieve here:

<https://www.hud.gov/sites/documents/52580.pdf>

Note: As of this contract being drafted, HUD is in the process of revising these standards and procedures for determining that a unit is appropriate for a rental subsidy. It is expected that providers will stay in contact with ECDMH through the contract year for updates on what these standards are and how they are implemented and will comply with directions given.

SECTION 7.0

Title: Guideline for Eligible Costs

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

References: 24 CFR 578, HUD CoC Program Funding Eligible Costs Chart

PURPOSE

To provide guidance on costs eligible for funding via HUD Continuum of Care programs.

PROCEDURE:

Reporting procedure for Eligible Costs:

- ECDMH will release HUD funds on a monthly basis to Subrecipient agencies following the receipt of the prior month expense report, accompanying invoice, and supporting General Ledger (G/L) documentation from their accounting system. ECDMH will do a review of the supporting G/L document(s) to ensure the expenses reported in the G/L tie to the accompanying expense report and invoice submitted and also that the expenses reported are allowable, allocable, reasonable and consistent. Once approved, ECDMH will process the invoice and forward it to the Comptroller's Office for payment. As the recipient of Federal funds, at any time, ECDMH has the right to request further financial data that supports the monthly G/L documents submitted. These records may include, but are not limited to, cash receipts and disbursements journals, accounts receivable and payable subsidiary ledgers, payroll records, employee attendance records, equipment register, purchase orders, and cancelled checks. The collection & review of this more detailed backup documentation will most often occur during the agency's annual site review or at any time deemed appropriate by ECDMH during the grant term.

- The supporting documentation provided will be reviewed to ensure that costs are allowable, allocable, reasonable and consistent.
 - **Allowable:** Is the cost prohibited by the Uniform Guidance or by statute, regulation, or decision? Is it allowed within the authorizing or appropriating legislative body?
 - **Allocable:** Are the costs incurred specifically for the award? Are the costs in the budget? Are the costs distributed in reasonable proportions to the grant-related benefits received?
 - **Reasonable:** Do the costs reflect sound business practices? Are the costs consistent with the going rates within our area for similar goods and services? Is the cost in line with what a prudent person considers reasonable?
 - **Consistent:** Are the costs handled in accordance with our agency's policies and standard practices? Would we be making the same decisions if we were working with our discretionary funds?

- In instances where specific agency costs are shared amongst multiple programs or funding sources, the bill must be accompanied by supporting documentation which details the allocation across programs and how the allocation of costs was determined.
- Subrecipients must also keep on file timesheets for employee's time that is charged to the grant. A pro rata share of the salary must be ascribed to the grant based on actual increments of hours worked on the grant, not a general estimate.
 - When staff salaries are shared among more than one budget line (for example, supportive services and administration), the time and activity report should reflect the distribution of time between budget lines. Additionally, if the expenditures are paid for by more than one source (United Way, private donations, etc), the split costs should be accurately tracked within the Subrecipients' accounting system.
 - Subrecipients should have clear policies and procedures on the method and frequency of documenting time, who reviews and approves timesheets, and how timesheet data is billed to the grant. Employees whose salaries are expected to be billed to the grant must also be included in the HUD-approved budget.

RENTAL ASSISTANCE COSTS

Eligible Rental Assistance Costs include:

- Rental Assistance for homeless individuals and families:
 - Must be reasonable – See Section 3.0 of this manual
 - Cannot be provided to a program participant already receiving rental assistance through other Federal, State or local sources
 - Must be verified with the amount in the lease
 - Subrecipients must have a process in place to verify that the stipend amount for each client is accurate prior to cutting the monthly checks to the landlords.
- HQS Inspections & Re-inspections
- Lead Based Paint Inspections
- Cost of Receiving participants into the program; client intake
- Examining participants' income for rent contributions
- Processing Rental Payments for Landlords
- Time Spent
 - Conducting housing searches
 - Calculating Rent Reasonableness
 - Calculating & processing utility allowances
- Client's share of rent (temporarily) (See section 13.0)
 - Or if client is institutionalized but cannot exceed 90 days
- Security Deposits
 - Not to exceed 2 month's rent
- Last Month's rent – if accompanied by First Month's rent & Security Deposit
- Damage to housing due to the action of a program participant
 - Allowed on a one-time basis per program participant
 - Incurred at the time a program participant exits a housing unit

- Not to exceed 1 month's rent
- Vacancies – Only can claim for 1 month following the month the rental unit was vacated. (Brief periods of stays in institutions less than 90 days are not considered vacancies)

ADMINISTRATIVE COSTS

ECDMH will allocate to the agency their share of administrative costs and the amount allocated will be communicated in the agency's initial budget. In most cases, the Subrecipient cannot exceed the administrative budget as set forth in the initial budget due to ECDMH sharing the administrative funds with the Subrecipient and due to the administrative cap as regulated by HUD. If the need arises to move funds to the administrative line, please reach out to ECDMH fiscal for expressed written approval prior to spending the funds.

Eligible Administrative Costs Include:

Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:

- Administrative services performed under third-party contracts or agreements, including legal, accounting, and audit services for the program.
- Salaries, wages, and related costs of the staff of Subrecipients, or other staff engaged in program administration. In charging costs to this category, the recipient may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments.
 - All salary and wages must be documented by timesheets with hours worked on the project by each day. Timesheets must be approved by the employee and a supervisor.
- Costs for goods and services required for the administration of the program, including rental or purchase of equipment; insurance; utilities, office supplies; and rental and maintenance (but not purchase) of an office space.
- Costs of providing training on COC requirements and attending HUD-sponsored COC trainings.

