Homelessness Prevention
Recordkeeping and Reporting Requirements

DHCD ESG Homelessness Prevention sub-recipients and any subcontractors must comply with the following requirements and procedures to ensure compliance with the homeless definition set forth by HUD and the Request for Responses issued by DHCD. Both sets of requirements are incorporated into all DHCD ESG contracts. Additionally, DHCD has set caps on assistance and is targeting those most in need of services. As such DHCD requires all sub-recipients to adhere to the reporting guidelines below. Prior to authorizing services or financial assistance, the documentation listed in the following sections must be obtained and copied for the case record. HUD requires the order of priority be:

(1) First, third-party documentation, signed and dated, on the documenting organization's official letterhead*
(2) Intake worker observations
(3) Certification from the person seeking assistance

***While third-party documentation is preferred, lack of this documentation must not prevent a household from being immediately admitted to emergency shelter, receiving street outreach services, or receiving services provided by a victim service provider**.

Note: According to the ESG Interim Rule records contained in an HMIS or comparable database used by victim service providers are acceptable evidence of third-party documentation in conjunction with intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates on which entries are made. **At this time, Social Solutions ETO does not allow for a historic audit trail and is not acceptable to HUD as documentation of homeless status.**

Category for Reporting	Required Documentation for Homelessness Prevention
Documentation of At-Risk of Homelessness Eligibility Status	ESG funds may be used to provide housing relocation and stabilization services and short and/or medium term rental assistance, as necessary, to prevent a household from moving into an emergency shelter or another place that would render them homeless according to HUD criteria.

Documentation of At-Risk of Homelessness Eligibility Status (Continued)	To be eligible for DHCD ESG homelessness prevention assistance the household must: • Meet the criteria for Category 2 – Imminent Risk of Homelessness • Have received a Writ of Summary Process and Complaint; and • Meet at least one of the following criteria; o have a prior episode of homelessness in an emergency shelter o have a history of domestic violence o have an adult or a child or youth with a diagnosed disability including mental illness or substance use disorder in the household Households meeting the eligibility requirements for at risk of homelessness under Category 4 (Fleeing or Attempting to Flee Domestic Violence) must also have a Writ of Summary Process and Complaint in order to meet the eligibility requirements set forth by DHCD's Request for Responses. The following documentation must be obtained and copied into each household's case record accordingly: **Category 2 - At Imminent Risk of Becoming Homeless:** (1) A court order resulting from an eviction action that requires the individual or family to leave their residence within 14 days after the date of their application for homeless assistance; In MA there is no equivalent document that terminates an individual's right to occupy a unit within 14 days. A 14 day Notice to Quit is not a court order in MA, nor does it terminate occupancy rights. Only a court can do that through an Execution Order but the time may be substantially shorter than 14 days. Therefore, **DHCD is requiring a Writ of Summary Process and Complaint.**

Documentation of At-Risk of Homelessness Eligibility Status (Continued)	The household must ALSO meet the documentation requirements for at least one of the following 3 criteria: 1. **Prior Episode of Homelessness in an Emergency Shelter**. DHCD has not set a time length on the history of homelessness, but we expect that the documentation will include information about when the episode of homelessness occurred. Acceptable documentation includes; i. a description by an outreach worker of the conditions where the household was living and the dates observed; OR ii. a written referral by another housing or service provider describing the situation and dates, OR iii. a certification by the head of household seeking assistance stating that (s)he resided in an emergency shelter or place not meant for human habitation. The certification should describe the living situation and include the dates the household resided there. 2. **History of Domestic Violence**. DHCD has not set a time frame on the history of domestic violence. Acceptable documentation includes; i. if the household received shelter or services provided by a victim service provider, the receipt of services must be documented by the intake worker or staff member who is able to verify that services were received. The certification should be on the organization's letterhead and should include the dates the incident occurred and the length of time the household was in shelter or receiving services from the victim service provider. OR ii. where the safety of the household would not be jeopardized, the domestic violence must be verified by a written observation by the intake worker or a written referral by a housing or service provider, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or any other organization from whom the individual or head of household may have sought assistance for domestic violence. The written certification should be on the organization's official letterhead, but need only to include the minimum amount of information necessary to document that the individual or family is fleeing, or attempting to flee domestic violence; OR

