



Continuum of Care (CoC)

Administration Manual

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Part I: CoC Funding Guidelines and Requirements

Section 1: Program Introduction

The Continuum of Care (CoC) Program is designed to promote community-wide commitment to the goal of ending homelessness. The CoC Program provides funding for efforts by nonprofit providers and State and local governments to rehouse homeless individuals and families quickly while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness. The CoC Program also promotes access to and effective utilization of mainstream programs by homeless individuals and families while optimizing self-sufficiency among individuals and families experiencing homelessness.

Through the CoC Program, HUD has awarded funds to state and local governments to serve homeless persons with disabilities, such as serious mental illness, chronic substance abuse, physical disabilities and/or HIV/AIDS. These programs were built on the premise that housing and services need to be connected to ensure that these individuals or families remain permanently housed.

These housing programs include the following:

- Permanent Supportive Housing (PSH)
- Rapid Re-Housing (RRH)
- Transitional Housing (TH)
- Joint Transitional Housing and Rapid Rehousing (TH-RRH)
- Supportive Services Only (SSO)

PSH is for those who have disabilities and is designed for individuals and families who are experiencing homelessness and provide the services needed to help them move into permanent housing.

RRH emphasizes housing search, relocation services and provides short- and medium-term assistance to move homeless individuals and families without disabilities as rapidly as possible into permanent housing.

TH is designed to provide homeless persons and families with stability and support to move into and successfully maintain permanent housing. The services under TH can be used to cover the cost of up to 24 months of housing with supportive services. Participants must have a lease, sublease or occupancy agreement when residing in transitional housing.

HUD has identified priority populations for transitional housing including veterans and survivors of domestic violence. New TH funding applications are typically not allowable, but there are opportunities to apply for the joint component project type.

TH-RRH is a project that includes both TH and RRH programs. TH-RRH provides a safe place for people to stay—transitional housing—with financial assistance and wrap

around supportive services determined by program participants to help them move to permanent housing as quickly as possible.

SSO allows for Subrecipients to provide services to homeless individuals and families. These funds may be used to conduct outreach to the homeless population. These funds may only be used to assist program participants for whom the recipient or Subrecipient of the funds is not providing housing or housing assistance.

HUD has prioritized Coordinated Entry (CE) for SSO funding in recent years and has not allowed new SSO funding applications for non-CE projects.

More broadly, these programs are designed to:

- Promote community-wide planning and strategic use of resources to address homelessness;
- Improve coordination and integration with mainstream resources and other efforts targeted to people experiencing homelessness;
- Improve data collection and performance measurement; and
- Allow communities to tailor their project(s) to the particular strengths and challenges within each community.

Section 2: Funding Process and Requirements

Each year, HUD awards Program funds competitively to States, units of local governments, and/or instrumentalities of State or local governments, collectively known as recipients. The process is competitive internally within the CoC and externally nationwide. Recipients may contract with or sub-grant to other organizations or government entities, known as Subrecipients, to administer day-to-day project operations.

Local projects are typically implemented through partnerships that include:

- Indiana Housing & Community Development Authority (IHCDA)
- One or more nonprofit organizations and one Subrecipient that either owns or coordinates the leasing of housing for participants; and
- A network of supportive services providers. This could be the Subrecipient and/or other partners in the community.

Eligible Applicants (Subrecipients)

Eligible applicants consist of—and must meet—criteria as outlined in 24 CFR 578.15.

Eligible entities are limited to private nonprofit organizations, States, local governments, and instrumentalities of State or local governments. For-profit entities are not eligible to apply for grants or to be Subrecipients of grant funds. Eligible applicants must be designated by the CoC to apply for grant funds. IHCDA submits the actual application

for IHCD-funded projects, and when awarded, the Subrecipient then contracts with IHCD to administer day-to-day project operations.

Indiana Permanent Supportive Housing Institute Requirement

The Indiana Balance of State (BoS) CoC requires that eligible applicants interested in applying for funding related to rehabilitation and/or construction of its project contact its local Regional Planning Council (RPC) and IHCD so they may apply for admission to the Indiana Permanent Supportive Housing Institute (IPSHI), which is only offered once a year. Applications are submitted through a competitive request for proposal (RFP) process overseen by the Corporation for Supportive Housing (CSH) and IHCD.

If the project is a scattered site development or the eligible applicant is not wanting to apply for funding related to rehabilitation and/or construction of its project or the eligible applicant already graduated from the IPSHI, a waiver can be completed, and an application can be submitted to the CoC Board to request approval. If the waiver is approved by the CoC Board, the project may apply for funding in the next notice of funding opportunity (NOFO) cycle.

Project Requirements

Supportive housing is required to provide permanent supportive housing for persons with disabilities, who are homeless in accordance with HUD regulations for Category One (24 CFR 578.3 for HUD definition). Program funds must be used to provide assistance to a homeless individual who has a disability or a homeless family in which one adult has a disability (Both individuals and families may be served within one project).

Supportive Services Requirement

Permanent supportive housing, rapid-rehousing, and transitional housing to rapid rehousing projects must provide supportive services for the participants to enable them to live as independently as is practicable throughout the duration of their residence in the project, and prepare them to move-on from assistance, if appropriate. Supportive services should be accessible, flexible, and target housing stability. The participant's needs and goals should be clearly reflected in the design of the supportive services program. Service programs may require adjustment as the needs and interests of individual participants evolve and change. Supportive services should help ensure stability, maximize each participant's ability to be self-sufficient, be appealing to participants, and be easily accessible.

Projects may vary in how they provide services, but they must uniformly align housing stability as a basic and primary goal. In promoting housing stability, service providers must focus on helping participants meet their lease obligations, including payment of rent; maintaining a safe and healthy living environment; and allowing others the peaceful enjoyment of their homes. Additionally, permanent supportive housing services should foster independent living to the greatest extent possible. Supportive services must be offered and the supportive housing service provider is required to attempt engagement in supportive services with participants; however, participants are not

required to accept services. Expectations for engagement in supportive services in rapid rehousing programs are outlined in the IN-BoS Rapid Rehousing Written Standards.

Coordinated Entry Requirement

The CoC Program interim rule ([24 CFR 578.7\(a\)\(8\)](#)) released in 2011 requires that projects operated by recipients and Subrecipients of the CoC Program must participate in the established Coordinated Entry process (CE). All Subrecipients are required to use the CE process to refer, admit, or serve program participants in the CoC PSH program. Please refer to the [Coordinated Entry Policy and Procedure Manual](#) for details regarding the BoS Coordinated Entry Program. Failure to participate in the CE process can result in projects being defunded through the BoS CoC.

Homeless Management Information System (HMIS)

Subrecipients are required to enter participant data into HMIS on a regular and consistent basis. Regular and consistent is defined within the IHCD Award Agreement as within 5 business days of intake or discharge from the program. Subrecipients are also required to do annual assessments within HMIS for program participants.

It is recommended that Subrecipients use HMIS to run the HUD Data Quality Reports to ensure data is accurately reflected and up to date. The data within the HUD Data Quality Report is included within the Annual Progress Report (APR), which must be submitted to IHCD annually once the grant is ready to be closed out, which is then submitted to HUD as a final submission for the grant year.

For technical assistance, training, or questions on HMIS, please contact the HMIS Help Desk by emailing HMIShelpdesk@ihcda.in.gov.

Victim service providers are held to the same standards on entering data into the ClientTrack database for DV service providers. For technical assistance, training, or questions on the ClientTrack database, please contact the ClientTrack Help Desk by emailing DVHelpdesk@ihcda.in.gov.

Serving Target Populations

Projects are required to serve the target population identified within the application. This only applies for projects who identified target populations during the application process. If a project feels a change needs to be made regarding the target population, the Subrecipient must contact IHCD. The change request must go through IHCD, who will submit the request to HUD for approval.

Executing Grant Agreements

As the HUD award recipient, IHCD will enter into an agreement directly with HUD upon the announcement of the CoC project award. IHCD then enters into an award agreement with the Subrecipient(s). The award agreement enforces the term of the agreement and period of performance. Regardless of execution date, funds will only be reimbursed for the term listed within the grant agreement.

When grant funds will be used for acquisition, rehabilitation, new construction, operating costs, or to provide supportive services, the recipient or Subrecipient must demonstrate that it has site control within the time frame established under 24 CFR 278.21. IHCD will work with the Subrecipient to establish site-control, if necessary.

Match Requirement

Match is defined as actual cash or in-kind resources contributed to the grant. All costs paid for with matching funds must be for activities that are eligible under the CoC project type. This includes line items in which the recipient or Subrecipient has not requested CoC Program funds, but could access through a budget modification. CE SSO projects are the only exception to this rule and may count project administration costs as match although it is not available to them through CoC Program funds.

All grant funds must be matched with an amount no less than 25% of the awarded amount (excluding the amount awarded to the leasing budget line item) with cash or in-kind resources. Match resources may be from public (not statutorily prohibited by the funding agency from being used as match) or private resources.

Prior to the annual agreement being executed with HUD, the Subrecipient is required to provide IHCD with a match commitment letter. The requirements for match commitments are outlined below:

Cash Match

With cash match, the Subrecipient *spends actual funds* on eligible CoC Program costs. Cash counts as match only if the Subrecipient can demonstrate that a payment of funds was made to cover the cost of CoC Program eligible activities expended during the grant term.

To summarize, sources of cash that may be used as match include:

- Grants from private, local, state, and federal resources (if not statutorily prohibited by source)
- Cash resources
- Revenues from fundraising efforts organized by the recipient or Subrecipient
- Recipient or Subrecipient staff working on grant eligible activities who aren't paid from the CoC Program grant but are paid from other agency resources
- Cost of donated goods given directly to a recipient or Subrecipient if those goods are eligible as an expense under CoC program requirements
- Volunteer services if those services voluntarily provided are eligible as an expense under the CoC program requirement. *Note: donated professional services should use an MOU format and not all services are appropriate to be provided by a volunteer.*

- Program income

Documenting Cash Match

It is important that Subrecipients accurately document cash match. Either at the time of application or prior to grant execution, Subrecipients must supply IHCDCA with written commitment that documents the amount and sources of cash match. During the grant, recipients must document the expenditures paid for with cash match to demonstrate that the funds were spent on eligible activities.

Written documentation should be provided on the source agency's letterhead, signed, and dated by an authorized representative, and, at a minimum, should include the following:

1. Amount of cash to be provided by the recipient or Subrecipient for the project
2. Source of the match
3. Specific date the cash will be made available
4. The actual grant and fiscal year to which the cash match will be contributed
5. Time period during which funding will be available (must coincide with the program year)
6. Allowable activities to be funded by the cash match

In-Kind Match

In-kind match is the value of any *real property, equipment, goods, or services* contributed to a CoC project that would have been an eligible CoC Program activity if the recipient or Subrecipient paid for them directly with CoC Program funds. In-kind match can be donations provided directly by the Subrecipient.

Documenting In-Kind Match – *Property, Equipment, and Goods*

To count in-kind sources as match, the Subrecipient must document that the in-kind donation was provided, record the value of the donation, and ensure that it was used to match CoC Program eligible activities.

Written documentation of the donation of in-kind goods and/or equipment must be provided on the source agency's letterhead, signed, and dated by an authorized representative of the source agency, and must, at a minimum, include the following:

1. Value of donated goods to be provided to the recipient for the project
2. Specific date the goods will be made available

3. The actual grant and fiscal year to which the match will be contributed
4. Time period during which the donation will be available (must coincide with the program year)
5. Allowable activities to be provided by the donation
6. Value of commitments of land, buildings, and equipment – the value of these items is one-time only and cannot be claimed by more than one project or by the same project in another year

Documenting In-Kind Match – Services

Documentation of in-kind service match requires a different approach than documentation of in-kind property, goods, and equipment. The Subrecipient must enter into a formal memorandum of understanding (MOU) with the agency providing the in-kind service(s) and must establish a system to document the actual value of services provided during the term of the grant. A Subrecipient may use a letter from the partner agency to document the commitment to provide the in-kind service in advance of executing a formal MOU, for instance, if the Subrecipient opts to wait to execute an MOU upon receipt of notification of award from IHCD. The MOU may be between a Subrecipient and another agency, but the terms must be described in the MOU.

Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the Subrecipient's organization. If the Subrecipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market. Therefore, Subrecipients must document standardized local rates for specific types of services as a basis for match commitments. Common in-kind services include outpatient mental health visits, medications, alcohol and substance abuse therapeutic sessions, and employment training/day programs.

Subrecipients should periodically check with providers of in-kind match, not only to ensure that they are providing adequate documentation, but also to determine if:

1. Their fee structure and/or standardized pricing has changed; and/or
2. The type(s) of services provided to program participants has changed.

Memorandum of Understanding (MOU) Requirements

An MOU is a written document that must establish unconditional commitment, upon selection to receive a grant, by the third party to provide services, the specific service(s) to be provided, the profession of the persons providing the service, and the hourly cost of the service to be provided. An MOU must be executed between a Subrecipient and a third-party service provider and must at a minimum include the following information:

1. Agency information:

- Subrecipient's identifying information with point(s) of contact
- Service provider's identifying information with point(s) of contact
- 2. Unconditional commitment of third-party provider to provide the service
- 3. Description of services to be provided
- 4. Scope of services to be provided and by whom
 - Specific contract to be matched
 - Length of time services will be 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)
- 5. 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

A copy of the MOU must be provided to IHCDA prior to grant agreement execution to document the required match for the grant. A sample MOU that meets match requirements is available in Appendix H.

Supporting Documentation and Closeout

If at any time during the grant year the match source changes, the Subrecipient must document the changes to ensure compliance with the match requirement. At the end of the program year, the Subrecipient is required to submit a detailed match report to IHCDA to close out the grant. Original proof of payment (timesheets, payroll, mileage reports, invoices/receipts, etc.) for any expenses that will be claimed as match should be maintained and submitted to your analyst at the end of the program year as supporting documentation with this match form.

Please note, failure to provide supporting documentation or meet the minimum match requirement can result in repayment of grant funds.

Annual Funding Application and Renewal Process and Policies

IHCDA serves as the Collaborative Applicant (CA) for the annual CoC funding. The IN-BoS CoC Board delegates the coordination of renewal and new project activities to the Funding & Resources Committee. Members of the committee cannot be affiliated with current CoC recipients or applicants for CoC funding and are considered non-conflicted individuals. The Committee maintains a series of policies and procedures to ensure the competition aligns with HUD requirements, and coordinates with the CA to complete a successful competition for new and renewal projects.

Several key policies are implemented through the competition at the discretion of the Funding & Resources Committee and CoC Board. Policies are review and updated annually by the committee. Draft and final policies reviewed with partners annually before and during the competition and a copy of the policies can be provided upon request. Several of the most important policies for renewal projects are listed below:

Minimum score for automatic renewal policy: requires renewal projects to score a minimum score to be renewed without board consideration. The Board can also decide not to renew a project that is unable to meet its grant requirements. Projects that are not renewed are reallocated in the funding competition.

Reallocation policy: requires projects to spend at least 75% of their funding. Projects that spend less than the 75% may be reallocated. The amount of reallocation is at the discretion of the board, but typically is between 10%-25% of the total award. Reallocation can also be voluntary if a project decides to reduce their award voluntarily. Projects that choose to reduce their award are provided bonus points.

Appeal policy: any project can choose to appeal a decision about their project at any stage in the renewal process. Appeals are limited to a misapplication of the scoring tool or the competition policies. Appeals are first reviewed and addressed by CA staff, but if the result is not satisfactory to the applicant a second appeal can be filed. Appeals are handled by a non-conflicted group.

Section 3: Program Changes

CoC Program Funds are awarded through a scored competitive process. The CoC Board must approve any changes requested by a recipient or Subrecipient prior to submission to HUD. Subrecipients are required to submit a written detailed request to IHCD for submission to the CoC Board. This document must detail why the request is being made and why it is necessary. Subrecipients should contact CoC Program Staff with questions and requests.

Budget Modifications

The CoC encourages recipients and Subrecipients to spend grants fully to avoid funds being returned to HUD for repurposing. Spending grants fully allows projects to serve as many people as possible and reduce homelessness in the communities served. If Subrecipients determine that their projects are not able to spend down or they are overspending in certain budget line items, they are encouraged to contact IHCD as soon as possible to explore options to move funds to other budget line items to maximize spending. Modifications cannot be performed on an award if the grant year has expired.

