



ADECA's EMERGENCY SOLUTIONS GRANTS PROGRAM

COMPLIANCE WORKSHOP FOR
PY2019 HESG SUBRECIPIENTS

December 16, 2019

ADECA's ESG WEB PAGE

- www.adeca.alabama.gov
- Scroll over "Divisions" (top right)
- Click "Community and Economic Development"
- Click "Community Development Programs" (left)
- Click "Emergency Solutions Grant"

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LETTER OF AWARD DOCUMENTS

- Budget Forms
- List of Second-tier Subrecipients
- Subrecipient Administration
- Certification Form

LETTER OF AWARD DOCUMENTS

- Form W-9
- Program Correspondence
- Environmental Forms
- State of Alabama Disclosure Statement Form

LETTER OF AWARD DOCUMENTS

- Copy of deeds, mortgages, and appraisals
- Certification of Local Government Approval –
must be signed by the chief elected official of the
local unit of gov't
- Certification of building use
- Schedule of expenditures

LETTER OF AWARD DOCUMENTS

- Certificate of Compliance with the Beason-Hammon Act
- Copy of E-Verify Memorandum of Understanding
- Certifications by the Chief Executive Officer or the Authorized Official

LETTER OF AWARD DOCUMENTS

- Written Standards/Policies and Procedures
- Certification of Compliance with the Conflicts of Interest Policy
- Certification of Compliance with the Confidentiality Policy
- **Current SAM.gov registration**

CENTRALIZED/COORDINATED ASSESSMENT SYSTEM (CAS)

- Copy of CoC's Coordinated Assessment Procedures
(Include information on how to seek assistance from each ESG service provider)
- Must be used by each ESG service provider
- **Should decrease wait time to receive ESG assistance**
- Case managers should be knowledgeable of all local service providers even if they aren't a part of the CAS

E-VERIFY

(for nonprofit Subrecipients only)

- Must be enrolled in the E-Verify program maintained by the U.S. Dept. of Homeland Security, **only required if agency has one or more paid employees – submit entire MOU**
- Enrollment is available at (<http://immigration.alabama.gov>)

POLICIES & PROCEDURES

- Eligibility
- Coordination of services
- Prioritizing prevention and rapid re-housing assistance

POLICIES & PROCEDURES

- Length of time assistance will be provided
- Program participants' share in costs
- Policy regarding conflicts of interest
- Policy regarding confidentiality of information

POLICIES & PROCEDURES

- Type, amount, and duration of housing stabilization and relocation services to be provided
- Targeting/providing essential services related to street outreach
- Fee for service – funds generated are program income & must be used as match

POLICIES & PROCEDURES

- Admission, diversion, referral, and discharge by emergency shelters assisted under ESG
 - Length of stay
 - Safety and shelter needs of special populations
 - Persons/families with the highest barriers to housing and are likely to be homeless the longest

POLICIES & PROCEDURES

- Assessing, prioritizing, and reassessing program participants' needs for essential services related to emergency shelter
- Terminating assistance – grievance procedures
- Access to the ESG program for persons of limited English proficiency
- Policy against involuntary family separation for emergency shelter providers

PROCUREMENT

- Micro-purchase procedures
 - Acquisition of supplies or services when the aggregate dollar amount does not exceed the micro-purchase threshold
 - Do not require competitive quotes if the price is reasonable
 - Must be distributed equitably among qualified suppliers

PROCUREMENT

- Small purchase procedures
 - Used when securing services, supplies, or other property when the cost doesn't exceed the Simplified Acquisition Threshold
 - Requires price/rate quotes from an adequate number of suppliers

PROCUREMENT

- Sealed bids
 - May utilize ADECA's Office of Minority Business Enterprise
 - Invitation for bids must be publicly advertised
 - Invitation includes specifications
 - Bids opened publicly
 - Requires a firm fixed price contract

PROCUREMENT

- Competitive proposals
 - Request for proposals must be publicized and identify all evaluation factors
 - Proposals must be solicited from an adequate number of sources
 - Requires a written method for evaluation and selection

PROCUREMENT

- Competitive proposals
 - Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program considering price and other factors
 - May be used for qualifications-based procurement of architectural/engineering professional services