Documentation of At-Risk of Homelessness Eligibility Status (Continued)	iii. when verification from a housing or service provider, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or any other organization from whom the individual or head of household may have sought assistance for domestic violence from is not available a written statement from the head of household or victim of domestic violence may be provided. The written statement should include information pertaining to the incident of domestic violence and include the dates that the domestic violence occurred. 3. **Presence of an Adult or a Child or Youth with a Diagnosed Disability including Mental Illness or Substance Use Disorder.** For an individual to meet this criterion, a medical professional must verify that the individual or child or youth is physically or mentally impaired in a way that substantially limits activity, especially in relation to employment or education. DHCD has not set restrictions on whether or not that disability has to be permanent. Acceptable documentation includes; i. written verification from a licensed medical professional qualified to diagnose the disabling condition. OR ii. verification of benefits paid to the individual because of their disability including SSI and SSDI or EAEDC
Documentation of Insufficient Financial Resources and Support Networks	All DHCD ESG case records must include the most reliable evidence available to show that the household does not have sufficient resources or support networks; e.g., family, friends, faith-based or other social networks, immediately available to attain housing stability and that 'but for' the ESG assistance the household would become literally homeless. A "But For" Certification must be placed in each households file both at intake and at each quarterly re-certification. See "But For" Certification form.

Income Verification	To meet income eligibility guidelines for ESG homelessness prevention services, households must have an annual income less than 30 percent of median family income for the area, as determined by HUD. To comply with HUD standards, DHCD expects complete income information to be gathered at intake and included in the ESG assessment information in HMIS at intake and at each subsequent re-certification. **A written income calculation that demonstrates the household's annual income is below 30% of the median income for the corresponding household size in the area must be included in each participants file at intake and at each re-certification.** For each household that receives DHCD ESG Homelessness Prevention assistance, the following documentation of annual income must be gathered at intake and updated on a quarterly basis: (1) Income evaluation form containing the minimum requirements specified by HUD and completed by the ESG provider at intake and each subsequent recertification; **AND** (2) Source documents for the assets held by the household and income received over the most recent period for which representative data is available before the date of the evaluation (*e.g.,* wage stubs, unemployment comp. statement, public benefits statement, bank statement); (3) To the extent that source documents are unobtainable, a written statement by the relevant third party on the company or organization's letterhead (*e.g.,* employer, government benefits administrator) or the written certification by the recipient's or sub-recipient's intake staff of the oral verification by the relevant third party of the income the household received over the most recent period for which representative data is available; **OR** (4) To the extent that source documents and third party verification are unobtainable, a self-declaration of income completed by each adult in the household stating the amount of income the household received for the most recent period AND a written certification from the intake worker/or other staff member at re-certification documenting the efforts made to obtain third party verification of income.

Centralized or Coordinated Assessment Systems and Procedures	An ESG recipient and its sub-recipients must keep documentation evidencing the use of, and written intake procedures for, the centralized or coordinated assessment system(s) developed by the Continuum of Care(s) in accordance with the requirements established by HUD. **Note: This requirement does not go into effect until the CoC establishes the centralized or coordinated assessment system(s). This requirement is expected to be in effect within 2 years.**
Financial Payments (Rental Assistance, Move In Assistance, Utility Assistance)	Case records for each ESG household must clearly document any financial payments made on behalf of the participant as an ESG service, including: • copies of all utility statements, clearly documenting the full amount of arrears the household owed and the amount paid by the ESG sub-recipient • case records must include clear documentation of payments made to property owners for the provision of rental assistance or move in assistance, and supporting documentation for these payments, including dates of occupancy by the household. See **Lease Documentation**, **Ownership** and **Rental Agreement between Sub-recipient and Property Owner** sections below
Serving Households with a Housing Voucher or other form of Housing Assistance paid with Public Funds	Households in housing with publicly assisted rental assistance may only receive assistance with the following activities: 1. Payment of up to $4,000 for up to six months in rent arrearages for the participant's portion of the rent. 2. Mediation or legal services to resolve a landlord/tenant dispute. Sub-recipients are responsible for documenting in the case file that the eligible household was a recipient of publicly assisted rental assistance and the case record must clearly document the months of rental arrearage assistance and that the assistance offered was for the tenant portion of the rent only. All mediation and legal services offered to resolve a landlord/tenant dispute must be recorded in the household's case record according to the documentation requirements for legal services.