Major budget modifications move funding between line items or exceed 10% of the total award within line items must be approved by the CoC Board, specifically the Funding and Resource Committee. Budget modifications that only move funding within supportive services line items *and* do not exceed 10% can be reviewed by your analyst. This requirement does not include budget changes that are submitted with the NOFO.

The following process applies to budget modification requests submitted to IHCD by Subrecipients:

- A request must be submitted in writing, on agency letterhead, and signed by an executive of the project. The budget modification form must be completed in full and submitted with the request.
 - If the Subrecipient is requesting funds be moved out of the rental assistance line item, a utilization commitment letter will also need to be submitted. This will need to detail how the same number of program participants will be served with a decrease in funding to the line item.
- Once the Board receives the budget request it will be reviewed by the Collaborative Applicant. If any changes need to be made at this point, they will notify the project requesting the change.
- The budget request will be sent to the Chair of the CoC Board along with the Chair of the Funding and Resources committee. The chairs will review and approve or deny the modification within 10 days of the receipt of the change request.
- Once approved, the request will be submitted to HUD CPD by the Collaborative Applicant.
- If approved by HUD, the change will be made in IHCDOnline to the award.

The guidelines below must be followed when requesting a budget modification:

- Major budget modifications (moving funding between line items or exceed 10% of the total award) may only be made once during the grant year.
- If a project has Rental Assistance funds, no funds may be moved to Facility Operations.
- A maximum of 10% of funds for the overall grant can be in the Administration line item.

Appeals Process:

If the change is denied, the Subrecipient will be notified in writing and will have the chance to appeal the decision. The appeal must be received in writing within 5 business days of the denial. The CoC Executive Committee will review the appeal at their next Executive Committee meeting and will notify the project of the date of the meeting within 5 business days of the receipt of the appeal. A response to the appeal will then be sent to the project within 5 business days of the Executive Committee meeting date. Please note that HUD can still deny budget modifications initially approved by the CoC Board.

Section 4: Administrative Requirements

Subrecipients are required to maintain policies and procedures for administering CoC programs that align with the regulations set forth in 24 CFR 578, the Subrecipient's award agreement with IHCD, and this manual.

Conflict of Interest

(a) **Procurement.** For the procurement of property (goods, supplies, or equipment) and services, the Subrecipient must comply with the codes of conduct and conflict-of-interest requirements under 2 CFR 200.317 and 200.318.

The Subrecipient must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by the Award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, the Subrecipient may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Subrecipient.

(b) **CoC board members.** No CoC board member may participate in or influence discussions or resulting decisions concerning the award of a grant or other financial benefits to the organization that the member represents.

(c) **Organizational conflict.** An organizational conflict of interest arises when, because of activities or relationships with other persons or organizations, the Subrecipient is unable—or potentially unable—to render impartial assistance in the provision of any type or amount of assistance using CoC funds, or when a covered person's, as in paragraph (d)(1) of this section, objectivity in performing work with respect to any activity assisted with CoC Funds is or might be otherwise impaired. Such an organizational conflict would arise when a board member of an applicant participates in decision of the applicant concerning the award of a grant, or provision of other financial benefits, to the organization that such member represents. It would also arise when an employee of a Subrecipient participates in making rent reasonableness determinations under 24 CFR 578.49(b)(2) and 24 CFR 578.51(g) and housing quality inspections of property under 24 CFR 578.75(b) that the Subrecipient or related entity owns.

(d) **Other conflicts.** For all other transactions and activities, the following restrictions apply:

1) No covered person, meaning a person who is an employee, agent, consultant, officer, or elected or appointed official of the Subrecipient who exercises or has exercised any functions or responsibilities with respect to activities assisted under this Agreement, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under this Agreement, may obtain a financial interest or benefit from an assisted activity, have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity, or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or during the one-year period following his or her tenure.

2) Exceptions. Upon the written request of the Subrecipient, IHCD may grant an exception to the provisions of this section on a case-by-case basis, taking into account the cumulative effects of the criteria set forth in 24 CFR 578.95 (d)(2)(ii).

Board Representation

In accordance with 24 CFR 578.75(g), the Subrecipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policymaking entity of the Subrecipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance provided with CoC funds. This requirement is waived if the Subrecipient is unable to meet such requirements and obtains HUD approval for a plan to otherwise consult with homeless or formerly homeless persons when considering and making policies and decisions. IHCD will work with the Subrecipient to obtain the necessary approval for a waiver, if needed.

Recordkeeping Requirements

The Subrecipient must maintain sufficient records to enable HUD to determine whether it is meeting the requirements of the CoC Programs, including the following:

- (a) Homeless status. Acceptable evidence of the homeless as status is set forth in 24 CFR 576.500(b).
- (b) Records of reasonable belief of imminent threat of harm. For each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking under 24 CFR 578.51(c)(3), the Subrecipient must retain documentation specified in 24 CFR 578.103(5).
- (c) Annual income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Subrecipient must keep documentation of annual income as specified in 24 CFR 578.103(6).
- (d) Program participant records. In addition to evidence of “homeless” status or “at-risk-of-homelessness” status, as applicable, the Subrecipient must keep records for each program participant that document:
 - (i) The services and assistance provided to that program participant, including evidence that the Subrecipient has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
 - (ii) Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- (e) Housing standards. The Subrecipient must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- (f) Services provided. The Subrecipient must document the types of supportive services provided under the recipient's program and the amounts spent on those services. The Subrecipient must keep record that this documentation is reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- (g) Match. The Subrecipient must keep records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73. The records must indicate the grant and fiscal year for which each matching contribution is counted. The records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services must be supported by the same methods that the organization uses to support the allocation of regular personnel costs.

- (h) Conflicts of interest. The Subrecipient must keep records to show compliance with the organizational conflict-of-interest requirements in 24 CFR 578.95(c), the Continuum of Care board conflict-of-interest requirements in 24 CFR 578.95(b), the other conflict requirements in 24 CFR 578.95(d), a copy of the personal conflict-of-interest policy developed and implemented to comply with the requirements in 24 CFR 578.95, and records supporting exceptions to the personal conflict-of-interest prohibitions.
- (i) Homeless participation. The Subrecipient must document its compliance with the homeless participation requirements under 24 CFR 578.75(g).
- (j) Faith-based activities. The Subrecipient must document their compliance with the faith-based activities requirements under 24 CFR 578.87(b).
- (k) Affirmatively Furthering Fair Housing. The Subrecipient must maintain copies of its marketing, outreach, and other materials used to inform eligible persons of the program to document compliance with the requirements in 24 CFR 578.93(c).
- (l) Other federal requirements. The Subrecipient must document its compliance with the federal requirements in 24 CFR 578.99, as applicable.
- (m) Procurement. The Subrecipient must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in 24 CFR 85.36 and 24 CFR part 84.
- (n) Other records specified by HUD. The Subrecipient must keep other records specified by HUD.

Documentation of each program participant's qualification as a family or individual at risk of homelessness or as a homeless family or individual and other program participant records must be retained for five (5) years after the expenditure of all funds from the Award under which the program participant was served.

Confidentiality

In addition to meeting the specific confidentiality and security requirements for HMIS data, the Subrecipient must develop and implement written procedures to ensure:

- (1) All records containing protected identifying information of any individual or family who applies for and/or receives CoC assistance will be kept secure and confidential;
- (2) The address or location of any domestic violence project assisted with CoC funds will not be made public, except with written authorization of the person responsible for the operation of the project; and

(3) The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the Subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality

(4) The Subrecipient must adopt procedures to ensure that all participant information is handled and maintained in a confidential manner and in compliance with the requirements of all applicable state or federal laws, rules, and regulations, including, but not limited to, those relating to the release of Social Security numbers in I.C. § 4-1-10 and the notice of security breach provisions in I.C. § 4-1-11.

Confidential information means any individually identifiable information, whether oral or written, about the participants who receive services and/or assistance from the CoC Programs. Employees, agents, contractors or others who require access to confidential participant information must sign a confidentiality agreement commensurate with the conditions set forth in this Agreement.

Termination of Assistance

(1) Termination of assistance. According to 24 CFR 578.91, the Subrecipient may terminate assistance to a program participant who violates program requirements or conditions of occupancy. Termination does not bar the Subrecipient from providing further assistance to the same individual or family at a later date.

(2) Due process. In terminating assistance to a program participant, the Subrecipient must provide a formal process that recognizes the rights of individuals receiving assistance under the due process of law. This process, at a minimum, must consist of:

- i. Providing the program participant with a written copy of the program rules and the termination process before the participant begins to receive assistance;
- ii. Written notice to the program participant containing a clear statement of the reasons for termination;
- iii. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before someone other than the person (or a subordinate of that person) who made or approved the termination decision; and
- iv. Prompt written notice of the final decision to the program participant.

(c) Hard-to-house populations¹. If Subrecipient is providing permanent supportive housing for hard-to-house populations of homeless persons, it must exercise judgment and examine all extenuating circumstances in determining when violations are serious

¹ Hard-to-house populations are generally defined by HUD as persons with disabilities (primarily those who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have acquired immunodeficiency syndrome (AIDS and related diseases)) and their families, and/or households with three or more minors.

enough to warrant termination so that a program participant's assistance is terminated only in the most severe cases.

Environmental Reviews

CoC Program activities that are subject to environmental review include:

- Acquisition, rehabilitation, new construction
- Leasing Projects
- Sponsor-based and project-based rental assistance, which includes SBRA scattered site in the community

CoC Program activities that are categorically excluded include:

- Tenant Based Rental Assistance (TRA)
- Supportive Services
- Operating Costs
- HMIS

No activities can be performed on a project site until the environmental review has been approved by IHCD and provided to HUD for approval.

If environmental issues are found, mitigating measures required by HUD/IHCD for the original property must be carried out or an alternative eligible property must be selected.

Additional information regarding environmental reviews can be found on the [IHCD website](#). Contact the IHCD CoC Analyst for questions regarding environmental reviews.

Affirmatively Furthering Fair Housing

Subrecipients are required to implement the program in a manner that affirmatively furthers fair housing, which means:

1. Affirmatively market their housing and supportive services to eligible persons regardless of race, color, national origin, religion, sex, age, familial status, or handicap who are least likely to apply in the absence of special outreach, and maintain records of those marketing activities;
2. Where a Subrecipient encounters a condition or action that impedes fair housing choice for current or prospective program participants, provide such information to the jurisdiction that provided the certification of consistency with the Consolidated Plan; and
3. Provide program participants with information on rights and remedies available under applicable federal, state, and local fair housing and civil rights laws.

Accessibility and Integrative Housing and Services for Persons with Disabilities

Subrecipients must comply with the accessibility requirements of the Fair Housing Act (24 CFR part 100), Section 504 of the Rehabilitation Act of 1973 (24 CFR part 8), and Titles II and III of the Americans with Disabilities Act, as applicable (28 CFR parts 35 and 36). In accordance with the requirements of 24 CFR 8.4(d), Subrecipient must ensure that their program's housing and supportive services are provided in the most integrated setting appropriate to the needs of persons with disabilities.

Nondiscrimination and Equal Opportunity

The nondiscrimination and equal opportunity requirements are set forth in 24 CFR 5.105(a) and are applicable. The Subrecipient may exclusively serve a particular homeless subpopulation in permanent housing if the housing addresses the need identified by the CoC for the geographic area and meets one of the following:

1. The housing may be limited to one sex where such housing consists of a single structure with shared bedrooms or bathing facilities such that the considerations of personal privacy and the physical limitations of the configuration of the housing make it appropriate for the housing to be limited to one sex;
2. The housing may be limited to a specific subpopulation, so long as admission does not discriminate against any protected class under federal nondiscrimination laws in 24 CFR 5.105 (e.g., the housing may be limited to homeless veterans, victims of domestic violence and their children, or chronically homeless persons and families).
3. The housing may be limited to families with children.
4. If the housing has in residence at least one family with a child under the age of 18, the housing may exclude registered sex offenders and persons with a criminal record that includes a violent crime from the project so long as the child resides in the housing.
5. Sober housing may exclude persons who refuse to sign an occupancy agreement or lease that prohibits program participants from possessing, using, or being under the influence of illegal substances and/or alcohol on the premises.
6. If the housing is assisted with funds under a federal program that is limited by federal statute or Executive Order to a specific subpopulation, the housing may be limited to that subpopulation (e.g., housing also assisted with funding from the Housing Opportunities for Persons with AIDS program under 24 CFR part 574 may be limited to persons with acquired immunodeficiency syndrome or related diseases).
7. The Subrecipient may limit admission to or provide a preference for the housing to subpopulations of homeless persons and families who need the specialized supportive services that are provided in the housing (e.g., substance abuse addiction treatment, domestic violence services, or a high intensity package designed to meet the needs of hard-to-reach homeless persons). While the housing may offer services for a particular type of disability, no otherwise eligible individuals with disabilities or families including an individual with a disability who

may benefit from the services provided may be excluded on the grounds that they do not have a particular disability.

Outreach Activities

The Subrecipient must use its best efforts to ensure that eligible hard-to-reach persons are served by CoC programs. The Subrecipient is expected to make sustained efforts to engage eligible persons so that they may be brought into the program. Outreach should be primarily directed toward eligible persons who have a nighttime residence that is an emergency shelter or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., persons living in cars, streets, and parks). Outreach activities are considered a supportive service, and the value of such activities that occur after the execution of the grant agreement may be included in meeting the match requirement.

All outreach activities, projects, or initiatives in a Region must be integrated with the Region's CE design, serving as an engagement resource or designated access point for the Region's resources, services, and housing. CE assessments and referrals should be completed as appropriate following outreach to individuals.

Violence Against Women Reauthorization Act of 2013 (VAWA)

VAWA requirements are set forth in 24 CFR part 5, subpart L (Protections for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking). All Subrecipients with CoC funded projects must meet the VAWA requirements and have procedures in place.

i. **Notification of Occupancy Rights Under VAWA and Certification Form:**

Subrecipients are required to ensure that the notice of occupancy rights set forth in HUD Form 5380 and the certification form set forth in HUD Form 5382 is provided to each individual or family applying for permanent housing and each program participant receiving CoC assistance at the following times:

- i. When an individual or family is denied permanent housing;
- ii. When a program participant is admitted to permanent housing;
- iii. When a program participant receives notification of eviction;
- iv. When a program participant is notified of termination of assistance; and
- v. With any termination of rental assistance.

The Subrecipient is required to ensure that for each tenant receiving assistance with CoC funds, the owner or manager of the tenant's housing unit provides the notice of occupancy rights.

- ### ii. **Request for VAWA Protections:** If a tenant seeks VAWA protections set forth in 24 CFR part 5, subpart L, the tenant must submit the request to the Subrecipient. The Subrecipient must determine whether the tenant is entitled to protection under VAWA and immediately advise the tenant of determination. If the tenant is entitled to the protection, the Subrecipient must notify the owner in writing that the tenant is entitled to the protection under VAWA and work with the owner and

the tenant. Any further sharing or disclosure of the program participant's information will be subject to the requirements in 24 CFR 5.2007(c).

- iii. **Emergency Transfers:** The Subrecipient is required to use and implement the emergency transfer plan set forth in HUD Form 5381, which should be modified for the CoC programs. The Subrecipient is responsible for determining if the tenant qualifies for an emergency transfer under the plan. The Subrecipient is required to provide HUD Form 5383 to a tenant that is requesting an emergency transfer. With respect to tenants who qualify for an emergency transfer and who wish to make an external emergency transfer when a safe unit is not immediately available, the Subrecipient the individual or family shall have priority over all other applicants for rental assistance, transitional housing, and permanent supportive housing projects funded under this part, provided that: The individual or family meets all eligibility criteria required by Federal law or regulation or HUD NOFO; and the individual or family meets any additional criteria or preferences established in accordance with 24 CFR 578.93(b)(1), (4), (6), or (7). The individual or family shall not be required to meet any other eligibility criteria or preferences for the project. The individual or family shall retain their original homeless or chronically homeless status for the purposes of the transfer.
- iv. **Confidentiality:** Any information submitted to the Subrecipient regarding a tenant's protections under VAWA, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking (confidential information), shall be maintained in strict confidence by the owner and the Subrecipient.
 - i. The Subrecipient shall not allow any individual administering assistance on behalf of the Subrecipient or any persons within their employ (e.g., contractors) or in the employ of the Subrecipient to have access to confidential information unless explicitly authorized by the Subrecipient for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.
 - ii. The Subrecipient shall not enter any confidential information into any shared database or disclose such information to any other entity or individual, except to the extent that the disclosure is:
 - i. Requested or consented to in writing by the individual in a time-limited release;
 - ii. Required for use in an eviction proceeding or hearing regarding termination of assistance from the CoC Program; or
 - iii. Otherwise required by applicable law.
- v. **Remaining Participants:** If a family receiving CoC assistance separates under 24 CFR 5.2009(a), the family's tenant-based rental assistance and any utility assistance shall continue for the family member(s) who are not evicted or

removed. If the family's eligibility for the housing program was based on the evicted individual's disability or chronically homeless status, the remaining tenants may stay in the project until the expiration of the lease in effect at the time of the qualifying member's eviction. Otherwise, if a family living in a project funded by CoC funds separates, the remaining tenant(s) will be eligible to remain in the project.