PROCUREMENT

- Noncompetitive proposals
 - Item or service is available from only one source
 - Urgent public need or emergency will not allow for a delay caused by advertising
 - Awarding agency authorizes a noncompetitive process
 - After solicitation of a number of sources, only one response is received

INVOICES

Supporting documentation should include:

- Summary sheet of individual ESG and match expenditures for each agency (list vendor, date, total invoice amount, amount to be reimbursed or used for match)
- Expenditures to be reimbursed
- Expenditures paid with cash match/value of donations or services provided as match

INVOICES

Supporting documentation should include:

- Program income (returned deposits/fees for service)
- Invoice Documentation Cover Sheets
- Timesheets showing actual time worked
- Summary of duties/activities performed
- Prevention/Re-housing Documentation Checklist and supporting documents

INVOICES

- Submit invoices monthly
- Address on Request for Payment, Certification Form, and in STAARS Vendor Payment System must be identical

STAARS info: <https://comptroller.alabama.gov/>

- Signature on invoices and budgets must be identical to those on the Certification Form
- Local unit of government subrecipients must pay second-tier subrecipients within 30 days of receipt of a completed reimbursement request

MATCH

- Can be obtained from any local, state, federal, or private source, **except** ESG
- Other program regulations must not prohibit those funds from being used as match for ESG
- If ESG is being used as match for another program, funding from that program cannot be used as match for ESG
- Program income must be used as match

MATCH

- Must be applied within the time period of the grant
- Cash contributions must be expended within the time period of the grant
- Noncash contributions must be provided within the time period of the grant
- Funds used to match another program cannot be used as match for ESG

MATCH

- Services provided by individuals are valued at rates consistent with those ordinarily paid for similar work in the organization or by other local employers
- Do not use rates published by Independent Sector; use the minimum wage if there are no similar rates
- Document special rates for noncash contributions

INDIRECT COSTS

- Must have an indirect cost rate proposal developed in accordance with OMB Guidance for Grants and Agreements
- Must submit copy of proposal to ADECA
- May use the 10% de minimis rate
(certification required)

INDIRECT COSTS

Indirect costs charged to an activity with an expenditure limit:

Indirect Costs + Direct Costs = Total Costs

Total Costs are then compared to the Expenditure Limit

EMERGENCY SHELTER STANDARDS

- Building is structurally sound
- Energy Star and WaterSense products and appliances (for rehab or conversion projects)
- Accessibility
- Adequate space and security
- Interior air quality
- Water supply

EMERGENCY SHELTER STANDARDS

- Sanitary facilities
- Thermal environment
- Illumination and electricity
- Food preparation
- Sanitary conditions
- Fire safety
- Lead-based paint regulations

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING

Participants must be assisted, as needed, in obtaining:

- Appropriate supportive services such as medical/mental health treatment or services essential for independent living
- Mainstream benefits like Medicaid, Supplemental Security Income, or Temporary Assistance to Needy Families

CASE MANAGEMENT

- Prevention and re-housing program participants are required to meet with their case managers monthly while receiving assistance (unless prohibited by laws regarding domestic violence issues)
- Case manager must develop a housing stability plan to assist participants in retaining permanent housing after assistance ends

PARTICIPANT ELIGIBILITY

Homelessness Prevention

- Conduct initial evaluation
- Meet criteria of “at-risk of homelessness,” categories 1, 2, or 3 **or** criteria of homeless definition categories 2, 3, or 4
- Annual income below 30% of AMI at program entry
- Lacks support networks and financial resources to remain in housing
- Re-evaluation at least once every 3 months

PARTICIPANT ELIGIBILITY

Rapid Re-Housing

- Conduct initial evaluation
- Meet criteria of category 1 or 4 of homeless definition
- No income threshold at program entry
- Lacks support networks and financial resources to obtain housing
- Re-evaluation annually

PARTICIPANT ELIGIBILITY

For both Prevention and Re-housing

At re-evaluation:

1. Annual income at or below 30% AMI
2. Annual income is calculated based on guidelines found at 24 CFR 5.609 (**for initial assessment and re-evaluation**)
3. Lacks support networks and sufficient resources to retain housing without ESG assistance
4. Participants should report changes in income or circumstances that affect their need for ESG assistance

RENTAL ASSISTANCE

- The total period for which any program participant may receive services must not exceed 24 months during any 3-year period.
- Cannot Use with Other Subsidies
- Rental assistance cannot be provided to a household receiving rental assistance from another public source for the same time period (except 6 months of arrears).

