



CONTINUUM OF CARE PROGRAMS

Policy Manual

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INTRODUCTION

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) amended the McKinney-Vento Homeless Assistance Act. Among other changes, the HEARTH Act consolidated the three separate McKinney-Vento homeless assistance programs (Supportive Housing Program, Shelter Plus Care program, and Section 8 Moderate Rehabilitation SRO program) into a single grant program known as the Continuum of Care (CoC) Program. The Emergency Solutions Grant, formerly known as the Emergency Shelter Grant will also be incorporated into the CoC system.

The CoC Program is designed to assist individuals (including unaccompanied youth) and families experiencing homelessness and to provide the services needed to help such individuals move into transitional and permanent housing, with the goal of long-term stability.

This policy manual reflects both the federal regulations of Title 24 Code of Federal Regulations Part 578 that governs the CoC, and the policies used by Idaho Housing and Finance Association (IHFA) in administration of this grant as directed by the U.S. Department of Housing and Urban Development (HUD). In addition, standards for financial management and internal controls reflect federal regulations at 24 CFR Sections 84 and 85 and OMB Circulars A-110, A-122 and A-133. Idaho Housing and Finance Association (IHFA) is also responsible for the environmental regulations of 24 CFR Part 50 and 58.

Changes may occur as statutory interpretations and clarifications become available from HUD or as IHFA rules or guidelines are revised. No part of this policy guide shall override the rules set forth by the federal oversight of HUD. These policies supersede any previous COC, SHP, or SPC policies and may only be updated by changes made after the date of this edition, effective **January 1, 2013**.

Questions and comments regarding this material may be referred to Idaho Housing and Finance Association, Department of Grant Programs, COC Administration, P.O. Box 7899, Boise, ID 83707-1899 or by telephone, 1-877-4GRANTS.

SECTION 1 APPLICATION AND FUNDING

1.1 PURPOSE

The Continuum of Care Program (CoC) is authorized by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) enacted into law on May 20, 2009 which consolidates three of the separate homeless assistance programs administered by HUD under the McKinney-Vento Homeless Assistance Act into a single grant program. The HEARTH Act also codifies in law the Continuum of Care planning process.

The purpose of this program is to promote the development of supportive housing and supportive services that assist homeless persons in transitioning from homelessness to living as independently as possible. All CoC funding is intended to further the goal of gaining or maintaining permanent housing for eligible homeless persons.

To accomplish CoC Program goals, funds may support activities under five primary program components:

- ◆ Permanent housing, including permanent supportive housing and rapid re-housing
- ◆ Transitional housing
- ◆ Supportive services only
- ◆ Homeless Management Information System (HMIS)
- ◆ Rural Housing Stability

1.2 ELIGIBLE APPLICANTS

The Continuum of Care (CoC) funding is awarded to CoCs through HUD's annual Notice of Funding Availability (NOFA). IHFA is the administrator of the COC and serves as the Collaborative Applicant to HUD in the funding process.

1.3 APPLICATION PROCESS

The Grant Inventory Worksheet (GIW) is the beginning of the application process. HUD sends the CoC lead agency the GIW which records all CoC grants that will be renewal grants. This establishes the amount of funding that will be needed to fund the renewals at their current rate, establishes how much funding is available for CoC planning, and establishes how much funding will be available for a new project, if applicable.

Once CoC funding guidelines have been posted by HUD, the CoC will determine gaps in services that might be filled by the funding available. The CoC, through the lead agency will issue a Request For Proposals (RFP) to CoC members in the service gap area.

1.4 HOW FUNDING IS AWARDED

Once proposals for new projects have been submitted, an Independent Review Panel (IRP) composed of persons with knowledge and experience in homelessness, scores the proposals using defined rating criteria. Scores are reconciled and averaged for each proposal.

After conditional awards are made to IHFA, IHFA sends Technical Submission packets, which are required to be completed by all subrecipients. Subrecipients will include vital information needed for administration of the grant, as well as elements necessary for compliance with federal guidelines.