- vi. **Prohibited Denial/Termination:** Subrecipients are responsible for ensuring that any applicant for or tenant of CoC may not be denied admission to, denied assistance under, termination from participation in, or evicted from housing on the basis that the applicant or tenant has been a victim of domestic violence, dating violence, sexual assault, or stalking.
- vii. **Construction of Lease Terms:** A Subrecipient is required to ensure that an incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be construed as:
 - i. A serious or repeat violation of a lease for CoC-assisted housing by the victim or threatened victim; or
 - ii. Good cause for terminating the assistance, tenancy or occupancy rights to CoC-assisted housing of the victim of such incident.
- viii. **Termination on the Basis of Criminal Activity:** A tenant who is receiving CoC assistance may not be denied tenancy or occupancy rights solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking if:
 - i. The criminal activity is engaged in by a member of the household of the tenant or any guest for another person under the control of the tenant, and
 - ii. The tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking.
- ix. **Lease Addendum:** The Subrecipient is responsible for ensuring that the landlord or property manager uses the CoC Lease Addendum with VAWA protections. The Subrecipient must ensure that each tenant has the CoC lease addendum created by IHCD that incorporates all requirements that apply to the landlord or the lease of the CoC assisted rental housing under 24 CFR part 5, subpart L, including the prohibited basis for eviction and restriction constructing lease terms under 24 CFR 5.2005(b) and (c).

Education Liaison

All Subrecipients that serve households with children must have a staff person designated as the educational liaison that will ensure children are:

- i. Enrolled in school; and

- ii. Connected to appropriate services in the community, including early childhood projects such as Head Start, Part C of the Individuals with Disabilities Education Act, and McKinney Vento education services.

Subrecipients serving households with children must have staff trained in the McKinney-Vento Law and services available to help families receive the social and educational services required. The Subrecipients must provide assistance to meet the requirements of the Department Education through the following:

- i. Work with the family to notify the school of origin of the change in housing;
- ii. Work with the family and the district's McKinney-Vento liaison to ensure continued education in their school of origin;
- iii. Provide advocacy for children and parents;
- iv. Assist in arranging transportation in the event a child does not transfer to a different school district; and
- v. Facilitate working relationships between the family, school, and Subrecipient to ensure confidentiality, safety, and communication of a child's needs.

Youth Navigators

IHCDA has a team of Youth Navigators in the field providing additional support to regions within the BoS. Navigators work with the public school system, service providers, and community partners to bring vital resources to youth and young adults living with housing insecurity. A list of Youth Navigators and by region can be found on [IHCDA's Homeless Youth Regional Program webpage](#) .

Section 5: Claims

This section does not address eligible costs under the CoC program but claims requirements. Eligible Costs, broken down by budget line item, can be found under Section 6: Eligible Costs and additional guidance can be found in Appendix F.

Reimbursement Claims

Subrecipients are required to submit claims for reimbursement to IHCD A for eligible program expenses. Claims must be submitted once a month (12 claims per operating year), on or before the 20th of the month, along with the completed claim form², supporting documentation, and the LOCCS form. The final claim is due on the 30th of the following month. Claims must be submitted through [IHCD A Online](#).

If the Subrecipient anticipates they will be unable to submit their claim by the 20th of the month, they should reach out to their analyst before the deadline and request an extension. If approved, the email permission from your analyst should be included with your supporting documentation when uploading your claim. Any late claims submitted without permission from your analyst will be denied.

Consistent and timely claim submission is important to ensure reimbursement of eligible expenses. If a claim is more than 90 days behind, IHCD A will move forward with the following steps to rectify non-compliance:

First Warning: Formal letter from IHCD A detailing non-compliance with CoC regulations and policies, along with requirements.

Second Warning: Follow-up letter from IHCD A detailing non-compliance with CoC regulations and policies, along with requirements.

Third Warning: Subrecipient will be placed on high-risk listing for one year and will receive a monitoring finding. All claims that violate the 90-day submission requirement will be denied.

The last claim of the award agreement is required to be submitted no later than 30 days after the agreement end date. Failure to submit the final claim within 30 days can result in the claim being denied for payment by IHCD A or HUD.

Failure to provide supporting documentation or an accurate/complete LOCCS form will result in claims being denied. Questions regarding denied claims or questions related to claims submission can be directed via email to: claims@ihcda.in.gov. Questions regarding eligible expenses should be directed to the CoC Program Staff.

Return of Funds (ROF) Claim

If at any time a Subrecipient or IHCD A discovers that the Subrecipient was reimbursed with Program funds for ineligible expenses, the Subrecipient will be required to repay

² *Approved forms are located on the IHCD A partners' website.

these funds back to IHCD A out of non-federal sources. The amount repaid will not go back into the award amount.

When IHCD A discovers or is otherwise notified that a return of funds is necessary, IHCD A will send a letter via email to the Subrecipient. The letter will specify the amount that it must return, the reason it must be returned, and the date the return must be received by IHCD A. The due date of return is thirty (30) calendar days from the date referenced in the notification letter. Failure to issue a return of funds within thirty (30) days of the notification date will result in current and future claims of the Subrecipient being held by IHCD A.

If the Subrecipient is unable to repay the entire amount owed within thirty (30) days of the notification date, a proposed repayment plan must be submitted in writing via email to the CoC Analyst and the CoC Manager. The repayment plan must include specific dates and dollar amounts that the Subrecipient will pay until the entire amount owed is repaid. Once the repayment plan is received, IHCD A program staff will review the plan within fifteen (15) business days. The Subrecipient will be notified in writing if the repayment plan is approved or denied. If the repayment plan is approved the Subrecipient must follow the Repayment Process to return funds on the dates and in the amounts agreed upon in order to prevent current and future claims of the Subrecipient from being held by IHCD A. If the repayment plan is denied, the Subrecipient will be notified of a new due date in a revised notification letter and the Subrecipient must follow the Repayment Process. Failure to return funds by the due date will result in current and future claims of the Subrecipient being held by IHCD A.

Repayment Process

A return of funds claim must be submitted by the Subrecipient through the Authority DMS Online Management System. When submitting claims through DMS, the Subrecipient must select the option to file a return of funds claim. If at any time assistance is needed with filing a return of funds claim the Subrecipient can send an e-mail to claims@ihcda.in.gov. Once a return of funds claim is submitted, a check must be mailed along with a copy of the repayment request letter to:

Indiana Housing and Community Development Authority
ATTN: Community Services
30 South Meridian Street, Suite 900
Indianapolis, IN 46204

Appeal Process

If the Subrecipient disagrees with the request for return of funds, an appeal must be submitted in writing via email within ten (10) business days of the date on the notification letter. Once the appeal is received, IHCD A program staff will respond within fifteen (15) business days acknowledging receipt of the appeal and to request additional documentation, if necessary. Once the appeal has been reviewed and a decision has been made, IHCD A will send the Subrecipient a notification letter via email containing

the outcome of the appeal. The notification letter will specify a new due date, new amount due, etc., as applicable. Failure to issue repayment by the date specified in the notification letter will result in current and future claims of the Subrecipient being held by IHCD. A.

Appeals should be submitted in writing via email to the Director of Community Services.

Repayment Claim

A repayment transaction consists of the Subrecipient repaying funds to IHCD. This transaction will initiate a repayment from the Subrecipient that will go back into the award amount. This will offset a Subrecipient payment while the funds that are repaid will be available in the award budget and remaining balance. A repayment claim typically comes in towards the end of the program year and may be due to allocations not being accurate or an issue on the Subrecipient's end regarding their budget. It is typically initiated by the Subrecipient and may be added back into their budget, unlike a return of funds.

Adjustment Claim

An adjustment transaction allows a Subrecipient to make corrections to line items within an award. An adjustment will have both positive and negative line-item amounts and must have a net total of zero. No funds are drawn or paid as part of an adjustment transaction. This will reflect in the budget once the adjustment claim is approved.

To initiate an adjustment claim, the fiscal staff member should send an email to claims@ihcda.IN.gov with the following information:

Subject Line: Adjustment Claim Request

- The Award #
- The total amount and the budget category the previously claimed charges are being moved from
- The total amount(s) and budget category(s) those charges are being moved to
- A brief description of the request (e.g., Monitoring states these charges should have been claimed as Admin rather than Supportive Services)

Once received and approved, the claims department will set up the request within IHCD Online and respond to the email with the Adjustment Claim number. Subrecipients will then have the opportunity to upload the ledger and submit for final review and approval.

When an adjustment claim is necessary, please contact your program analyst or CommunityServices@ihcda.IN.gov.

Section 6: Eligible Costs

This section outlines the costs that are eligible for reimbursement with CoC funding by budget line item. Eligible costs are determined using the CoC Program Interim Rule (24 CFR 578). Documentation to support eligible costs must be submitted with monthly claims for reimbursement to IHCD.

CoC program funds may be used to pay indirect costs in accordance with 2 CFR 200, as applicable. Indirect costs may be allocated to each budget line item noted below, in accordance with cost eligibility guidelines. Refer to 2 CFR 200 for additional guidance.

Only the eligible costs submitted on the CoC application budget and/or amendment request are allowable. If an eligible cost was not included when the budget and/or amendment was submitted, a request to include the cost must be submitted to IHCD. If the necessary change requires additional review, IHCD will forward to the CoC Board of Directors, and with their approval to the HUD CPD Field Office.

Rental Assistance

Costs under Rental Assistance must be eligible in accordance with 24 CFR 578.51.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
Rental Assistance	Rent	Funds may be used to provide rental assistance for homeless individuals and families. Rental assistance for the PSH program is long-term. Rental assistance may be tenant-based, project-based, or sponsor-based, depending on what was proposed in the project application.	Funds cannot be provided to a program participant who is already receiving rental assistance or living in a housing unit receiving rental assistance or operating assistance through other federal, state, or local sources.	Gross rent must be reasonable to other comparable units in the area and must be documented through a rent reasonable valuation completed in www.affordablehousing.com . Gross rent may exceed HUD FMR rates but must be reasonable.
	Security Deposit	Security Deposits in an amount not to exceed two months of actual rent are eligible. An advance payment of the last month's rent is eligible if it accompanies a security deposit and first month's rent.		Security deposits can be paid on behalf of a program participant for each new unit they occupy. The cumulative value of security deposits can exceed two months of rent but should not exceed that amount for any one payment. Security deposits should be returned to the program participant at their exit from the unit.
	Damage payments	Funds may be used, in an amount not to exceed one month's rent, to pay for any damages to housing due to the action of a program participant. Damage costs may only be accrued once per participant and are incurred at the time a participant exits a housing unit.	The costs to repair or bring a unit up to HQS are not eligible.	Repair and maintenance are only eligible under operating costs. Operating costs are unallowable in the same program as rental assistance. Please see the IN-502 RRH Written Standards for restrictions on this amount per RRH program participant.
BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION

		If a unit assisted under this section is vacated before the expiration of the lease, the assistance for the unit may continue for a maximum of 30 days from the end of the month in which the unit was vacated, unless occupied by another eligible person.		Brief periods of stays in institutions, not to exceed 90 days for each occurrence, are not considered vacancies.
		For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. Leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.		
		HQS inspections are an allowable cost under Rental Assistance.		Providers that own their property may not conduct their own HQS inspections.
		Income verification, subsidy calculations, processing of rental assistance payments, and briefings or guidance on the rental assistance subsidy process are all eligible activities under Rental Assistance.		If these activities are eligible to be charged to another budget line item, they should not be charged to Rental Assistance.

Leasing

Costs under Leasing must be eligible in accordance with 24 CFR 578.49.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
Leasing	Leasing	Funds may be used to lease a structure, or portions thereof, to provide housing to homeless persons for up to 2 years.	Leasing funds may not be used to lease units or structures owned by the recipient, Subrecipient, their parent organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exemption for good cause.	Any request for an exception must include a description of how leasing these structures is in the best interest of the program, supporting documentation showing that the leasing charges paid with grant funds are reasonable for the market, and a copy of the written policy for resolving disputes between the landlord and tenant, including a recusal for officers, agents, and staff who work for both the landlord and tenant.
	Leasing structures	When funds are used to pay for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. The rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.		A rent reasonable valuation can be completed at www.GoSection8.com . Fair market rents are updated annually at HUD Fair Market Rents (FMR) .
		Occupancy agreements and subleases are required as specified in 578.77(a).		Occupancy agreements and subleases can be found on IHCDA's CoC Program Partners site .

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		Occupancy charges and rent from program participants must be calculated as provided in 578.77. Recipients and Subrecipients are not required to impose occupancy charges on program participants.		
	Leasing individual units	The rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. The rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.		A rent reasonable valuation can be completed at https://www.affordablehousing.com/ . Fair market rents are updated annually at HUD Fair Market Rents (FMR) .
		Occupancy agreements and subleases are required as specified in 578.77(a).		Occupancy agreements and subleases can be found on IHCDA's CoC Program Partners site .
		Occupancy charges and rent from program participants must be calculated as provided in 578.77. Recipients and Subrecipients are not required to impose occupancy charges on program participants.		
BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION

	Utilities	Electricity, gas, and water are an eligible cost if included in the rent.		Utilities not included in the rent are an operating cost.
	Security deposits and first and last month's rent	Security deposits in an amount not to exceed two months' rent and an advance payment of last month's rent provided to the landlord in addition to first month's rent are eligible costs.		
	Program income	Occupancy charges and rent collected from program participants are program income and may be used as provided under 578.97.		<p>Program income earned during the grant term shall be retained by the recipient and added to funds committed to the project by HUD and the recipient. Program income must be used for eligible activities. Costs incident to the generation of program income may be deducted from gross income to calculate program income, provided that costs have not been charged to grant funds. Program income must be reported in grant close-out.</p> <p>Rent and occupancy charges collected from residents of transitional housing may be reserved, in whole or in part, to assist the residents from whom they are collected to move to permanent housing.</p>

Supportive Services

Costs under Supportive Services must be eligible in accordance with 24 CFR 578.53. The services must be necessary to assist program participants to obtain and maintain housing. Subrecipients must conduct an annual assessment of the service needs of the program participant and are required to adjust services accordingly. Any cost **that is not described** as an eligible cost under 24 CFR 578.53 is not an eligible cost of providing supportive services under CoC program funds. Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services are not eligible costs.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
Supportive Services	Annual Assessment of Service Needs	The cost of providing annual assessments of the service needs of program participants are eligible.		
	Assistance with Moving Costs	Reasonable one-time moving costs are eligible, including truck rental and hiring a moving company.		Moving costs are only allowable under supportive services.
	Case Management	The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participants are eligible. This may include:		
		Counseling;		
		Developing, securing, and coordinating services;		
		Using the centralized coordinated entry system;		Each region in the BoS has a Coordinated Entry Lead Agency.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		Obtaining federal, state, and local benefits;		
		Monitoring and evaluating program participant progress;		
		Providing information and referrals to other service providers;		
		Providing ongoing risk assessment and safety planning with victims of domestic violence; and		
		Developing individualized housing and service plans, including housing stabilization.		
	Childcare	The costs of establishing and operating childcare, and providing childcare vouchers for children experiencing homelessness are eligible. Children must be under the age of 13 unless they are disabled. Disabled children must be under the age of 18.		
		The childcare center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.		The Indiana Family and Social Services Administration maintains a searchable database of licensed childcare providers available here .
BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION

		Eligible costs include the costs of providing meals/snacks and developmental activities.		
	Education Services	The costs of improving knowledge and basic educational skills are eligible. These may include instruction or training in consumer education, health education, substance abuse prevention, literacy, ESL & GED classes.		
		Component services and activities include screening, assessment, and testing; individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.	The purchase of school uniforms is not an eligible cost.	
	Employment Assistance and Job Training	The costs of establishing and operating employment assistance and job training programs are eligible. These may include classroom, online and/or computer instruction, on-the-job instruction, and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential.		
BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		Learning skills include those skills that can be used to secure and retain a job,		

		including the acquisition of vocational licenses and/or certificates		
		The cost of providing reasonable stipends to participants in these employment programs is also eligible.		
		Services that assist individuals in securing employment consist of the following:		
		Employment screening, assessment, or testing;		
		Structured job skills and job-seeking skills;		
		Special training and tutoring, including literacy training and prevocational training;		
		Books and instructional materials;		
		Counseling and job coaching; and		
		Referral to community resources.		
BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
	Food	The cost of providing meals or groceries to program participants.		