SUPPORTIVE SERVICES COSTS

Permanent Supportive Housing projects must provide supportive services for the residents to enable them to live as independently as is practicable throughout the duration of their residence in the project. Supportive Services address the special needs of program participants and must be necessary to assist program participants obtain and maintain housing. Supportive Services may be provided to program participants up to 6 months after exiting the program. Any cost that is not described as an eligible cost under 24 CFR 578 is not an eligible cost of providing supportive services.

Eligible Supportive Services Costs Include:

Assessments:

- Annual assessment of the service needs of program participants

Moving Costs (must be reasonable costs):

- Hiring a moving company
- Truck Rental
- Storage Unit for a program participant

Case Management: Costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services.

- Salary & Wages/Fringe of Case Manager & all costs associated with serving program participants. Time Sheets must be kept if not 100% dedicated to the program
- Counseling
- Developing, securing, & coordinating services
- Using the Coordinated Entry System
- Obtaining Federal, State & Local Benefits
- Monitoring & evaluating participants' progress
- Providing information & referrals to other services providers
- Providing ongoing risk assessment & safety planning with domestic violence victims
- Developing an individualized housing & service plan

Childcare (Child must be under the age of 13, unless disabled, then under the age of 18):

- Establishing & operating licensed child care.
- Providing child care vouchers
- Providing meals, snacks & developmental activities

Education Services: Costs of improving knowledge & basic educational skills.

- Instruction or training in:
 - Consumer Education
 - Health Education
 - Substance Abuse Prevention
 - Literacy
 - ESL & GED Classes
- Screening, assessment and testing
- Individual/Group instruction
- Tutoring
- Purchase of books, supplies & instructional material
- Counseling
- Referral to community resources

Employment Assistance:

- Establishing & operating employment assistance and job training programs
- Classroom/Online instruction
 - On-the-job instruction
- Services that assist with securing employment
 - Screening, assessment and testing
 - Structured job skills and job-seeking skills

- Special training and tutoring including literacy training and prevocational training
- Purchase of Books and instructional materials
- Counseling
- Job Coaching
- Referral to community resource services that assist with acquiring or learning skills
- Obtaining vocational licenses and / or certificates
- Services that assist with increasing earning potential
- Stipends for participants in employment programs

Food:

- Meals/Groceries
- Reminder that the purchasing of gift cards is not an eligible expense. *See note below under the 'Costs Specifically Excluded' section*

Housing Search: Assisting program participants to locate, obtain and retain housing

- Tenant Counseling
- Lease Education
- Securing Utilities
- Making moving arrangements
- Mediation with Landlords
- Credit Counseling
- Payment of rental application fees
- Background Checks if included as part of the rental application or is a requirement of the program
- Bed Bug Treatment - Must be:
 - Attributed to a program participant, prorated cost
 - One-time only
 - Cannot charge if it's stated in the lease that this is the landlord's responsibility.

Legal Services: Licensed Attorney fees related to the program participant's ability to obtain & retain housing. Matters include.

- Child Support
- Guardianship
- Paternity
- Emancipation
- Legal Separation
- Domestic Violence
- Sexual Assault
- Stalking
- Public Benefits Claims
- Landlord/Tenant disputes
- Resolution of criminal warrants

Life Skills Training: The costs of teaching critical life management skills. These services must be necessary to assist the program participant to function independently in the community.

- Money Management training
- Household Management training
- Conflict Management training
- Grocery Shopping and shopping for other necessities
- Nutrition training
- Public Transportation Use training
- Parenting training

Mental Health Services: Direct outpatient treatment of mental health conditions provided by licensed professionals.

- Crisis intervention
- Counseling
- Therapy (Individual, family or group)
- Prescription of psychotropic medications
- Educating about the use and management of medications
- Therapeutic approaches to addressing multiple issues

Outpatient Mental Health Services: Direct outpatient treatment of medical conditions provided by licensed medical professionals

- Analysis or assessment of an individual's health
- Development of a treatment plan
- Assisting individuals to understand their health needs
- Providing directly or assisting individuals to obtain and utilize appropriate medical treatment
- Preventive medical care & health maintenance services
 - In-Home health services
 - Emergency medical services
- Provision of medication
- Providing follow-up services
- Preventive & non-cosmetic dental care

Outreach Services: Costs of engaging individuals to provide immediate support and intervention

- Salary & Wages/ Fringe of Outreach Worker
 - Transportation & cell phone
- Initial Assessment
- Crisis Counseling
- Providing urgent physical needs such as meals, blankets, clothing, toiletries
- Providing information/referrals to homeless & mainstream programs
- Publicizing the availability of housing and related services in the geographic area covered by the CoC

Substance Abuse Treatment:

- Intake & Assessment
- Outpatient treatment
- Counseling (Group, individual)

- Drug testing

Transportation: Participants' use of public transit or a vehicle provided by the Subrecipient to travel to and from medical care, employment, child care, or other services eligible under this section.

- Staff public transportation costs when accompanying a program participant
- Mileage to visit program participants
- Mileage to perform HQS inspections
- Vehicle to transport program participants
 - Purchase price/Lease
 - Gas
 - Insurance
 - Taxes
 - Maintenance

Participant Utilities: Includes gas, oil, electric, sewage, water & trash removal (*See Section 2.0 & 2.1 of this manual*).

- Utility Deposits, one-time fee paid to a utility company

In general: If the supportive services are provided in a supportive service facility not contained in a housing structure, the costs of day-to-day operation of the supportive service facility, including maintenance, repair, building security, furniture, utilities, and equipment are eligible as a supportive service. The supporting documentation for these costs must include the name of the building, purpose of the building, the allocation across programs (if applicable), and the detail regarding how the allocation across programs was determined.