Organizations must submit Technical Submission packets to IHFA by the deadline as outlined in the packet.

1.5 AWARDS AND AGREEMENTS

After completed Technical Submissions from subrecipients are received, two original Grant Agreements and Attachments are prepared and mailed to the subrecipient for signature. When the Grant Agreement is returned to IHFA, the Grant Agreement is executed, and one original document is returned to the subrecipient. A startup conference will be held between IHFA staff and subrecipient staff for any new program or project.

SECTION 2 GENERAL REQUIREMENTS

2.1 COORDINATED ASSESSMENT

Subrecipients of Continuum of Care funding must use the coordinated assessment tool designed by the Continuum of Care.

2.2 DATA COLLECTION AND EVALUATION

Subrecipients must enter data on all persons served and all activities assisted under CoC into the applicable community-wide Continuum of Care HMIS or comparable database. A comparable database is defined as a data collection/information system used by a victim service provider or legal service provider that collects client-level data over time and generates unduplicated aggregate reports based on the data in accordance with the requirements of 24 CFR 578. The comparable database must comply with all HMIS data information, security, and processing standards, as established by HUD in the notice.

Activities funded by CoC funding must comply with HUD's standards on participation, data collection and reporting under a local HMIS. See 578 for eligible activities.

2.3 RECORDKEEPING AND REPORTING

Sufficient records must be established and maintained to demonstrate that CoC requirements are being met. There is an additional requirement to develop and implement written policies for recordkeeping that comply with the provisions established under CFR 24 Part 578.

Documentation of Participant eligibility and assistance provided must be retained for 5 years after the expenditure of all funds from the grant under which the program participant was served. Subrecipients must submit annual performance reports to IHFA. There is no quarterly reporting requirement. The program must maintain documentation on all households seeking assistance. If determined ineligible, documentation must reflect the reasons.

2.4 FINANCIAL MANAGEMENT

Subrecipients should submit draws at least monthly. Subrecipients must provide matching funds equal to the amount specified in the Grant Agreement.

2.5 HOMELESS PARTICIPANT REQUIREMENT

IHFA requires agencies receiving CoC Grants to have a current or past member of the homeless community sit on their Board of Directors. If they do not currently have a homeless or formerly homeless person on their board, subrecipients must submit a plan, detailing the process for consumer input into the design of the program, to IHFA.

2.6 CONFLICTS OF INTEREST

Assistance may not be conditioned on use of services or shelters owned by the subrecipient including a parent or subsidiary. A subrecipient cannot conduct the initial evaluation for individuals/families occupying housing owned by the subrecipient, including a parent or subsidiary.

For employees, agents, consultants, officers, or elected or appointed officials of the subrecipients there is a prohibition on obtaining a financial interest or benefit from an activity (including an interest in any

contract/subcontract/agreement) either directly for him/herself or for familial/business ties during tenure or for one year after.

2.7 CONFIDENTIALITY

IHFA will not disclose non-public, personal information to any non-affiliated third party except as required by law, or with the participant's written permission. Participant information should not be accessible to any persons other than authorized subrecipient personnel or authorized personnel from IHFA and HUD for compliance monitoring and/or audit purposes. Data systems, such as ServicePoint, for required homeless tracking statistics include ample safety measures for confidentiality as well. Subrecipients must have a policy outlining confidentiality of Personal Protected Information for all participants in the program, not just victims of domestic violence. 42 U.S.C. 11375(c)(5) requires subrecipients assisting participants in domestic violence situations to ensure that their records are kept confidential. Locations of domestic violence shelter facilities receiving CoC funds will not be publicly disclosed except with the written authorization of the person responsible for shelter operations.

2.8 TERMINATION OF ASSISTANCE

Subrecipients may terminate CoC assistance to participants who violate program requirements. The agency must have a process in place that governs the termination and grievance procedures and must make this policy available to participants either by written handouts or posting of the policy used by the project. The subrecipient's formal process must consist of:

- ◆ Written notice to program participant
- ◆ Review of decision, including opportunity to present objection
- ◆ Prompt written notice of final decision.

The subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination, so that a program participant's assistance is terminated only in the most severe cases.

2.9 PROJECT PLANNING

The activities necessary for carrying out the project will be outlined in the original CoC application and should be maintained throughout the grant period. Any additional, unplanned or unexpected activities may not be added to the project budget without prior approval by IHFA. Major changes from the original scope of the application might trigger a monitoring visit.

2.10 APPROVED BUDGET

Federal programs are governed by regulations that delineate types of spending allowed under each grant. The eligible activities for CoC are listed below in Section 3.1 and at 24 CFR 578. During the technical submission phase of the application process, a budget worksheet is required to show how the subrecipient plans to spend the requested funds. These budgets are reviewed and must be approved by IHFA before the project is set up to draw funds. The final approved budget is used by IHFA throughout the grant period to monitor spending and the funded agency must adhere to the planned budget line items explicitly. To request a budget amendment, contact the IHFA regional coordinator.

2.11 HMIS

All subrecipients of funding under the CoC program are required to use an HMIS, or comparable database, to record client-level data on all persons served and all activities assisted under CoC in accordance with HUD's standards for an HMIS.

2.12 HOUSING QUALITY STANDARDS (HQS)

HQS is required for all CoC funded programs to ensure housing facilities are safe, sanitary, and adequately maintained. Subrecipients will be responsible for performing inspections, documenting and communicating failed items to landlords, and re-inspecting units. Annual HQS inspections and re-inspections must be submitted to IHFA for review.

2.13 LEAD-BASED PAINT (LBP)

Both transitional and permanent supportive housing are subject to all LBP regulations. These activities are subject to LBP regulations because the units assisted with these funds are not temporary residences and do not fall under the shelter exemption. If federal funding is used in the provision of housing that is pre-1978 with children under the age of six that are not known to be free of lead-based paint contamination, then visual paint inspections are required along with corrective actions warranted by the severity of the condition.

2.14 ENVIRONMENTAL REVIEW

Federally funded projects are subject to an environmental review process in 24 CFR Part 58. IHFA acts on behalf of HUD as the responsible entity to determine if the CoC activity complies with the requirements in 24 CFR Part 50 or 58. Any subrecipient requesting funds for activities under CoC may be subject to full or partial environmental review as applicable. IHFA will define the level of review required and complete and document all environmental requirements. The environmental review process must be complete before the project can be approved and funded.

2.15 INSURANCE REQUIREMENTS

- ◆ Liability - Subrecipients are responsible for providing insurance coverage to protect against legal liability that may arise from activities under this program. Insurance minimums and coverage requirements are discussed in the Program Solicitation published annually on the IHFA website.
- ◆ Bonding - Anyone authorized to act on behalf of the subrecipient for receiving/depositing funds or for other financial responsibilities must be bonded for \$10,000 or the amount of the grant agreement, whichever is higher.
- ◆ Worker's Compensation - Subrecipients are required to obtain and maintain worker's compensation insurance coverage. An insurance verification form is required with the technical submission before projects are funded.

2.16 SPENDING DEADLINES AND REALLOCATION

A normal spending cycle for the CoC program is twelve (12) months, although new projects may sometimes have a multi-year budget. Subrecipients are expected to plan their budgets in a way that project goals are met by the end of the spending period with little or no budget adjustment. In the event that IHFA determines a subrecipient to be unable to spend all grant funds by the grant agreement deadline, funds may be reduced in subsequent funding rounds and allocated to a new project.

2.17 MATCHING REQUIREMENTS

All eligible funding costs except leasing must be matched with no less than a 25% cash or in-kind match. For in-kind match, the governmentwide grant requirements of HUD's regulations in 24 CFR 84.23 apply. The match requirement in 24 CFR 84.23 applies to administration funds. All match must be spent on eligible activities.

