

# Boston CONTINUUM OF CARE

## Sub-recipient Guide

City of Boston / Mayor's Office of Housing

July 2023

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# INTRODUCTION

The Continuum of Care (CoC) Program (24 CFR part 578) is designed to promote a community-wide commitment to the goal of ending homelessness; to provide funding for efforts by nonprofit providers, states, Indian Tribes or tribally designated housing entities (as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103) (TDHEs)), and local governments to quickly rehouse homeless individuals, families, persons fleeing domestic violence, dating violence, sexual assault, and stalking, and youth while minimizing the trauma and dislocation caused by homelessness; to promote access to and effective utilization of mainstream programs by homeless individuals and families, and to optimize self-sufficiency among those experiencing homelessness.

On behalf of the Boston CoC, the City of Boston, through its Mayor's Office of Housing (MOH), applies annually for CoC Program funds from the U.S. Department of Housing and Urban Development (HUD) through an application which includes multiple projects to be operated by various non-profit sub-recipients. The process for choosing applicants to be included in the application is established by the Boston CoC Housing and Stabilization Leadership Committee and is not included in this guide.

The City of Boston serves as the Collaborative Applicant (CA) for federal CoC program funds for the Boston CoC. In this role, the City enters into grant agreements with HUD and into Project Sponsor agreements with non-profit sub-recipients which operate the CoC programs.

This CoC Grant Guide provides guidance to these sub-recipients regarding HUD program requirements and the City's procedures for managing CoC grants. Additional guidance for CoC grantees can be found in the following:

- 1. Boston CoC Policies and Procedures**

These policies and procedures provide guidance for operation of the CoC; standards for provision of assistance in CoC and ESG-funded programs; coordinated assessment; description of the CoC's strategic planning process; performance measurement; and the process used for the annual application for CoC funds. MOH has established an on-line repository for provider – facing CoC policies and procedures located at [boston.bitfocus.com](http://boston.bitfocus.com).

- 2. HMIS Policies and Procedures Manual**

This manual provides information and instructions for grantees on the CoC's Homeless Management Information System (HMIS), an online data system. Grantees are required to provide client-level information into an approved HMIS system.

- 3. City of Boston / MOH Internal Grant Management Policies and Procedures**

This manual describes MOH's internal policies and procedures for managing homeless and special needs housing grants. Topics addressed in the manual are MOH's grant management organizational chart and key personnel; financial management systems; prevention of fraud and abuse of funds; Code of Conduct; procurement policies and procedures; accounting principles and audit requirements; policies for Subrecipient monitoring; and available remedial actions and sanctions.

## Equity Statement

MOH and the Boston Continuum of Care (CoC), the group of stakeholders working to end homelessness in Boston, commits to dismantling racism in our policies and practices with recognition that groups of people are also marginalized based on gender, sexual orientation, ability, age, and many others. Our ultimate goal is to achieve racial equity and social justice in our homeless programs, including the CoC program.

As a part of the CoC, we agree to hold ourselves and our partners accountable to create, implement, monitor, and continue to follow anti-racist policies that advance racial equity in the areas we oversee which include:

- Housing admissions, evictions and/or terminations
- Supportive service models
- Hiring practices and professional development in our homeless system
- Funding processes and decisions

The City of Boston is committed to ensuring that vendors who work on the City's behalf utilize procurement practices that are fully open to the inclusion of small and local businesses, including Small Local Business enterprises, Minority Business Enterprises, Woman Business Enterprises, and Veteran-Owned Small Business Enterprises (see [data.boston.gov/dataset/certified-business-directory](https://data.boston.gov/dataset/certified-business-directory)).

When applying for new funding from MOH, Project Sponsors are required to submit a Diversity and Inclusion Plan describing the efforts that they have taken, or will take, to ensure that their selection of subcontractors and suppliers for the contract will be meaningfully open to such companies.

## Contact Information

### **City of Boston / Mayor's Office of Housing**

12 Channel Street  
9<sup>th</sup> floor  
Boston, MA 02210

Assistant Director for Supportive Housing: Thomas Lane, [thomas.lane@boston.gov](mailto:thomas.lane@boston.gov)

Senior Development Officer for Supportive Housing, Katie Cahill-Holloway,  
[Katie.cahill-holloway@boston.gov](mailto:Katie.cahill-holloway@boston.gov)

Controller: Debra Rufo, [debra.rufo@boston.gov](mailto:debra.rufo@boston.gov)

HMIS Administrator: Jennifer Flynn, [Jennifer.flynn@boston.gov](mailto:Jennifer.flynn@boston.gov)

# SECTION 1: GRANT ROLES, PROGRAM TYPES AND REIMBURSABLE ACTIVITIES

## Roles

### **U.S. Department of Housing and Urban Development (HUD)**

All CoC Program funds originate from HUD, and HUD regulations govern operation of programs funded by the CoC Program. Key resources for HUD regulations and guidance interpreting the regulations are:

- CoC Program Interim Rule, 24 C.F.R. Part 578, available at [www.onecpd.info/resources/documents/CoCProgramInterimRule.pdf](http://www.onecpd.info/resources/documents/CoCProgramInterimRule.pdf)
- Homeless Definition Final Rule, 24 C.F.R. Parts 91, 582 and 583, available at [www.onecpd.info/resources/documents/HEARTH\\_HomelessDefinition\\_FinalRule.pdf](http://www.onecpd.info/resources/documents/HEARTH_HomelessDefinition_FinalRule.pdf)
- HUD Ask-a-Question resource: [www.onecpd.info/get-assistance/my-question](http://www.onecpd.info/get-assistance/my-question)

### **Boston Continuum of Care (CoC)**

The Boston CoC, in concert with the Boston CoC Housing and Stabilization Leadership Committee and CoC General Membership undertakes annual strategic planning and application for HUD funds. The CoC's role includes the selection of projects to be included in the application. The CoC is also responsible for evaluating whether existing CoC programs are effective at carrying out HUD and Boston CoC goals.

### **The City of Boston / MOH**

The City of Boston, through its Mayor's Office of Housing, operates as the Collaborative Applicant and Grantee for CoC funds and as Grant Manager for each individual CoC project sponsor grant. In its role as Grant Manager, the City enters into a contract with each project sponsor, reviews invoices to ensure eligibility of expenses, and monitors programs for compliance with the CoC Program Interim Rule and related HUD guidance. The City staff that carry out these tasks include 4 Development Officers and a Senior Development Officer for Supportive Housing. The City also manages and operates the CoC's Homeless Management Information System (HMIS); these functions are carried out by the HMIS Administrator and an HMIS Coordinator.