Persons in public housing units or using housing choice vouchers cannot receive monthly rental assistance under ESG.

RENTAL ASSISTANCE

- **Only tenant-based rental assistance is eligible**
(participant selects housing)
 - ***Rent can't exceed the Fair Market Rent (FMR)***
 - ***Rent must comply with HUD's Rent Reasonableness Standards***
 - Unit must comply with Minimum Habitability Standards & Lead-Based Paint Regulations
 - ESG funds cannot be used to pay late fees generated after person enters program
- *FMR and Rent Reasonableness do not apply to payment of rental arrears***

RENTAL ASSISTANCE

- Mortgage payments are ineligible
- Requires a legally-binding, written lease between the owner and participant (except for arrears only)
- Agencies providing assistance must enter into a rental assistance agreement with the landlord/owner to whom rental payments will be made

RENTAL ASSISTANCE AGREEMENT

- Set forth terms under which rental assistance will be provided (*includes requirements at §576.106*)
- Must contain same due date, grace period, and penalty requirements as participant's lease
- Must state that tenant-based rental assistance will be provided

RENTAL ASSISTANCE AGREEMENT

- Required even if assistance is only for arrears

During term of agreement:

- Owner of housing must give agency a copy of any notice provided to the participant to vacate the housing unit
- Owner of housing must give agency a copy of any complaint used under state or local law to commence an eviction action against the participant

PARTICIPANT FILE DOCUMENTATION

- Application date
- Entry/exit from HMIS/Comparable Database
- Identification
- Eligibility (housing status and income)
- Lack of resources, support networks, and alternate housing
- Case Management Notes

PARTICIPANT FILE DOCUMENTATION

- Coordination with other programs
- Documentation that the same type of assistance is not being provided by other public sources
- Housing Stability Plan
- Type, amount, and length of assistance provided
- Lease
- Rental Assistance Agreement

PARTICIPANT FILE DOCUMENTATION

- Rent Reasonableness Checklist
- Compliance with Fair Market Rent
- Housing Habitability Standards Checklist
- Lead-Based Paint Checklist
- Lead-Based Paint Disclosure Form
- Form documenting participant is aware of the termination/grievance policy

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING

The regulations establish the following order of priority for obtaining evidence:

1. Third-party documentation, including written and source documentation, and HMIS records;
2. Intake worker observations; and
3. Certification from persons seeking assistance

RAPID RE-HOUSING

- Rapid Re-housing is a model for helping people move from the streets or shelter to permanent housing - it was not intended for people exiting transitional housing (TH).
- **Using rapid re-housing funds to exit persons from TH should not be common practice or a core aspect of your program design.**

HOMELESS PARTICIPATION

To the maximum extent possible, involve homeless persons/families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG.

Document involvement of homeless persons.

RECORDKEEPING

- Records will be reviewed during the onsite monitoring visit
- Maintain records for 5 years after project closeout
- For projects involving renovation or conversion, maintain records for 10 years after project closeout

REPORTING

- HUD Form 60002
 - Submitted by April 15th annually
 - Reports number of new hires for construction projects
- CAPER
 - Submitted by April 15th annually
 - Program participant data is uploaded directly from HMIS/comparable database to Sage
 - Information regarding expenditures is submitted separately via email to ADECA
- Performance Standards/Outcome Measures
 - Submitted by April 15th annually

PERFORMANCE STANDARDS

- Impact of ESG-funded projects
- Number of persons served by ESG-funded projects
- Number of program participants obtaining mainstream benefits (Temporary Assistance to Needy Families, Supplemental Nutrition Assistance Programs, VA Health and Pension Benefits, Supplemental Security Income/Social Security Disability Insurance, and Medicaid)

OUTCOME MEASURES

- Will be determined by performance indicators
- Develop measurable performance indicators
- Should be specific to your geographic area/service area

PROJECT CLOSEOUT

Closeout Documents

- Conditions of Project Closeout Form
(Must be signed by the chief elected official/chief executive officer)
- Subrecipient Budget/Final Financial Report
(Budgets from the second-tier subrecipients are not required)
- Cumulative Information for Performance Standards/Outcome Measures
- Copy of property inventory log showing all property purchased with grant