

Special NOFO Start up Session: Grant Administration Basics

OCTOBER 11, 2023



Logistics

The Start Up Sessions will all be recorded and shared with communities

Please use the chat to ask questions throughout the session

There will be time to ask questions orally at the end of the session

Agenda

Questions from Last Session

Program Participant Eligibility

Program Components

Eligible Costs

Questions from Last Session

Program Participant Eligibility

Eligible Program Participants – Unsheltered Set Aside

- Projects funded under this set aside must have the following eligibility for program participants:
 - Meet the criteria of paragraph (1) of the definition of homeless, except that persons coming from TH must have originally come from places not meant for human habitation, emergency shelters, safe havens, or institutions where they resided for 90 days or less and originally came from places not meant for human habitation, safe havens, or emergency shelters
 - Meet the criteria of paragraph (4) of the definition of homeless
- All projects must operate consistently with the CoC's Plan to Serve Individuals and Families Experiencing Homelessness with Severe Service Needs

Eligible Program Participants – Rural Set Aside

- Projects funded under this set aside may serve persons who:
 - Meet any of the criteria of the definition of homeless, except to serve persons meeting the criteria of paragraph (3) the CoC must receive HUD approval to do so
- All projects must operate consistently with the CoC's Plan to Serve Individuals and Families Experiencing Homelessness with Severe Service Needs

Documenting Eligibility - Overview

- Recipients and subrecipients must develop and use local policies and procedures for documenting homeless status
- The local policies and procedures must establish the following orders of priority for obtaining documentation (unless otherwise noted):
 - Third party (including source, written, and oral documentation)
 - Intake worker observations
 - Self-certification of the individual or head of household seeking assistance

Documenting Eligibility – Category 1

Definition – Category 1	Examples of Acceptable Records – Category 1
<p>An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:</p> <ul style="list-style-type: none"> • Has a primary nighttime residence that is a public or private place not meant for human habitation • Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or 	<ul style="list-style-type: none"> • Third Party Documentation <ul style="list-style-type: none"> • HMIS record of a shelter state or street outreach contact • Written referral from a street outreach worker or emergency shelter provider • Certification by Head of Household <ul style="list-style-type: none"> • Written, signed certification by the individual that they were living in one of these situations
<ul style="list-style-type: none"> • Is exiting an institution where the individual resided for 90 days or less AND who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution 	<ul style="list-style-type: none"> • One of the forms of documentation of where the person was residing immediately prior to entering the institution • Third Party Documentation of Stay in Institution <ul style="list-style-type: none"> • Discharge paperwork with dates of stay • Oral statement made by someone at the institution that includes the dates of stay and is documented in the case file by the intake worker • Certification by the Head of Household <ul style="list-style-type: none"> • Written, signed certification by the individual that they were in the institution and the dates of the stay

Documenting Eligibility – Category 2

(Rural Set Aside
Only)

Definition – Category 2	Examples of Acceptable Records – Category 2
<p>An individual or family who will imminently lose their primary nighttime residence, provided that:</p> <ul style="list-style-type: none">• Residence will be lost within 14 days of the date of application for homeless assistance	<ul style="list-style-type: none">• Third Party Documentation<ul style="list-style-type: none">• A court order resulting from an eviction action notifying the individual or family they must leave• Written letter from the person they are staying with that they can no longer stay there• Certification by Head of Household<ul style="list-style-type: none">• Written, signed certification by the individual that they are living somewhere that they have to leave within 14 days
<ul style="list-style-type: none">• No subsequent residence has been identified• The individual or family lacks the resources or support networks to obtain other permanent housing	<ul style="list-style-type: none">• Third Party Documentation<ul style="list-style-type: none">• Not necessary for this portion of the definition• Certification by the Head of Household<ul style="list-style-type: none">• Written, signed certification by the individual that have not identified subsequent residence and they lack the resources and support networks to obtain other permanent housing

Documenting Eligibility – Category 4: Victim Service Provider

Definition – Category 4	Examples of Acceptable Records – Category 4
<p>Any individual or family who:</p> <ul style="list-style-type: none">• Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or family member that has either taken place within the primary nighttime residence or has made the individual or family afraid to return to the primary nighttime residence	<ul style="list-style-type: none">• Third Party Documentation IS NOT REQUIRED• An oral statement recorded by intake staff that is signed and dated as true and complete by the intake staff
<ul style="list-style-type: none">• Has no other safe residence• The individual or family lacks the resources or support networks to obtain other permanent housing	<ul style="list-style-type: none">• Third Party Documentation IS NOT REQUIRED• An oral statement recorded by intake staff that is signed and dated as true and complete by the intake staff

