

# 2021 Emergency Solutions Grants

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## CARES Act – Part II Grantee Workshop

March 23, 2021



# Grant Terms

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- The grant term begins October 1, 2020
  - The grant end date for shelter activities January 31, 2022
  - The grant end date for non-shelter activities June 30<sup>th</sup> 2022
  - Please be sure you have been environmentally cleared by THDA or local government.
  - THDA will advance funds for ESG-CV2.

# Grant Terms

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- THDA must have your executed contract back before you can request advance funding or reimbursement requests.
  - Reporting dates are outline in attachment B of your contract.
  - ESG grants are not automatically renewed!!

# Financial Information

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- New Grantees must submit ACH bank information using Supplier Direct Deposit Authorization Form to Edison Supplier Maintenance.
- Form must include original signatures.



# Financial Information

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- Must submit W-9 form with ACH to F&A at address listed on ACH form:

State of Tennessee

Attn: Supplier Maintenance

21st Floor WRS Tennessee Tower

312 Rosa L Parks Ave

Nashville, TN 37243

Do not send a copy to THDA, but email Remittance Advice Form to: [esg@thda.org](mailto:esg@thda.org)

# Financial Information

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- Account approval at F&A takes at least 30 days!
- If a banking change occurs throughout the grant year, new forms must be submitted to F&A to change account. This action will delay payment from THDA.

# Authorized Signature Form

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- Authorized Signatures will be done in the Grants Management System (GMS) this year.
- NOTE: Individual authorizing signatures will be able to be changed in the system as needed throughout the grant term.

# Contract Requirements

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- Practice and Post Non-Discrimination Policies.
  - Post notice of receipt of ESG funds using contract language.
  - Include fair housing and ADA logos on All Informational Material.
  - Maintain and Implement Drug Free Workplace Policy.
  - Be aware of Contract Term.
  - Avoid Conflicts of Interest.



# Contract Requirements

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## **Compliance to the ESG regulations**



# Contract Requirements

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- ESG Written Policies and Procedures:
    - Each grantee should have submitted their ESG written policies and procedures during the application process to the Grants Management System. Grantees should have written policies and procedures for program activities funded by ESG. Policies and Procedures must correspond with CoC's ESG policies.

Grantees must consistently follow their policies.

# Contract Requirements

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- HMIS reporting requirements – we will check for compliance!

# Contract

# Requirements

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- Grantees must maintain documentation of their efforts to work within the centralized Continuum of Care, including:
  - Referrals to relevant agencies that may be able to assist clients.
  - Implementation of CoC's coordinated intake procedures.
  - Attendance at CoC meetings and trainings.

# Contract Requirements

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- **Affirmative Outreach:**
    - Grantees must make known its services are available on a non-discriminatory basis and make every effort to ensure effective communication with persons with disabilities or persons with Limited English Proficiency (LEP).

# Contract Requirements

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- Individuals and families experiencing homelessness must not be required to receive treatment or perform *any* other prerequisite activities as a condition for receiving shelter, rental assistance, or other services provided with ESG-CV funds.

# Contract Requirements

## ➤ Faith-Based Activities

- May not engage in inherently religious activities such as worship, religious instruction or proselytization as part of the ESG funded activities.
- These activities may be offered separately from ESG activities and must be voluntary.
- May not discriminate against participants based on religion or belief.

# Contract

# Attachments

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- Attachment A: Look for required documentation that may need to be submitted before disbursement of funds.
- Attachment B: Schedule of Activities
- Attachment C: Review budget to ensure allocated funds are correct and in the right categories.



# Environmental Review (ER)

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- Cities will complete the ER for its subrecipients.
  - THDA has completed the ER review for most grantees.  
Please make sure your contract email states that you have been cleared environmentally.



# New ESG-Cares Components

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- Advance Funding
- Landlord Incentives
- Hazard Pay
- Volunteer Incentives
- Training

# Advance Funding

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THDA will advance 20% of the grant amount to each grantee that makes an advance funding request.

**- Advance funding must be spent within 30 days, no extensions or flexibilities will be provided to this timeline.**

THDA will have an advance funding workshop to go over more details at a later date.

# Landlord Incentives

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Landlord incentives are an eligible cost under ESG-Cares funding. However, a recipient may not use ESG-CV funds to pay the landlord incentives set forth below in an amount that exceeds three times the rent charged for the unit. Eligible landlord incentive costs include:

- (i) Signing bonuses equal to up to 2 months of rent;
- (ii) Security deposits equal to up to 3 months of rent;
- (iii) Paying the cost to repair damages incurred by the program participant not covered by the security deposit or that are incurred while the program participant is still residing in the unit; and,
- (iv) Paying the costs of extra cleaning or maintenance of a program participant's unit or appliances.