2.18 REIMBURSEMENT OF COSTS

CoC is reimbursement grant and only eligible costs that have already been paid will qualify. Documentation of allowable costs is required to process draws. IHFA reserves the right to refuse receipts that are older than 60 days. Documentation of eligible participants/services may be verified using HMIS or a comparable database.

2.19 FINANCIAL STANDARDS

Internal controls reflect the overall financial management of an organization. Standards for financial management systems of non-profit organizations may be found in 24 CFR 84. The following areas should be included:

- ◆ Budget Controls - Budget controls ensure the subrecipient will have a regular, on-going basis of comparison between actual expenditures and COC-budgeted amounts for the activities. The COC budget will cover intended project expenses with very little necessity for adjustments during the grant period. Budget controls allow for timely adjustments should they be necessary and should show amounts paid in each budget category.
- ◆ Accounting Controls – If IHFA does not require full documentation to accompany draw requests, expenditures must be supported by invoices, contracts, purchase orders, etc. If minimal documentation is allowed with a draw, subrecipients must have detailed records onsite to provide a complete audit trail at any time.
- ◆ Wages - When supported by more than one funding source, wages must be documented by records that clearly show the time distribution and wage breakdowns between programs.
- ◆ Financial records – Subrecipients are required to maintain financial records relative to the COC program for five (5) years after the end of the grant period.
- ◆ Procurement Rules - 24 CFR Part 84 provides regulations that govern the procurement of supplies, equipment, and services to ensure that they are obtained economically and competitively. Subrecipients may use their own procurement procedures as long as they conform to the regulations. Important elements for subrecipients to consider are a system to handle contract disputes; a code of conduct preventing conflicts of interest, some form of cost analysis to ensure economic purchases; positive efforts to use small and minority-owned businesses to the maximum extent possible.
- ◆ Property Controls -Federal regulations regarding property controls in 24 CFR 84.34(f) are for the purpose of tracking the assets purchased with grant funds to ensure that they are properly maintained, secure, and being used for authorized purposes. IHFA is required to do a periodic

physical inventory on these items to verify their existence, current utilization and continued need. For this reason, agencies using CoC funds to purchase furnishings, vehicles, or equipment for a project should keep accurate records including the following: a complete description of the item purchased, a serial or other identification number, the source of funds and grant agreement number, the acquisition date, and the cost.

These items are federal property and cannot be disposed of without requesting permission and guidelines from HUD. If the subrecipient no longer needs the item for the grant project it may be used for other activities if the conditions of 24 CFR 84.34(g) are met.

- ◆ Dates of Service - Only expenses incurred during the grant period are allowable. This includes utility receipts that may have service dates beginning before this date, but ending within the grant period except in the case of homelessness prevention assistance. In this case, the date of service becomes the date the subrecipient issues a check for payment of delinquent bills. In most cases, however, when services begin before the date of award, receipts must be pro-rated to reimburse costs only for the eligible days within the service period.
- ◆ Insufficient Documentation - Insufficient documentation will delay the reimbursement process. Subrecipients will be contacted to provide clarification. If information is not received within two weeks, the questioned portion of the payment request will be denied.

2.20 AUDITS

OMB Circular A-133 requires organizations to comply with federal audit standards if they receive more than \$500,000 in federal funds during one year. If the subrecipient's organization does not fall under this requirement, an independent financial audit by a certified public accountant is required in lieu of the Single Audit as required in OMB Circular A-133. These audits must be kept current and submitted to IHFA.

2.21 RECORDS MAINTENANCE

Subrecipients must also follow the guidelines for equipment/inventory record keeping and for program outcomes. CoC funding should be directly related to service delivery through transitional or permanent housing facilities and projects. Accurate results regarding these services to the homeless population should be systematically gathered and maintained in agency files for regular reporting purposes. HUD requires IHFA to report consistently on not only the proper and timely expenditure of grant funds, but also on the types of program activities being funded and their evidence of measurable outcomes. Reliable agency data, demographic data, service data, and outcomes data will be gathered and verified through HMIS or a comparable database used for reporting.