Relocating a Homelessness Prevention Eligible Household	If an eligible household cannot demonstrate that they will be able to maintain the cost of the unit after ESG assistance ends, sub-recipients may use ESG funds to assist with re-locating the household rather than using prevention services to help them remain in their current housing, provided that the financial services are not available to the household through other programs (including, but not limited to RAFT and HomeBase) and that the household is not moving into housing with publicly assisted rental assistance. Per the ESG RFR released by DHCD, if required by the property owner, eligible re-location costs may include: • security deposit up to 1 full month's rent • first month's rent • last month's rent Sub-recipients must obtain documentation that the household is not able to remain in their current unit and/or document that the household will not be able to maintain rent in their current unit and must move.
Lease Documentation	A legally binding, written lease for the unit between the owner and the household is required prior to a sub-recipient authorizing any payment to the property owner (including first, last, or security deposit payments.) Only when the assistance is solely for rental arrears may an oral agreement be accepted in place of a written lease and **only if** the oral agreement gives the household an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the property owner's financial records, rent ledgers or cancelled checks. The oral agreement must then be documented by the sub-recipient on the organization or property owner's official letterhead detailing the address of the unit, the rent amount, move in date, and the term of tenant occupancy. If a sub-recipient is only offering non-financial services, such as housing stability case management or legal services, then a written lease is not necessary.
Ownership	Proof of current ownership of the unit must be obtained prior to any financial payments made to the property owner. Documentation of ownership may include a copy of a deed, water bill, mortgage payment, or tax bill.

Rental Agreement between Sub-recipient and Property Owner	An agreement between the property owner and the ESG sub-recipient must be obtained and placed in the case record for every household that receives rental assistance, and or move-in assistance paid to the property owner, including first month's rent. Per HUD requirements, this agreement must set forth the terms under which assistance will be provided. The agreement must provide that, during the term of the agreement, the property owner must give the ESG sub-recipient a copy of any notice given to the household to vacate the unit used under state or local law to commence an eviction action against the household, including a 14 day notice to quit. A rental agreement between the sub-recipient and the property owner is not necessary if the sub-recipient is not offering payment to the property owner.
Shelter and Housing Standards	Habitability standards apply for all households receiving Homelessness Prevention services under ESG, including rental arrears only, or legal assistance only.* The case record for the eligible household must include a completed ESG Housing Shelter & Housing Standards Inspection Checklist or a copy of the inspection report completed by a HUD certified inspector. Lead Based Paint standards also apply for all households receiving homelessness prevention services under ESG. Visual assessments must be completed on all units receiving assistance if constructed before 1978 AND a child under 6 or a pregnant woman will live there. Documentation of the visual inspection completed by qualified staff must be kept in the case record. All staff members that will be responsible for completing visual assessments must have documentation that they are qualified to do so. HUD offers an online visual assessment training that should be completed by all staff members conducting inspections. The certification of completion by staff members should be kept with the sub-recipients ESG administrative records. The training can be found at: http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm. *In the FAQs distributed by DHCD on 10/02/2012, we stated that inspections were only necessary if financial assistance was being provided. HUD has since clarified that inspections are required for any service, including rental arrears only, or legal assistance only.

Fair Market Rent (FMR) and Rent Reasonableness	ESG requires housing units to meet BOTH rent reasonableness standards AND HUD's published Fair Market Rent standards. Fair Market Rent established by HUD may be found at: http://www.huduser.org/portal/datasets/fmr/fmrs/FY2013code/selectGeography.odn For purposes of calculating rent under rent reasonableness standards, the rent shall not equal more than the total monthly rent for the unit, any fees required for occupancy (excluding late fees and pet fees) **and,** if the tenant pays utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.
Case Management	Case management services must be offered to every ESG household with the intention of assisting the household in obtaining housing and maintaining long term housing stability. A plan must be developed to assist the household with retaining permanent housing after ESG assistance ends, taking into account the household's current and/or expected income and expenses, and other public or private assistance for which the household may be eligible. The following documentation shall be recorded in each household's case record to document case management services offered through ESG: • creation of a Housing Stability Plan • creation of a personalized budget, taking into consideration the participants current income and all expenses • documentation of monthly meetings with the case manager.* (monthly case management meetings may be completed over the phone or in-person. Quarterly re-certification must be completed in person.) • Notes and/or copies of referrals to mainstream benefits and other resources and follow up notes on whether the household was able to access the service/benefit. Case notes may be completed electronically. However, case notes must be kept in the case record for easy access and review. *A sub-recipient may be exempt from the monthly meeting requirement if the Violence Against Women Act of 1994 or the Family Violence Prevention and Services Act prohibit the sub-recipient from making its shelter or housing conditional on the participant's acceptance of services.