Costs Specifically Excluded:

- Telephone and cellular services for program participants
- Cable service
- Internet service for program participants
- Late fees for utilities
- Furniture
- Legal services for Immigration and citizenship matters and issues related to mortgage and homeownership
- Retainer fee arrangements and contingency fee arrangements.
- Inpatient detoxification & other inpatient drug or alcohol treatment
- Temporary Housing i.e. Bridger Housing
- Repairs/Maintenance of rental units
- Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services
- Rental Arrears
- Utility Arrears
- Gift Card purchases – cannot be reimbursed for the purchasing of the gift card but can be reimbursed if purchasing HUD eligible items with the Gift card. Receipt must be kept.

SECTION 7.1

Title: Spending Threshold
Applicability: Continuum of Care Programs
Date Issued: Dec. 1, 2018

PURPOSE

To ensure all HUD-funded grants stay within the target threshold for spending.

PROCEDURE:

1. ECDMH recommends that Subrecipients spend within 4% of their grant amount by the end of the grant term to reduce the risk of the COC reducing the grant amount at the time of renewal.
2. If during any month of the grant term, a Subrecipient is spending at 4%, or more than 4% below the targeted spending amount, a call and/or meeting will be scheduled with the ECDMH and the Subrecipient's fiscal and program managers to discuss the shortfall and to develop a plan to get the Subrecipient's spending back on target.
3. If a spending plan is requested by the ECDMH from a Subrecipient, the Subrecipient should submit a spending plan in accordance with the spending plan example below which includes a summary as well as a detailed breakout of the costs that support your projection:

A. Summary of Spending Plan

	Total Budget:	289,080	Target:	277,517	
Month	Supportive Services	Rental	Admin	Total	YTD Total
June (Actual)	5,000	15,500	200	20,700	20,700
July	6,500	16,500	215	23,215	43,915
Aug	7,000	16,500	215	23,715	67,630
Sep	7,000	16,500	210	23,710	91,340
October	7,000	16,500	210	23,710	115,050
November	7,000	16,500	210	23,710	138,760
December	7,000	16,500	210	23,710	162,470
January	7,000	16,500	210	23,710	186,180
February	7,000	16,500	210	23,710	209,890
March	7,000	16,500	210	23,710	233,600
April	7,000	16,500	210	23,710	257,310
May	7,000	16,500	210	23,710	281,020
Total:	81,500	197,000	2,520	281,020	

B. Detailed Spending Plan

COC - Spending Plan				
6/1/18 - 5/31/19				
Agency ABC				
			HUD	Other ECDMH Funding
	Total Budget		\$ 289,080	
Rental Assistance:			\$ 197,000	\$ -
Supportive Services:				
	<u>Description</u>			
	<u>Salaries Wages:</u>			
	Case Manager, Joe	\$ 29,500	\$ 10,000	
	Case Manager, Sheila	\$ 29,500	\$ 10,000	
	<u>Fringe Benefits:</u>			
	Case Manager, Joe	\$ 6,030	\$ 4,000	
	Case Manager, Sheila	\$ 6,030	\$ 4,000	
	<u>OTPS:</u>			
	Insurance, Vehicle, \$100/month	\$ 1,200		
	Lease/Rent Vehicle, \$400/month	\$ 4,800		
	Vehicle Gas, \$50/month	\$ 600		
	Cell Phone, \$120/month	\$ 1,440		
	Food, \$200/month	\$ 2,400		
	Total Supportive Services:	\$ 81,500	\$ 28,000	
Administrative:				
	<u>Description</u>			
	<u>Salaries & Wages, Fringe:</u>			
	Accountant, Amelia, \$20/hr 10.5 hrs/mos average	\$ 2,520	\$ -	
	Total Administrative:	\$ 2,520	\$ -	
Total Costs:		\$ 281,020	\$ 28,000	
	Overspent / (Underspent)	\$ 8,060		

SECTION 7.2

Title: Procurement, Management & Disposition of Equipment/Inventory

Applicability: Continuum of Care Programs

Date Issued: October 1, 2021

References: 2 CFR 200.317, 2 CFR 200.318, 2 CFR 200.320, 24 CFR 578.95

PURPOSE

To provide guidance on the methods of procurement to be followed.

PROCEDURE:

Subrecipients must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in [2 CFR Part 200, Subpart D](#).

The Subrecipient's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal government, the Subrecipient is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

The Subrecipient is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

For the procurement of property (goods, supplies, or equipment) and services, the Subrecipient must use its own documented procurement procedures which reflect State, local laws and regulations, provided that the procurements conform to the standards of conduct and conflict-of-interest requirements under [2 CFR 200.317](#) and [200.318](#).

Equipment is a single item of tangible, nonexpendable, personal property that has a useful life of more than one year and a value of \$5,000 or more (or a cost capitalization threshold established by the Subrecipient that is less).

The Subrecipient must use one of the following methods of procurement:

1. **Procurement by micro-purchases.** Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (\$200.67 Micro-purchase, currently 10,000).

To the extent practicable, the Subrecipient must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the Subrecipient considers the price to be reasonable.

2. **Procurement by small purchase procedures.** Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold (currently \$250,000). If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
3. **Procurement by sealed bids (formal advertising).** Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.
4. **Procurement by competitive proposals.** The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids.
5. **Noncompetitive proposals.** Noncompetitive proposals are clarified to specify that it can be used only under certain conditions, e.g. when only one or more of the following factors apply. The documentation of this process is important. The factors to be considered include:
 - a. The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold;
 - b. The item is available only from a single source;
 - c. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - d. The Federal awarding agency (or pass-through entity) expressly authorizes this method in response to a written request from the non-Federal entity; and
 - e. After solicitation of a number of sources, competition is determined inadequate.

Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

- A. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of

- B. the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and

condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

- B. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- C. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
- D. Adequate maintenance procedures must be developed to keep the property in good condition.
- E. If the Subrecipient is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the Subrecipient must request disposition instructions from the ECDMH. Disposition of the equipment will be made as follows:

- A. Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further responsibility to the Federal awarding agency.
- B. Except as provided in § 200.312(b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair market value in excess of \$5,000 may be retained by the Subrecipient or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the Subrecipient to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
- C. The Subrecipient may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.
- D. In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

SECTION 7.3

Title: Guidelines for Record Retention

Applicability: Continuum of Care Programs

Date Issued: October 1, 2021

References: 24 CFR 578.103

PURPOSE

To provide guidance on record retention requirements.

PROCEDURE:

Subrecipients must establish and maintain policies and procedures consistent with the record retention policies imposed by HUD.

All records pertaining to Continuum of Care funds must be retained for the greater of 5 years or the Subrecipient's own record retention policy. Copies may be substituted for the original records.

HUD & ECDMH must have the right of access to all books, documents, papers, or other records of the recipient and its Subrecipients that are pertinent to the Continuum of Care grant. These rights of access are not limited to the required retention period, but last as long as the records are retained.

SECTION 7.4

Title: Documentation of Personnel Expenses

Applicability: Continuum of Care Programs

Date Issued: October 1, 2021

References: 2 CFR 200.430

PURPOSE

To provide guidance on the time and effort documentation requirements for employees' time charged to the HUD grant.

PROCEDURE:

If a Subrecipient uses CoC Federal grant funds to pay for staff salaries, the following regulations regarding personnel documentation must be followed:

1. Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semiannually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.
2. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the following Federal standards:
 - a. The reports must reflect an after-the-fact determination of the actual activity of each employee. Employee time and activity reports should not be based on estimates of time (e.g. 50%) but must include actual increments (e.g. 4 hours or 3.5 hours). Additionally, the time spent on the CoC Program grant-funded projects should be spent on *eligible* costs of the program.
 - b. Each report must account for the total activity for which employees are compensated. When staff salaries are shared among more than one budget line (e.g., supportive services and administrative expenses), the time and activity report should reflect the distribution of time between budget lines. Additionally, if the expenditures are paid for by more than one source (e.g., state, Federal, United Way, private donations), the split costs should be accurately tracked within the recipients' and Subrecipients' accounting systems.
 - c. The reports must be signed by the individual employee, or by a responsible supervisory official having first-hand knowledge of the activities performed by the employee, that the distribution of activity represents a reasonable

estimate of the actual work performed by the employee during the periods covered by the reports.

- d. The reports must be prepared at least monthly and must coincide with one or more pay periods.
4. Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.

It is the responsibility of the Subrecipient to ensure that time billed to HUD is accurate, allowable, allocable and documented. The agency should have clear policies and procedures on the method and frequency of documenting time, who reviews and approves timesheets, and how timesheet data are billed to the grant. The agency also should make sure employees working on the project and who are expected to be billed to the grant, are included in the HUD approved budget. Any proposed changes must be communicated to your agency Contract Coordinator for review and approval.

Non-compliance regarding these important Federal requirements can result in disallowed salary and benefits expenditures, associated decreases in the recovery of facilities and administration costs, penalties, fines and other legal action, damage to ECDMH's reputation, and impairment of ability to act as a subcontractor on future awards.

SECTION 7.5

Title: Suspension & Debarment
Applicability: Continuum of Care Programs
Date Issued: October 1, 2021
References: 2 CFR 200.214

PURPOSE

To provide guidance on the Suspension and Debarment requirements imposed upon Subrecipients of Federal funds.

PROCEDURE:

Vendors, employees and contractors being paid for with HUD funds must be run through the SAM.gov system to check if they are suspended or debarred from receiving Federal funds. This procedure only needs to be done once during a funding period and the report must be maintained.

Subrecipient must have policies and procedures in place which ensure non-debarment and non-suspension is checked for all required transactions, such as those above \$25,000 (for example, ensured by a documented search at www.sam.gov or by certification of the vendor/employee/contractor).

Instructions for checking if a vendor/employee/contractor is Suspended or Debarred

- Go to www.sam.gov:
 - Click on Search Records
 - In the Quick Search box enter the name of the vendor/employee/contractor and then click the Search button.
 - Click Print and retrieve and maintain the document

SECTION 7.6

Title: Risk Assessments

Applicability: Continuum of Care Programs

Date Issued: June 9, 2022

References: 2 CFR 200

PURPOSE

To provide guidance on the completion of the Risk Assessment and Policy and Procedure Improvement Tool required to be completed by Subrecipients of Federal funds.

PROCEDURE:

The ECDMH will distribute the Risk Assessment and Policy and Procedure Improvement Tool to subgrantees of Continuum of Care grants to complete in order to assess the Subrecipient's ability to manage the grant. This will be distributed prior to the subrecipient being awarded the grant and then every 3 years thereafter, unless warranted sooner due to but not limited to the following; a change in staff, structure, or technology within the organization.

This Risk Assessment Questionnaire confirms requirements including those from the federal Office of Management and Budget Uniform Grant Guidelines (2 CFR 200), which can be accessed and analyzed at the website below:

https://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

as well as the applicable federal agency guidelines:

HUD 2 CFR Chapter XXIV Part 2400, <https://www.ecfr.gov/cgi-bin/text-idx?SID=d8c8c3a55234a6b5255b6b4aa4451f85&mc=true&tpl=/ecfrbrowse/Title02/2chapterXXIV.tpl>)

The Tool should be filled out accurately based on current practices and systems. As the recipient of the Continuum of Care grants, ECDMH reserves the right to verify the accuracy of the information presented in the risk assessment tool.