2.22 FAIR HOUSING AND EQUAL OPPORTUNITY

Subrecipients are required to ensure that CoC-funded services are made available to all eligible persons on a nondiscriminatory basis, and to publicize this fact. This availability must reach persons of any particular disability, race, color, religion, sex, age, familial status, sexual orientation, gender identity, or national origin within the subrecipient's service area.

2.23 RELOCATION AND DISPLACEMENT

Any CoC project that displaces residents is subject to the requirements of the Uniform Relocation Act. The costs of relocation assistance may be paid by CoC or from other funding sources. See the requirements at 24 CFR 578 for more detailed information.

2.24 FAITH BASED ORGANIZATIONS

Religious or faith-based organizations are eligible, on the same basis as any other organization, to participate in the CoC program. Grant funds may not be used for inherently religious activities such as worship or proselytizing; participants or prospective participants may not be discriminated against on the basis of religion or religious beliefs; services may not be limited on the basis of religious participation. Religious activities must be offered separately, in time or location, from grant funded activities but program participants may voluntarily take part in religious activities offered by the organization.

2.25 DOCUMENTATION

Subrecipients must establish written policies specific to recordkeeping (documenting eligibility, assessments at intake and re-evaluation). Subrecipients must maintain documentation on all households seeking assistance. If determined ineligible, documentation must reflect the reasons.

Sufficient records must be established and maintained to demonstrate that CoC requirements are being met. Documentation of participant eligibility and assistance provided must be retained for five (5) years after the expenditure of all funds from the grant under which the program participant was served.

2.26 PARTICIPANT FILES

Participant files should not only document project eligibility but should include a detailed record of the services provided to each participant and the program funds that supported each service. Any information requested on the APR should be a regular part of recordkeeping procedures for subrecipients. Participant files should reflect dates, types, program costs, etc. of all services in order to document both efficient grant management and the success of the project. Records should be retained for at least five years after the end of the grant period.

SECTION 3 PROGRAM ACTIVITIES

3.1 *ELIGIBLE ACTIVITIES*

Three program components can be funded through the CoC program:

- ◆ Permanent Housing
- ◆ Transitional Housing
- ◆ Homeless Management Information System

3.2 *PERMANENT HOUSING*

Permanent housing (PH) is defined a community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. The CoC Program may fund two types of permanent housing:

- ◆ Permanent supportive housing (PSH) which is permanent housing with indefinite leasing or rental assistance paired with services to help homeless people with disabilities achieve housing stability; and
- ◆ Rapid re-housing (RRH) a model that emphasizes housing search and relocation services and short and medium term rental assistance to move homeless people as rapidly as possible into permanent housing.

3.3 *TRANSITIONAL HOUSING*

The transitional housing (TH) component may be used to cover the costs of up to 24 months of housing with accompanying support services, providing a period of stability to enable homeless people to transition successfully to and maintain permanent housing with 24 months of program entry. Program participants must have a lease or occupancy agreement in place when residing in transitional housing.

3.4 *HMIS*

Funds under this component may be used only by HMIS leads for leasing a structure in which the HMIS operates, for operating the structure in which the HMIS is housed, and/or for covering other costs related to establishing and operating and customizing a CoC's HMIS. Other recipients and subrecipients may not apply for funds under the HMIS program component, but may include costs associated with contributing data to the CoC's HMIS within their project under another program component (PH, TH).

Victim service providers must not enter data into an HMIS but must use a comparable database. Legal services providers may use a comparable database. Information in a comparable database must not be entered directly into or provided to an HMIS. Costs to establish and operate a comparable database that complies with 24 CFR 578 if the subrecipient is a victim services provider or a legal services provider are also eligible.