	Housing Search and Counseling Services	The costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible		
		Component services and activities are tenant counseling; assisting individuals and families to understand leases; securing utilities; and making moving arrangements		
		Other eligible costs include the following:		
		Mediation with property owners and landlords on behalf of eligible program participants;		Funds may not be used to pay for eviction costs.
		Credit counseling, accessing a free credit report, and resolving personal credit issues; and		
		The payment of rental application fees.		Background checks are considered an eligible cost if included as part of a rental application fee or as a program eligibility fee.
BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
	Legal Services	Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless		

		individual or family's ability to obtain and retain housing.		
		Eligible subject matters are child support; guardianship; paternity; emancipation; legal separation; orders of protection and other civil remedies for victims of DV, dating violence, sexual assault, and stalking; appeal of veterans and public benefit claim denials; landlord-tenant disputes; and the resolution of outstanding criminal warrants.	Legal services for immigration and citizenship matters and issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are ineligible.	
		Component services or activities may include receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling.		

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		<p>Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the Subrecipient is a legal services provider and performs the services itself, the eligible costs are the Subrecipient's employees' salaries and other costs necessary to perform the services.</p>		
	Life Skills Training	<p>The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, DV, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community</p>		

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.		Materials necessary to conduct these trainings are an eligible cost.
	Mental Health Services	Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals.		
		Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.		
	Outpatient Health Services	Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals including:		

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		Providing an analysis or assessment of an individual's health problems and the development of a treatment plan;		
		Assisting individuals to understand their health needs;		
		Providing or assisting individuals in obtaining and utilizing appropriate medical treatment;		
		Preventive medical care and health maintenance services, including in-home health services and emergency medical services;		
		Provision of appropriate medication;		
		Providing follow-up services; and		
		Preventive and non-cosmetic dental care.		

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
	Substance Abuse Treatment Services	The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible	Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible. Training costs are unallowable. Any costs that are not included in the budget detail submitted with the application are ineligible.	
	Transportation	Eligible costs include the following:		
		The costs of program participants' travel on public transportation or in a vehicle provided by the Subrecipient to and from medical care, employment, childcare, or other services eligible under this section;	Purchasing gas for program participants' personal vehicles is ineligible.	Transportation for program participants must be logged and verifiable. Subrecipients should develop a policy to ensure that program participant transportation costs are being appropriately allocated and tracked.
		Mileage allowance for service workers to visit program participants and to carry out housing quality inspections;		
		The cost of purchasing or leasing a vehicle in which staff transports program participants and/or staff serving program participants;		
		The cost of gas, insurance, taxes, and maintenance of the vehicle		

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		The costs of Subrecipient staff to accompany or assist program participants to utilize public transportation; and		
		If public transportation options are not sufficient within the area, the Subrecipient may make a one-time payment on behalf of a program participant needing car repairs or maintenance required to operate a personal vehicle.		Payments for car repairs or maintenance may not exceed 10% of the Blue Book value of the vehicle. Payments by the program must be made directly to the third party that repairs or maintains the car. Subrecipients may require program participants to share in the cost of car repairs or maintenance as a condition of receiving the assistance.
	Utility Deposits	Utility deposits are an eligible cost as a one-time fee, paid to utility companies.	Telephone, cable, and internet service are not eligible utilities. Arrears are ineligible.	
	Direct Provision of Services	If the service described in this section is being directly delivered by the Subrecipient, eligible costs for those services also include:		
		The costs of labor or supplies, and materials incurred by the Subrecipient in directly providing supportive services to program participants; and		

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		The salary and benefit packages of the recipient and Subrecipient staff who directly deliver the services.		Work-related telephone, cell phone, and internet services for staff members are considered eligible costs.

Operating Costs

Costs under Operating Costs must be eligible in accordance with 24 CFR 578.55.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
Operating Costs	Grant funds may be used to pay the costs of day-to-day operation of transitional housing.	Maintenance and repair of housing;	Program funds may not be used for the maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.	Program funds may not be used for rental assistance and operating costs in the same project. Operating costs cannot be used in conjunction with rental assistance.
		Property taxes and insurance;		
		Scheduled payments to a reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);		
		Building security for a structure where more than 50 percent of the units or area is paid for with grant funds;		
		Electricity, gas, and water;	If electricity, gas, and water are included in the lease then these are leasing costs and ineligible under operating costs.	
		Furniture;		Furniture purchased must remain with the unit.
		Equipment.		

Project Administration

Up to 10 % of any grant awarded may be used for project administration. Costs under Project Administration must be eligible in accordance with 24 CFR 578.59.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
Project Administration	General Management, Oversight, and Coordination	Costs of overall program management, coordination, monitoring, and evaluation. These costs include necessary expenditures for the following:		
		Salaries, wages, and related costs of the recipient's staff, the staff of Subrecipients, or other staff engaged in program administration. In charging costs to this category, the recipient may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Subrecipient may use only one of these methods for each fiscal year grant.		All salary and wages must be documented by timesheets with hours worked on the project by each day. Timesheets must be approved by the employee and a supervisor.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE COSTS	INELIGIBLE COSTS	ADDITIONAL INFORMATION
		Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and		
		Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance of office space.	Purchase of office space is ineligible.	
	Training on CoC Requirements	Costs of providing training on CoC requirements or attending HUD-sponsored CoC trainings.		
	Environmental Reviews	Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.		

Section 7: Types of Rental Assistance and Required Documentation

Under the BoS CoC, projects are only funded for Tenant-Based Rental Assistance (TBRA) and/or Sponsor-Based Rental Assistance (SBRA). TBRA, SBRA, and other components of rental assistance are found and explained in 24 CFR 578.51.

Tenant-based Rental Assistance (TBRA)

Through the TBRA model, program participants locate housing of their choice in the private rental market. If the participant later moves to another unit, the participant is able to take the rental assistance and use it in the new unit. Although TBRA program participants can move and retain rental assistance, Subrecipients administering the TBRA may limit where participants live if it is necessary to facilitate the coordination of supportive services. Subrecipients may require program participants to live in a specific area for their entire period of participation, or in the specific structure for the first year and in the specific area of their geographic area of the remainder of the period of participation in the program.

Required Documents for TBRA:

1. Lease between participant and landlord
2. Rental Assistance Payment (RAP) Agreement between the participant and Subrecipient*
3. Rental Assistance Payment (RAP) Agreement between the landlord and Subrecipient*
4. VAWA Lease Addendum*

**Approved forms are located on the IHCDCA partners' website.*

Sponsor-based Rental Assistance (SBRA)

Through the SBRA model, the Subrecipient locates rental housing units in the private market and then subleases the units to program participants. In this model, the sponsor agency/Subrecipient owns units or leases units and then subleases them to the eligible participants. With this model, the rental assistance stays with the sponsor/Subrecipient.

Required Documents for SBRA³:

If Subrecipient owns the property:

1. Lease between participant and Subrecipient/landlord
2. Rental Assistance Payment (RAP) Agreement between Subrecipient and participant²

³ Approved forms are located on the IHCDCA Program Partners' Site. See *Appendix A: CoC Program Partners' Site*.

3. VAWA Lease Addendum²

If Subrecipient DOES NOT own the property:

1. Lease between sponsor/Subrecipient and landlord
2. Sub-lease between Subrecipient and participant (IHCDA has a sub-lease form that can be used, that is included with the Rental Assistance Payment (RAP) Agreements)²
3. Rental Assistance Payment (RAP) Agreement between landlord and Subrecipient)²
4. Rental Assistance Payment (RAP) Agreement between Subrecipient and participant²
5. VAWA Lease Addendum²

Master Leasing

In master leasing the Subrecipient will lease units from the property owner, and in turn sublease the units to program participants. Through master leasing, a program could lease an entire building, portion of a building, or multiple scattered-site units owned by the same property owner. All properties within the master lease have a single rent payment, lease terms, and renewal schedule.

The Subrecipient assumes responsibility for tenant selection from the property owner in conformance with agreed upon criteria. The property owner continues to own and manage the housing. Master leasing can provide flexibility on tenant screening criteria because the Subrecipient takes on responsibility for the leased unit.

For all master leases, the Sponsor-Based Rental Assistance Lease template available on the IHCDA partners' website⁴ should be used. All sections of this lease agreement should be completed.

² Approved forms are located on the IHCDA Program Partners' Site. See *Appendix A: CoC Program Partners' Site*.

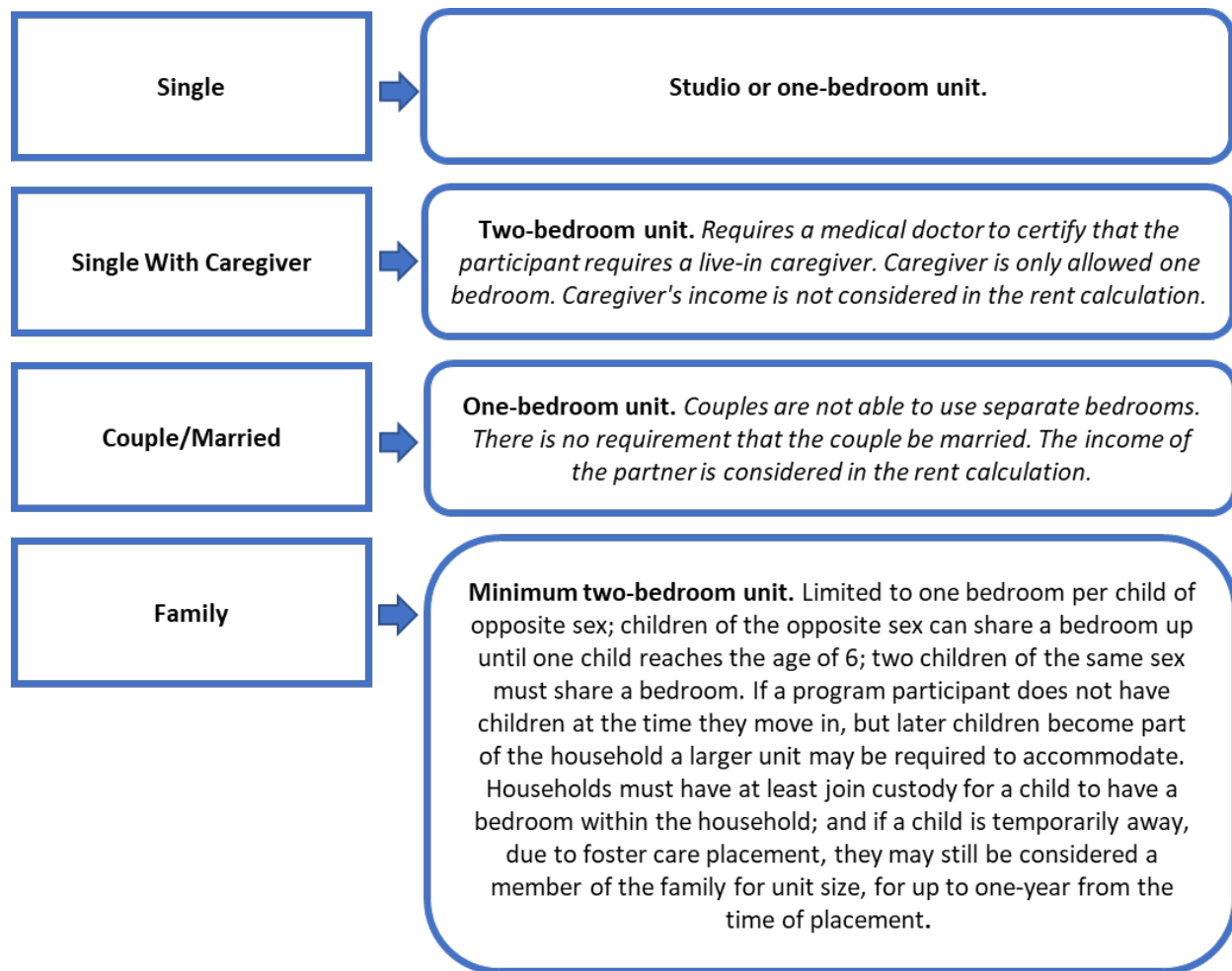
⁴ Approved forms are located on the IHCDA Program Partners' Site. See *Appendix A: CoC Program Partners' Site*.

Section 8: Program Requirements

It is the responsibility of the Subrecipient to ensure compliance with all CoC regulations in 24 CFR 578 and their agreement with IHCD. The CoC programs have specific requirements for the use of rental assistance funds, which are outlined in this section.

Household Composition: Unit Sizes and Limitations

Units can consist of studios, single family detached units, duplex or two-family units, apartments, or manufactured homes. Case workers are encouraged to assist in locating units for participants that best fits their needs. Units must be appropriate for the size of the family and meet Housing Quality Standards (HQS), as described in the section below. See the below chart for guidance on determining the appropriate unit size.



Participants are limited to renting units within the county in which the Subrecipient was approved to provide rental assistance under the program. A participant cannot rent a unit that is deemed too large for their household size. Please note, if household composition changes, unit size may need to be adjusted to maintain eligibility for rental assistance.

No. of Bedrooms	Minimum No. of Persons in Household	Max No. of Persons in Household	Unit Size (No. of Bedrooms)	Max Occupancy (this counts the living room/area as sleeping area)
0 Bedrooms	1	1	0 Bedrooms	1
1 Bedrooms	1	2	1 Bedrooms	4
2 Bedrooms	2	4	2 Bedrooms	6
3 Bedrooms	4	6	3 Bedrooms	8
4 Bedrooms	6	8	4 Bedrooms	10
5 Bedrooms	8	10	5 Bedrooms	12
6 Bedrooms	10	12	6 Bedrooms	14

HUD Definition of Family

Any group of people that present together for assistance and identify themselves as a family, regardless of age or relationship or other factors, are considered a family and must be served together as such. CoC Programs cannot discriminate against a group of people presenting as a family based on the composition of the family (e.g., adults and children or just adults), the age of any member of the family, the disability status of any members of the family, marital status, actual or perceived sexual orientation, or gender identity. For instance, a project may limit its assistance to families with children, but must serve all families that meet the criteria, e.g., a single male head of household with minor child(ren); or a household of two adults, regardless of marital status, gender identity, or sexual orientation, presenting with minor child(ren).

Shared Housing Limitations

Shared housing is defined as two or more people living in a unit, sharing housing costs. CoC Program funds can be used to rent part of an apartment or a house to a household, even if other occupants residing in the unit are not part of the same household. Regardless of the type of housing, all program participants in permanent housing, which includes RRH, must be the tenant on a lease (or sublease) that has a term of at least one year and is automatically renewable and terminable only for cause.

If participants choose housing in a shared housing/roommate situation, there are certain requirements that must be met, and other considerations to keep in mind:

1. Each household assisted with CoC Program tenant-based rental assistance must have their own separate lease with the property owner to be considered a separate household for the purpose of CoC Program eligibility.

2. The participant has the choice in selecting a housing unit in which to live and the people with which they will share that housing (if any).
3. All housing assisted with rental assistance funds under the program must meet minimum HQS as set forth in 24 CFR 578.75(b).
4. All housing for which rental assistance payments are made must meet rent reasonableness standards. Rent reasonableness should be determined by considering the reasonableness of the rent in relation to rents being charged for comparable unassisted units, taking into account the location, quality, size, type, and age of unit, as well as any amenities, housing services, maintenance, and utilities provided by the owner.

Housing Quality Standards

Housing that is subsidized with rental assistance funds must meet the applicable housing quality standards (HQS) under 24 CFR 982.401. HUD maintains current inspection forms and checklists on their [website](#).

Subrecipients are required to inspect all units prior to move-in and at least annually during lease renewal. Inspectors do not need to be certified. Rental assistance and leasing funds can be used to pay for HQS inspections. If a Subrecipient owns units or buildings, the unit in question must be inspected by a third-party contractor to avoid a conflict of interest.