### **Project Sponsor**

The entity that operates a CoC program is referred to as a Project Sponsor. The Project Sponsor is a sub-recipient of the City and enters into a contract with the City for CoC Program funds.

## CoC Grant Program Types

The CoC Program includes five program types (which HUD refers to as “components”): permanent housing (PH), transitional housing (TH), supportive services only (SSO), HMIS, and, in some cases, homelessness prevention. The City, as the HMIS Lead, is the only entity eligible for HMIS funds. The Boston CoC is not eligible for homelessness prevention funds. The Boston CoC funds programs under all other component types, including those classified as Joint TH-RRH.

### Permanent Housing (PH) -

Community-based housing without a designated length of stay.

- ***Permanent supportive housing for persons with disabilities (PSH).***  
Eligible households must include a person with a disability, and supportive services must be made available to the program participants.
- ***Rapid rehousing.***  
Supportive services and/or short-term (up to three months) and/or medium-term (for three to 24 months) tenant-based rental assistance, designed to help a homeless individual or family move quickly into permanent housing and achieve stability.

### Transitional Housing (TH)

Transitional housing facilitates the movement of homeless individuals and families to PH within 24 months of entering TH. This includes the Joint TH-RRH project type.

### Supportive Services Only (SSO)

Supportive Services Only projects (SSO) refer to a program component in which grantees or project sponsors provide supportive services (without housing) to homeless persons, including assessment of needs through the CoC’s Coordinated Entry. SSO projects assist homeless persons to obtain and remain in permanent housing as well as increase their incomes and live independently.

## Reimbursable Activities

The following guidance indicates the costs that may be included in program budgets, to be paid for by the CoC grant or by matching funds.

### Acquisition, Rehabilitation, New Construction

The cost of acquisition, rehabilitation, and new construction to be used to provide housing for homeless persons, and the cost of acquisition and rehabilitation to be used to provide supportive services to homeless persons.

### Leasing

The costs of leasing to provide housing or to lease space to be used to provide supportive services to homeless persons.

**Caution: Leasing – Conflict of Interest**

Leasing funds may not be used to lease units or structures owned by the recipient, subrecipient, parent organization, or any other related organization, unless HUD has authorized an exception for good cause.

*Leasing: Limits on rent costs.* Rents paid must be reasonable in relation to comparable space or units, and may not be more than the owner charges others for comparable units. Rents for residential units cannot exceed the HUD Fair Market Rent (FMR).

*Utilities.* Utilities are not a leasing line item. If utilities are not provided by the landlord, utility costs are an operating cost, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.

*Security deposits and first and last month's rent.* Grant funds may be used to pay security deposits, in an amount not to exceed two months of actual rent, as well as last month's rent.

## **Rental Assistance**

Rental assistance for homeless individuals and families; may be short-term, up to three months of rent; medium term, for three to 24 months of rent; or long-term, for longer than 24 months of rent. Grant funds may be used for security deposits in an amount not to exceed two months of rent, as well as last month's rent.

## **Supportive Services**

The eligible costs of supportive services that address the special needs of the program participants. If the supportive services are provided in a supportive service 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.

**Supportive Services Must Relate to Housing Stability**

Supportive services must be necessary to assist program participants obtain and maintain housing, and agencies must conduct an annual assessment of the service needs of the program participants and adjust services accordingly.

*Eligible supportive services costs:*

- Annual assessment of service needs
- Reasonable one-time moving costs
- Case management
- Child care
- Education services
- Employment assistance and job training



- Food—meals or groceries for program participants
- 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 (one-time fee, paid to utility companies)
- Direct provision of services: 1) costs of labor, supplies, and materials; and 2) salary and benefit packages of service delivery staff.

*Ineligible costs:* Any cost that is not described as an eligible cost is not an eligible cost.

### **Operating Costs**

Grant funds may be used to pay the costs of the day-to-day operation of transitional and permanent housing in a single structure or individual housing units.

*Eligible operating costs:*

- Maintenance and repair of housing
- 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
- Furniture
- Equipment.

*Ineligible costs* Program funds may not be used for rental assistance and operating costs in the same project. 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.

### **HMIS**

The Project Sponsor may use CoC program funds to pay the costs of contributing data to the CoC's HMIS, including the costs of:

- Purchasing or leasing computer hardware
- Purchasing or leasing equipment, including telephones, fax machines, and furniture
- Obtaining technical support
- Leasing office space
- Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS

- Paying salaries for operating HMIS
- Paying costs of staff to travel to and attend HUD-sponsored and HUD approved training on HMIS
- Paying staff travel costs to conduct intake
- Paying participation fees charged by the HMIS Lead
- If the Project Sponsor is a victim services provider, or a legal services provider, it may use Continuum of Care funds to establish and operate a comparable database that complies with HUD'S HMIS requirements.

### **Project Administration**

The Project Sponsor may use up to 50% of the HUD-allowed administrative funds associated with the project.

### **Indirect Costs**

CoC funds may only be used to pay indirect costs if the Program Sponsor has developed an indirect cost rate in accordance with applicable OMB Circulars.

## SECTION 2: GRANT APPLICATION, CONTRACTS AND AMENDMENTS

### Grant Application

The CoC collaborative grant application process takes place annually under a framework established by HUD and carried out by the CoC. HUD issues a Notice of Funding Opportunity (NOFO), which identifies available funding and the procedures for the CoC to apply for funds. Upon release of the HUD NOFO, the City of Boston issues a Request for Proposals (RFP) seeking new and renewal programs to apply for funding. Applicants must comply with the process established by the CoC for seeking new or renewal funding. The City of Boston adheres to all applicable Massachusetts regulations pertaining to public procurement processes.

### No Awards to Debarred and Suspended Parties

The City of Boston will not make any award or permit any award to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension." MOH reviews the Project Sponsor's status in SAM.gov prior to initiating the contract execution process.

### Grant Selection and Pre-Contract Issues

Applicants who apply for funding through an RFP process are notified in writing by the CoC if they are selected. Successful applicants are included in the CoC's collaborative application submitted to HUD.

