CoC Program Match Overview

Long Island Continuum of Care

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Welcome and Introductions

Agenda Review

Disclaimer:

This training is only applicable to Long Island Continuum of Care.

While the information included in this presentation is primarily from HUD published materials and reflects HUD requirements it may also incorporates local requirements and processes.

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Logistics

- Everyone is muted at entry
- During presentation you can ask questions in the "Q & A" box
- We will be unmuting the phone lines a key times for verbal questions.
- PLEASE mute your line if you are in busy location so no background noise comes through when we unmute
- Please do not put your phone line on hold so that we can hear any verbal questions that are asked.

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Overall Objective

Attendees will gain knowledge and understanding about the CoC Program interim rule requirements and responsibilities for matching funds related to project operation and grant administration.

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Program Components and Eligible Costs

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Program Components: PH

- Community-based housing without a designated length of stay
- Includes both Permanent Supportive Housing (PSH) and Rapid Re-Housing (RRH)
- Program participant must be a tenant on a lease/sublease for a term of at least one year
  - The lease/sublease must be renewable for terms that are a minimum of one month long, terminated only for cause

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Program Components: PH:PSH

- Community-based housing without a designated length of stay
- Long-term housing assistance where supportive services are provided to assist individuals or families experiencing homelessness with a disability to live independently
- Assistance can only be provided to individuals and families experiencing homelessness in which one adult or child has a disability
- Program participant must be a tenant on a lease/sublease for a term of at least one year
  - The lease/sublease must be renewable for terms that are a minimum of one month long, terminated only for cause

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Program Components PH:RRH

- Tenant-based rental assistance for up to 24 months
- Supportive services to assist program participants to obtain and maintain stability in permanent housing
- Program participant must be a tenant on a lease/sublease for a term of at least one year
  - The lease/sublease must be renewable for terms that are a minimum of one month long, terminated only for cause
- In FY 2017, significant changes were made to who can be served by a new or renewal RRH project.

Program Component Resources

- CoC Toolkit: CoC Program and Eligible Costs
- Overview of CoC Program Components and Eligible Costs
- Joint TH-RRH
  - CoC Program Joint Component Funding: Project Setup and Reporting in HMIS
  - SNAPS In Focus: The New Joint Transitional Housing and Rapid Re-housing Component
  - Joint TH-RRH Component Projects Webinar on 6/18/19 – look for recording to be posted
- DedicatedPLUS
  - FY 2018 CoC Competition Focus: DedicatedPLUS - Explaining the New Strategy for Ending Chronic Homelessness

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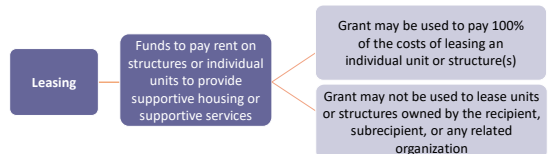
Eligible Costs

	Program Components					
	Permanent Housing		TH	TH-RRH	SSO	HMIS
Eligible Costs	PH: PSH	PH: RRH				
Acquisition	✔		✔		✔	
Rehabilitation	✔		✔		✔	
New construction	✔		✔			
Leasing	✔		✔	✔	✔	
Rental assistance	✔	✔	✔	✔		
Supportive services	✔	✔	✔	✔	✔	
Operating costs	✔		✔	✔		
HMIS	✔	✔	✔	✔	✔	✔
Project administration	✔	✔	✔	✔	✔	✔

Eligible vs. Approved Costs

Eligible	Approved
All costs included in the CoC Program interim rule	• Each project has approved budget line items
	• Recipients may only spend CoC Program funds on approved costs
	• HUD approval is required to amend the budget to spend money on CoC Program eligible costs other than those that were included in the project budget approved through the application process, unless the change represents less than 10% of the budget line item.

Eligible Costs – Leasing

Leasing → Funds to pay rent on structures or individual units to provide supportive housing or supportive services →
- Grant may be used to pay 100% of the costs of leasing an individual unit or structure(s)
- Grant may not be used to lease units or structures owned by the recipient, subrecipient, or any related organization
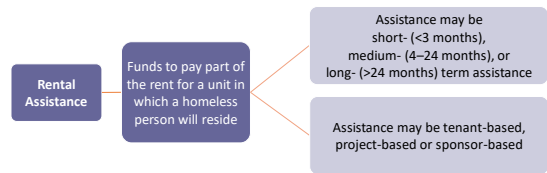
Eligible Costs under PH: PSH, TH, TH-RRH and SSO

Other Eligible Leasing Costs

- Security deposits
  - Up to two month's rent
- First and last month's rent of an individual unit
- Leasing Vacant Units
  - Recipient or subrecipient may pay rent on vacant units until a new program participant moves in