SECTION 8.0

Title: Guidelines for Housing First Implementation

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

Reference: HUD Housing First Resources

PURPOSE

To provide explanation of and guidance in implementing the Housing First model.

PROCEDURE:

1. All Subrecipients receiving funding under the [NY-508 Continuum of Care](#) must adopt the [Housing First model](#), which removes barriers to obtaining housing. Subrecipients may not deny entry to or terminate program participants due to factors such as the following:
 - A. Failure to participate in supportive service plan.
 - B. Failure to make progress on a service plan.
 - C. Loss of income or failure to improve income.
 - D. Being a victim of domestic violence.
 - E. Addiction to alcohol or other substances – participants are not required to cease active use before accessing housing or other services.
 - F. Involvement with the criminal justice system/criminal record should not in and of itself be a reason to reject or terminate a participant.
2. While agencies are required to make service plans as per Policy 4.0 of this manual, program participant participation in supportive services is voluntary. Services should be determined through a collaborative process with the program participant and focus on the participant's preferences and goals. Participants cannot be required to participate in disability-related services.
3. Subrecipients must document their attempts to encourage participation in services. Records must be kept of meetings with program participants and attempts to connect participants with services, and the records must be kept on file.
 - A. ECDMH expects that providers will make significant efforts to contact individuals, including those who are difficult to house. Collateral contacts with significant individuals, including outreach workers, drop-in center employees, hospital discharge planners, and other applicable individuals, should be made and documented. If a provider is struggling to make contact with a referred individual, they should seek assistance from the SPOA office.

4. The Subrecipient may terminate assistance to a program participant who violates the program's requirements or conditions of occupancy, as long as said requirements and conditions do not conflict with the above. If termination is necessary, the following must be observed:
 - A. As per [24 CFR 578.91](#), termination does not bar the Subrecipient from providing further assistance at a later date to the same individual or family.
 - B. Program participants must receive due process. This means that:
 - a. All participants receive a written copy of the program rules and termination process before beginning to receive assistance, and
 - b. When termination occurs, a written notice to the participant with clear reasons for termination must be provided.
 - C. The terminated program participant must have the opportunity to have the decision reviewed and to present written or oral objections to the person who made the decision to terminate.
 - a. Notice of the final decision must be issued in writing to the program participant, and
 - b. Every effort must be made by the program to transition the participant into another program or form of shelter.

SECTION 9.0

Title: Requirements for Matching Dollars and Memoranda of Understanding

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

Reference: 24 CFR 578.73, HUD Guidance

PURPOSE

To ensure all HUD-funded grants are in compliance with match requirements and the source and use of match is properly documented.

PROCEDURE:

1. Subrecipients must match all CoC grant funds with no less than 25 percent of funds or in-kind contributions from other sources.
 - a. **Cash Sources:** These sources can include funds from any Federal sources (excluding COC funds), as well as state, local, and private sources, provided that the funds are not statutorily prohibited to be used as a match. For example, the use of Office of Mental Health dollars can be used towards match. This can also be staff time of staff working on COC grant eligible activities who are not paid from the COC grant but are paid from other agency resources.
 - b. **In-Kind Sources:** The Subrecipient may use the value of any real property, equipment, goods or services contributed to the program as match. The value of commitments of land, buildings and equipment can only be used once and cannot be counted towards multiple projects or years.
2. Matching dollars may only come from costs that would be considered eligible under HUD rules and regulations. For example, the purchase of furniture is not an eligible cost, so it cannot be counted towards the match requirement.
3. The following items are prohibited from being used as match:
 - a. Cash or any in-kind contributions used as match for another grant.
 - b. Cash or any in-kind statutorily prohibited as match
 - c. Savings or benefits that belong to program participants, not the agency
 - d. Other COC funds
4. At the time of the renewal application, a letter of commitment is needed to document the anticipated match for the grant term being applied for. The letters should include the following:
 - a. Cash Match commitment letter:
 - i. Must be on agency letterhead (**the agency providing the cash**)
 - ii. Must be signed and dated by an authorized representative
 - iii. Must include the following:
 1. Amount of cash to be provided for the project;
 2. Specific date the cash will be made available;

3. The actual grant and fiscal year to which the cash match will be contributed;
 4. Time period during which funding will be available; and
 5. Allowable activities to be funded by the cash match (i.e. case management, childcare, etc.).
- b. In-Kind Match commitment letter:
- i. Must be on agency letterhead (**the agency providing the good/service**);
 - ii. Must be signed and dated by an authorized representative;
 - iii. Must be followed by a Memorandum of Understanding (MOU) prior to the start of the grant term; and
 - iv. Must include the following:
 1. What specific good or service is being provided?
 2. How was the value of the goods/service determined?
 3. How many clients you expect to receive this service, the units of service (hours, visits, etc.) and the per unit cost of the service (i.e. \$80/hour)?
 4. The total value of the in-kind contribution; and
 5. When the goods/services will be used (grant term).
5. In-kind services must be documented with a Memorandum of Understanding (MOU):
- a. Must be signed by both parties.
 - b. Must include the following:
 - The specific service to be provided;
 - The profession of the person(s) providing the service(s);
 - A projection of how many individuals will receive the service(s) over the life of the grant;
 - An estimated rate and/or total value of the contribution; and
 - The grant term to which it pertains.
 - c. Memoranda of Understanding (MOU) must be submitted to the Erie County Department of Mental Health annually 30 days prior to the start of the grant term.
6. During the term of the grant, the Subrecipient must keep, and make available for inspection, records documenting the actual service hours provided.
- a. Cash documentation can be a copy of the check or award letter
 - b. Match can only be counted/reported if there is an MOU or commitment letter submitted to ECDMH that supports it.