HUD provides public notice and notice to the City of Boston of approved applications. The City directly notifies Project Sponsors of newly-funded programs. The City will enter into a contract with each funded agency once all grant requirements and conditions are met.

### Grant Requirements and Conditions

The City and the Project Sponsor must satisfy all conditions before the execution of a grant agreement, including proof of the following:

- Site control (for new projects)
- Matching funds
- Environmental review requirements
- Documentation of financial feasibility (for new projects).

In addition to standard conditions, HUD may impose additional conditions such as requests for supporting documentation, revisions to the project budget, or modifications to a proposed activity to ensure compliance with the regulations. HUD will withdraw an award if the applicant does not satisfy all conditions.

## **Site Control**

Site control establishes evidence that project sites are secured and that Project Sponsors are able to operate in given locations. Acceptable evidence of site control is a deed or lease. If CoC Program funds are to be used for acquisition, a purchase agreement is acceptable evidence of site control.

## **Environmental Review**

All projects assisted with CoC Program funds are subject to environmental review, which is a review of the impact of the project on the local environment and the impact of the environment on the project. New projects may not proceed until the environmental review is complete. Renewal projects should have an environmental review every five years or sooner if environmental conditions change.

Environmental review is completed by the City. Project Sponsors must provide all available, relevant information required for an environmental review. Before proceeding with grant implementation, the City submits documentation to HUD supporting the successful completion of an environmental review.

## **Technical Submission**

New CoC projects awarded funding by HUD are required to submit a technical submission. The City will provide assistance to the applicant to complete the technical submission, and the City will submit it to HUD.

## **Project Sponsor Contracts**

Successful agencies that will enter into project contracts with the City are referred to as Project Sponsors. Project Sponsors must have all required documents on file with the City in order for the City to initiate the program contract between the agency and the City. In addition to the documents that were required to be submitted with the RFP, the Project Sponsor must provide the following:

- Insurance certificate
- Vote of the Corporation Authorizing Execution of Contract.

A checklist of all required documents is attached to this Guide as Appendix A. The document to be used to demonstrate the Vote of the Corporation Authorizing Execution of Contract is attached as Appendix B. Documents and forms provided during the response to RFP do not have to be provided again.

A full review of all submitted documents is completed by the Assistant Director for Contracts. Once the Assistant Director for Contracts approves the information, a contract is assembled.

Contract execution is managed on-line via the City of Boston's procurement portal. The contract is sent electronically to the Project Sponsor once it is fully executed.

A copy of the standard form contract is included with this document in Appendix C.

## **Project Changes – Grant Amendments**

Significant and minor changes to a project are sometimes necessary during the term of a CoC Program grant. Whenever it is necessary to make changes, the City and the HUD field office must be involved – either to be informed of the change or to approve the change through a significant grant amendment, depending on the scope. The City may not request an amendment to a grant before the grant agreement has been signed.

### **Significant Grant Amendments**

Neither recipients nor Project Sponsors may make any significant changes to projects without prior HUD approval as evidenced by grant amendments signed by HUD and the recipients. Significant changes substantially affect project implementation and represent a departure from the initial application.

In order to initiate a request for a significant grant amendment, the Project Sponsor must submit the request to their assigned Development Officer. If the City assents to the request, the City will submit a written request for significant grant amendment directly to the local HUD field office, which will review the request to approve or reject the amendment. The City and Project Sponsors are prohibited from proceeding with any changes unless HUD provides written approval.

Significant changes include:

- Change of recipient
- Change of project site
- Addition or elimination of eligible costs approved for a project
- Shift of more than 10 percent of from one approved eligible cost category to another
- Permanent change in subpopulation served by any one project under the grant
- Permanent reduction in the total number of units funded under the grant.

HUD will not approve requests for a change in recipient unless the new recipient meets the capacity criteria described in either the NOFO under which the grant was awarded or the most recent CoC Program NOFO.

HUD will approve a shift in funds or change in subpopulations only if such changes are necessary to better serve eligible persons within the CoC's geographic area and if the change supports priorities established under the CoC Program NOFO in which the grant was originally awarded or the most recent CoC Program NOFO.

### **Minor Changes**

Minor changes from the approved grant do not substantially affect grant implementation. An example of a minor change is a shift of less than ten percent of CoC Program funds from one approved activity to another over the term of the grant. Minor changes do not require HUD approval. However, a Project Sponsor must notify the City of these changes in writing. The City will notify the HUD field office in order to update the budget in LOCCS. Project Sponsors and the City must fully document minor changes to an approved grant or project in their records.

## **Project Changes – Contract Amendments**

Modifications to the project — such as modifications to the scope of work, budget changes requiring a grant amendment, or updates to the period of performance — as well as contract assignment to a different entity, will require a formal amendment to the contract between the City and the Project Sponsor and are subject to the written approval of the City of Boston. Modifications must be written and approved by the City prior to the effective date of the modification. Project Sponsors requiring or contemplating a project change should reach out to their assigned MOH program contact to discuss.

## SECTION 3: FINANCIAL REQUIREMENTS

### Matching Funds

#### Match Requirement

The Project Sponsor must match all grant funds, except for leasing funds, with no less than 25 percent of funds or in-kind contributions from other sources. Cash matches must be used for the costs of activities that are eligible CoC program costs.

#### Source of Match Funds

A Project Sponsor may use funds from any source, including any other federal sources (excluding CoC program funds), as well as state, local, and private sources, provided that funds from the source are not statutorily prohibited to be used as a match. The Project Sponsor must ensure that any funds used to satisfy the matching requirements of this section are eligible under the laws governing the funds.

#### In-Kind Contributions

The Project Sponsor may use the value of any real property, equipment, goods, or services contributed to the project as a match, provided that if the Project Sponsor had to pay for them with grant funds, the costs would have been eligible CoC program costs.

Before grant execution, services to be provided by a third party as a match must be documented by a memorandum of understanding (MOU) between the Project Sponsor and the third party that will provide the services. During the term of the grant, the Project Sponsor must keep and make available for inspection records documenting the service hours provided.

### Invoicing and Payment Processing

Invoices are to be submitted by the Project Sponsor on a monthly basis to the assigned Development Officer on an invoice form provided by MOH.

The Project Sponsor submits requests for reimbursement based on the budgets attached to the contract. Funds are released on a reimbursement basis only and source documentation is required. Source documentation may include, but is not limited to, time and attendance records, payrolls, invoices, canceled checks, paid bills, purchase orders, and other sufficient documentation to verify the expenditures.