Lease cannot be signed by the participant or Subrecipient until the initial inspection for the unit has been passed. The Subrecipient is required to ensure that the initial inspection is conducted within 10 working days of locating the unit. The Subrecipient is also required to verify that each issue identified during the HQS inspection is corrected within 30 days from the start of the lease.

During lease renewal/recertification of the unit, the landlord is required to repair any structural damage to the unit and any damages. Life-threatening defects are required to be repaired within 24 hours.

Some HQS violations constitute a life-threatening defect for the family. Families should not move into a new unit until the situation is remedied. If a participating family already occupies the unit they should make arrangements to leave the unit until the situation is remedied, particularly where there is any imminent danger to their health or safety.

Emergency situations include:

- Unsafe or inoperable heating systems
- Any “red-tagged” heating units.
- Significant water or sewer malfunctions
- Non-functioning water heater.
- Any “red-tagged” water-heating units.
- Water heater lacking pop-off valve and drip leg

- Detection of high levels of carbon monoxide.
- Gas leaks.
- Missing or malfunctioning smoke detectors.
- Lead-based paint.
- Unsafe, exposed, or sparking wiring.
- Severely unsafe structural defects such as rotting floors.
- Citation of the unit by the Health Department for any health and safety violation.
- Non-locking doors, windows, or other openings to the outside.

In any instance where a problem is found with a unit that has the potential of endangering the health or safety of the occupants, it is to be considered an HQS violation, whether or not the problem is specified in the regulations or Guidebook.

Lead-Based Paint Requirements

The Lead Safe Housing Rule (LSHR) and EPA's Renovation, Repair, and Painting (RRP) Rules applies to properties built on or before January 1, 1978, except for housing for elderly or persons with disabilities (unless a child of less than 6 years old of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero-bedroom dwelling.

Subrecipients are required to use procedures to eliminate, as far as practicable, lead-based paint hazards in housing occupied by families receiving rental assistance. Subrecipients must work with landlords to comply with these requirements.

Required forms for Lead-Based Paint compliance are located on the [IHCD Program Partners' Site for CoC](#). The included Review for Exemption form must be completed for all units, even those determined to be exempt, to document compliance with these requirements.

Applicability:

This applies to dwelling units occupied or to be occupied by families or households that have one or more children of less than 6 years of age, common areas servicing such units, and exterior painted surfaces associated with such units or common areas. Common areas servicing a unit include those areas through which residents pass to gain access to the unit and other areas frequented by resident children of less than 6 years of age, including on-site play areas and childcare facilities.

Exemptions to the Lead Safe Housing and Lead Disclosure Rules: The property was constructed on or after January 1, 1978 *or* meets one of the following:

- The property is a zero-bedroom unit or property
- The housing is dedicated to elderly housing (unless a child of less than 6 years of age resides or is expected to reside)
- The housing is dedicated for the disabled (unless a child of less than 6 years of age resides or is expected to reside)

- A paint inspection conducted in accordance with 40 CFR 745 established that the property is free of lead-based paint
- All lead-based paint on the property has been identified and removed, with a qualified clearance examiner reporting the project passed clearance
- The unit will be occupied for a total of less than 100 days under emergency leasing assistance to eligible households

Exemption Form:

The Lead Regulations Exemption Permanent Supportive Housing Form (LBP Exemption Form) documents whether lead-based paint requirements apply to the unit or household. This form must be completed and maintained in the client file for each unit assisted by the program. If a program participant moves from one unit to another while enrolled in the program, the Subrec

Disclosure:

Subrecipients are required to ensure that each landlord completes a Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards (LBP Disclosure Form) for each non-exempt unit. If a program participant moves from one non-exempt unit to another non-exempt unit while enrolled in the program, the Subrecipient must ensure this form is completed and maintained on file for each unit assisted with program funds.

Tenant Education:

Tenant education regarding lead-based paint hazards is required for all non-exempt units. Subrecipients must ensure that each household receives the EPA booklet “Protect Your Family from Lead in Your Home.” Documentation, including signature, showing that the program participant received and understands the educational material must be maintained within the program participant’s file for each non-exempt unit.

Visual Assessment:

As a part of ongoing maintenance activities, at initial inspection, at unit turnover, and every twelve months thereafter, an inspector acting on behalf of the Subrecipient and trained in visual assessment for deteriorated paint surfaces in accordance with the procedures established by HUD shall conduct a visual assessment of all painted surfaces to identify any deteriorated paint. If visual assessment indicates deteriorated paint, lead-based testing kit should be used. If lead is confirmed, **lead-based paint repair, completed by an entity licensed by the State of Indiana must be conducted.**

Visual Assessment Training:

Subrecipients must ensure that individuals conducting HQS inspections complete the HUD Visual Assessment training prior to inspecting units.

The HUD Visual Assessment training is located [here](#). Each Subrecipient must provide IHCD a current copy of the certificate of completion for every staff member, contractor, or other party responsible for conducting HQS inspections on behalf of the Subrecipient.

Compliance Checklist:

For units that do not qualify for an exemption, sub-recipients must complete the File Checklist for Compliance with Lead-Based Paint Regulations for each unit.

Stabilization/Hazard Reduction Activities:

The landlord must stabilize each deteriorated paint surface before commencement of assisted occupancy. If assisted occupancy has commenced prior to a periodic inspection, such paint stabilization must be completed within 30 days of notification of the landlord of the results of the visual assessment. Paint stabilization is considered complete when clearance is achieved in accordance with 24 CFR 35.1340. If the landlord does not complete the hazard reduction required by this section, the unit is in violation of Housing Quality Standards (HQS) until the hazard reduction is completed or the unit is no longer covered by a Rental Assistance Payment Contract.

Extension of Time:

The Subrecipient may grant the landlord an extension of time to complete paint stabilization and clearance for reasonable cause, but such an extension shall not extend beyond 90 days after the date the landlord is notified of the visual assessment results.

Notice of Hazard Reduction:

When hazard reduction activities are undertaken, the landlord must: Provide a notice to occupants no more than 15 calendar days after the hazard-reduction activities (including paint stabilization) have been completed that describes the results of the clearance examination. (24 CFR 35.125(b) contains more information regarding the required contents of the notice).

Maintenance Plan for Ongoing Maintenance Activities:

The Subrecipient must work with the landlord to develop a maintenance plan that incorporates ongoing lead-based paint maintenance activities into regular building operations. The Subrecipient and landlord must execute an **Agreement for Ongoing Maintenance Activities related to Lead-Based Paint Requirements**, drafted by IHCD, which describes the following required activities:

- (1) Visual assessment for deteriorated paint, and the failure of any hazard reduction measures shall be performed at unit turnover and every twelve months;
- (2) All deteriorated paint on interior and exterior surfaces located on the residential property shall be stabilized in accordance with 24 CFR 35.1330(a)(b), except for any paint that an evaluation has found is not lead-based;
- (3) All bare soil shall be treated with standard treatments in accordance with 24 CFR 35.1335(d) through (g), or interim controls in accordance with 24 CFR 35.1330(a) and (f); except for any bare soil that a current evaluation has found is not a soil-lead hazard;
- (4) Safe work practices, in accordance with 24 CFR 35.1350, shall be used when performing any maintenance or renovation work that disturbs paint that may be lead-based;

(5) Any encapsulation or enclosure of lead-based paint or lead-based paint hazards which has failed to maintain its effectiveness shall be repaired, or abatement or interim controls shall be performed;

(6) Clearance testing shall be performed at the conclusion of repair, abatement, or interim controls in accordance with 24 CFR 35.1340; and

(7) The unit shall be provided with written notice asking occupants to report deteriorated paint and, if applicable, failure of encapsulation or enclosure, along with the name, address and telephone number of the person whom occupants should contact. The language included in the notice shall be in accordance with 24 CFR 35.125(c)(3). The landlord shall respond to such report and stabilize the deteriorated paint or repair the encapsulation or enclosure within 30 days.

EXCEPTION: Ongoing maintenance activities do not need be conducted if a lead-based paint inspection, conducted by a lead inspector/risk assessor licensed by the State of Indiana, indicates that no lead-based paint is present in the unit, common areas, and on exterior surfaces, or a clearance report as set forth in 24 CFR 35.1340(a)) indicates that all lead-based paint has been removed.

Reevaluation Activities: Reevaluation shall be conducted in accordance with this paragraph, and the Subrecipient shall conduct interim controls of lead-based paint hazards found in the reevaluation.

(1) Reevaluation shall be conducted if hazard reduction has been conducted to reduce lead-based paint hazards found in a risk assessment or if standard treatments have been conducted, except that reevaluation is not required if any of the following cases are met:

(i) An initial risk assessment found no lead-based paint hazards;

(ii) A lead-based paint inspection found no lead-based paint; or

(iii) All lead-based paint was abated in accordance with 24 CFR 35.1325, provided that no failures of encapsulations or enclosures have been found during visual assessments conducted in accordance with 24 CFR 35.1355(a)(2) or during other observations by maintenance and repair workers in accordance with 24 CFR 35.1355(a)(5) since the encapsulations or enclosures were performed.

(2) Reevaluation shall be conducted to identify:

(i) Deteriorated paint surfaces with known or suspected lead-based paint;

(ii) Deteriorated or failed interim controls of lead-based paint hazards or encapsulation or enclosure treatments;

(iii) Dust-lead hazards; and

(iv) Soil that is newly bare, with lead levels equal to or above the standards in 24 CFR 35.1320(b)(2).

(3) Each reevaluation shall be performed by a certified risk assessor.

(4) Each reevaluation shall be conducted in accordance with the following schedule if a risk assessment or other evaluation has found deteriorated lead-based paint in the residential property, a soil-lead hazard, or a dust-lead hazard on a floor or interior windowsill. (Window troughs are not sampled during reevaluation). The first reevaluation shall be conducted no later than two years from completion of hazard reduction. Subsequent reevaluation shall be conducted at intervals of two years, plus or minus 60 days. To be exempt from additional reevaluation, at least two consecutive reevaluations conducted at such two-year intervals must be conducted without finding lead-based paint hazards or a failure of an encapsulation or enclosure. If, however, a reevaluation finds lead-based paint hazards or a failure, at least two more consecutive reevaluations conducted at such two-year intervals must be conducted without finding lead-based paint hazards or a failure before an exemption can be granted.

(5) Each reevaluation shall be performed as follows:

- (i) Dwelling units and common areas shall be selected and reevaluated in accordance with 24 CFR 35.1320(b).
- (ii) The worksites of previous hazard reduction activities that are similar on the basis of their original lead-based paint hazard and type of treatment shall be grouped. Worksites within such groups shall be selected and reevaluated in accordance with 24 CFR 35.1320(b).

(6) Each reevaluation shall include reviewing available information, conducting selected visual assessment, recommending responses to hazard reduction omissions or failures, performing selected evaluation of paint, soil and dust, and recommending response to newly found lead-based paint hazards.

Child with an Elevated Blood Level:

(1) Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted unit has been identified as having an elevated blood lead level as defined in 24 CFR 35.110, the Subrecipient shall complete an environmental investigation of the unit in which the child lived at the time the blood was last sampled and of the common areas servicing the unit. The environmental investigation shall be conducted in accordance with 24 CFR 35.110 and Chapter 16 of the HUD Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing. When the environmental investigation is complete, the Subrecipient shall immediately provide the report of the environmental investigation to the landlord. If the child identified as having an elevated blood lead level is no longer living in the unit when the Subrecipient

- receives notification from the public health department or other medical health care provider, but another household receiving tenant-based rental assistance is living in the unit or is planning to live there, these requirements will still apply just as they do if the child still lives in the unit. If a public health department has already conducted an evaluation of the unit resulting from the child's elevated blood lead level case, or the Subrecipient conducted an environmental investigation of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when the Subrecipient received the notification of the elevated blood lead level, these requirements shall not apply. If the Subrecipient or the landlord conducted a risk assessment of the unit and common areas servicing the unit during that period, the Subrecipient need not conduct another risk assessment but shall conduct the elements of an environmental investigation not already conducted during the risk assessment.
- (2) After receiving information from a person who is not a medical health care provider that a child of less than 6 years of age living in an assisted unit may have an elevated blood lead level, the Subrecipient shall immediately verify the information with a public health department or other medical health care provider. If that department or provider verifies that the child has an elevated blood lead level, the landlord must undertake hazard reduction activities.
 - (3) Within 30 days after receiving the report of the environmental investigation from the Subrecipient or the evaluation from the public health department, the landlord shall complete the reduction of identified lead-based paint hazards in accordance with 24 CFR 35.1325 or 24 CFR 35.1330. Lead-based paint hazard reduction is considered complete when clearance is achieved in accordance with 24 CFR 35.1340 and the clearance report states that all lead-based paint hazards identified in the environmental investigation have been treated with interim controls or abatement; or the public health department certifies that the lead-based paint hazard reduction is complete. The requirements of this paragraph do not apply if the Subrecipient or the landlord, between the date the child's blood was last sampled and the date the Subrecipient received the notification of the elevated blood lead level, already conducted an environmental investigation of the unit and common areas servicing the unit and the landlord completed reduction of identified lead-based paint hazards. If the landlord does not complete the lead-based paint hazard reduction required by this section, the unit is in violation of the standards of 24 CFR 982.401.
 - (4) **Notice of lead-based paint hazard evaluation and reduction.** The landlord shall notify building residents of any lead-based paint hazard evaluation or reduction activities in accordance with 24 CFR 35.125.
 - (5) **Reporting requirement.** (1) The landlord and Subrecipient shall report the name and address of a child identified as having an elevated blood lead level to the public health department within 5 business days of being so notified by any other medical healthcare professional. (2) The landlord shall also report each confirmed case of a child with an elevated blood lead level to the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes

within 5 business days of being so notified. (3) The landlord shall provide to the HUD field office documentation that it has conducted the activities of paragraphs (A) through (D) of this section, within 10 business days of the deadline for each activity.

- (6) **Other assisted dwelling units in the property.** If the environmental investigation conducted identifies lead-based paint hazards, the Subrecipient or the landlord shall conduct a risk assessment in accordance with 24 CFR 35.1320(b) for other assisted dwelling units, and the common areas servicing those units, covered by this part in which a child under age 6 resides or is expected to reside on the date lead-based paint hazard reduction under this section is complete. This assessment must be completed within 30 calendar days after receipt of the environmental investigation report if there are 20 or fewer such units, or 60 calendar days if there are more such units.

If the risk assessment identifies lead-based paint hazards, the landlord shall complete the reduction of the lead-based paint hazards in accordance with 24 CFR 35.1325 or 24 CFR 35.1330 within 30 calendar days, or within 90 calendar days if more than 20 units have lead-based paint hazards such that the control work would disturb painted surfaces that total more than the de minimis threshold of 24 CFR 35.1350(d). Lead-based paint hazard reduction is considered complete when clearance is achieved in accordance with 24 CFR 35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement.

These requirements do not apply if:

- (i) The Subrecipient or the landlord, between the date the child's blood was last sampled and the date the landlord received the notification of the elevated blood lead level, both conducted a risk assessment of the other assisted dwelling units covered by this section and the common areas servicing those units, and the landlord conducted interim controls of identified lead-based paint hazards in accordance with 24 CFR 35.1225(c); or
- (ii) The landlord has documentation of compliance with evaluation, notification, lead disclosure, ongoing lead-based paint maintenance, and lead-based paint management requirements under this part throughout the 12 months preceding the date the landlord received the environmental investigation report pursuant to paragraph (a) of this section; and
- (iii) In either case, the landlord provided the HUD field office, within 10 business days after receiving the notification of the elevated blood lead level, documentation that it has conducted the activities described in paragraphs (i) and (ii).

- (7) **Data collection and record-keeping responsibilities.** At least quarterly, the Subrecipient shall attempt to obtain from the public health department(s) with area(s) of jurisdiction similar to that of the Subrecipient the names and/or addresses of children of less than 6 years of age with an identified elevated blood lead level. At least quarterly, the Subrecipient shall also report an updated list of the addresses of units receiving assistance under a tenant-

based rental assistance program to the same public health department(s), except that the report(s) to the public health department(s) is not required if the health department states that it does not wish to receive such report. If the Subrecipient obtains names and addresses of elevated blood lead level children from the public health department(s), the Subrecipient shall match information on cases of elevated blood lead levels with the names and addresses of families receiving tenant-based rental assistance, unless the public health department performs such a matching procedure. If a match occurs, the Subrecipient shall carry out the requirements of this section.

Rent Reasonableness Standard

The rent charged for the unit must be reasonable in relation to rents charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit. The rent must not exceed rents currently being charged by the same owner for comparable unassisted units.