# Landlord Incentives continued

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THDA will require a landlord incentive policy that will need to be approved by THDA ESG staff before a grantee can submit a pay request for reimbursement or advance funding. Once a landlord incentive policy has been approved if there is a need to change the approved landlord incentive policy the grantee must reach out to THDA at [esg@thda.org](mailto:esg@thda.org) to be advised on next steps.

# Hazard Pay

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As permitted by the CARES Act, funds may be used to pay hazard pay for staff working directly to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness. Examples staff working directly in support of coronavirus response include emergency shelter intake staff, street outreach teams, emergency shelter maintenance staff, emergency shelter security staff, staff providing essential services (e.g., outpatient health or mental health, housing navigators), and staff in proximity to persons with coronavirus or working in locations with a high likelihood of contracting coronavirus.

# Hazard Pay continued

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THDA will require hazard pay policy that will need to be approved by THDA ESG staff before a grantee can submit a pay request for reimbursement or advance funding. Once the hazard pay policy has been approved if there is a need to change the approved hazard pay policy the grantee must reach out to THDA at [esg@thda.org](mailto:esg@thda.org) to be advised on next steps.

# Volunteer Incentives

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Volunteer incentives are an eligible cost under ESG-Cares funding for cost of providing reasonable incentives to volunteers (e.g., cash or gift cards) who have been and are currently helping to provide necessary street outreach, emergency shelter, essential services, and housing relocation and stabilization services during the coronavirus outbreak.



# Volunteer Incentives continued

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THDA will require volunteer incentive policy that will need to be approved by THDA ESG staff before a grantee can submit a pay request for reimbursement or advance funding. Once the volunteer incentive policy has been approved if there is a need to change the approved volunteer incentive policy the grantee must reach out to THDA at [esg@thda.org](mailto:esg@thda.org) to be advised on next steps.

# Training

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*Training.* As permitted by the CARES Act, ESG-CV funds may be used for training on infectious disease prevention and mitigation for staff working directly to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness and the use of funding shall not be considered administrative costs.

# ESG Payment Request Process

- The pay request and advance payment process will take place in the Grants Management System (GMS). We will have a pay request user guide and a quick tutorial that will be available at a later date.



# ESG Pay Requests

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- THDA has temporarily waived the following requirements:
    - Pay requests are due monthly!
    - THDA will not accept pay requests for costs that are over 60 days.



# ESG Pay Requests

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- Upon receipt, two THDA staff will review pay request and fill out voucher for payment.
- After Director's review and approval, the pay request is submitted to fiscal for reimbursement.

# ESG Pay Requests

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- Reimbursement will be deposited directly in grantee's account, typically within 2 weeks, no later than 30 days after receipt of a complete draw request.
  - Holidays slow the process, so plan ahead for your reimbursements.

# ESG Pay Requests

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- May bill for both Direct and Indirect Costs.
- Direct Costs:
  - Costs for employee wages, travel, equipment, materials and services furnished specifically for the ESG grant.

# ESG Pay Requests

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- Indirect Costs:
  - Costs incurred for rent, office supplies, insurance, utilities, etc... that benefit more than one program.
  - ESG can only pay its percentage of total indirect costs according to the agency's approved cost allocation plan.
  - If indirect costs will be billed, Grantee must provide letter citing from their cost allocation plan the percentage of indirect costs that may be billed to ESG and must provide copy of cost allocation plan.



# Back Up

# Documentation

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## ➤ Shelter/Street Outreach Expenses:

- Copy of bills, invoices, copy of checks, etc... to show items or services paid by the Grantee. \*ESG is a reimbursement grant.

Documentation is required with every draw request.

# Back Up

# Documentation

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- Please explain who is being paid and what percentage of time is billed to ESG. For example:

Salaries and benefits.....\$4,351

Jane Doe – 75% shelter, 25% HMIS

John Smith – 50% RRH, 50% Prevention

# Back Up

# Documentation

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- HUD requires ALL employees whose time is billed to ESG to maintain time and attendance records. This standard includes exempt employees.
- Salaries (under any category): For the first pay request only, please submit copies of timesheets for all employees charged under ESG.

# Back Up

# Documentation

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- For Prevention and Rapid Rehousing Financial Assistance:
  - Client name or identification number
  - Client's address
  - Date of financial assistance

# Back Up

# Documentation

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- Prevention and Rapid Rehousing Financial Assistance:
  - Amount of assistance
  - What expense was for (application, deposit, rent, moving expenses, utilities, etc...)
  - Vendor Name: To whom was the check written?