Invoices must identify match funds and sources expended during the billing period.

### Allowable Costs

To be allowable under Federal awards, costs incurred by the Project Sponsor must meet the following general criteria:

- Be necessary and reasonable for proper and efficient performance and administration of federal awards.
- Be authorized under state or local laws or regulations

- Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles (GAAP).
- Not be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior period, except as specifically provided by federal law or regulation.
- Be adequately documented.

## Program Income and Accounting for Rental Income

In CoC-funded programs, rents received by Project Sponsors are considered to be “program income.” The following rules apply to program income:

- Funds are subject to all applicable requirements for CoC programs.
- Funds are to be used for previously approved eligible activities in the project (with one exception: rent may be put into client savings accounts).
- Funds are used *before* additional cash withdrawals are made from CoC Program funds.

## Accounting Principles

The Contractor shall establish and maintain on a current basis an adequate accounting system on an accrual basis in accordance with generally accepted accounting principles and standards. The accounting system must be adequate to enable the preparation of financial statements for submission to the Official on a current and timely basis. Accounting system shall meet the requirements set forth in 2 CFR 200.302.

## Audit Requirements

Pursuant to 2 CFR 200.501, a Contractor receiving more than \$750,000 in Federal assistance in a fiscal year and qualifying as a subrecipient, must meet the requirements of 2 CFR 200, Subpart F, “Audit Requirements.”

Audits shall be made by an independent auditor in accordance with generally accepted government auditing principles covering financial audits. Audits must be undertaken annually.

Project Sponsors must forward a copy of their audit to MOH’s Compliance Unit upon audit completion. The Compliance Unit reviews all audits upon receipt to determine if the Project Sponsor is in compliance with Federal laws and regulations regarding CoC grants. If an audit indicates that the Project Sponsor is not in compliance, the City shall require that corrective action be taken within six months of receipt of the audit report, and, if such corrective action is not made, the Project Sponsor shall be subject to Remedial Actions and Sanctions pursuant to Section 8 of this Project Sponsor Guide.



## SECTION 4: REQUIRED POLICIES AND PROCEDURES

Project Sponsors must establish and maintain policies and procedures for ensuring that CoC program funds are used in accordance with the requirements of the CoC Program interim rule. This section provides a list of required policies and procedures and a description of what is required for each.

### Homeless Consumer Participation

Recognizing the expertise of persons with the lived experience of homelessness, Project Sponsors must provide for the participation of at least one homeless or formerly homeless individual on the board of directors or other equivalent policymaking entity.

### Housing First

Our system uses a Housing First model. Housing First is an approach to ending homelessness that affirms principles such as everyone deserves a home without preconditions such as sobriety or service participation, everyone is housing “ready,” and all people have strengths and assets to harness. Project Sponsors are expected to have the ability and willingness to serve clients who are very vulnerable, including those who are actively using drugs, have no income, lack documentation, etc.

A toolkit from HUD is available here: [CoC Program Toolkit - Housing First Implementation Resources](#).

Housing First practices should be incorporated into the design of Boston CoC programs.

### Conflicts of Interest

Project Sponsors will comply with the provisions of the federal conflict of interest regulations set forth in [24 CFR § 578.95](#), [24 CFR 85.36](#), and [2 CFR 200](#), and the provisions of [Massachusetts General Laws c. 268A](#) (the Conflict of Interest Law). The Project Sponsor shall not act in collusion with any city officer, agent or employee, or any other party, nor shall the Project Sponsor agree to job-related gifts, regarding this contract or any other matter in which the City has a direct and substantial interest. The Project Sponsor agrees to incorporate a provision prohibiting such interest in all subcontracts. The Project Sponsor shall not act in collusion with any city officer, agent or employee, or any other party, nor shall the Project Sponsor agree to job-related gifts, regarding this contract or any other matter in which the City has a direct and substantial interest. The Project Sponsor agrees to incorporate a provision prohibiting such interest in all subcontracts.

Additionally, neither the Project Sponsor, nor any of the Project Sponsor’s immediate family, nor those with whom s/he has business ties, may be currently or have been within the past twelve months, an employee, agent, consultant, officer, or an elected or appointed official of the City of Boston Mayor’s Office of Housing (formerly the Department of Neighborhood Development). An “immediate family member” shall include parents, spouse, siblings or children, irrespective of their place of residence. A Project Sponsor who does not satisfy this requirement will be deemed ineligible for funding. When applying for funding, Project Sponsors will be required to execute an “Affidavit of Eligibility” prior to the award of a contract.

The agency must have a written Conflict of Interest Policy which prohibits both organizational conflicts of interest and other conflicts of interest.

### **Organizational Conflict of Interest**

An organizational conflict of interest arises when, because of activities or relationships with other persons or organizations, the Project Sponsor is unable or potentially unable to render impartial assistance in the provision of any type or amount of assistance under this part, or when a covered person's objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired. Such an organizational conflict would arise when an employee of a Project Sponsor participates in making rent reasonableness determinations and housing quality inspections of property that the Project Sponsor or a related entity owns.

### **Other Conflict of Interest Requirements**

No covered person<sup>1</sup> 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.

## **Procurement**

Project Sponsors must have a written Code of Conduct and a written Procurement Policy.

### **Code of Conduct**

Project Sponsors must maintain a written code of conduct which includes the following provisions:

- No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.
- The officers, employees, and agents of the Project Sponsor shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements. However, Project Sponsors 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 shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Project Sponsor.

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<sup>1</sup> A person who is an employee, agent, consultant, officer, or elected or appointed official of the Project Sponsor and who exercises or has exercised any functions or responsibilities with respect to activities assisted under the CoC Program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under CoC Program.

## **Procurement Policies**

Project Sponsor procurement transactions must be conducted in a manner to provide, to the maximum extent practical, open and free competition. Project Sponsors must have procurement policies in place regarding the following types of procurements.

*Small purchase procedures* are used for procurements under \$25,000, and are relatively simple and informal procurement methods. Sound business practices are required for small purchases, which is met by obtaining price or rate quotations from at least three (3) qualified sources.

*Procurements in excess of the small purchase threshold* must be conducted using a solicitation process. Procurement records and files for purchases in excess of the small purchase threshold shall include the following at a minimum: basis for contractor selection; justification for lack of competition when competitive bids or offers are not obtained; and basis for award cost or price.