Rent reasonableness is based on gross rent, which includes the entire housing cost: rent plus the cost of utilities (gas, electric, water, sewer, trash, etc.) that are the responsibility of the tenant. Gross rent excludes telephone, cable, satellite service, and internet. Gross rent also does not include pet fees, late fees, or application fees that may be charged by the landlord.

Units assisted with rental assistance funds may have gross rent that exceeds the FMR as long as it is determined to be reasonable. The Subrecipient must understand that grant amounts are calculated by multiplying the number of assisted units by the FMR and not the reasonable rent for the area. When exceeding FMR for units, Subrecipients should ensure that their budget allows for a higher payment from the program.

Units assisted with leasing funds must not exceed the lower of FMR or rent reasonableness.

Rent reasonable valuations must be completed prior to a lease being signed by program participants to ensure the standard is met. Rent reasonableness must be assessed and documented annually during the program recertification period, which should align with lease renewal, regardless of any change in the gross monthly rent.

If finding rent reasonable housing within the geographic area served is creating a barrier to housing program participants, please reach out to your analyst at IHCD to discuss how to proceed.

Subrecipients are required to use [AffordableHousing.com](https://www.affordablehousing.com) to determine and document that the reasonableness standard is met for a particular unit being assisted with program funds. Program participant files should contain a copy of the rent reasonable valuation created through the GoSection8 software as proof. To obtain a login, please contact your analyst or CommunityServices@ihcda.IN.gov.

Calculating Income and Tenant Rent Contributions

Income of program participants must be calculated in accordance with 24 CFR 5.609 and 24 CFR 5.611(a). Program participants are NOT required to have income to be accepted into the program. Their income will be documented and verified as \$0 when determining rent contribution.

Subrecipients are required to examine and document program participants' income initially at intake into the program, and at least annually at recertification, to determine the appropriate tenant rent contribution. Adjustments to a program participant's contribution towards the rental payment must be made as changes in income are identified. Changes are not limited to recertification, but a requirement when income changes are identified or reported. Subrecipients may establish an organizational policy that allows for more frequent re-evaluations. As a condition of participation in the program, participants must agree to supply, at any time, income information and documentation necessary for verification purposes regarding changes in income or other circumstances that may result in changes to their contribution towards the rental payment.

The Subrecipient is required to use the Income and Rent Calculation worksheet available through IHCD for documentation of income and rent calculations. The eligible rental assistance payment is the difference of the monthly gross rent and the program participant's monthly rent contribution. For guidance on how to calculate the program participant's monthly rent, please review the guidance for the appropriate program type in Section II of this manual.

Utility Allowances

When determining gross rent for units where utilities are not included, Subrecipients are required to follow the utility allowance schedules available through the [IHCD website](#). Utility allowance schedules are updated annually and generally take effect December 1st of each calendar year.

If the reasonable monthly utility compensation alone exceeds the amount the participant is required to pay for a rent contribution or the maximum amount the participant could be or is required to pay in an occupancy charge, the Subrecipient must pay the utility company on behalf of the participant.

The Subrecipient must have the permission of the participant and notify the participant in writing of the amount paid to the utility company. The Subrecipient must maintain records of the participant's permission to pay the utility company directly and of the notification(s) to the participant regarding the amount(s) paid on their behalf. Please refer to [HUD Notice: CPD-17-11](#) for additional information. IHCD strongly recommends Subrecipients pay utility reimbursements directly to utility companies. Paying the reimbursement to the utility company ensures grant funding is easier to track and report during monitoring.

Program Income

Program income is any income received by the Subrecipient that is directly generated by a grant-supported activity. Program income earned during a grant term shall be retained by the Subrecipient and added to funds committed to the project by HUD (CoC grant) and the Subrecipient (match) and used for eligible activities in accordance with grant requirements. Costs incident to the generation of program income may be deducted from gross income to calculate program income, provided that the costs have not been charged to grant funds.

Program income includes rent and occupancy charges collected from program participants that would be collected under this part. In transitional housing, rents and occupancy charges collected from residents may be reserved, in whole or in part, to assist the residents from whom they are collected to move to permanent housing. Program income can also include returned deposits.

Program income should be tracked, held in a distinct account, and must be spent on eligible grant expenditures during the term of the grant. Program income should be spent prior to claiming funds from the CoC Program throughout the grant term. Do not claim expenses paid for by program income on the grant as an expense. Instead, you can use program income as an eligible source of match unless otherwise determined by the corresponding congressional appropriation for CoC funding.

Indirect Cost- new requirement effective June 1, 2024

In accordance with 2CFR200, beginning in 2015 ESG/CoC program funds were approved to use indirect costs as eligible expenses. Indirect costs are costs shared across programs that are eligible for reimbursement if they were directly applied. All indirect costs are administrative or facilities costs that can be shared like office space, office utilities, supplies, etc. Many agencies use direct and indirect methods of accounting for costs, depending on their needs and eligibility of expenses. For example:

- Direct: Subrecipient A chooses to purchase paper for CoC program client files and forms. This would be eligible under administrative costs and would be a direct cost in that program. The paper would be exclusively used for CoC expenses.
- Indirect: Subrecipient B chooses to purchase paper for the entire agency and uses a method of allocating the costs of paper across all their programs equally. The paper is used by any program in the agency, and the cost of the paper would not have to be drawn exclusively from the administrative line. It could be applied to the relevant supportive services or rental assistance lines in CoC and shared across the agencies programs.

Utilizing indirect costs as a method of accounting for expenses allows Subrecipients to support more operations of their agency without relying solely on the administrative line of the grant to support costs. It is important to remember that the methodology used to allocate costs must be the same across all programs. There two methods for allocating costs if you are an IHEDA subrecipient:

- 10% De Minimis rate
- Cost allocation plan

To be eligible to use the 10% De Minimis rate, your agency must meet certain requirements and not all eligible costs can be calculated if using the 10% De Minimis rate. It is strongly recommended that Subrecipients interested in either 10% De Minimis or a Cost Allocation Plan method do so with the supervision of an accounting professional. The use of either of these allocated costs methods should be reviewed and approved by the agency's board of directors.

A cost allocation plan is the method an agency should use to name their indirect cost and describe how those costs are being applied to across programs. There are three ways to apply costs in an allocation plan: simplified, multiple rate, and direct allocation.

Costs in these plans must be allowable under the ESG/CoC Program and the regulations of 2 CFR 200. Some costs that are not allowable include:

- Advertising and public relations
- Alcohol,
- Lobbying,
- Taxes (does not include payroll taxes)

In 2021 HUD released a helpful guide called the [Indirect Cost Toolkit for Continuum of Care \(CoC\) and Emergency Solutions Grant \(ESG\) Programs](#). You are encouraged to use the Toolkit alongside the support of the accounting professional assisting you with your plans. If you have additional questions about indirect costs, you can contact communityservices@ihcda.in.gov.

If your agency chooses to implement a strategy to apply indirect costs to your ESG/CoC program grant you must complete the following steps:

- 1) Select one of the methods described above and in accordance with 2 CFR 200 as outlined in the Toolkit referenced above.
- 2) Notify IHCDA via communityservices@ihcda.in.gov email that you are going to allocate indirect costs and provide a copy of your policy about allocated costs and your cost allocation plan. This is not an approval of your plan, and if unallowable costs are found later through monitoring you may be required to change it. If you change your plan, notify IHCDA via email with a new copy.
 - a. If you are using the 10% De Minimis we still require a detail of the plan, which we would consider your Modified Total Direct Costs (MTDC).
- 3) When you submit claims, you must provide sufficient information that your allocated costs are allowable under the CoC program.
 - a. Ex: if your accounting system just lists “allocated costs” then we’ll need more detail about what costs are allocated to ensure they are eligible still.
 - i. A copy of your general ledger with the detail of allocated costs will suffice. Ex: general ledger lists Allocated Rent, Allocated Utilities, Allocated Paper
 - ii. If you don’t have that type of information in the ledger, then a spreadsheet that defines the costs, the applied date of the cost (which should be in the time period you are claiming), and the cost of each, is also an option.
- 4) Financial operations will continue to review your claims, including allocated costs, and note if they are not allowable. Claims with unallowable costs of any kind are returned for corrections.
 - a. If an allocated cost on a claim exceeds \$1,000 we will request additional information including receipts to verify the expense.

Section 9: Grant Closeout and Reporting Requirements

HUD requires that all grants be closed out in accordance with the requirements of 2 CFR part 200, subpart D, and the closeout procedures established by HUD. All reports and closeout documentation must be submitted to HUD no later than 90 days from the date of the end of the project's grant term. IHEDA submits reports and completes the grant closeout with HUD but does require that Subrecipients contribute to this process; therefore, closeout reports and documentation must be submitted to IHEDA no later than 60 days from the date of the end of the project's grant term to allow appropriate time for review.

Data Quality and Grant Closeout

Data quality in HMIS is extremely important to a successful grant closeout. The APR is generated from the HMIS system. Errors in HMIS will cause problems in pulling the report, and in many instances, it will also cause problems in the data the report pulls into the HUD reporting system, SAGE. If the report has data errors, it may appear that the performance of the project is poor or that the outcomes for clients are reporting incorrectly. It is vital that projects regularly review their data quality, and rely on reports and guidance from the HMIS Help Desk and resources on the IHEDA website:

The HMIS Help Desk is available via email at HMISHelpdesk@iheda.in.gov for any problems related to generating the APR. Subrecipients are encouraged to check their data quality frequently throughout the operating year to ensure the APR reflects accurate and clean data upon submission to IHEDA and HUD.

Victim Services Providers are required to submit an annual APR generated from the DV ClientTrack database. The DV ClientTrack Help Desk is available via email at DVHelpdesk@iheda.in.gov for any problems related to generating the APR.

Annual Progress Report (APR)

The APR is reviewed annually by HUD to show the progress of projects. Performance of the project is tracked using the following three outcomes:

- i. Maintain housing stability;
- ii. Maintain or increase income; and
- iii. Maintain or increase earned income

The APR is a tool for evaluating performance and setting future program goals. These goals also align with HUD System Performance Measures (SPMs) that the BoS CoC reports each year. Each project contributes to these CoC-wide outcomes, and improving performance at a project level can result in system-wide improvements that positively impact our opportunity to apply for and receive new funding from HUD.

The APR is generated from the HMIS system. The HMIS Help Desk is available via email at HMISHelpdesk@iheda.in.gov for any problems related to generating the APR. Subrecipients are encouraged to check their data quality frequently throughout the

operating year to ensure the APR reflects accurate and clean data upon submission to IHCD and HUD.

Victim Services Providers are required to submit an annual APR generated from the DV ClientTrack database. The DV ClientTrack Help Desk is available via email at DVHelpdesk@ihcda.in.gov for any problems related to generating the APR.

In addition to the APR CSV Upload that captures progress, HUD also requires the following sections be completed:

1. Grant Information
2. Bed and Unit Inventory Utilization
3. Contact Information
4. Financial Information
5. Performance Accomplishments
6. Additional Comments – if applicable

Since Subrecipients are familiar with their projects, they are required to supply the information to IHCD with their CSV APR. IHCD will provide a grant closeout form that captures this information in an organized manner.

The following attachments must be included with your APR submission to IHCD:

1. CSV APR (zip file)
2. Completed Grant Closeout Form
3. Match Form
4. Supporting Match Documentation

To allow IHCD plenty of time for the HUD submission, Subrecipients must submit this information to CoC Program Staff no later than the 60th day after the grant agreement has ended. Failure to submit the APR on time to HUD raises the risk of the recipient and Subrecipient and negatively impacts internal competition scoring for annual renewals.

Section 10: IHCD Subrecipient Monitoring

It is the policy of IHCD to monitor its Subrecipients on an annual basis. IHCD follows a Subrecipient monitoring strategy to determine the Subrecipients that will be selected for monitoring. The level of monitoring and type of monitoring, on-site or desktop, is based on risk assessment scores.

Risk Assessments

Risk Assessments are conducted annually by CoC Program Staff. Subrecipient risk is based on the following factors:

1. Experience with CoC Grants
2. Staff Turnover

3. Training Attendance (Development Day, Monthly Office Hours, Housing First, etc.)
4. Grant Agreement Deadlines Met
5. Amount of Award
6. Funding Utilization
7. Single Audit Findings/Concerns
8. Timely Submission of Closeout
9. Timely Submission of Claims
10. Quality of Claims Submitted
11. Date of Last Monitoring
12. Prior Monitoring Findings
13. Prior Monitoring Concerns
14. Staff/Constituent Complaints
15. Negative Media Exposure

Monitoring

IHCDA will notify the Subrecipient in writing at least two weeks prior to monitoring a project to allow sufficient time for the Subrecipient to prepare. The Subrecipient will be notified via email of the date, time, and location of the monitoring visit. IHCDA will request that key staff be available during both onsite or remote monitoring visits to ensure all questions can be answered and time can be used in the most efficient manner to complete the monitoring visit.

The notification letter will provide specific details and instructions on what information IHCDA will need to conduct the monitoring visit. This includes, but is not limited to, program participant files, access to financial records, program policies and procedures, and financial policies and procedures.

Forms

All IHCDA CoC Program Forms can be found [here](#).

Part II: CoC Program Components and Requirements

Section 1: Permanent Supportive Housing (PSH)

Participants are required to meet two main eligibility criteria to be eligible for the CoC PSH program. The individual must be:

1. Experiencing Homelessness
2. Disabled

Homeless Criteria

There are 4 categories of homelessness set forth in 24 CFR 578.3. CoC PSH funds received through IHCD can only be used to serve persons under **Category 1**. See Appendix C for HUD's Homeless Definitions.

Chronically Homeless Criteria

In December 2015, HUD published the Final Rule on Defining "Chronically Homeless". CoC recipients and Subrecipients must comply with the regulations promulgated by this rule as of January 15, 2016. Click [here](#) for more information from the HUD Exchange regarding Chronic Homeless training opportunities.

Chronically homeless is defined as:

1. A "homeless individual with a disability," as defined in Section 401(9) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(9)), who:
 - a. Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
 - b. Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four (4) occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living in a place not meant for human habitation, a safe haven, or in an emergency shelter. Stays in institutional care facilities for fewer than 90 days will not constitute as a break in homelessness, but rather such stays are included in the 12-month total, as long as the individual was living or residing in a place not meant for human habitation, a safe haven, or an emergency shelter immediately before entering the institutional care facility;
2. An individual who has been residing in an institutional care facility, including jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or

3. A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) or (2) of this definition, including a family whole composition has fluctuated while the head of household has been homeless.

DedicatedPLUS Projects

HUD created the DedicatedPLUS concept that allows for more flexibility to communities, particularly those that previously had dedicated 100% of the PSH resources to chronic homelessness. All new PSH projects are required to either be (1) 100% dedicated to chronic homelessness or (2) DedicatedPLUS. Renewal PSH projects can choose to change their classification to DedicatedPLUS as part of their project application.

Participants can qualify for DedicatedPLUS if:

1. Meet the chronic homeless definition.
2. Were residing in a TH project that is being eliminated by the CoC/HUD and were chronic prior to entry.
3. Were chronically homeless when they entering a permanent housing program, were unable to maintain housing, and need to transfer to another the DedicatedPLUS project within 12 months of their initial permanent housing intake.
4. Were chronically homeless prior to entering the TH component of a TH/RRH project.
5. Were homeless for at least 12 months in the last 3 years but had not done so on 4 separate occasions.
6. Were receiving assistance from a VA homeless program and met one of the above criteria prior to entry to the VA program.

Disability Criteria

To qualify for the PSH program, the participant must have a mental, emotional, and/or physical impairment that meets the following criteria:

1. As a result of his/her disability, the need for treatment is expected to be of a long, continued, and indefinite duration; AND
2. The disability substantially impedes his/her ability to live independently; AND
3. Is of such nature that the disability could be improved by more suitable conditions.

If the participant is disabled by chronic problems with alcohol and/or drugs, the person's disability must meet the following criteria:

Problematic use/abuse of alcohol and/or drugs that: 1) has occurred for at least 12 months AND 2) has caused serious difficulties in interpersonal relationships as evidenced by disruptions in employment, loss of housing, and/or loss of role in family structures or other important relationships.

Disability diagnosis must be documented. The requirements for documenting a disability are on the next page.

Documenting Homelessness

Documenting a participant's homelessness must include documentation for up until the night before housing move-in. A break of seven (7) days or less is allowable.