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Eligible Costs – Rental Assistance

| Rental Assistance | Funds to pay part of the rent for a unit in which a homeless person will reside | Assistance may be short- (<3 months), medium- (4–24 months), or long- (>24 months) term assistance |
| | | Assistance may be tenant-based, project-based or sponsor-based |

Eligible Costs under PH, TH, and TH-RRH

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Other Eligible Rental Assistance Costs

- First and last month's rent
- Security deposits (up to 2 months rent)
- Property damages (up to 1 month) – NOT RRH
- Vacancy payments (up to 30 days)
- Staff and overhead costs directly related to carrying out rental assistance activities (e.g., HQS inspections, writing rent checks)
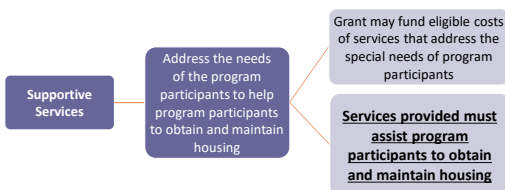
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Rental Assistance Administrative Costs

Rental assistance costs can also include:
- Processing rental payments to landlords
- Examining participant income and family composition
- Providing housing information and assistance
- Inspecting units for compliance with housing quality standards
- Receiving new participants into the program

Expenses can be paid by:
- Using matching funds
- If the project is not 100 percent leased, rental assistance funds may be used
- Or if the project is 100 percent leased but the project is paying at below FMR rates, then it may use the excess grant funds

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Eligible Costs – Supportive Services

| Supportive Services | Address the needs of the program participants to help program participants to obtain and maintain housing | Grant may fund eligible costs of services that address the special needs of program participants |
| | | **Services provided must assist program participants to obtain and maintain housing** |

Eligible Costs under PH, TH, SSO

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Eligible Costs – Supportive Services

- In general, grant funds may be used **only** on those services listed in the CoC Program interim rule:

  - Assessing service needs
  - Moving costs
  - Case management
  - Child care
  - Education services
  - Employment assistance & job training
  - Food (no longer an eligible operating cost)
  - Housing search & counseling services
  - Legal services
  - Life skills training
  - Mental health services
  - Outpatient health services
  - Outreach services
  - Substance abuse treatment services
  - Transportation
  - Utility deposits

Grant may also fund staff and overhead costs directly related to carry out these activities

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Eligible HMIS Costs

- Any project may have an HMIS budget line item for costs associated with HMIS data collection.
- Eligible HMIS data collection costs:
  - Purchasing or leasing computer hardware, software and/or software licenses
  - Leasing office space, equipment, furniture, and utilities for HMIS activities
  - Salaries, operating costs, and duties as required to operate an HMIS
  - Trainings related to the use of HMIS
  - Reporting to CoC on HMIS

Eligible Costs – Project Administration

- Project administration funds can be used to conduct:
  - General management, oversight and coordination
  - Training on CoC requirements
  - Environmental review
- Recipients are required to share at least 50% of project administrative funds with subrecipients.
- Costs of carrying out other eligible activities should be charged to those budget line items, NOT project administration.

Eligible Activity under ALL Components

Eligible Cost Resources

- Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Overview of Program Components and Eligible Costs

QUESTIONS

Match

Understanding Match

- Must be cash or in-kind contributions
- Covers eligible costs of the project
- Costs incurred by a partner organization to provide "in kind" services to program participants must be documented by an MOU prior to grant agreement execution
- Program income can be used as match
  - Note: Typically only projects with leasing or operating budgets may generate program income

What is Cash Match?

- Cash match is the actual cash received and spent by the recipient or subrecipient on eligible activities *(Subpart D, Section 578.73(b)) – FAQ 1555*

- Agencies accounting system must clearly demonstrate cash match including:
  - source of cash
  - expenditures on eligible activities

- The cash match revenue and expenditure must be clearly documented in the general ledger so that the recipient can clearly prove that the cash match was received and spent on the CoC Program project activities and not on other agency-related expenses

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What is In-Kind Match?

- In-kind match is the value of any real property, equipment, goods, or services contributed to a CoC Program grant that would have been eligible costs under the CoC Program if the recipient/subrecipient was required to pay for such costs with CoC Program grant funds. *(FAQ 1554)*

- Goods and/or services provided by another project to the CoC Program project.

- In-kind match resources may be internal or external to the agency

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What Is Not Match?