## **Recordkeeping: Confidentiality and Retention**

### **Confidentiality of Records**

Project Sponsors must develop and implement written procedures to ensure:

- All records containing protected identifying information will be kept secure and confidential.
- The address or location of any housing of a program participant will not be made public, except as provided under a pre-existing privacy policy of the Project Sponsor and consistent with State and local laws regarding privacy and obligations of confidentiality.

### **Period of Record Retention**

All records containing information related to CoC Program funds and activities must be retained and kept accessible for either 5 years or the period specified below, whichever is longer.

- Program participants' qualifications, eligibility documentation, and other program participant records must be retained for 5 years after expenditure of all funds from grant under which program participants were served.
- Records for acquisition, new construction, and rehabilitation must be retained for 15 years following the date the project is first occupied, or used, by program participants. Only those records related to the acquisition, rehabilitation, or new construction must be retained for 15 years. All other records must be retained for the period of time specified above.

## **Nondiscrimination and Reasonable Accommodation/Modification Policy**

Project sponsors must have written policies regarding nondiscrimination and reasonable accommodations/modifications.

CoC Programs must operate in compliance with federal nondiscrimination and equal opportunity requirements including the Fair Housing Act, Title VI of the Civil Rights Act, the Age Discrimination Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act. For persons with disabilities, it is unlawful to: (1) Fail to make reasonable accommodation in rules, policies, and services to give a person

with a disability equal opportunity to occupy and enjoy the full use of a housing unit and (2) Fail to allow reasonable modification to the premises if the modification is necessary to allow full use of the premises.

CoC programs must also operate in accordance with HUD's Equal Access Rule Protections for Sexual Orientation, Gender Identity and Marital Status. HUD's Equal Access Rule requires equal access to HUD housing programs without regard to a person's actual or perceived sexual orientation, gender identity or marital status.

## **Affirmatively Furthering Fair Housing**

[Affirmatively Furthering Fair Housing](#) (AFFH) is a legal requirement that federal grantees further the purposes of the Fair Housing Act. MOH supports Project Sponsors in their efforts to take meaningful actions that overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. As provided in the final rule, AFFH means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a program participant's activities and programs relating to housing and urban development."

For more information on local regulations please see the Department of Fair Housing and Equity's [website](#).

A Project Sponsor must implement its programs in a manner that [affirmatively furthers fair housing](#), which means that the Project Sponsor must:

- Affirmatively market its 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.
- Where a Project Sponsor 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.
- Provide program participants with information on rights and remedies available under applicable federal, state and local fair housing and civil rights laws.

To document compliance with the requirements to affirmatively further fair housing, Project Sponsors must maintain copies of marketing, outreach, and other materials used to inform eligible program participants who are least likely to apply, in the absence of special outreach, for the project.

## Policies Governing Faith-Based Activities

Project Sponsors shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief, including a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice. Explicitly religious activities (such as worship, religious instruction, or proselytization) must take place separately (in time or location) from CoC-funded activities and must be voluntary for participants in CoC-funded programs. If a program participant or prospective program participant of the CoC program supported by HUD objects to the religious character of an organization that provides services under the program, that organization must undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection.

## Program Rules; Termination of Assistance to Program Participants

The Project Sponsor may terminate assistance to a program participant who violates program requirements or conditions of occupancy. In terminating assistance to a program participant, the Project Sponsor 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:

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

Project Sponsors that are providing permanent supportive housing must exercise judgment and examine all extenuating circumstances in determining when violations are serious enough to warrant termination so that a program participant's assistance is terminated only in the most severe cases.

To comply with these requirements, Project Sponsors must have written program rules and a termination process. Additionally, Project Sponsors offering TBRA should adhere to the [CoC's program participant disengagement policy](#) (page two).

## Violence Against Women Act (VAWA) Policies

The Project Sponsor agrees to comply with the Boston CoC Violence Against Women Act Policies and Procedures. At a minimum this includes:

- Ensuring that no person may be denied admission or assistance, be terminated or evicted from housing solely because of their status as a victim of domestic violence, dating violence, sexual

assault or stalking.

- Enforcing the right for individuals to request VAWA rights and to report crimes without discriminating, coercing, intimidating, threatening, interfering with, or retaliating against any person because that person has opposed any act or practice made unlawful by VAWA's housing provisions, because that person testified, assisted, or participated in any related matter, or because that person has exercised their rights or protections under VAWA's housing provisions.
- Ensuring the VAWA Addendum (contained within Appendix I: Boston CoC VAWA Policies & Procedures) is used with all leases, including private landlord leases.
- Providing the VAWA Notice of Occupancy Rights (contained within Appendix I: Boston CoC VAWA Policies & Procedures) to all tenants when they are admitted to the project, each time a notice of termination of assistance is issued, and each time a notice of eviction is issued.
- Following the Boston CoC Emergency Transfer Plan, which includes the following:
  - Expediting applications from VAWA transfer applicants.
  - Connecting survivors who request emergency transfers with SafeLink (877) 785-2020 for safety planning and other resources specific to people experiencing domestic violence, dating violence, sexual assault and stalking.
  - Allowing the transfer applicant to choose their form of domestic violence certification (including self certification).
  - For internal transfers, prioritizing the next available unit if it is immediately available and the survivor deems it safe.
  - For external transfers, working to ensure the transfer takes place in a reasonable time frame and that survivors are afforded interim resources to keep them safe while awaiting a transfer. This may include working closely with SafeLink.
- Initiating a Lease Bifurcation to evict, remove, terminate occupancy rights or terminate assistance to a tenant who engages in criminal activity directly related to domestic violence, dating violence, sexual assault or stalking against an affiliated or other individual regardless of whether the individual is signatory to the lease. Ensuring the victim of such criminal activity who is also a tenant and lawful occupant is not evicted, removed, has assistance terminated, or is otherwise penalized. If specialized eligibility criteria apply to the unit, the victim must be given no less than 90 days to establish eligibility in their own right for occupancy. In the event eligibility is not established, the victim may remain in the unit up to the expiration of the lease in effect at the time of the qualifying tenant's eviction.
- Ensuring that all records related to VAWA requests are kept confidential. This means keeping sensitive information out of Homeless Management Information Systems (HMIS), keeping VAWA requests and documentation separate from regular tenant files, not disclosing victim status or victim request information to the person named as causing harm, only disclosing victim status or victim request information to those staff members who absolutely must need to know. Care should be taken to deliver all VAWA written communication and requests confidentially to preserve survivor safety and meet VAWA confidentiality requirements.
- Documenting requests for both internal and external emergency transfers, including the outcome of the requests.