The following are acceptable types of documentation:

1. Third-party Documentation⁵
 - a. An individual record of a stay in an emergency shelter, safe haven, or from a street outreach contact from the Homeless Management Information System (HMIS);
 - b. A written observation by an outreach or intake worker of encounters with the individual or head of household that includes a description of the conditions where the individual or head of household was living or is currently living;
 - c. A written observation by a community member that has observed where the individual or head of household was living or is currently living; and
 - d. A written referral by another housing or service provider.
2. Self-certification⁶
 - a. Certification from the individual seeking assistance.

When documenting chronic homelessness, a participant may self-certify homeless status for up to 3 of the minimum 12 total months required. If third-party documentation demonstrating at least 9 months of stays in a place not meant for human habitation, a safe haven, or an emergency shelter is unavailable and cannot be obtained, the participant may self-certify more than 3 months of homeless status; however, each project is limited to serving a maximum of 25% of total clients per operating year who have self-certified more than 3 months of homelessness. The project is responsible for tracking self-certifications that contribute towards the maximum allowance of 25%. More information from HUD regarding documenting chronic homelessness and the 25% allowance within each project can be found [here](#).

Forms are provided by IHCD for documenting literally homeless and chronic homeless status. These forms can be found on the IHCD Partner's Website.

Documenting Disability

The Disability Documentation Form, which can be found on the IHCD Partner's Website, must be completed and on file for all participants. Participant's eligibility documentation

⁵ Third party documentation must be on letterhead, dated, and signed by outreach or intake worker, the housing provider, or service provider. Community members providing third-party verification are not required to use letterhead, but should sign, date and provide contact information if available.

⁶ Self-certification must be signed and dated by the individual seeking assistance.

should be kept in their program participant file and falls under record keeping requirements as outlined in 24 CFR 578.103.

The following sections of the Disability Documentation Form must be completed with accompanying documentation, if applicable:

Section A: This section provides tenant information and complete disability criteria.

Section B: This section must be completed and signed by a medical professional that is licensed to diagnose and treat in the state of Indiana. This includes a medical doctor (MD), Licensed Physician's Assistant (PA), Licensed Nurse Practitioner (NP), or medical professional trained to make such a determination (example: Ph.D.). Additionally, [IC 25-23.6-11-4](#) allows an individual meeting ALL of the following criteria to make a mental health diagnosis:

- (1) Has at least sixty (60) clock hours (as defined in 34 CFR 600.2) of graduate studies in mental health diagnosis.
- (2) Training that includes diagnostic categories from the most current version of the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Health Disorders (DSM) and the most current version of the International Classification of Diseases (ICD).
- (3) Experience that includes at least one thousand (1,000) hours of supervised practice by an appropriately licensed supervisor, as determined by the board.
- (4) Is licensed as at least one (1) of the following and meets the scope of practice requirements of that profession:
 - (A) Clinical social worker licensed under [IC 25-23.6-5](#).
 - (B) Marriage and family therapist licensed under [IC 25-23.6-8](#).
 - (C) Mental health counselor licensed under [IC 25-23.6-8.5](#).
 - (D) Clinical addiction counselor licensed under [IC 25-23.6-10.5](#).

In place of the signature of a medical professional, the following documentation can be provided:

1. Social Security Administration (SSA) documentation
 - a. SSA verification letter
 - b. Social Security Disability Income (SSDI) check copy
 - c. Supplemental Security Income (SSI) check copy
2. Veterans Administration (VA) documentation
 - a. VA disability check copy

If intake staff are recording observation of disability, the intake staff must sign the form in Section B. Documentation must be provided within 45 days of the signature on the form for the participant to remain eligible for the program.

PSH Lease Requirements

Program participants are required to enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party. Rental assistance payments cannot be made on behalf of participants who are not entered into a lease agreement.

Program participants in PSH units are required to contribute 10% of their monthly household gross income, or 30% of their monthly household adjusted gross income, whichever is higher, towards their monthly gross rent.

Section 2: Rapid Re-Housing (RRH)

Rapid re-housing emphasizes housing search, relocation services and short and medium-term rental assistance to move homeless persons and families (with or without a disability) as rapidly as possible into permanent housing.

Homeless Criteria

Participants are required to meet the Category 1, Category 2 or Category 4 Homeless Definition to be eligible for the RRH project. Projects funded under the DV Bonus may only serve participants that meet the Category 4 Homeless Definition. See Appendix C for HUD's Homeless Definitions.

HUD has clarified that the Category 4 homeless definition allows for participants to remain in their current place of residence and receive assistance. The participant would need to show they are "attempting to flee" by taking steps to remove themselves from a situation in which they are experiencing DV (such as applying for a restraining order, removing the abuser's name from the lease, working towards the abuser leaving the unit, etc.), have no other residence, and lacks the resources or support networks to obtain other housing or maintain their current housing unassisted. The participant's current place of residence must be determined to be rent reasonable and pass HQS, and the participant must sign a new lease agreement for a minimum of one-year before any assistance can be received.

Documenting Participant Eligibility

Participant's eligibility documentation should be kept in their program participant file and falls under the record keeping requirements as outlined in 24 CFR 578.103.

Individuals can self-identify as survivors of DV. This status is valid for as long as the individual continues to identify as such. Additional information is in Appendix C.

RRH Program Requirements

In accordance with CFR 578.51, RRH programs are subject to the following requirements:

1. The program must follow the written policies and procedures established by the CoC for prioritizing which families and individuals will be eligible to receive rapid rehousing assistance.
2. The program may set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months for which a program participant may receive for rental assistance and may require the program participant to share in the cost of rent. These policies must be established in writing by the Subrecipient.
3. RRH rental assistance is limited to a maximum of 24 months assistance per household. Supportive services may be provided for up to 6 months after rental assistance ends.
4. The program participant must be re-evaluated annually to certify continued eligibility for the program and to determine appropriate supportive services necessary to retain housing.
5. The program requires the program participant to meet with a case manager once a month to assist in ensuring long-term housing stability.

RRH Lease Requirements

Program participants are required to enter into a lease agreement for a term of at least one year, which is terminable for cause. The lease must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party. Rental assistance payments cannot be made on behalf of participants who are not entered into a lease agreement.

In accordance with the [IN-502 Rapid Re-Housing Written Standards](#), program participants in RRH units that have income and are able to contribute towards rent must pay a portion of their rent. The percentage of assistance may vary based on the needs of the program participant. Progressive payments should be used, if needed. When considering the amount of rental assistance, agencies must determine the amount of program participant contribution, the frequency of adjustment, and the duration of the assistance. It is expected that the participant will pay 100% of their rent at program completion. Each agency must have a written policy on the Client Contribution Program Structure that is administered fairly and consistently for all participants. The subsidy plan then must be documented in each program participant's file.

Section 3: Transitional Housing (TH)

Transitional Housing (TH) enables the movement of homeless individuals and families to permanent housing. There are specific limitations on transitional housing defined in 24 CFR 578.79. It is the expectation that individualized supportive service plans are provided to individuals and families in transitional housing to locate permanent housing and prepare for independent living with a period not to exceed 24 months.

If the TH units are owned by the Subrecipient, a third party must complete rent reasonableness determinations as required under 24 CFR 578.49(b)(2) and 24 CFR 578.51(g) as well as housing quality inspections as required under 24 CFR 578.75(b).

Site Control

If grant funds will be used for operating costs, the Subrecipient is responsible for demonstrating site control prior to grant agreement execution in compliance with 24 CFR 578.25. Acceptable evidence of site control can be a deed or lease from the Subrecipients for the property.

Homeless Criteria

Participants are required to meet the Category 1 or Category 4 Homeless Definition to be eligible for the TH project. Projects funded under the DV Bonus may only serve participants that meet the Category 4 Homeless Definition. See Appendix C for HUD's Homeless Definitions.

Documenting Participant Eligibility

Participant's eligibility documentation should be kept in their program participant file and falls under the record keeping requirements as outlined in 24 CFR 578.103.

TH Occupancy Agreements and Lease Requirements

Subrecipients are required to have signed occupancy agreements or leases (or subleases) with program participants residing in transitional housing. The program participant's signed lease, sublease, or occupancy agreement must have an initial term of at least one month, be automatically renewable upon expiration except by prior notice by either party, and have a maximum term of 24 months.

Subrecipients are not required to impose occupancy charges on program participants as a condition of residing in the housing. However, if occupancy charges are imposed they must be calculated in accordance with 24 CFR 578.77(b)(1)(2) and must not exceed the higher of the following:

1. 30% of the family's monthly adjusted income;
2. 10% of the family's monthly income; or
3. If the family is receiving payments for public assistance and a part of the payments (adjusted in accordance with the family's actual housing costs) is specifically designed by the agency to meet the family's housing costs, the portion of the payments that are designated for housing costs.

Section 4: Joint Transitional Housing and Rapid Re-Housing (TH-RRH)

The Joint TH-RRH project includes two program components in one project to serve individuals and families experiencing homelessness. Program participants are not required to enter through TH and move to the RRH component. Guidance from *Section 2: Rapid Re-Housing* and *Section 3: Transitional Housing* of this manual apply to the respective program components.

TH-RRH Program Requirements

All general requirements under Section 2 and Section 3 of this manual apply. Specific requirements for the TH-RRH joint project are as follows:

- (1) The Subrecipient must be able to provide both TH and RRH, including the units supported by the TH component and the tenant-based rental assistance and services provided through the RRH component, to all program participants for up to 24 months as needed by the participant.
 - a. For example, a participant may only need a temporary stay in TH, but the Subrecipient must be able to provide the financial assistance and supportive services available through RRH to that participant.

The Subrecipient is not required to request CoC reimbursement for both portions of the project; however, if a Subrecipient finds that they are unable to provide both TH and RRH program components, IHCD may choose to reallocate funds or end the contract with the Subrecipient due to not meeting award requirements.

Documenting Participant Eligibility

Participant's eligibility documentation should be kept in their program participant file and falls under the record keeping requirements as outlined in 24 CFR 578.103.

Section 5: Supportive Services Only (SSO)

Supportive Services Only (SSO) Subrecipients may only assist program participants for whom the recipient or Subrecipient of the funds is not providing housing or housing assistance. Participants must either be currently experiencing homelessness, or were homeless during the prior six months. Eligible costs for Supportive Services Only awards include those enumerated in 24 CFR § 578.53, also listed in Section 6 of this manual.

All supportive services provided must help program participants obtain and maintain housing. Supportive Services Only awards may also be used to pay the salary and benefits of staff who directly deliver the eligible supportive services. Overhead costs

directly related to providing supportive services are also eligible. If the supportive services are provided in a supportive services facility not contained in a housing structure, the costs of day-to-day operation of the supportive service facility, including maintenance, repair, building security, furniture, utilities, and equipment are eligible as a supportive service cost.

Documenting Participant Eligibility

Participant's eligibility documentation should be kept in their program participant file and falls under the record keeping requirements as outlined in 24 CFR 578.103.

Part II: Appendix

Appendix A: Additional Policies, Standards, Manuals, and Resources

IN-502 Rapid Re-Housing Written Standards

In accordance with HUD regulations (24 CFR Part 578), the Indiana Balance of State Continuum of Care (IN BoS CoC) has developed, in consultation with ESG recipients and Rapid Re-Housing providers, the following written standards for the provision of rapid re-housing (RRH) assistance. The standards contained herein apply to Rapid Re-Housing projects funded by the U.S. Department of Housing and Urban Development (HUD) CoC Program, those located in all jurisdictions covered by the IN BoS CoC, as well as those funded by HUD Emergency Solutions Grant (ESG) funds.

Updated 5/19/2022. Available [here](#).

IN BoS Coordinated Entry Policies and Procedures

The purpose of the Coordinated Entry Policies and Procedures (Policy) is to guide the operation of the Indiana Balance of State CoC Coordinated Entry process. A Coordinated Entry (CE) process represents a new approach to coordination and management of a CoC's housing crisis response system. CE enables each Region to effectively and efficiently connect people in crisis to interventions that will rapidly end their homelessness. The CE approach also aligns with the Indiana Balance of State (BoS) goals to transform crisis response systems to improve outcomes for people experiencing a housing crisis.

Updated 9/1/2018. Available [here](#).

Environmental Review Record and Section 106 Historic Review User's Guide: Release of Funds Process

The intent of this User's Guide is to assist the Indiana Housing and Community Development Authority's (IHCDA) funding applicants and recipients in completing the Environmental Review Record (ERR) and Section 106 Historic Review processes. This User's Guide provides background information about the federally required processes including why the review is necessary, how to perform the review, and other resource information to help you complete the ERR Workbook. The ERR Workbook is the document where applicants and recipients will answer questions and submit supporting documentation regarding the project in order to satisfy the federal requirements for both the Environmental Review and the Section 106 Historic Review.

Updated 1/2020. Available [here](#).

CoC Program Partners' Page

This webpage contains all CoC required forms including rental assistance payment contracts, HUD forms, eligibility worksheets and verification, closeout forms, and training materials. The website is updated periodically and new forms are added as they are developed. Forms are available for PSH and RRH projects.

Updated 2022. Available [here](#).

Homeless Youth Regional Program

This website contains updated contact information for IHCD's Youth Navigators. Navigators work with the public school system, service providers, and community partners to bring vital resources to youth and young adults living with housing insecurity.

Updated periodically. Available [here](#).

Partner's Guide to IHCDOnline

This manual is a reference guide for grantees and partners of the Indiana Housing and Community Development Authority ("IHCD") who submit claims for reimbursement, which are reviewed through the Financial Operations Department. It is designed to answer questions regarding procedures, rules, and required documentation for each applicable program and claim type. This manual will also serve as a reference tool to aid in the set up and maintenance of the user accounts and access for various IHCD programs within IHCDOnline. This manual will serve as a useful resource for partners and grantees and should be referenced regularly.

Updated 2022. Available [here](#).

IN BoS CoC NOFO Competition Project Ranking and Reallocation Policy

On an annual basis, the Indiana Balance of State CoC is required to rate and rank all new and renewal projects submitted to HUD for funding in an order that reflects the CoC's needs and priorities. Additionally, HUD requires CoCs to review the performance of all funded projects and seek to reallocate funding away from low performing projects or those providing services that are of a lower priority in preventing and ending homelessness.

Updated annually. Available [here](#).

IN BoS HMIS and DV ClientTrack Page

This webpage contains links to HMIS ClientTrack and DV ClientTrack, as well as new project setup forms, HMIS and DV ClientTrack user agreements, and site administrator

trainings. The HUD CoC Program HMIS Manual is linked here, as are all IHCDAs HMIS policies and manuals. The webpage also contains a helpful list of how-to guides on APR submission, data quality review, and other technical aspects of the system(s).

Updated periodically. Available [here](#).

CoC Program HMIS Manual – HUD Resource

The CoC (CoC) Program HMIS Manual is intended to support data collection and reporting efforts of Homeless Management Information System (HMIS) Lead Agencies and CoC Program recipients. This manual provides information on HMIS program setup and data collection guidance specific to the CoC Program.

The guidance provided in this document aligns with requirements around using HMIS as stated in the [CoC Program interim rule](#) and refers to the data elements required in an HMIS as established in the [FY 2020 HMIS Data Standards](#). This document is not intended to replace related HUD guidance such as the HMIS Data Dictionary or the HMIS Data Manual, but to complement them and to relay CoC Program-specific requirements. This document is not a replacement for any specific program guidance, requirements, regulations, notices, and training materials on the CoC Program. This manual only addresses the use of HMIS for CoC Program-funded projects.

Available [here](#).

CoC Virtual Binders – HUD Resource

CoC Virtual Binders cover foundational topics from the Continuum of Care program, with the goal to transfer basic knowledge to grantees and subgrantees in order to more successfully administer their projects. Each binder reflects a range of learning styles and offers a variety of ways to interact with the topics. Also available on this page are HUD's "At A Glance" Factsheets and Glossary of Terms.

Available [here](#).

Moving On Vouchers – IHCDAs Resource

Moving On Vouchers are available on a limited basis to Continuum of Care program participants. PSH participants are eligible for referral after one year of enrollment in the CoC program and RRH participants are eligible for referral after 20 months if it is determined they will need continued rental assistance past the 24-month maximum assistance period. These vouchers are intended to help participants with continued, indefinite rental assistance after they have stabilized through the help of the CoC program. To learn more and determine if a program participant would be a good fit for a Moving On Voucher, please review the *Moving On Plan* assessment tool.

Available [here](#).