SECTION 10.0

Title: Fair Housing Notification

Applicability: Continuum of Care Programs

Date Issued: Nov. 1, 2017

Reference: ECDMH HUD Funding Renewal Application

PURPOSE

To notify all ECDMH HUD Subrecipients of HUD fair housing requirements that must be adhered to as a condition of receiving Continuum of Care funds.

NOTIFICATION:

When utilizing Continuum of Care funds, Subrecipients must comply with Title VI of the Civil Rights Act of 1964 ([42 U.S.C. 2000\(d\)](#)) and regulations pursuant thereto ([Title 24 CFR Part I](#)), which state that, “no person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance, and will immediately take any measures necessary to effectuate this agreement.” With reference to the real property and structure(s) thereon which are provided or improved with the aid of Federal financial assistance extended to the applicant, “this assurance shall obligate the applicant, or in the case of any transfer, transferee, for the period during which the real property and structure(s) are used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.”

Subrecipients will comply with the [Fair Housing Act \(42 U.S.C. 3601-19\)](#), as amended, and with implementing regulations at [24 CFR Part 100](#), which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status or national origin.

Subrecipients will comply with [Executive Order 11063 on Equal Opportunity in Housing](#) and with implementing regulations at [24 CFR Part 107](#) which prohibit discrimination because of race, color, creed, sex or national origin in housing and related facilities provided with Federal financial assistance.

Subrecipients will comply with [Executive Order 11246](#) and all regulations pursuant thereto ([41 CFR Chapter 60-1](#)), which state that, “no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal contracts and shall take affirmative action to ensure equal employment opportunity. The applicant will incorporate, or cause to be incorporated, into any contract for construction work as defined in [Section 130.5 of HUD](#) regulations the Equal Opportunity Clause required by [Section 130.15\(b\) of HUD](#) regulations.”

Subrecipients will comply with [Section 3 of the Housing and Urban Development Act of 1968](#), as amended ([12 U.S.C. 1701\(u\)](#)), and regulations pursuant thereto ([24 CFR Part](#)

[135](#)), which require that, “to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project and contracts for work in connection with the project be awarded in substantial part to persons residing in the area of the project.”

Subrecipients will comply with [Section 504 of the Rehabilitation Act of 1973](#) ([29 U.S.C. 794](#)), as amended, and with implementing regulations at [24 CFR Part 8](#), which prohibit discrimination based on disability in Federally-assisted and conducted programs and activities.

Subrecipients will comply with the [Age Discrimination Act of 1975](#) ([42 U.S.C. 6101-07](#)), as amended, and implementing regulations at [24 CFR Part 146](#), which prohibit discrimination because of age in projects and activities receiving Federal financial assistance.

Subrecipients will comply with [Executive Orders 11625, 12432, and 12138](#), which state that, “program participants shall take affirmative action to encourage participation by businesses owned and operated by members of minority groups and women. If persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for assistance are unlikely to be reached, it will establish additional procedures to ensure that interested persons can obtain information concerning the assistance.”

Subrecipients will comply with the reasonable modification and accommodation requirements and, as appropriate, the accessibility requirements of the [Fair Housing Act and section 504 of the Rehabilitation Act of 1973](#), as amended.

Additional for Rental Assistance Projects:

If applicant has established a preference for targeted populations of disabled persons pursuant to [24 CFR 582.330\(a\)](#), it will comply with this section's nondiscrimination requirements within the designated population.

SECTION 11.0

Title: Site Review Policies

Applicability: CoC (CH, S+C, and SHP) Programs

Date Issued: October 1, 2021

Reference: ECDMH HUD Site Review Tool

PURPOSE:

To describe the process by which ECDMH will conduct site reviews of Subrecipients of HUD grants.

PROCEDURE:

1. The ECDMH Adult Single Point of Access Housing team shall coordinate the review of the programmatic implementation of the grants. ECDMH's Fiscal Department will coordinate the fiscal site review. These may be at the same time or at different times in the year, depending on Department need.
 - a. Programmatic Site Reviews will be conducted for all Subrecipients of HUD grants each year
 - b. Site reviews will be scheduled based on the Subrecipient. If a Subrecipient has programs funded with multiple HUD grants, all of those programs will be reviewed on the same visit. If a Subrecipient also has programs funded by OMH Supportive Housing grants, they will be programmatically reviewed as well.
 - c. Programmatic site reviews will focus on agency policies and procedures, programmatic compliance to Federal law and ECDMH rules and expectations, and examine specific files to ensure clients are being served according to the HEARTH act interim rule and County expectations.
 - d. Fiscal Site reviews will focus on agency policies and procedures, fiscal compliance with applicable Federal requirements, including the Uniform Administrative Requirements and the CoC Program interim rule, along with ECDMH policies and procedures.

2. **Programmatic Site Review:**
 - a. The SPOA Coordinator, Housing Coordinator, Assistant Housing Coordinator, and the particular grant's assigned Contract Coordinator will, as available, participate in the programmatic site review.
 - b. The site review will be done at the site of the Subrecipient's administrative offices.
 - c. The site review will utilize a tool for the relevant grant program that is created by ECDMH.
 - d. Every December, the Housing Coordinator or Assistant Housing Coordinator will email all HUD supportive housing Subrecipients a

schedule for programmatic site review in the following year. Typically, there will be one site review per month. This schedule will also include OMH Supportive Housing recipients as well.