Any person who feels their VAWA rights have been violated may file a complaint with HUD's Office of Fair Housing and Equal Opportunity. Survivors may visit this link <https://www.hud.gov/fairhousing/fileacomplaint> to file a complaint. It is unlawful to retaliate against someone who has filed a complaint or participated in the complaint process or investigation.

## SECTION 5: PROGRAM OPERATIONS AND PARTICIPANT FILES

### Participant Eligibility: Homelessness Status

The Project Sponsor must serve people who meet the appropriate HUD definition of homeless. The definition includes different elements depending on the type of program. The types of programs and the definitions components that apply in the Boston CoC are:

Program Type	Eligible Participants
<b>SSO-CE<sup>2</sup></b>	Category 1- Literally Homeless Category 4 – Fleeing/ Attempting to Flee DV
<b>Joint TH-RRH</b>	Category 1- Literally Homeless Category 4 – Fleeing/ Attempting to Flee DV
<b>Permanent Housing</b> <ul style="list-style-type: none"> <li>• <b>Permanent Supportive Housing</b></li> <li>• <b>Rapid Rehousing</b></li> </ul>	Category 1 – Literally Homeless Category 4 - Fleeing/Attempting to Flee DV

The definitions of each category are below:

<b>Category 1: Literally Homeless</b>	Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: <ul style="list-style-type: none"> <li>• Has a primary nighttime residence that is a public or private place not meant for human habitation;</li> <li>• Is living in a publicly or privately-operated emergency 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 programs); or</li> <li>• Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.</li> </ul>
<b>Category 4: Fleeing/ Attempting to Flee DV</b>	Any individual or family who: <ul style="list-style-type: none"> <li>• Is experiencing trauma or a lack of safety related to, or fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous, traumatic, or life-threatening conditions related to the violence against the</li> </ul>

<sup>2</sup> SSO-CE may assess those meeting any Category of the definition.



	<p>individual or a family member in the individual's or family's current housing situation, including where the health and safety of children are jeopardized.</p> <ul style="list-style-type: none"> <li>• Has no other residence; and</li> <li>• Lacks the resources or support networks to obtain other permanent housing.</li> </ul>
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## Program Targeting

### Disabled, Chronically Homeless and Hard-to-Serve

Permanent supportive housing units must serve persons who are disabled, and all CoC-funded PSH is categorized as Dedicated Plus meaning it is dedicated to or prioritizes chronically homeless individuals or families.

HUD has urged communities to use CoC resources to house hard-to-serve populations and this prioritization is reflected in the CoC's Pathways Assessment tool.

### Housing for Specific Subpopulations

Project Sponsors may exclusively serve a particular homeless subpopulation if the housing addresses a need identified by the CoC for the geographic area and meets one of the following:

- 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.
- 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).
- The housing may be limited to families with children.
- 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.
- 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.
- 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 may be limited to persons with AIDS or related diseases).
- Project Sponsors 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.

## **Documenting Eligibility and Targeting Requirements**

Project Sponsors must document and maintain records related to each program participant. Some pieces of the documentation required will vary based on the program type and target population. Programs are advised to create a program-specific checklist with the requirements for that program, and include the checklist in each client file. Sample participant file checklists are provided in Appendix D.

For verification, the first preference is for third-party documentation, and the second preference is for caseworker observation. Self-certification is permitted when neither of the first two types of verification is possible, or when the participant presents as a domestic violence victim. Self-certification is recognized by HUD as the best practice form of documentation for domestic violence survivors for whom third party verification may compromise safety.

### **Homeless Status**

Project Sponsors must keep participant files which include documentation of current Boston homelessness. Project Sponsors must use the form provided in Appendix E for documentation of current Boston homeless status.

### **Disabled**

Permanent supportive housing programs may only serve households that include a person who is disabled. Disability status must be verified and documented in the participant's file. PSH Project Sponsors must use the form provided in Appendix F.

### **Chronically Homeless**

For programs that are dedicated to, or have a preference for, serving persons who are chronically homeless, the household's file must contain verification of chronic homelessness. Project Sponsors serving chronically homeless persons must document chronicity on the verification of homelessness form.

### **Boston CoC PSH Targeting**

The Boston CoC requires that CoC-funded permanent supportive housing be prioritized for the most vulnerable and needy, with the longest length of stay in a Boston shelter or on the streets, as determined through HMIS data warehouse records and the Pathways Assessment tool.

## Housing Quality Standards, Lead-Safe Housing, and Suitable Unit Size

### Housing Quality Standards

Housing leased with CoC program funds, or for which rental assistance payments are made with CoC program funds, must meet HUD housing quality standards (HQS). Before any assistance may be provided on behalf of a program participant, the Project Sponsor must physically inspect each unit to assure that the unit meets HQS. Assistance will not be provided for units that fail to meet HQS, unless the owner corrects any deficiencies within 30 days from the date of the initial inspection and the Project Sponsor verifies that all deficiencies have been corrected.

Project Sponsors must inspect all units at least annually during the grant period to ensure that the units continue to meet HQS. Project Sponsors must retain documentation to demonstrate compliance with HQS.

### Lead-Safe Housing

The *Lead Disclosure Rule* requires that landlords disclose all known information about lead hazards or lead-based paint at the property, and provide a copy of the federal lead information pamphlet and lead warning statement to the renter. The *Lead-Safe Housing Rule* requires abatement. Any property that will be lived in solely by persons with disabilities and not by a child under the age of six is exempt from the Lead-Safe Housing Rule, as are units that do not contain lead or have been deleaded and cleared. For exempt units, project files should include a completed copy of the Lead Safe Housing Rule-Exempt Form. CoC programs that are not exempt must comply with the Lead Safe Housing Rule and Project Sponsors must have documentation of compliance in program files.

### Suitable Dwelling Size

The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room. If household composition changes during the term of assistance, Project Sponsors may relocate the household to a more appropriately-sized unit.