Documenting Eligibility – Category 4: Victim Service Provider

Definition – Category 4	Examples of Acceptable Records – Category 4
<p>Any individual or family who:</p> <ul style="list-style-type: none"> Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or family member that has either taken place within the primary nighttime residence or has made the individual or family afraid to return to the primary nighttime residence 	<ul style="list-style-type: none"> Third Party Documentation <ul style="list-style-type: none"> Written documentation or referral from an organization from whom assistance by the individual or head of household that confirms the household is fleeing or attempting to flee one of these situations (e.g., hospital records, police report, clergy member)** Certification by Head of Household that they are fleeing or attempting to flee one of these situations that is <ul style="list-style-type: none"> Written, signed by the head of household An oral statement made by the head of household and documented in the case file by the intake worker as true and complete
<ul style="list-style-type: none"> Has no other safe residence The individual or family lacks the resources or support networks to obtain other permanent housing 	<ul style="list-style-type: none"> Third Party Documentation <ul style="list-style-type: none"> Not necessary for this portion of the definition Certification by the Head of Household that they have not identified subsequent residence and they lack the resources and support networks to obtain other permanent housing that is either: <ul style="list-style-type: none"> Written, signed certification by the head of household An oral statement made by the head of household and documented in the case file by the intake worker as true and complete

Terminating Program Participants

- **Exit** – when a program participant is no longer eligible for assistance under the CoC Program and CoC Program assistance is ended
- **Termination** – when a program participant violates program requirements and the recipient or subrecipient terminates assistance
 - Termination of assistance should occur only in the most severe cases
 - Due process, as established at 24 CFR 578.91(b) must be followed

Termination is different than eviction – a program participant may be evicted from living in a unit or property and continue to be eligible for CoC Program assistance through the project

Program Components

Permanent Housing

- Permanent Supportive Housing (PSH)
 - Persons with a disability
 - Provide supportive services in order to live independently as possible
 - Can be rental assistance or leasing
- Rapid Rehousing (RRH)
 - Short-term (up to 3 months) or medium-term (3-24 months) **tenant based** rental assistance
 - Reevaluation of program participant's resources
 - Participant meet with case manager at least once a month

Joint Transitional Housing – Rapid Rehousing (Joint TH-RRH)

- Combines Transitional Housing (TH) and Rapid Rehousing (RRH)
 - Both types of assistance must be available
 - Participants can receive assistance from either one or both components
- TH portion of the project operates as a TH under TH requirements
- RRH portion of the project operates as a RRH under RRH requirements.
- Only 24 months of total assistance

Supportive Services Only (SSO)

SSO - CE

Project funding is for creating or maintaining a Coordinated Entry process

Easily available/reachable

Accessible for persons with disabilities within the CoC's geographic area

Standardized assessment process

Program participants are directed to appropriate housing and services that fit their needs

SSO Only

providing supportive services to those with the highest service needs, including those with histories of unsheltered homelessness proposed project has a specific plan for ensuring program participants will be individually assisted to obtain certain benefits

Participate in coordinated entry

Quiz

Is participation in HMIS mandatory?

- A. True
- B. False
- C. Maybe

Homeless Management Information System (HMIS)

- Unduplicated counts of individuals and families experiencing homelessness
- Participation is mandatory except for:
 - Victim/Legal Service Providers – provide a comparable database
- Operated by HMIS Lead designated by the CoC
- Funds for HMIS can be used for:
 - Eligible costs listed in 24 CFR 578.57
 - Leasing structure where it is operated
 - Other eligible operating costs

Eligible Costs

Eligible Costs by Program Component (hard costs for rural areas/rural costs across the board)

Joint TH-RRH	Permanent Housing (PSH and PH-RRH)	SSO	HMIS
<ul style="list-style-type: none">• TH: Leasing of structure or unit• TH: Operating Costs• RRH: Short- and medium- term tenant-based rental assistance• Supportive Services• HMIS• Project Admin	<ul style="list-style-type: none">• PSH: Leasing and Rental Assistance• PSH: Operating• RRH: Short- and medium-term tenant based rental assistance• Supportive Services• HMIS• Admin	<ul style="list-style-type: none">• Providing supportive services as detailed in 24 CFR 578.53(e)• The costs of operating a facility that provides supportive services• SSO-CE: the costs of implementing and maintaining a coordinated entry system	<ul style="list-style-type: none">• The costs of operating an Homeless Management Information System as detailed in 24 CFR 578.57• DV providers can use it for the cost of operating a comparable database

***Generally, the same eligible costs as all other Continuum of Care programs.**

Rural Costs

Rent or utility assistance

- After 2 months of nonpayment
- Arrears up to 6 months (reside in PH)

Short-term emergency lodging

- Motels or shelters
- New and temporary beds

Repairs

- Make housing habitable
- Used on housing that is TH or PH
- Max \$10k per structure

Capacity Building

- Maintain or improve skills of recipients
- Up to 20% of grant funds

Emergency Food and Clothing

- Meals or groceries
- Clothing

Federal Inventory property programs

- 24 CFR 581 and 24 CFR 291

Restrictions on Combining Costs

- Acquisition, rehabilitation, and new construction cannot be combined with:
 - Leasing
 - Tenant-based rental assistance
 - Short- or medium-term rental assistance
- Rental Assistance cannot be combined within the same unit with:
 - Leasing
 - Operating

Documenting Eligible Costs

- Recordkeeping requirements at 24 CFR 103 apply
- Recipients and subrecipients should have clear policies and procedures on the method and frequency of documenting costs.
 - Costs are included in the project's budget
 - Who reviews and approves expenditures
 - How they are billed to the grant

Eligible Costs: Indirect Costs

Direct Costs

§200.413- Direct costs- Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily

Examples are:

- Direct Salaries
- Administrative Salaries (if all conditions are met in §200.413 (c))
- Supplies and Materials
- Travel

What are Indirect (F&A) Costs?