3.5 *ELIGIBLE COSTS*

CoC Program funding can only be used to support eligible costs. Not all costs are eligible in each program component, and in some cases, certain costs cannot be combined in a structure. The following are eligible costs:

- ◆ Leasing costs – leasing is an eligible cost category under the PH, TH, and HMIS program components. Funds may be used to lease individual units or all or part of structures. Rents must be reasonable and, in the case of individual units, the rent paid may not exceed HUD determined fair market rents. Leasing funds may not be used for units or structures owned by the recipient,

subrecipient, their parent organization(s), any other related organization(s), or organizations that are members of a partnership where the partnership owns the structure without a HUD-authorized exception. When leasing funds are used to pay rent on units, the lease must be between the recipient or the subrecipient and the landowner, with a sublease or occupancy agreement with the program participant. The recipient may, but is not required to charge the program an occupancy charge.

- ◆ Rental assistance is an eligible cost category under the PH and TH program components and may be tenant-based (TBRA), sponsor-based (SBRA) or project-based (PBRA), depending upon the component type.

Rental assistance may be short-term, for up to 3 months; medium-term for 4-24 months; or long-term for more than 24 months. The length of assistance depends upon the component type under which the cost is funded. Recipients must serve as many program participants as shown in their funding application to HUD, but if the amount reserved for the term of the grant exceeds the amount needed to pay actual costs, the excess funds may be used to cover property damage, rent increases, or the rental needs of a greater number of program participants.

Rental assistance for a unit vacated by a program participant before the end of the lease may continue for a maximum of 30 days from the end of the month in which the unit was vacated. No additional rental assistance may be paid until the unit is occupied by another eligible person. Property damage costs may be provided only once per program participant per unit and only at exit from a housing unit (i.e., not during tenancy).

When rental assistance funds are used to pay rent on units, the lease must be between the program participant and the landowner. Each program participant on whose behalf rental assistance payments are made, must pay a contribution toward rent consistent with the requirements of the interim rule.

- ◆ Supportive Services Costs – Supportive services are eligible costs under the PH and TH program components. Eligible types of supportive services are:
 - Annual assessment of service needs
 - Assistance with moving costs
 - Case management
 - Child care operations or vouchers
 - Education services
 - Employment assistance and job training
 - Food (meals or groceries for program participants)
 - Housing search and counseling
 - Life skills training
 - Outpatient mental health services
 - Outpatient health services
 - Outreach services
 - Outpatient substance abuse treatment services
 - Transportation
 - Utility deposits

Any cost not listed above is ineligible. As in the past, services must be offered to residents of PSH and TH for the full period of their residence.

Services may be provided to formerly homeless individuals for up to six months after their exit from homelessness, including the six months following exit from a transitional housing project. Recipients and subrecipients continue to be required to perform an annual assessment of the service needs of their program participants and to adjust services accordingly. Eligible costs include the cost of providing services, the salary and benefits of staff providing services, and materials and supplies used in providing services.

- ◆ Operating Costs – Operating costs are eligible under the PH, TH and HMIS program components. Funds may be used to pay the day-to-day operating costs in a single structure or individual housing units, including maintenance (such as scheduled replacement of major systems), repair, building security (when CoC Program funds pay for more than 50% of the facility by unit or area), electricity, gas, water, furniture, equipment, property insurance and taxes. These costs may not be combined with rental assistance costs within the same structure and operating costs are not eligible under the SSO program component.
- ◆ Costs related to contributing client data to or maintaining data in the CoC’s HMIS or a comparable database for victim services providers or legal service providers are eligible costs under the PH, TH, SSO, and HMIS program components. Eligible HMIS costs include hardware, equipment and software costs, training and overhead; and staffing costs associated with contributing data to the HMIS designated by the CoC for its geographic area.
- ◆ Project Administration- Recipients and subrecipients may use up to 10% of any grant, excluding the amount of CoC planning and UFA costs established through the CoC Program NOFA for project administrative costs. These costs include expenses related to the overall administration of the grant (24 CFR part 578.59), such as management, coordination, monitoring, and evaluation activities and environmental review. Costs for staff and other overhead expenses directly associated with carrying out activities under any of the CoC program components are not considered administrative costs. Instead, they are considered eligible costs under the applicable CoC program component.