# Back Up

# Documentation

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- Transportation: Grantees may charge mileage for personal vehicles but mileage logs must be submitted with each pay request. Grantees may invoice gas grantee must submit gas receipt with each pay request. Maintenance bills for agency-owned vehicles required.



# Common Problems

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- Timesheets are not included in first draw.
- Indirect costs are charged with no approved cost allocation plan submitted to THDA.
- Backup documentation does not support expenses charged.
- Salaries are not explained.
- Mileage logs are not included.
- Expenses are ineligible.



# Common Problems

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- HP/RRH information (date, vendor, client ID, amount) is not listed.
  - HP/RRH financial assistance given to public housing units is not identified as deposit only.
  - HP/RRH financial assistance is not separated.
  - Match is not documented.



ESG

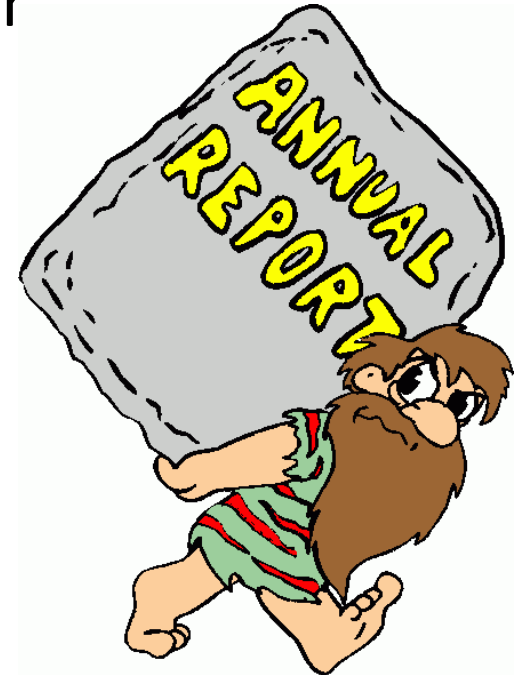
Match

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- ESG Cares funding does *not* require match

# Reporting Requirements

- Quarterly Reports are still required for each grantee. THDA will withhold payment of pay requests if Quarterly reports are not received timely.
- Reporting to HUD through SAGE is required at the end of the grant year.



# ESG

## Closeout

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- Final draws must be submitted by Grantee within 45 days from the end of the grant term:
- February 28, 2022 for shelter activities
- August 15, 2022 for non shelter activities
- ESG records must be kept by Grantee for a period of 5 years from the end of the grant term.

# Street Outreach

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- Caseworkers should keep some documentation of daily activities in the form of a calendar or generalized case notes.

# Shelter Services

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- The shelter may be limited to families with children, but if it serves families with children, the shelter must serve all families with children. The shelter may not separate based on the age of a child under 18, regardless of gender).

# Shelter Services

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- If the shelter serves at least one family with a child under the age of 18, the shelter may exclude registered sex offenders and persons with a criminal record that includes a violent crime so long as the child is served in the shelter.

# Shelter Services – Gender Identity

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- HUD assumes that a grantee will make decisions about eligibility for or placement into single-sex emergency shelters in a shelter that corresponds to the gender with which the person identifies, taking health and safety concerns into consideration.

# Shelter Services – Gender Identity

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- A client's or potential client's own views with respect to personal health and safety should be given serious consideration in making the placement.
  - For instance, if the potential client requests to be placed based on his or her sex assigned at birth, HUD assumes that the provider will place the individual in accordance with that request.



# Shelter Services – Gender Identity

- HUD assumes that a provider will not make an assignment or re-assignment based on complaints of another person when the sole stated basis of the complaint is a client or potential client's non-conformance with gender stereotypes.



# Basic Client File

## Documents

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- Verification of homelessness/Risk – Must be signed by staff!
  1. Third party reference
  2. Staff certification / intake observations
  3. Self-certification
  - Case notes indicating client's participation
  - Grievance & Termination policies
  - Fair Housing Brochure

# Basic Client File Documents

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- “Fair Housing for All” pamphlet.
  - LBP pamphlet “How to Protect Your Family from Lead” for shelters built prior to 1978 and that serve children under 6 years of age.
  - Shelter rules (for shelter services).
  - HMIS participation.