- Cash or any in-kind contribution used as match for another grant
- Cash or in-kind contributions statutorily prohibited as match or ineligible under that program's requirements
- In-kind services provided without an MOU
- Program Participant Savings
  - Savings belong to the program participant, not the recipient or subrecipient
- Federal benefits provided directly to the program participant (e.g. food stamps)

Match Requirements

- Must be able to document all costs using the same policies and procedures used to document CoC Program funding
- Match requirement – 25% cash or in-kind for all line items except leasing
- Match is provided to the CoC Program grant – not to a specific budget line item
- Matching funds can only be used on eligible CoC Program costs

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Match Examples

Without Leasing Funds	
Supportive Services	$25,000
Rental Assistance	$20,000
Project Admin (10%)	$4,500
Grant Total	$49,500
Required Match $12,375 (25% $49,500)	

With Leasing Funds	
Supportive Services	$25,000
Leasing	$20,000
Project Admin (10%)	$4,500
Subtotal (w/o leasing) $29,500	
Required Match $7,375 (25% $29,500)	

Match and Budget Line Items

Cost	CoC Program Funds	Match	Total
Operating	$100,000	$0	$100,000
Services	$0	$25,000	$25,000
Project Administration	$10,000	$2,500	$12,500
Total	$110,000	$27,500	$137,500

Examples of Sources of Cash Match

- Recipient/subrecipient's own cash

- Federal government grants/contracts

- State and local government grants/contracts

- Private grants or contributions

Examples of Match Sources

- United Way gives the grantee $15,000 to fund <u>case management services</u> at the HUD funded project?
- Project recipient or subrecipient enters into an MOU with Victory Inc. to provide <u>substance abuse counseling</u>
- Sponsor uses a <u>donated van</u> to transport clients to job training, GED classes, and weekend movies
- DOL provides recipient with a contract to pay for the <u>gas</u> to transport clients to job training, GED classes, and weekend movies

QUESTIONS

Recordkeeping and Monitoring Requirements

Recordkeeping Requirements

Homelessness Status	Records of Reasonable Belief of Imminent Threat of Harm	Annual Income	Program Participant Records
Housing Standards	Services Provided	Subrecipients and Contractors	Conflicts of Interest
Homeless Participation	Faith-Based Activities	Affirmatively Furthering Fair Housing	Other Federal Requirements

Match

Recordkeeping Requirements

- Recipients and subrecipients must:
  - Obtain documentation from qualified source(s) in accordance with the requirements of the interim rule
  - Maintain the records in your organization, project, and program participant files

Match Documentation Steps

- Project Application
  - Initial commitments and scope of match
- Project Award
  - Confirmation of initial projections, formal agreements
- Project term
  - Is cash match being expended?
  - Are in-kind services being utilized?
  - Do participant records have documentation to prove services are happening?
  - Are financial tracking systems in place to 'prove' provision of eligible match activity?

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Match Documentation

- New projects must document formal match agreement (e.g., MOU for in-kind) prior to grant agreement. Renewal projects must provide it to the field office upon request.
- If recipient needs to change its in-kind matching source, the match agreement must be in place before a new source can be counted as match.
- Must demonstrate match is spent on eligible activities and incurred within the grant period.
- Must keep source documentation (e.g., MOU) on file for review when needed.

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Cash Match Documentation – FAQ 1559

- Cash match should be substantiated with written documentation provided on the source agency's letterhead, signed, and dated by an authorized representative.
- Documentation must include:
  - Amount of cash to be provided for the project
  - Specific date the cash will be made available
  - Actual grant and fiscal year to which the cash match will be contributed
  - Allowable activities to be funded by the cash match

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In-kind Goods Match Documentation – FAQ 1560

- In-kind donations must be substantiated with written documentation provided on the source agency's letterhead, signed, and dated by an authorized representative.
- Documentation must include:
  - Description and value of the donated goods
  - Specific date and grant (including fiscal year) for which the goods will be contributed
  - Method used to determine the value of the donation

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In-kind Services Match Documentation

- An MOU for In-kind Services must be in place prior to provision of the service.
- The MOU must:
  - Provide an unconditional commitment to provide the service
  - Describe the specific service to be provided
  - Indicate the profession of persons providing the service and hourly cost of the service
  - The timeframe in which services will be provided
  - The system that will be used to document the actual level and value of services as provided

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In-Kind Services MOU Content – FAQ 1562

- Agency Information:
  - Recipient's/subrecipient's identifying information with point(s) of contact
  - Service provider's identifying information with point(s) of contact
- Unconditional Commitment of Third Party Provider to Provide the Service
- Description of Services to Be Provided
- Scope of Services to Be Provided and by Whom
  - Specific contract to be matched
  - Length of time services provided/term of contract
  - Point-in-time number of clients receiving service
  - Total clients receiving service over grant term
  - Qualification of persons providing service
  - Estimated value of services provided (such as hourly rate)
- Documentation of Services Match
  - Documentation requirements and responsibilities of service provider and recipient
  - Timeliness standards of service provider and recipient for providing services to individuals