SECTION 4 MONITORING

4.1 DEFINITION OF HOMELESSNESS

Under the CoC grant there are four categories of homelessness and different documentation required for each type, as follows:

Category 1 Literally Homeless

- ◆ An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

- An individual or family living in a supervised 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, or local government programs for low-income individuals); or
- An individual who is exiting an institution where he or she 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;

Category 2 Imminent Risk of Homelessness

◆ An individual or family who will imminently lose their primary nighttime residence, provided that:

- Residence will be lost within 14 days of the date of application for homeless assistance;
- No subsequent residence has been identified; and
- The individual or family lacks the resources or support networks needed to obtain other permanent housing

Category 3 Homeless under other Federal statutes (Idaho's Continuum of Care is not approved to use this category)

◆ Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

- Are defined as homeless under the other listed federal statutes;
- Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
- Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and
- Can be expected to continue in such status for an extended period of time due to special needs or barriers

Category 4 Fleeing/Attempting to Flee Domestic Violence

◆ Any individual or family who:

- 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 a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- Has no other residence; and
- Lacks the resources or support networks, e.g., family, friends, and faith based or other social networks, to obtain other permanent housing.

Every participant served by COC funds must qualify for assistance according to HUD standards. Subrecipients are responsible for determining this eligibility status for both homeless participants and those at risk of homelessness. This documentation may come from either the participant or a third party information source (the preferred source) and is typically obtained at intake, entry, or referral by another ESG service provider. A copy of the documentation must be kept in the participant file and made available to IHFA or HUD for monitoring or risk analysis purposes. Third party verification of homelessness status should be the primary method of documentation.

4.2 DOCUMENTATION OF HOMELESSNESS

Category 1 Literally Homeless

- ◆ Written observation by the outreach worker; or
- ◆ Written referral by another housing or service provider; or
- ◆ Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter;
- ◆ For individuals exiting an institution – one of the forms above or
- ◆ Written record of intake worker’s due diligence to individual that they exited institution

Category 2 Imminent Risk of Homelessness

- ◆ A court order resulting from an eviction action notifying the individual or family that they must leave; or
- ◆ For individual and families leaving a hotel or motel – evidence that they lack the financial resources to stay; or
- ◆ A documented and verified oral statement; and
- ◆ Certification that no subsequent residence has been identified; and
- ◆ Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing.

Category 3 Homeless under other Federal statutes

- ◆ Certification by the nonprofit or state or local government that the individual or head of household seeking assistance met the criteria of homelessness under another federal statute; and
- ◆ Certification of no permanent housing in last 60 days; and
- ◆ Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days; and
- ◆ Documentation of special needs or 2 or more barriers

Category 4 Fleeing/Attempting to Flee Domestic Violence

- ◆ For victim service providers:
 - An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker.
- ◆ For non-victim service providers
 - Oral statements by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and
 - Certification by the individual or head of household that no subsequent residence has been identified; and
 - Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

4.3 DEFINITION OF AT-RISK HOMELESS STATUS

Category 1 Individuals and Families

- ◆ An individual or family who:
 - ◆ Has an annual income below 30% of median family income for the area; AND
 - ◆ Does not have sufficient resources or support networks immediately available to prevent them from
 - ◆ moving to an emergency shelter or another place defined in Category 1 of the “homeless” definition; AND

- ◆ Meets one of the following conditions:
 - Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR
 - Is living in the home of another because of economic hardship; OR
 - Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; OR
 - Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals; OR
 - Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room; OR
 - Is exiting a publicly funded institution or system of care; OR
 - Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved Con Plan

Category 2 Unaccompanied Children and Youth

- ◆ A child or youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under another Federal statute

Category 3 Families with Children and Youth

- ◆ An unaccompanied youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or guardian(s) or that child or youth if living with him or her.