Legal Services	Sub-recipients may use ESG funds to pay for legal services to resolve landlord/tenant disputes, if the services are necessary to resolve a legal problem that prohibits the household from obtaining permanent housing or will likely result in the participant losing permanent housing in which they currently reside. HUD habitability standards must be met, even if Legal Services are the only service an eligible household may receive. Documentation of all legal services provided and the amounts spent on such services must be recorded in each household's case record.
Participant Sustainability	The costs of homelessness prevention services are only eligible to the extent that the assistance is necessary to help the ESG participant regain stability in their current permanent housing or move into other permanent housing and achieve stability in that housing. Sub-recipients are responsible for documenting that households receiving DHCD ESG Homelessness Prevention services can reasonably be expected to maintain the housing assisted through ESG for at least 12 months after ESG assistance ends.
Re-certification	Quarterly re-certifications are required for each household receiving homelessness prevention services through DHCD ESG. The quarterly re-certification must be completed through a face to face meeting, recorded in HMIS and must be documented in the case record by • a new ESG income evaluation form, including updated income and assets documentation • a new "But For" certification • clear case notes documenting any changes in household composition The quarterly re-certification must include a review of all financial documents and a certification that the household still lacks the resources and support networks necessary to retain housing without ESG funding. A new quarterly assessment must be completed in HMIS at each re-certification.

Termination Policies	Each ESG sub-recipient must have a termination policy in place that meets the following specifications: • Written notice to the household containing a clear statement defining the reason for termination • An appeal process, in which the household 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 • Prompt written notice of the final decision to the household Termination of ESG services does not bar the program participant from receiving further assistance at a later date if they again meet all ESG eligibility requirements.
Ineligible Applicants	Sub-recipients are required to keep a case record for each household that applies for and is determined ineligible for ESG Homelessness Prevention services by the sub-recipient. The case record must include documentation of the reason for that determination. If a household successfully completes an intake and application for eligibility and is determined ineligible for assistance, they have the right to receive in writing a notice of ineligibility* and the right to request a review of the decision. If a review of the decision is requested, the review must be performed by a staff member who is familiar with the ESG program, but unfamiliar with the household requesting the review. It must be made clear to the household requesting the review, that the review process is different than a hearing, therefore no testimony will be taken, and that any additional documentation that they would like to be considered must be included in their request for a review. The review process should be completed within 15 days of the request for review. At the end of the review, the sub-recipient should notify the household of the final decision in writing at the address provided by the applicant. *DHCD has provided a sample notice of ineligibility that may be used and adapted by sub-recipients to meet this requirement.
Services and Assistance Provided	The sub-recipient must keep records of the types of services, rental assistance, and housing stabilization and relocation services provided under the sub-recipient's program and the amounts spent on these services and whether they are costs charged to match or against the ESG grant.

Coordination with Continuum(s) of Care and other programs	DHCD and its sub-recipients must document their compliance with the requirement for consulting with the Continuum(s) of Care and coordinating and integrating ESG assistance with programs targeted toward homeless people and mainstream service and assistance programs.
HMIS	ESG sub-recipients must document participation in HMIS (or a comparable database by sub-recipients with a primary mission of serving victims of domestic violence or providing legal services.) DHCD requires that sub-recipients gather both "universal" data elements and "program" level data elements in order to successfully complete an entry assessment, quarterly assessments, and an exit assessment into the HMIS system for each eligible household. DHCD requires that all sub-recipients submit an Annual Performance Report (APR) for their program on a quarterly basis. The APR report should be pulled from your HMIS system, converted to a .pdf and emailed to elisa.bresnahan@state.ma.us. Submission deadlines are: • October 15th, 2012 • January 15, 2012 • April 15th, 2012 • July 15th, 2012 (Final APR) DHCD sub-recipients are responsible for monitoring the accuracy and quality of their data and working with their HMIS lead agency if any problems arise. Sub-recipients are also responsible for any data collected by organizations they may have sub-contracts with.
Matching	Sub-recipients must keep records of the source and use of contributions made to satisfy the ESG matching requirement. The records must indicate the particular fiscal year grant for which each matching contribution is counted. The records must show how the value placed on third-party, noncash 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.