- e. The Contract Coordinator will follow up with the primary contact for the Subrecipient agency at least three weeks in advance of the scheduled month to determine the exact date, time, and location that the ECDMH team will be arriving. The Contract Coordinator will share the relevant site review tools with the agency.
 - f. A few days before, the Housing Coordinator or Assistant Housing Coordinator will advise the Subrecipient Agency which files will be audited. This will be either a minimum of 5 total files or a minimum of 10% of the grants' files, whichever is higher. In the case of a decimal, it will be rounded up: a program of 125 recipients would have 13 files audited, not 12.
 - g. On the day and time agreed upon, ECDMH will audit files and have a conversation with the Subrecipient agency about policies and procedures.
3. **Fiscal Site Review:**
- a. The Supervising Accountant and other ECDMH fiscal staff, where available, will participate in the fiscal review.
 - b. The site review will either be conducted at the site of the Subrecipient's administrative offices or conducted via a desk audit.
 - c. The site review will utilize a tool for the relevant grant program that is created by ECDMH.
 - d. Every December, the Housing Coordinator or Assistant Housing Coordinator will email all HUD Subrecipients a schedule for fiscal site reviews in the following year.
 - e. The Contract Coordinator will follow up with the primary contact for the Subrecipient agency at least three weeks in advance of the scheduled month to determine the exact date, time, and location that the ECDMH team will be arriving. The Contract Coordinator will share the relevant site review tools with the agency and provide a list of items/documents required prior to the site review date.
 - f. The ECDMH fiscal team will review the required items/documents and request additional documents/information from the Subrecipient where it is deemed necessary.
4. **Site Review Scoring and Plan of Corrective Action:**
- a. ECDMH will compile the results of the site review within the site review tool and email the completed tool to the Subrecipient agency within 30 days.

- b. If an agency scores less than 95% compliance on the site review tool, they will need to complete a Plan of Corrective Action to address the deficiencies identified. This will need to be submitted to ECDMH within 30 days of receiving the completed Site Visit Tool document.
- c. ECDMH may require follow up meetings to stay informed on the progress of items in the Plan of Corrective Action.

SECTION 12.0

Title: Emergency Procedures for Site Visits

Applicability: CoC (CH, S+C, and SHP) Programs

Date Issued: 5/29/2020

Date Revised: 8/3/2021

PURPOSE

This document describes the process by which site reviews would be amended in the context of a pandemic or other regional emergency which restricts the community's ability to safely work on-site or requires social distancing measures.

PROCEDURE:

In the event that there is a regional emergency which requires the restriction of travel or the implementation of social distance measures, the Department's site visit reviews of each Subrecipient may be modified to accommodate relative inaccessibility of some documentation. All Subrecipients will be expected to give a good faith effort to furnish what is available such that the Department can assess quality of care, program effectiveness and efficacy of services. Though the Department may not be conducting full site reviews, Subrecipients are still responsible for documenting compliance with all regulations and procedures unless otherwise waived by the governing authority of the grant. Use of that waiver must be thoroughly documented.

During a public emergency that requires remote work and social distancing, in-person site visits will be suspended. If the duration of the public emergency is brief, they will be postponed until the emergency has concluded. If the duration of the public emergency is anticipated to last three months or longer, and operational capacity of both Subrecipient and Department permit, a modified remote site visit procedure will be followed:

- Record review will be done through remote means and scaled down as Needed.
 - A sample of agencies may be selected instead of all agencies.
- Any needed board, staff & consumer interviews will be conducted through telephonic or web-conferencing mediums.
- Observation of program operation will be waived.
- Inclusion of fiscal reviews will be done on a case-by-case basis.

The Department reserves the ability to waive the site visit during a calendar year in which the scheduled site visit occurred during a prolonged public emergency.

All site review procedures utilized by the Department will be performed in a manner consistent with the protection of consumer rights and ensuring consumer confidentiality. The Department will seek to implement site visits and program audits in a manner that is conducive to and not disruptive of Subrecipient operations without lessening the Department's contract obligations, responsibilities and authority.

Usual procedures as to notification will be followed. The Subrecipient will establish and maintain all records and documents necessary, pursuant to the laws governing not-for-profit corporations, and pursuant to local laws, the New York State Mental Hygiene Law, Codes, Rules, & Regulations, Federal laws and regulations, and as required pursuant to the Erie County Department of Mental Health Procedure Manual. The Subrecipient shall make all such related records available to the Department.

Site reviews may be done separately, or as part of programmatic site visit. The Erie County Department of Mental Health will give an initial Review Report that will be forwarded to the Subrecipient summarizing the findings and recommendations regarding required corrective action that don't meet practice standards or required thresholds. The Subrecipient will have four (4) weeks to review and respond to the preliminary written report. Upon receipt of the Subrecipient response, the Subrecipient and the Department will meet to finalize the report. This meeting will establish mutual agreement regarding findings, recommendations, and a corrective action plan. This final document is considered a public document.

The Subrecipient Site Review Report will identify the time period allowed to complete all corrective actions. The Department may perform a follow-up site visit to assess the effectiveness of the corrective actions in resolving the identified deficiencies.

The Subrecipient shall permit and participate in reviews. Such reviews may include, but not be limited to: record review; fiscal documentation, interviews with staff and consumers; and observation of program operations.

SECTION 13.0

Title: Client Non-Payment of Rent Policy

Applicability: CoC (CH, S+C, and SHP) Programs

Date Issued: 8/03/2021

Reference: 24 CFR 578.77; 24 CFR 578.91

Program participants are required to pay a portion of their rent as detailed in [24 CFR 578.77](#).

In circumstances where a program participant is refusing to pay their rent for psychiatric or other reasons, the Subrecipient must engage with the client to bring them into compliance with this requirement.