Appendix B: Directory

IHCDA Community Services Division

CommunityServices@ihcda.IN.gov – General inquiries about CoC, ESG, HOPWA and TANF funding, required submissions for the IRPA and NOFO process, and if you are unsure who to contact.

Homelessness@ihcda.IN.gov – Requests for assistance from individuals at risk of or currently experiencing homelessness that require assistance accessing the coordinated entry system. Requests will be forwarded to the Coordinated Entry Lead for the appropriate region. Inquiries should include the individual's current location and the best way to contact them. *Individuals residing in Indianapolis/Marion County should contact the Coalition for Homeless Intervention and Prevention (CHIP) at ces@chipindy.org.*

HMIShelpdesk@ihcda.in.gov – For technical assistance, training, or questions on HMIS, please contact the HMIS Help Desk.

DVHelpdesk@ihcda.in.gov – For technical assistance, training, or questions on the ClientTrack database, please contact the ClientTrack Help Desk.

[Indiana Balance of State CoC](#) – Website homepage for CoC. Includes information on the NOFO, Internal Competition, regional structure, board of directors, etc.

[CoC Permanent Supportive Housing/Rapid Rehousing Programs](#) – Website homepage for CoC required forms, training materials, and RRH policies.

IHCDA Claims

Claims@ihcda.IN.gov – Questions on how to submit a claim and the IHCDAOnline system. Inquiries about eligible expenses should be directed to your program analyst.

[Claims Submissions](#) – Website homepage for information about claims submissions.

Appendix C: HUD Homeless Definition and Recordkeeping Requirements

Criteria for Defining Homelessness	Category 1	Literally Homeless	<p>Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:</p> <ul style="list-style-type: none"> i. Has a primary nighttime residence that is a public or private place not meant for human habitation; ii. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, and local government program); <u>or</u> iii. Is exiting an institution where (s)he has resided for 90 days or less <u>and</u> who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
	Category 2	Imminent Risk of Homelessness	<p>Individual or family who will imminently lose their primary nighttime residence, provided that:</p> <ul style="list-style-type: none"> i. Residence will be lost within 14 days of the date of application for homeless assistance; ii. No subsequent residence has been identified; <u>and</u> iii. The individual or family lacks the resources or support networks needed to obtain other permanent housing.
	Category 3	Homeless under other Federal statutes	<p>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:</p> <ul style="list-style-type: none"> i. Are defined as homeless under the other listed federal statutes; ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; iii. Have experienced persistent instability as measured by two moves or more during the preceding 60 days; <u>and</u> iv. 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 DV	<p>Any individual or family who:</p> <ul style="list-style-type: none"> i. Is fleeing, or is attempting to flee, domestic violence; ii. Has no other residence; <u>and</u> iii. Lacks the resources or support networks to obtain other permanent housing.

Recordkeeping Requirements

<p>Category 1</p>	<p>Literally Homeless</p>	<ul style="list-style-type: none"> • Written observation by the outreach worker; <u>or</u> • Written referral by another housing or service provider; <u>or</u> • Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter; <p><i>For individuals exiting an institution – one of the forms of evidence above <u>and</u>:</i></p> <ul style="list-style-type: none"> • Discharge paperwork <u>or</u> written/oral referral, <u>or</u> • Written record of intake worker’s due diligence to obtain above evidence <u>and</u> certification by individual that they exited institution
<p>Category 2</p>	<p>Imminent Risk of Homelessness</p>	<ul style="list-style-type: none"> • A court order resulting from an eviction action notifying the individual or family that they must leave; <u>or</u> • For individuals and families leaving a hotel or motel – evidence that they lack the financial resources to stay; <u>or</u> • A documented and verified oral statement; <u>and</u> • Certification that no subsequent residence has been identified; <u>and</u> • Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing.
<p>Category 3</p>	<p>Homeless under other Federal statutes</p>	<ul style="list-style-type: none"> • 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; <u>and</u> • Certification of no PH in last 60 days; <u>and</u> • 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; <u>and</u> • Documentation of special needs <u>or</u> 2 or more barriers.
<p>Category 4</p>	<p>Fleeing/Attempting to Flee DV</p>	<p><i>For victim service providers:</i></p> <ul style="list-style-type: none"> • 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. <p><i>For non-victim service providers:</i></p> <ul style="list-style-type: none"> • Oral statement 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; <u>and</u> <ul style="list-style-type: none"> ○ Certification by the individual or head of household that no subsequent residence has been identified; <u>and</u> ○ Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Appendix D: Program Participant File Checklist

- Client ID or record of attempts to obtain ID
- Homeless Verification Form
- Chronic Homeless Form (as applicable)
- Disability Verification Form (as applicable)
- HMIS Intake Form
- HMIS Consent/Information Release
- Income Documentation (paystubs, benefits letters, zero income affidavit, etc.)
- Income and Rent Calculation Worksheet (including utility allowance tab as needed)
- Utility Reimbursement Client Consent and Notice Form (as applicable)
- Lease Agreement – must include the following:
 - Effective Date
 - End Date
 - Minimum 12-month initial term; or if renewal, specifies duration
 - Total Rent Amount
 - Utility responsibilities of tenant
 - Termination Policy
 - Minimum 30 days' notice to tenants for landlord's termination of lease
 - Renewal process outlined
 - Occupants of lease
 - Tenant Signature

- Landlord/Property Manager Signature
- Date of Execution
- RAP Agreement between tenant and Subrecipient (TBRA or SBRA)
- RAP Agreement between Subrecipient and landlord (TBRA or SBRA)
- VAWA Lease Addendum
 - Records of reasonable belief of imminent threat of harm (for program participants moving to a different CoC or requiring an emergency transfer)
- HQS Inspection, completed prior to move-in
- Rent Reasonableness Determination (Printout from AffordableHousing.com)
- Lead-Based Paint Disclosures
 - Lead Based Paint Disclosure and Brochure (each tenant should get a lead-based paint brochure at move-in)
 - Lead Based Paint Exemption Form, (see Section XIX(b) for additional requirements)
 - Lead Based Paint Compliance Form, if applicable (applies for housing built after 1978, see Section XIX(b) for additional requirements)
 - Lead Based Paint Agreement for Ongoing Maintenance, as applicable (applies to households built before 1978 with a child under six (6) or pregnant individual residing in the unit, see Section XIX(b) for additional requirements)
- Housing Plan
- Program Agreement
- Grievance and Termination Policy
- Client consent for program to pay utility company on their behalf, as applicable
- Case notes, if not accessible via HMIS/DV ClientTrack
- Record of services and assistance provided to client

Appendix E: Project Recordkeeping Requirements

- Match Documentation
- General Ledger
- Fiscal Controls/Accounting Policies
- Program or Agency Policies and Procedures Manual
- List of Board of Directors, including employer/occupation and term commitment
- Homeless Representation Certification (or waiver)
- Copy of current agency lease (if agency space is leased and paid for with CoC)
- Utility Allowance Schedule
- Records of compliance with organizational conflict-of-interest requirements in 24 CFR 578.95(c)
- Records of compliance with faith-based activities requirements under 24 CFR 578.87(b)
- Copies of marketing, outreach, and other materials used to inform eligible persons of the program to document compliance with the requirements in 24 CFR 578.93(c)
- Copies of all procurement contracts and documentation of compliance with the procurement requirements in 24 CFR 85.36 and 24 CFR part 84

Appendix F: Project Policies and Procedures Checklist

Projects should maintain the following policies and procedures in accordance with HUD and IHCD requirements:

- Housing First Policy
- Client Termination and Grievance Policy
- Lead-Based Paint Policy
- Homeless Verification & Documentation Policy
- VAWA Requirements Policy
- Homeless Representation on Board
- Order of Priority for Chronically Homeless Individuals & Families
- Order of Priority for Obtaining Evidence
- Match-tracking Policy
- Drug-Free Workplace Policy
- Non-discrimination Policy
- Education Liaison Policy (if serving children)
- Written confidentiality procedures
- Frequency of Program Participant Re-Evaluation Policy
- Client Contribution Program Structure Policy⁷
- Limit on Frequency of Assistance Policy⁸
- Transportation Logging Policy⁹ – strongly recommended

⁷ RRH only. Please see Appendix 3 in the [IN-502 BoS Rapid Re-Housing Written Standards](#) for sample policies.

⁸ RRH only. Please see [IN-502 BoS Rapid Re-Housing Written Standards](#) for more information.

⁹ See [Section 6: Eligible Costs under Supportive Services](#) – Transportation for more information.

Appendix G: Claim Documentation Requirements

Claims should be submitted by the 20th of each month for the month prior (E.g., expenditures for January will need to be submitted on the January claim due by February 20th) unless you have contacted a CoC Grants Analyst prior to the deadline and received an approved extension.

The month you are claiming should be entered in the comment field. All expenses claimed must be eligible.

Personally identifying information for program participants or landlords should **NEVER** be provided on the supporting documentation. Client ID number is the preferred identification method for charges. Initials or partial addresses can also be used.

Vendor names such as Duke, AES, etc., should be provided rather than charge descriptions.

Charges claimed must be from the month you are claiming. (E.g., a check dated January 21st for February rent would be claimed under January, despite when the check will be cashed.)

Leasing - 24 CFR § 578.49

Eligible Costs	Claims Documentation
Costs of leasing a structure or structures, including <ul style="list-style-type: none"> • Cost of headquarters 	<ul style="list-style-type: none"> • Proof of payment made to the landlord must be submitted with claim.
<ul style="list-style-type: none"> • Security deposits (not to exceed two months actual rent) • Advance payment of last month's rent (when accompanying security deposit and first month's rent) • Utilities, if included in rent 	<ul style="list-style-type: none"> • Proof of payment made to the landlord must be submitted with claim.
Leasing activities, which include: <ul style="list-style-type: none"> • Income verifications • Occupancy charge and rent calculations 	<ul style="list-style-type: none"> • Timesheets documenting actual staff time spent on these activities must be submitted with the claim if billed to the grant.

<ul style="list-style-type: none"> • Processing of occupancy charges and rent payments • HQS inspections (may not be conducted by owner of property) • Lead-based paint inspections • Briefings or guidance on rental assistance subsidy process <p><i>Any occupancy charges or rent that is collected by the Subrecipient from the client/tenant is required to be recorded as program income.</i></p>	
<p>VAWA Emergency Transfer Plan Costs: fees for breaking the lease</p>	<ul style="list-style-type: none"> • Proof of payment made to the landlord must be submitted with claim.

Rental Assistance - 24 CFR § 578.51

Eligible Costs	Claims Documentation
<ul style="list-style-type: none"> • Monthly rent • Utility allowances • Security deposits (not to exceed two months actual rent) • Advance payment of last month's rent (when accompanying security deposit and first month's rent) • Damages (up to one month's rent, paid once at exit of unit) 	<ul style="list-style-type: none"> • Proof of payment made to the landlord must be submitted with claim. • Proof of payment to utility company must be submitted with claim.
<p>Rental assistance activities, which include:</p> <ul style="list-style-type: none"> • Income verifications • Subsidy calculations • Processing of rental assistance payments • HQS inspections • Lead-based paint inspections • Briefings or guidance on rental assistance subsidy process <p><i>Any rent that is collected by the Subrecipient from the client/tenant is required to be recorded as program income.</i></p>	<ul style="list-style-type: none"> • Timesheets documenting actual staff time spent on these activities must be submitted with the claim if billed to the grant. • Mileage reports are required for all mileage reimbursement.

VAWA Emergency Transfer Plan Costs: fees for breaking the lease	<ul style="list-style-type: none"> • Proof of payment made to the landlord must be submitted with claim.
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Supportive Services - 24 CFR § 578.53

Supportive Services billed to the grant must align with the budget allotted for the Supportive Services category and must be part of the original application. If modifications/amendments are needed, this request must be made in writing to IHCDA.

Eligible Costs	Claims Documentation
<ul style="list-style-type: none"> • Assessment of service needs • Assistance with moving costs • Case management • Childcare • Education services • Employment assistance and job training • Food • Housing search and counseling services • Legal services • Life skills training • Mental health services • Outpatient health services • Outreach services • Substance abuse treatment services • Transportation • Utility deposits • Direct provision of services 	<ul style="list-style-type: none"> • Timesheets documenting actual staff time spent on these activities must be submitted with the claim if billed to the grant. • Mileage reports are required for all mileage reimbursement • Original vendor invoices and other receipts grouped together and labeled by line item

Operating Costs - 24 CFR § 578.55

Eligible Costs	Claims Documentation
<ul style="list-style-type: none"> • Maintenance and Repair of Housing • Property Taxes and Insurance • Building Security (this is only eligible if more than 50% of the 	<ul style="list-style-type: none"> • Proof of payment to utility company must be submitted with claim. • Original vendor invoices • Other receipts as applicable

units or area is paid for with grant funds) <ul style="list-style-type: none"> • Utilities • Furniture and Equipment (only eligible if furniture stays with the unit, except mattresses) 	
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Project Administrative Costs - 24 CFR § 578.59

Eligible Costs	Claims Documentation
<ul style="list-style-type: none"> • General management, oversight, and coordination • Training on CoC requirements • Environmental Review 	<ul style="list-style-type: none"> • Timesheets documenting actual staff time spent on these activities must be submitted with the claim if billed to the grant. • Original vendor invoices

Appendix H: Sample In-Kind Match MOU and Cash Match Letter

Template Memorandum of Understanding (In-Kind Match)

BETWEEN

_____ (CoC Agency Name)

And

_____ (In-Kind Services Match Agency Name)

Effective Dates: Start Date- End Date *Note: this should cover your award term of your grant. It cannot end BEFORE the award term ends.*

Background: _____ (CoC Agency Name) has been awarded a contract from the Department of Housing and Urban Development (HUD) to provide housing and services to persons who have been experiencing homelessness. The project name for the Continuum of Care grant is _____ (CoC Grant Name) and the HUD assigned grant number is _____ (HUD Award Number).

Professional Services Overview: In support of this effort _____ (In-Kind Services Agency Name), pledges to provide the following in-kind services:

(Description of in-kind services provided). *Note: these are services that are eligible under the CoC program but are provided at no cost to the CoC Agency.*

_____ (In-Kind Services Agency Name) commits to

providing the services described during the effective dates listed at the top of this agreement. These services will be offered to all project participants who are eligible and choose to participate in the services. We anticipate serving at least _____ individuals/households. (The number of individuals the project is obligated to serve.)

Qualifications and Services Rate: The services covered under this agreement will be provided by individuals with the following titles and qualifications:

_____ (title and qualifications of the professional persons providing supportive services) , at an hourly rate of \$ _____, and an anticipated number of _____ hours.

_____ (title and qualifications of the professional persons providing supportive services) , at an hourly rate of \$ _____, and an anticipated number of _____ hours.

_____ (title and qualifications of the professional persons providing supportive services), at an hourly rate of \$ _____, and an anticipated number of _____ hours.

Note: these individuals should meet appropriate licensing requirements within the state of Indiana, including: social workers, medical professionals, substance use counselors, etc. If you have multiple types of services with different professionals use as many lines as needed. This template provides three potential in-kind match providers.

The hourly rates listed above are consistent with the hourly rate paid for similar services provided by our organization.

This will result in a total in-kind services match of _____ (total in-kind match based upon the hourly rate*anticipated hours). *Note: if this MOU is not sufficient to meet the 25% match requirement of your award, please identify additional match sources—whether in-kind or cash.*

Record Keeping: Parties in this agreement affirm their ability to maintain appropriate records to meet federal grant requirements for documented match. Records must be maintained for 5-years.

Amendment: This MOU may be amended with written consent of both agencies.

Signature: The parties in this agreement confirm their commitments as described above.

CoC Agency Name

Date

In-Kind Services Agency

Date

Note: this template is not inclusive of all potential criteria that may be included in an MOU. Partners should include other sections required by their organizational policies.

Template Match Letter- Cash Match

Please complete on a copy of agency letterhead

Date

Indiana Housing and Community Development Authority (IHCDA)
Attention: Grant Analyst Name
30 S Meridian St
Suite 900
Indianapolis, IN 46204

Dear Ms. Analyst Last:

The XYZ Agency, a sub-recipient of IHCDA for the HUD award IN12345789 will provide cash match for this CoC grant. The amount of the cash match is \$28,000, which is 25% of the award from HUD. This match will come from private donations given to our organization and will be effective for the grant term of 1/1/2024-12/31/2024. Our agency will submit full documentation of match at the closeout of our award IN123456789.

Sincerely,

Agency Director Signature

Agency Director Name
123 Main Street
Noblesville, IN 46038
directoremail@agency.org
765-123-1234