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Example:
Cash Match Documentation Example

Good matching
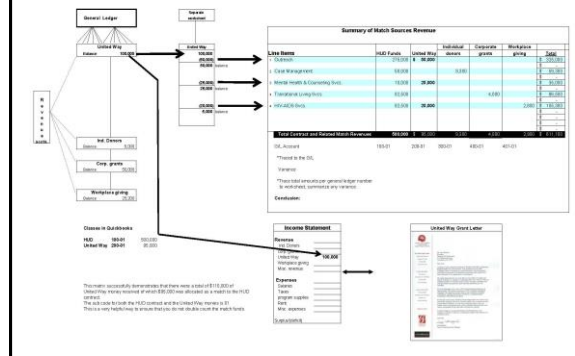
Bad matching
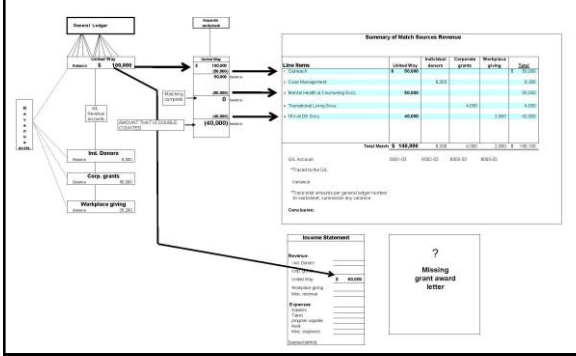
Strategies for Documenting Match

- Implement quarterly review to ensure system are working and participants are accessing match covered activies
- Provide partner agencies with uniform guidance including tracking format form when possible
- Obtain third party billing data as initial review of matching service provided
- Maintain timesheets for services provided by recipient or subrecipient

Recipient Monitoring of Compliance

Monitoring

- Purpose – To determine that grant activities are implemented in compliance with:
  - CoC Program interim rule
  - NOFA
  - Grant agreement
  - OMB Supercircular and other programmatic guidance
- CoCs are responsible for monitoring recipient performance
- Recipients must monitor subrecipients annually
- Recipients and subrecipients should monitor themselves at least annually
- Review can be remote or on-site

Common Monitoring Findings: Match

- Appropriate and sufficient match must be provided and documented
- Example compliance issues:
  - Insufficient match
  - In-kind services provided by a third-party counted as match but not provided under an MOU
  - Inadequate tracking and documentation of match

Common Monitoring Findings: Financial Documentation

- Financial systems must be adequate and financial documentation must be present
- Example compliance issues:
  - Missing or insufficient documentation for incurred expenses and/or ineligible expenses
  - Drawing part of grant from e-LOCCS each month with no support documentation
  - Reimbursement of expenses incurred outside of grant term
  - Insufficient subrecipient financial documentation
  - Salary costs are not tied to an eligible grant expense
  - Rent it paid to someone who is not the property owner or their agent

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Common Monitoring Findings: Staff Time Distribution

- Staff time and associated costs that are charged to project must be explicitly tracked by eligible activity
- Example compliance issues:
  - No records documenting the specific hours staff worked
  - Timesheets are not signed or date by supervisor
  - Staff time records do not indicate how the time relates to eligible activities
    - Salary costs must be directly linked to serving program participants or other eligible costs in the CoC Program
  - Records do not demonstrate that case managers worked with program participants during time charged to the project
  - Records do not show costs documentation associated with staff time charged to the project
    - Specific cost documentation, such as payroll, must be used to substantiate the amount drawn
    - Grant draws must be based on actual, rather than estimated fringe

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HUD Exchange Resources

- HUD Exchange Website Home Page
- CoC Program Page
- CoC Program Toolkit Page
- Frequently Asked Questions – CoC Program
- Ask A Question on HUD Exchange
- Join a Mailing List on HUD Exchange
- CoC GIS Tools

QUESTIONS

Match Resources

- Importance of Documenting Match Under the CoC Program Podcast
- Match Requirements in the CoC Program Video
- CoC Match FAQs: https://www.hudexchange.info/coc/faqs/
  - *CoC Program/Program Management/Program Requirements/Match*
- Cash Match FAQ
  - https://www.hudexchange.info/faqs/1559/what-are-the-documentation-requirements-for-cash-match/
- In-Kind Goods and Equipment FAQ
  - https://www.hudexchange.info/faqs/1560/what-are-the-documentation-requirements-for-in-kind-goods-and-equipment/
- In-Kind Services MOU Requirements FAQ
  - https://www.hudexchange.info/faqs/1562/what-are-the-minimum-requirements-of-a-memorandum-of-understanding/