Indirect costs “Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective...”

Two broad categories -“Facilities” and “Administration.

- **Facilities**-depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.
- **Administration**-general administration and general expenses not listed specifically under one of the subcategories of “Facilities” including cross allocations from other pools.

Modified Total Direct Costs (MTDC) (§200.68)

MTDC means all direct salaries and wages, fringe benefits, materials and supplies, services, travel, and subawards and subcontracts up to the first \$25,000

MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward and subcontract in excess of \$25,000

Cognizant Agency Determination

The Federal agency with the **largest dollar amount of direct Federal awards** with an organization will be designated as the cognizant agency for indirect costs and for the negotiation and approval of the indirect cost rates and/or Cost Allocation Plans

Common Indirect Cost Problems

- ☐ Inadequate timekeeping systems (Personnel Activity Reports)
- ☐ Inconsistent treatment and specific identification of costs
- ☐ Failure to exclude costs of "Unallowable Activities"
- ☐ Failure to offset credits
- ☐ Unacceptable indirect cost allocation base
- ☐ Failure to exclude expressly unallowable costs
- ☐ Failure to eliminate or value inter-organizational transfers and related-party transactions
- ☐ Budget limitations unsupported

Negotiated Indirect Cost Rate Agreement (NICRA)

An agreement signed by Federal agency head of Indirect Cost Office and an authorized representative of the non-federal entity; e.g. Commissioner, CEO, CFO, Comptroller, etc. This agreement establishes indirect cost rates for non-federal entities to utilize for administrative cost reimbursement

Includes the following:

- The approved rate(s) and information directly related to the use of the rates, e.g., type of rate, effective period, and distribution base;
- The treatment of fringe benefits as either direct and/or indirect costs, or an approved fringe benefit rate;
- General terms and conditions; and
- Special remarks, e.g., composition of the indirect cost pool.

Common Components of Indirect Cost Rate Proposal

Organization Profile- Purpose of is to gain an understanding of the basic structure of the organization.

Cost Policy Statement:

- Statement on general accounting practices
- Statements on each general ledger expense account (or cost element) indicate which account is used to record direct or indirect expenses
- Which general ledger account are costs allocated for more than one activity, describe method used to allocate the cost (actual usage, square feet, cost of space, volume etc.)

Statement on Unallowable Cost:

- (a) Accounting treatment of unallowable cost
- (b) Methods and controls in place to segregate unallowable costs
- (c) Expense accounts the unallowable costs are charged to

Common Components of Indirect Cost Rate Proposal

Indirect Cost Proposal Preparation Policies and Procedures: Written policies and procedures describing how the agency prepares the annual Indirect Cost Rate proposal

Financial Reports for the year under review, including:

- Complete copy of audited financial statements
- Single Audit Report

Indirect Rate Proposal:

- Indirect Expenses by function and cost category
- Fund distribution of the direct cost base by function and cost category
- Reconciliation between the proposal and financial reports for the applicable years. Differences explained

Allocation of Salaries and Wages: Schedule of positions, functions, and annual salaries of personnel charging time to an indirect function (employees who charge 100% of time to indirect task and who split time between direct and indirect tasks)

Common Components of Indirect Cost Rate Proposal

Statement on employee benefits: schedule showing actual cost of applicable fringe benefits

Identification of and description of unusual factors which may affect the proposed rates, or any memoranda of understanding or notice agreements which may affect the proposed rates

Listing of Federal awards that were active during the fiscal year.

Completed lobbying certificate, which verifies that the organization does not include lobbying cost in indirect cost

A completed certificate of indirect cost: Negotiated agreement and certifications must be signed by an organization representative who has the ability to contractually bind the organization.

Indirect Costs in CoC Program

Recipients that choose to develop an Indirect Cost Rate Proposal, with HUD as the cognizant agency, must submit the proposal to HUDCPDIndirectCostRates@hud.gov for review and approval.

For recipients needing a rate extended, where HUD is the cognizant agency, please submit the current approved rate and an email to HUDCPDIndirectCostRates@hud.gov requesting an extension.

Resources

- Homeless Definition

- [Virtual Binder: Homeless Eligibility Overview](#)
- [Overview of Criteria and Recordkeeping Requirements](#)
- [Recordkeeping and Documenting Homeless Status](#)

- Eligible Costs

- [Virtual Binder: Eligible Activities](#)

- Indirect Cost Rate

- [eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)
- [2 CFR Part 200 Uniform Guidance Webcast Series and Resources | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)
- [eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)



Questions?