4.4 DOCUMENTATION OF AT-RISK STATUS

Category 1 Individuals and Families

- ◆ Written observation by the outreach worker; or
- ◆ Written referral by another housing or service provider; or
- ◆ Certification by the individual or head of household seeking assistance stating that (s)he is at imminent risk of homelessness; or
- ◆ A documented and verified oral statement; and
- ◆ Certification that no subsequent residence has been identified; and
- ◆ Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing.

Category 2 Unaccompanied Children and Youth

- ◆ Certification by the nonprofit or state or local government that the individual or household seeking assistance met the criteria of homelessness under another federal statute; and
- ◆ Certification of no permanent housing in last 60 days; and
- ◆ Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days; and
- ◆ Documentation of special needs or 2 or more barriers

Category 3 Families with Children and Youth

- ◆ Certification by the nonprofit or state or local government that the individual or head of household seeking assistance met the criteria of homelessness under another federal statute; and
- ◆ Certification of no permanent housing in last 60 days; and
- ◆ Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days; and

- ◆ Documentation of special needs or 2 or more barriers.

4.5 QUALIFICATION FOR ASSISTANCE

Documentation of homelessness is necessary for participants to receive CoC services, including those who have TH and PH. Qualification for assistance requires information on the person's prior living situation.

4.6 PROOF OF PAYMENT

Proof of payment will be verified at the time of monitoring. This may come in the form of copied checks or from check numbers written on each receipt. In the event that check numbers are written on receipts as proof of payment, agency draw files should be set up so that IHFA or HUD may easily verify these numbers at an onsite-monitoring visit.

4.7 PERFORMANCE REPORTING

IHFA requires subrecipients to submit necessary reports. IHFA will notify subrecipients when reports are due and provide parameters. The information reported must match the data entered by the subrecipients in HMIS or a comparable database.

4.8 RISK ANALYSIS AND MONITORING

Using techniques, guidelines, and federal regulations at 24 CFR Part 578, IHFA has developed a process to ensure compliance with federal regulations, using the following:

- ◆ Grant Agreement - IHFA incorporates regulatory standards that are areas of concern to HUD. These agreements are authorized by subrecipients and represent their willingness to comply.
- ◆ Draw Process - IHFA's draw process for reimbursement of funds includes various areas of compliance required by HUD regarding budget and accounting procedures.
- ◆ Reporting – Necessary reports as required by IHFA, and directly related to compliance requirements.
- ◆ Risk Analysis - The desk audit is the first step in monitoring project sponsors each year. Compliance issues considered on this assessment will be combined with any non-compliance noted during the above grant processes to determine whether an onsite visit will be necessary.
- ◆ Onsite Monitor - These visits are for certain aspects of compliance, such as facility inspections, equipment inventory, review of participant files and accounting records that cannot be monitored by other components of the grant process. The onsite compliance monitor also serves as an opportunity for IHFA to follow up on any non-compliance issues previously revealed during the grant implementation process and/or reported on the risk analysis report.

4.9 NON-COMPLIANCE

IHFA is responsible for ensuring compliance by subrecipients found to be out of compliance with program requirements. Actions may include but are not limited to:

- ◆ A written warning
- ◆ A hold on processing IHFA Special Needs programs requests for funds
- ◆ Conditioning a future grant
- ◆ Directives to stop incurring ineligible costs
- ◆ Retraction of remaining grant funds
- ◆ Requirement to repay grant amounts spent on ineligible activities

- ◆ Reducing the level of funds a subrecipient may receive
- ◆ Electing not to provide future funds until appropriate actions are taken to ensure compliance
- ◆ A written warning
- ◆ A hold on processing IHFA Special Needs programs requests for funds
- ◆ Conditioning a future grant
- ◆ Directives to stop incurring ineligible costs
- ◆ Retraction of remaining grant funds
- ◆ Requirement to repay grant amounts spent on ineligible activities
- ◆ Reducing the level of funds a subrecipient may receive
- ◆ Electing not to provide future funds until appropriate actions are taken to ensure compliance