## Lease or Occupancy Agreement; Occupancy Charges or Rent

### Occupancy Agreements and Leases

Project Sponsors must have signed occupancy agreements or leases (or subleases) with program participants residing in housing. All occupancy agreements and leases must include the Boston CoC VAWA addendum notifying all participants of their occupancy rights under VAWA (contained within Appendix I: Boston CoC VAWA Policies & Procedures).

For permanent housing, program participants must have lease terms of at least one year, renewable with terms of at least one month, with termination only for cause. For transitional housing, program participants must have signed a lease or occupancy agreement that is for a term of at least one month and that ends in 24 months and cannot be extended.

### Owned or Leased Property: Occupancy Charges

Where Project Sponsors own or lease property occupied by program participants, Project Sponsors 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 may not exceed the highest of:

- 30 percent of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses, and child-care expenses);
- 10 percent of the family's monthly income; or
- If the family is receiving payments for welfare assistance from a public agency and a part of the payments (adjusted in accordance with the family's actual housing costs) is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is designated for housing costs.

### **Rental Assistance: Resident Rent**

Each program participant on whose behalf rental assistance payments are made must pay a contribution toward rent, which shall be as follows:

- 30 percent of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses, and child-care expenses);
- 10 percent of the family's monthly income; or
- If the family is receiving payments for welfare assistance from a public agency and a part of the payments (adjusted in accordance with the family's actual housing costs) is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is designated for housing costs.

### **Calculation of Income Occupancy Charges/Rent**

As a condition of participation in the program, each program participant must agree to supply the information or documentation necessary to verify the program participant's income. Program participants must provide the Project Sponsor with information at any time regarding changes in income or other circumstances that may result in changes to a program participant's contribution toward the rental payment.

Project Sponsors must examine a program participant's income initially, and at least annually thereafter, to determine the amount of the contribution toward rent payable by the program participant. Adjustments to a program participant's contribution toward the rental payment must be made as changes in income or in family composition (e.g., birth of a child) are identified.

Adjusted income of program participants must be calculated in accordance with 24 CFR 5.609 and 24 CFR 5.611(a). Documentation of adjusted income and rent calculations must be kept in the participant's file. Project Sponsors may use the income and rent calculator at [www.onecpd.info/incomecalculator](http://www.onecpd.info/incomecalculator) and include a print-out of the tool's downloadable Rental Assistance Summary.

Project Sponsors must keep the following documentation of annual income:

- Source documents (e.g., most recent wage statements, unemployment compensation statements, public benefits statements, bank statements) for the assets held by the program participants and income received before the date of the evaluation;

- To the extent that source documents are unobtainable, written statements by the relevant third parties (e.g., employer, government benefits administrator) or written certification by the Project Sponsors' intake staff of the oral verification by the relevant third party of the program participant's income over the most recent period; or
- To the extent that source documents and third-party verification are unobtainable, written certification by the program participants of the amount of income that the program participants are reasonably expected to receive over the three-month period following the evaluation.

## Service and Case Management

Project Sponsors must keep records for each program participant that document the services and assistance provided to the program participant, including evidence that the Project Sponsor:

- Conducted an annual assessment of services for program participants who remain in the project for more than a year,
- Adjusted the service package accordingly, and
- Provided case management services not less than once per month to program participants receiving rapid re-housing.

## Records of Reasonable Belief of Imminent Threat of Harm

For each program participant receiving tenant-based rental assistance who has moved to a different CoC in response to imminent threat of further domestic violence, dating violence, sexual assault, or stalking per 24 CFR part 578.51(c)(3), each Project Sponsor must retain the following:

- Documentation of the original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file.
- Documentation of the reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking.

This documentation must be kept separate from the main tenant file. Information on VAWA requests, documentation certifying the qualifying incident, and the location of transfer address may only be shared with a person who has a required need to know. This information must never be shared with the person who caused the victim harm and precipitated the VAWA emergency transfer.

## SECTION 6: REPORTING REQUIREMENTS

### HMIS

Homeless Management Information System (HMIS) is a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. HMIS data is used for case management and care coordination, housing referrals, data analysis, and federal funding applications.

Project Sponsors of CoC grants are required to regularly submit client-level data to the CoC's Homeless Management Information System (HMIS), except for victim service providers, who are not permitted to enter data into HMIS, and legal service providers, who may choose not to use HMIS if it is necessary to protect attorney-client privilege. Victim service providers and legal service providers are required to establish and operate a comparable database that complies with HUD standards.

The Boston CoC's HMIS Manual provides detailed information about the CoC's HMIS policies and procedures and the HMIS responsibilities of CoC Project Sponsors.

Potential program participants are not required to sign an HMIS Release of Information in order to receive services. An individual or family can refuse to participate in HMIS, and the Project Sponsor must still offer all the same services to that household. In this scenario, the Project Sponsor should refer to Boston CoC guidance for entering anonymous clients in HMIS.

Project Sponsors other than Victim Service Providers may choose to use MOH's HMIS software (Clarity). MOH can offer the following support with meeting HMIS compliance requirements:

- Set up the Project Sponsor to use MOH's HMIS software (Clarity) or assist with meeting requirements if the Project Sponsor chooses to use their own
- Provide online training for new users set up with Clarity
- Provide one-on-one support for any issues or questions related to Clarity and the HMIS Warehouse
- Provide information on standards for what data Project Sponsors need to collect, data quality, and timeliness of data entry

MOH will provide additional information at the time of contract execution. Project Sponsors may also contact the Boston CoC HMIS team through the HMIS Help Desk at [boston.gov/departments/housing/boston-continuum-care-coc-help-desk](https://boston.gov/departments/housing/boston-continuum-care-coc-help-desk).

### Annual Performance Report (APR)

The City is required by HUD to collect and report data on use of CoC Program funds for each CoC-funded project in an Annual Performance Report (APR). APRs are due to HUD no later than 90 days after the end of the program grant year.

#### APR Schedule and Deadlines

Project Sponsors must submit required information in order to enable the City to comply with this

requirement. APRs are submitted in HUD’s Sage system, and information regarding people served in the program is generated from HMIS data. The steps for APR completion, along with deadlines for each step, are provided in the table below:

The Project Sponsor uploads the program CSV to Sage and notifies the assigned Development Officer	30 days after end of grant term
The Development Officer confirms final balance in LOCCS with Accounting Manager and completes APR in Sage.	30 – 60 days after end of grant term
The Senior Development Officer undertakes a final review and submits the APR to HUD in Sage.	90 days after end of grant term

### **Importance of the APR requirement**

HUD may terminate the renewal of any grant and require the recipient to repay the renewal grant if the recipient fails to submit an APR in a timely manner for the grant year immediately prior to renewal, or the recipient submits an APR that HUD deems unacceptable or that shows non-compliance with the requirements of the grant and the CoC Program interim rule.