# Prevention Clients – File Documentation

- Verification of at-risk for homelessness
  1. Be imminently losing their primary nighttime residence
  2. Lack of resources
  3. Income verification (50% AMI)
  4. Other extenuating circumstances (i.e., medical, job loss, domestic violence, divorce)

# Prevention Clients – File Documentation

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HUD's Income Calculator:

<https://www.hudexchange.info/incomecalculator/>

# Prevention Clients – File Documentation

- Until the eviction moratorium is lifted ESG prevention can not be used for non-payment.
- Individual and/or family is residing in a hotel they are currently paying for themselves and lack resources to continue.
- Income must be verified and fall below 50% of the area median income.
- No other resources have been identified. ESG SUPPORT SHOULD BE LAST RESORT.

# Rapid ReHousing Clients

## – File Documentation

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- For Literally Homeless or DV clients
  - Verification of homelessness
    1. Referral from third party (law enforcement, social/community agency, educator, Church, business, family member or friend)
    2. Staff certifications/ intake observation
    3. Self-certification

# Not Eligible for Rapid ReHousing!

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- Households living with friends or family – where did the individual sleep last night?
  - Remember – if they have resources, like friends and family, this grant is not for them!
  - Households living in a hotel/motel **unless** the hotel/motel is paid for by charitable or government agencies as emergency shelter in the absence of available beds.



# Prevention and Rapid ReHousing Activities

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## Financial assistance

- Application fees – no pet deposits
- Moving expenses – does not include gas for personal vehicles
- Rental or utility deposits (rental deposit – maximum of 2 months rent)
- Utility assistance

# Prevention and Rapid ReHousing Activities

- Rental Assistance
  - Current rental subsidy.
  - Arrearages up to 6 months.
  - ESG funds may not be used for current rental assistance in a unit already receiving subsidies for rent; i.e., Section 8 voucher assistance program, public housing units. ESG may pay for arrearages but not current rent.

# Financial Assistance vs Rental Assistance

Financial Assistance	Rental Assistance
Habitability Inspection	Habitability Inspection
LBP Visual Inspection or waiver	LBP Visual Inspection or waiver
	Copy of written lease
	Rent Reasonableness
	Meets Fair Market Rent *
	Rental Assistance Agreement

# Required for All Units!

- Must obtain inspections and document that the unit passes basic habitability.\*\*
- Must obtain verification that unit was built after 1978 or obtain a Lead Based Paint (LBP) visual assessment if children under the age of six are in the household.
- Must keep documentation on file that LBP was addressed even with determination that LBP rule is not applicable.

# Lead Based Paint Visual Assessment

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- Lead Based Paint visual inspections must be conducted by staff certified by HUD's Lead Based Paint visual inspection online course.

Available at:

[http://www.hud.gov/offices/lead/training/visual\\_assessment/h00101.htm](http://www.hud.gov/offices/lead/training/visual_assessment/h00101.htm)

# Fair Market Rent (FMR)

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- The Fair Market Rent requirement by HUD has been waived for ESG-CV grant for all assistance provided. Rent Reasonableness is still required during this period.

# Rent

## Reasonableness

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- Must obtain 3 comparable rental units to determine reasonability for both prevention and rapid rehousing. Keep in participant's file.
- Grantee may use real estate listings, phone inquiries, or [TNHousingSearch.org](https://www.tnhousingsearch.org) to find comparable units.

# Copy of Lease

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- A written lease is required for all program participants receiving rental assistance.
- Grantee must document efforts to obtain a written lease.
- If a written lease does not exist and/or cannot be adequately documented, a new written lease must be executed and documented in the case file before any rental assistance is provided.



# Written Rental Agreement

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- Written agreement between landlord and agency includes:
    1. Client name and address of unit
    2. Amount to be paid
    3. Landlord's agreement to accept payment on behalf of client
    4. Length of assistance
    5. Release of liability for further assistance

# Other File

# Documentation

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- If providing more than one month's assistance, must include case logs that document client contact.
- If terminating assistance based on non-compliance, must provide written notice to participant and include a copy in file.

# Upcoming workshops

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## Upcoming Webinars

- Advanced funding workshop
- Title VI mandatory workshop for all ESG grantees
- ESG Compliance workshop
- Section 3 workshop \*for grantees that will be doing construction\*
- Procurement workshop
- Pay request best practices workshop

Please check the THDA ESG program page for dates of these upcoming workshops

# Resources

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[www.hudexchange.info/programs/esg/](http://www.hudexchange.info/programs/esg/)

- HUD Program Guides, Tools and Webinars

[www.endhomelessness.org/](http://www.endhomelessness.org/)

- National Alliance to End Homelessness resources and webinars

[www.thda.org/business-partners/esg](http://www.thda.org/business-partners/esg)

- THDA ESG Manual
- Income Limits
- HUD ESG Interim Rule
- HUD Homelessness Definition Final Rule

# Contact Information

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Please contact [esg@thda.org](mailto:esg@thda.org) for any questions or concerns.