1. Subrecipients may use some of the following strategies:
 - A. Pay the client's portion from a non-HUD source and put the client on a repayment plan.
 - B. Pay the client's portion from a non-HUD source. This can continue indefinitely.
 - C. Apply for a payee for the client from Adult Protective Services if they are demonstrating that they cannot manage their money.
 - D. Pay for that portion of rent temporarily from HUD rental assistance funds and on a case-by-case basis when such course of action is required to prevent the client from becoming homeless.
 - a. This should be a last resort before other options are exhausted.
 - b. This should not extend past 90 days. If this issue continues past 90 days, contact the Erie County Housing Coordinator.
2. Case notes should detail all efforts to facilitate compliance with program expectations. This will be evaluated on the site visit monitoring tool.
3. Housing specialists and other program staff should work with the clients' other supports to ensure that they are getting the necessary assistance needed – for instance, connecting the program participant to a payee when appropriate. If a program participant is found to need a higher level of residential care, the Subrecipient is responsible for assisting the program participant in that process.
4. Protracted and volitional refusal to pay rent may result in a program participant's dismissal from the program.
 - A. Efforts should be made to ensure that the program participant is connected to needed supports prior to discharge. The termination process should follow [24 CFR 578.91](#) and these letters need to be in the program participant's file.

- B. Recipients and sub recipients that are providing permanent supportive housing for hard-to-house populations of homeless persons must exercise judgment and examine all extenuating circumstances in determining when violations are serious enough to warrant termination so that a program participant's assistance is terminated only in the most severe cases.
5. Other possible outcomes:
- A. Contract, repayment plans, letters.

SECTION 14.0

Title: Other Emergency Circumstances and Use of Waivers

Applicability: CoC (CH, S+C, and SHP) Programs

Date Issued: 03/29/2022

**Reference: HUD Community Planning And Development – Waivers COVID-19
Grantee Guidance**

PURPOSE

This document describes the process by which ECDMH and its subrecipients would modify operations during a disaster or other regional emergency and how ECDMH and its subrecipients would utilize any waivers providing regulatory flexibility that HUD releases. These procedures are in addition to the Disaster Continuity Of Operations Plans (D-COOP) that Erie County develops with contracted agencies.

PROCEDURE

In the event of a disaster or other regional emergency, ECDMH will work with its subrecipients to ensure the provision of care to program participants of its supportive housing programs. This includes, but is not limited to, ensuring fiscal stability and providing additional supports, as ECDMH is able to procure and make available, or linkages to the entities that can provide the supports (for example, instructions for how to contact Erie County Department of Health for personal protective equipment,). ECDMH will work collaboratively with subrecipients to discern strategies to overcome obstacles presented by public disasters and to ensure the safety of program participants and staff. When issued, one such means to do so includes the use of HUD approved Waivers

Should HUD make available waivers for the CoC program, in consultation with its subrecipients, ECDMH will apply for those it anticipates will, or could, facilitate serving program participants during the regional emergency or public disaster. ECDMH will use the notification process that HUD requests in order to request waiver flexibility. ECDMH will then send a copy of the notification letter via email to its subrecipients with details about the waiver, its applicability, its limitations, its expiration date, and any other considerations. ECDMH will instruct its subrecipients to make case-by-case decisions on whether or not using the waiver will facilitate the best interests and service provision of program participants.

ECDMH will keep a copy of the notification letter in its own grant binder. ECDMH will instruct its subrecipients to keep records of the waiver notifications in the client binders and in their emergency policies and procedures. Should HUD and/or the local HUD Field Office release any official or unofficial guidance on documenting the use of the waivers, ECDMH will follow it and instruct its subrecipients to abide by those instructions as well, providing whatever technical assistance is required. ECDMH will add waiver compliance to its yearly HUD site monitoring site review tool.

For the 2020-2022 COVID-19 waivers, ECDMH will have subrecipients, as appropriate, include the notification notices in program files, inclusion of using the waiver in the specific case notes as well as the justification.

SECTION 15.0

Title: Protecting Client Confidentiality

Applicability: CoC (CH, S+C, and SHP) Programs

Date Issued: 7/8/2022

Reference: • 24 CFR § 578.103

It is impossible for a positive therapeutic relationship to exist without trust. Ensuring client confidentiality is absolutely imperative to the provision of all mental health services, including and especially housing. Service providers and County staff are prohibited from disclosing client case information without a consent authorizing disclosure. Such conversations must be exclusively for the purposes of coordinating or furthering one's care.

All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance will be kept secure and confidential. Program participant client files will be kept onsite of the subrecipient's offices in a double-locked cabinet in a locked office or in a secure electronic medical record system that meets Office of Mental Health and/or HIPAA standards for confidentiality. This will be verified during yearly site reviews.

All client information in the SPOA office will be kept in the SPOA referral management system or in locked cabinets inside a locked SPOA staff person's office. Record retention policies will follow the most restrictive between federal and county policies (ie, if federal policies state five years but the County policy states seven, they will be retained for seven years).

The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality.

All subrecipients must have policies and procedures that ensure the security and confidentiality of client information. These will be verified at the time of the site visit by SPOA staff or the contract coordinator.

SECTION 16.0

Title: Facilitating Educational Access

Applicability: CoC (CH, S+C, and SHP) Programs

Date Issued: 7/8/2022

Reference: [24 CFR § 578.23](#)

In the case of projects that provide housing or services to families, that subrecipients will designate a staff person to be responsible for ensuring that children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act, and programs authorized under subtitle B of title VII of the Act. This could be the housing specialist or case worker assigned to the program participants, a supervisor, or another staff person. Should a subrecipient need assistance helping a family, they should reach out to the housing coordinator at Erie County Department of Mental Health for guidance.

In addition, when program participants have children, housing specialists are to take the educational needs of children into account when families are placed in housing and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children's education.