The City of Boston may withhold payment to any Project Sponsor that fails to comply with APR requirements.

## SECTION 7: PROJECT SPONSOR MONITORING

The Supportive Housing Division monitors Project Sponsor capacity and performance throughout the grant year. Critical points of the ongoing monitoring include: 1) initial evaluation of capacity and agency program risk; 2) review of Project Sponsor policies and procedures; 3) review of HMIS data for data quality, program progress and performance and client outcomes; 4) review of program invoices to ensure that program is billing for allowable costs and has back-up for all invoiced costs and for matching funds.

Monitoring is carried out by the assigned Development Officer. The Development Officers report to the Senior Development Officer and the Deputy Director for Supportive Housing on all monitoring issues.

### On-Site Monitoring

All Project Sponsors are subject to on-site and / or remote monitoring at least once per year. Project Sponsors can be selected for additional or in-depth monitoring according to various factors and criteria, for example, unsatisfactory performance standards during the program period, current external audit findings, program experience, project complexity, or special circumstances.

The Development Officer sends notice to Project Sponsors confirming the date and scope of a monitoring visit and a description of the information that should be made available. A copy of the Project Sponsor Monitoring Checklist and detailed preparation instructions are provided in advance of the visit. See Appendices G and H for further information.

The monitor uses the Project Sponsor Monitoring Checklist as a guide during the monitoring visit. The monitor reviews project files to verify: (1) that the activities undertaken by the Project Sponsor are appropriate to satisfy the contractual obligations; (2) the accuracy of the information reported to HMIS; and (3) that the Project Sponsor is properly administering and implementing the program within federal guidelines. In addition, the monitor ensures that the Project Sponsor is achieving or making diligent efforts to achieve the goals and objectives stated in the contract's scope of service.

As a follow-up to a monitoring visit, the monitor sends a determination of compliance letter notifying the Project Sponsor of the monitoring results. The letter details the purpose of the visit, provides feedback, and addresses areas for improvement, if necessary. If the monitor identifies findings, a corrective action plan is required. If the monitor has any concerns, specific recommendations are provided to the Project Sponsor.

If the monitoring identifies findings or concerns, the Supportive Housing Division requires the Project Sponsor to provide a written response describing how the Project Sponsor will resolve any findings and correct any deficiencies identified in the letter. The monitor will determine if a follow-up site visit is necessary to ensure that (1) corrective action was taken; and (2) the agency is now complying and performing in accordance with its contract. If the Senior Development Officer is not satisfied with the corrective action taken by the Project Sponsor, findings are sent to the Deputy Director for Supportive Housing and other staff, such as and the Deputy Director of Administration and Finance, for further action.



## Procedures for High-Risk Project Sponsor Management

A Project Sponsor may be considered high risk if the City determines that the Project Sponsor:

- Has a history of unsatisfactory performance
- Is not financially stable
- Has a management system which does not meet the management standards set forth in 24 CFR part 85
- Has not conformed to terms and conditions of previous awards
- Is otherwise not responsible.

In advancement of its equity goals, the City recognizes that it may be advantageous to contract with a high-risk Project Sponsor to reach traditionally marginalized populations and communities. If the CoC awards a grant to a high-risk Project Sponsor, the City may impose special conditions and/or restrictions that correspond to the high-risk condition and shall be included in the award. Special conditions or restrictions may include:

- Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period
- Requiring additional, more detailed financial reports
- Additional project monitoring
- Requiring the Project Sponsor to obtain technical or management assistance
- Establishing additional prior approvals.

If the City decides to impose such conditions, the City will notify the Project Sponsor as early as possible, in writing, of:

- The nature of the special conditions/restrictions
- The reason(s) for imposing them
- The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions
- The method of requesting reconsideration of the conditions/restrictions imposed.

## SECTION 8: REMEDIAL ACTIONS AND SANCTIONS

### Remedial Actions

If the City determines that a Project Sponsor is not complying with a program requirement or the Project Sponsor agreement, the City will perform one of the remedial actions set forth below or will impose sanctions.

Remedial actions may include the following:

- Developing and following a schedule of actions for carrying out project activities and projects affected by non-compliance, including schedules, timetables, and milestones
- Establishing and following a grants management plan that assigns responsibilities for carrying out remedial actions
- Canceling or revising project activities or projects likely to be affected by non-compliance before expending associated grant funds
- Re-programming grant funds not yet expended for given activities or projects to eligible costs or projects
- Suspending funds disbursement
- Reducing or terminating a Project Sponsor's remaining grant funds and re-allocating funds to other Project Sponsors or returning funds to HUD
- Requiring matching contributions to be made before or in conjunction with draws being made from the recipient's grant.

### Sanctions

Sanctions may include the following:

- Suspending payments to preclude the further expenditure of funds for affected projects or activities
- Continuing the grant with a substitute recipient
- Denying matching credit for all or part of the cost of the affected activities and requiring further matching contributions
- Requiring the Project Sponsor to reimburse the City in an amount equal to the funds used for the affected activities
- Reducing or terminating the remaining grant
- Imposing conditions on a future grant
- Imposing other legally available remedies.

### De-Obligation of Funds

Project Sponsors should be aware that HUD may de-obligate funds for the following reasons:

- Failure to meet timeliness standards

- Delays in completing construction activities that affect the expenditure of other funds for other activities during the remaining term of the grant
- Costs for acquisition, new construction, or rehabilitation that are less than the total cost agreed to in the grant agreement
- Actual annual leasing, operating, supportive services, rental assistance, or HMIS costs that are less than the total cost agreed to in the grant agreement for a one-year period
- Failure to move program participants into units within three months of units' availability for occupancy
- Other circumstances set forth in the grant agreement.

## **Withholding Payments**

The City may withhold payments from Project Sponsors when the Project Sponsor has failed to comply with grant award terms or conditions. Cash withheld for failure to comply with grant award conditions, but without suspension of the grant, shall be released to the grantee upon subsequent compliance.