Conflicts of Interest/ Codes of Conduct	The recipient and its sub-recipients must keep records to show compliance with HUD's organizational conflicts-of-interest requirements, a copy of the personal conflicts of interest policy or codes of conduct, and records supporting exceptions to the personal conflicts of interest prohibitions. DHCD has provided a Draft ESG Code of Conduct which includes a Conflict of Interest Policy which sub-recipients should use unless/until they have an alternate Code of Conduct/Conflict of Interest Policy. If the sub-recipient has its own alternate policy, please send an electronic copy to: Elisa.Bresnahan@state.ma.us so she can review it to make sure it addresses the issues in HUD's ESG Interim Rule.
Faith-based activities	The recipient and its sub-recipients must document their compliance with the faith-based activities requirements as listed below: • Organizations that are directly funded under DHCD's ESG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under ESG. If an organization conducts these activities, the activities must be offered separately, in time or location, from the programs or services funded under ESG, and participation must be voluntary for households. • Any religious organization that receives DHCD ESG funds retains its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that the religious organization does not use ESG funds to directly support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide ESG-funded services, without removing religious art, icons, scriptures, or other religious symbols. An ESG sub-recipient retains its authority over its internal governance, and the organization may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents. • A sub-recipient that receives ESG funds shall not, in providing ESG assistance, discriminate against an eligible household on the basis of religion or religious belief.

Other Federal requirements	The recipient and its sub-recipients must document their compliance with the Federal requirements, as applicable, including: (1) Records demonstrating compliance with the nondiscrimination and equal opportunity requirements under Other Federal Requirements, including data concerning race, ethnicity, disability status, sex, and family characteristics of persons and households who are applicants for, or program participants in, any program or activity funded in whole or in part with ESG funds and the affirmative outreach requirements. (2) Records demonstrating compliance with the uniform administrative requirements in 24 CFR part 85 (for governments) and 24 CFR part 84 (for nonprofit organizations). (3) Records demonstrating compliance with the environmental review requirements, including flood insurance requirements. (4) Certifications and disclosure forms required under the lobbying and disclosure requirements in 24 CFR part 87.
Sub-recipients and contractors	(1) Sub-recipients with sub-contractors must retain copies of all-solicitations of and agreements with sub-contractors, records of all payment requests by and dates of payments made to sub-contractors, and documentation of all monitoring and sanctions of sub-contractors, as applicable. (2) Sub-recipients and its sub-contractors must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in 24 CFR 85.36 and 24CFR 84.40–84.48. (3) Sub-recipients must ensure that its sub-contractors comply with the recordkeeping requirements specified by DHCD and HUD.

Confidentiality	(1) Recipient and its sub-recipients must develop and implement written procedures to ensure: (i) All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential; (ii) The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter; and (iii) 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 recipient or sub-recipient and consistent with state and local laws regarding privacy and obligations of confidentiality. (2) The confidentiality procedures of the recipient and its sub-recipients must be in writing and must be maintained in accordance with this section. DHCD has provided a Draft Recipient/Sub-recipient Confidentiality Agreement which sub-recipients should use unless/until they have an alternate specific Confidentiality policy. If the sub-recipient has its own alternate policy, please send an electronic copy to: Elisa.Bresnahan@state.ma.us so she can review it to make sure it addresses the issues in HUD's ESG Interim Rule.
Period of Record Retention	Documentation of each household's qualifications for ESG Homelessness Prevention must be retained for 5 years after the expenditure of all funds from the grant under which the household was served. Copies made by scanning, photocopying, or similar methods may be substituted for the original records.